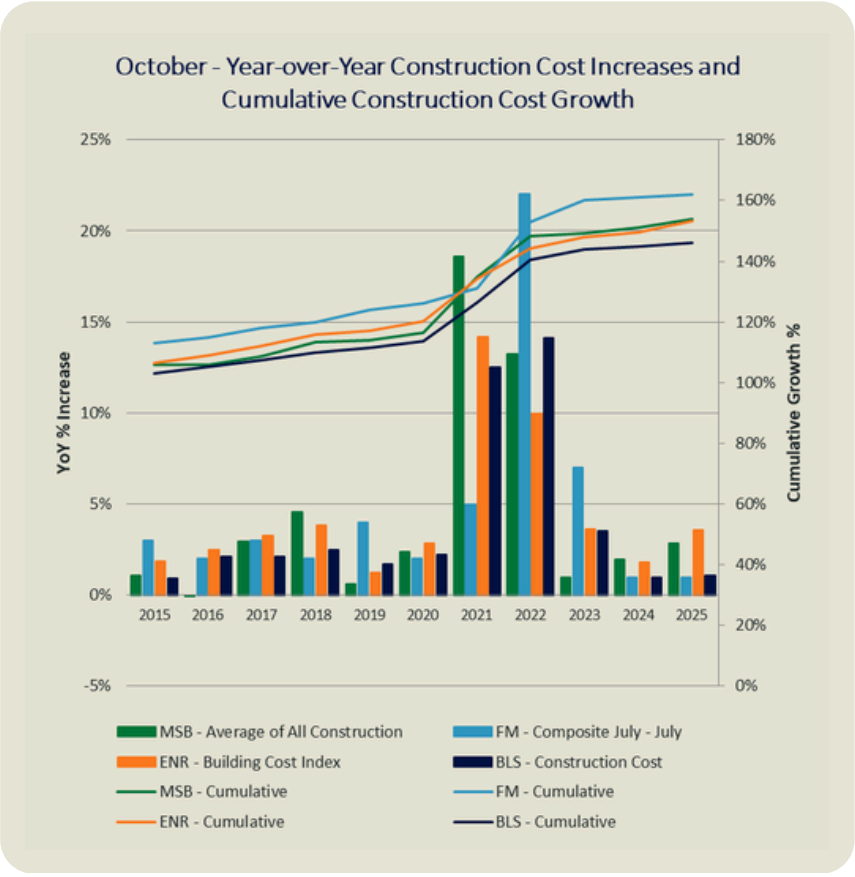


Cost Trend *Update*

October 2025



2025 Construction Cost Trends

BLS: Construction Cost
1.1%

ENR: Building Cost Index
3.6%

FM: Composite July - July
1.0%

MSB: Average of all Construction
2.9%

By Region
Eastern 3.1% | Central 2.8%
Western 2.7%

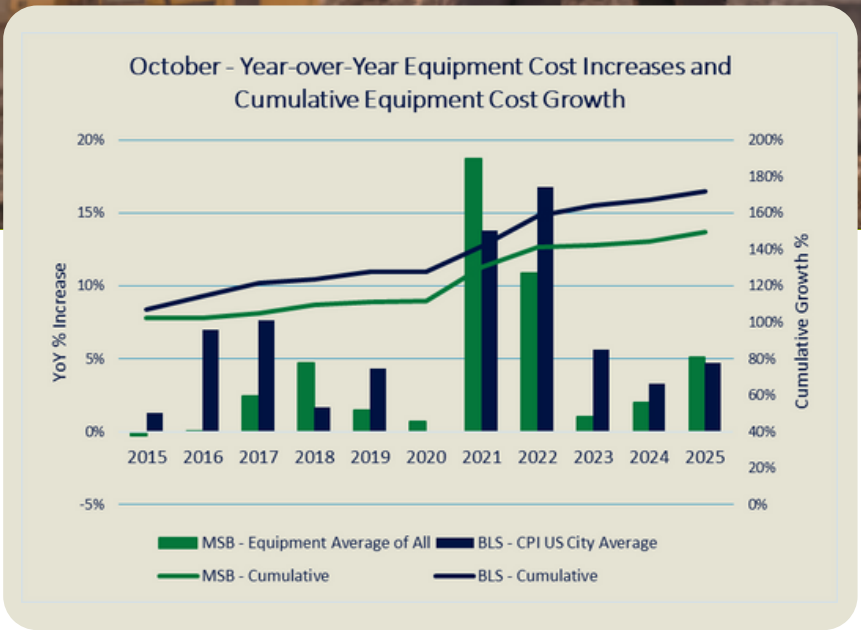
In the third quarter of 2025, construction cost trends in the United States are being shaped by several key factors, including persistent material price volatility, moderate labor cost increases, evolving supply chain dynamics and the tariff effect. Reports indicate that material prices such as copper, steel, and concrete have continued to rise—copper pipe up more than 30% for the year, rebar prices up nearly 10%, and concrete prices increasing by about 9% year-over-year. Labor conditions remain tight; although wage growth has stabilized somewhat, skilled labor shortages continue to put upward pressure on project costs.

New tariffs implemented in 2025 have introduced additional uncertainty, particularly for materials sourced from major trading partners, which may affect prices for some imported construction goods. Supply chain conditions show gradual improvement, with shorter lead times for many materials, though certain specialty items such as large generators for data centers remain subject to extended waits of up to two years. Public infrastructure investments, especially in renewable energy and transportation, continue to boost nonresidential construction activity, while some regions—such as Texas and Florida—see above-average market growth due to strong residential and commercial demand.

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Cost Trend *Update* | Oct. | 2025



2025 Equipment Cost Trends

BLS: CPI US City Average
4.7%

MSB: Equipment Average of All
5.1%

Equipment costs increased by an average of 4.9% over the past year, reinforcing the importance of staying ahead with proactive valuation updates.

Accurate insurable values are fundamental for ensuring that policyholders are adequately protected, premiums are fair, and both insurers and insured parties can operate with confidence and stability, regardless of broader market conditions.

Learn More About Our Valuation Services

Contact us today!



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Sources
Marshall & Swift/CoreLogic - Quarterly Cost Indexes
FM Global - Cost Trends - Industrial Buildings
US Bureau of Labor Statistics - Consumer Price Index
Engineering New Record
Risk Management Solutions

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