There's A Better Way To Build.

KMI INTERNATIONAL

Construction Cost Report - March 2026

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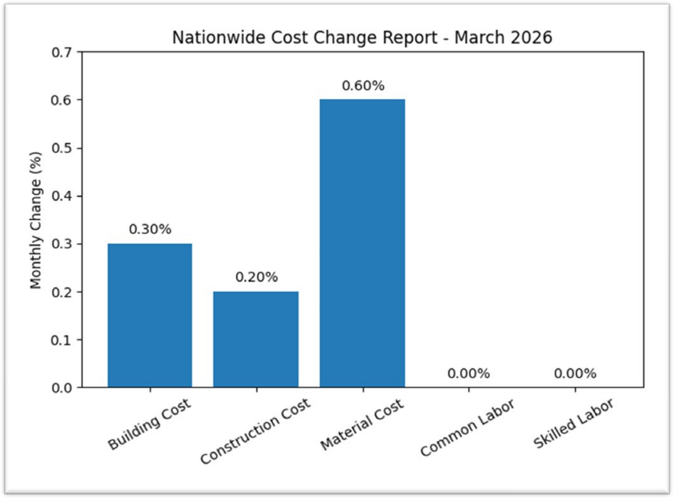
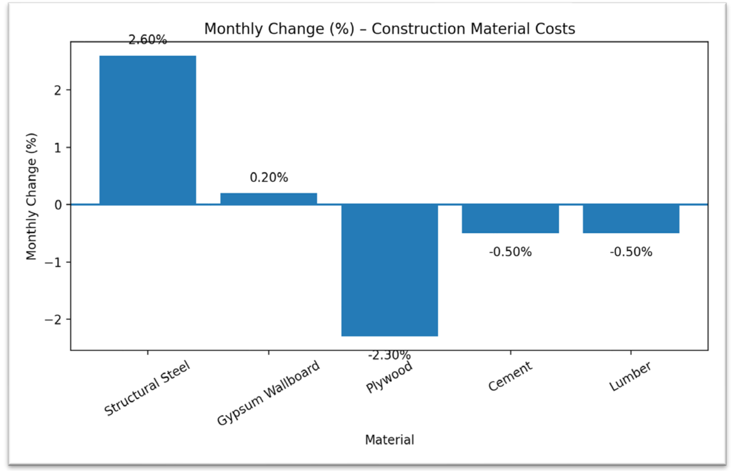
Nationwide Cost Change Report	
Description	**Monthly Change**
BUILDING COST	0.30%
CONSTRUCTION COST	0.20%
MATERIAL COST	0.60%
COMMON LABOR	0.00%
SKILLED LABOR	0.00%

Avg Commercial Construction Cost per City	
City, State	**SF $**
Atlanta, GA	$ 199.00
Boston, MA	$ 251.78
Charlotte, NC	$ 189.70
Cincinnati, OH	$ 200.22
Columbus, OH	$ 205.65
Dallas, TX	$ 188.21
Jacksonville, FL	$ 188.13
Los Angeles, CA	$ 256.55
Miami, FL	$ 195.92
New York, NY	$ 285.36
Orlando, FL	$ 191.23
Pensacola, FL	$ 188.67

		Material Cost	Monthly Change
Structural Steel ($/CWT)		$ 125.01	2.60%
Gypsum Wallboard ($/MSF)		$ 492.71	0.20%
Plywood ($/MSF)		$ 1,100.46	-2.30%
Cement ($/Ton)		$ 303.10	-0.50%
Lumber ($/MBF)		$ 867.46	-0.50%





Q1 2026 Outlook - Cost + Expectations

Overall construction costs remain stable month-over-month, with modest increases reflected in both **building (+0.30%)** and **construction (+0.20%)** cost indices—indicating a controlled cost environment despite underlying material volatility.

The broader materials basket continues to trend upward (**+0.60%**), though movement remains uneven across categories, with some commodities increasing while others show slight declines—reinforcing a "noisy" but generally balanced materials market.

Labor markets remain steady, with **no measurable monthly change (0.00%)** in both common and skilled labor—suggesting a temporary plateau in wage escalation, though underlying pressure in skilled trades may persist.

Owners with well-defined scopes and procurement strategies continue to benefit from stable bid environments, while uncertainty in materials and select trade pricing may still drive localized contingencies.

Selective cost increases remain tied to procurement timing and material-specific volatility—early buyout of key materials can help mitigate exposure to short-term pricing swings.

Materials - What's Driving the Noise

Structural steel pricing increased **(+2.60%)** this month, signaling renewed upward pressure in metals, potentially influenced by supply constraints and broader market inputs.

Wood-based materials showed mixed movement, with **plywood decreasing (-2.30%)** and **lumber slightly down (-0.50%)**, indicating short-term easing despite prior volatility trends in this category.

Despite mixed commodity-level movement, overall material costs continue to rise, highlighting that **aggregate escalation persists even as individual inputs fluctuate**—a key driver of ongoing cost variability in project budgeting.

Sources : RS Means
Sources : ENR Economics Monthly Document - https://www.enr.com/ext/resources/static_pages/Economics/2026/0316_CE_WK3_combined.pdf