

Tenant Construction Price Variation

Due to a combination of supply chain constraints and available manpower over the past 24 months construction cost escalation is running approximately 20%-25% higher.

Supply Chain Challenges

Key Construction Materials & Equipment Impacted by Supply Chain

- Building Materials: wood, steel, roofing, insulation
- Audio Visual & Security Systems: microchips, logic boards
- HVAC equipment: AC units, air handlers, specialty equipment
- Electrical & Plumbing: light fixtures, electrical gear (ATS, UPS, generators), copper, flex ducts
- Doors, Frames & Hardware: solid core wood doors, electrified hardware

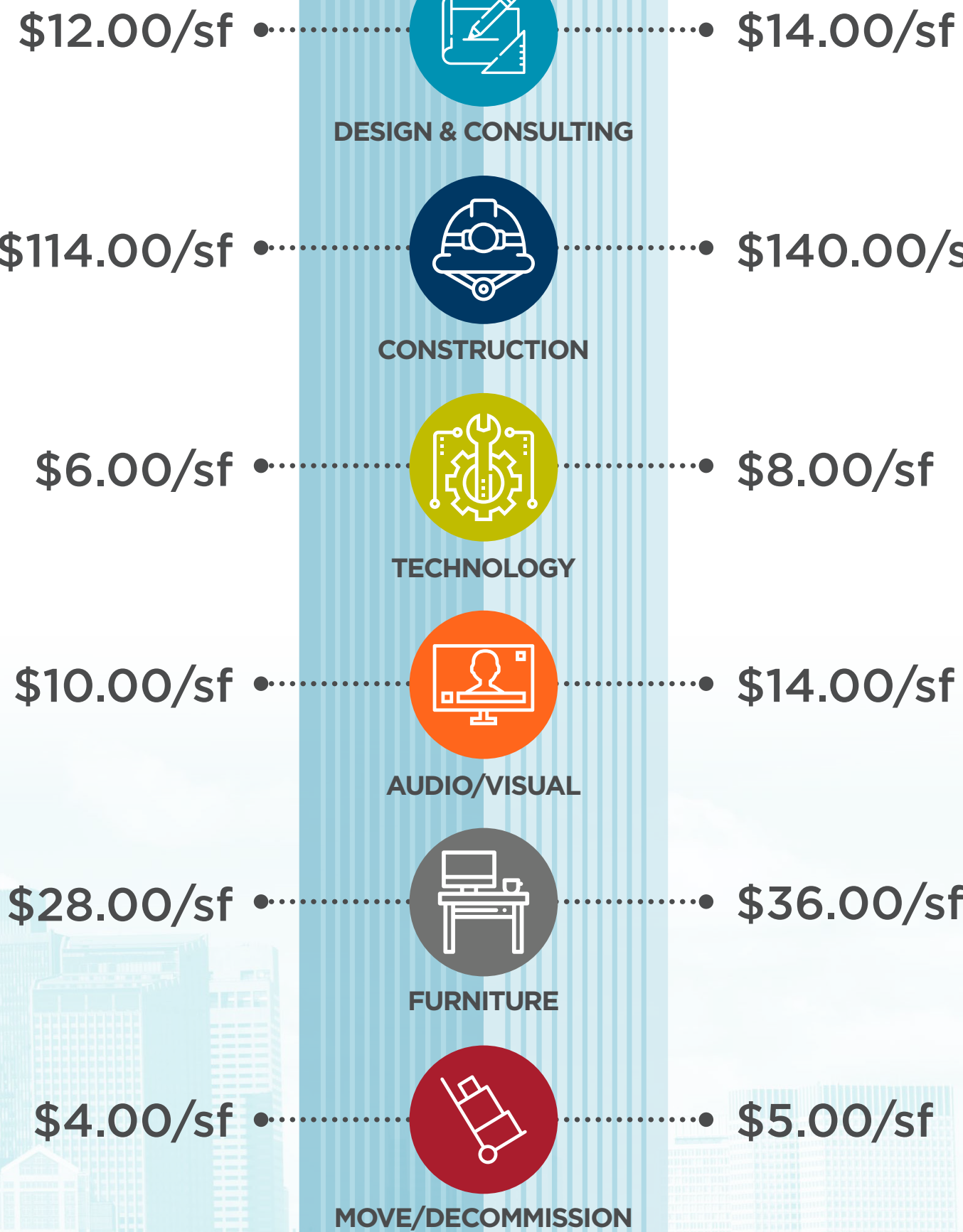
What Does this Mean?

How to Mitigate Risk

- Start the project planning early for accurate budgets, procurement strategy and development of optimized schedules.
- Build your project team as early as possible with “A” talent that can successfully build the project plan.
- Identify and be prepared to order long lead materials early and/or source local material options.

Pre-COVID-19
\$174.00/sf

Post-COVID-19
\$217.00/sf



Real Estate Schedules Are Longer

