

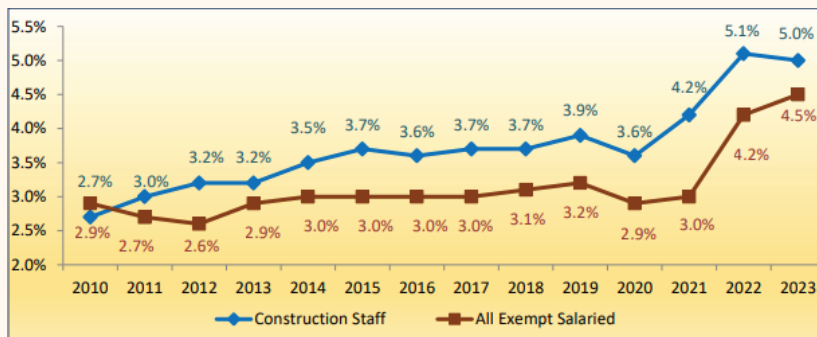
Q2 24

Construction Market Forecast and Subcontractor/Supply Chain Pulse

LINBECK

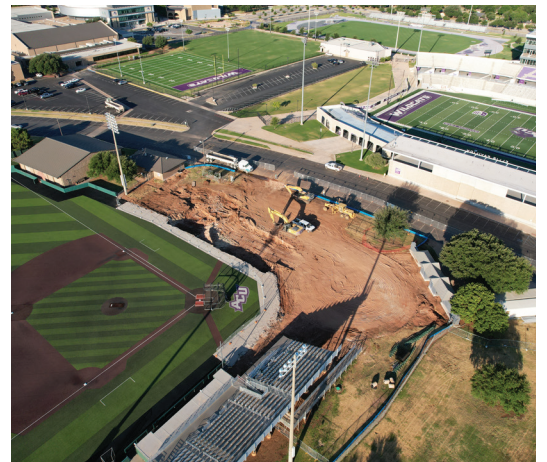
Construction Staff Wages Reported to Rise by 4.38% for 2024

According to the latest Contractor Compensation Quarterly (CCQ) published by PAS, Inc., contractors are projecting 2024 construction staff wages to increase an average of 4.38%, as reported by over 360 companies in the 42st edition of the Construction / Construction Management Staff Salary Survey. Typically, projected increases are .3% to .5% higher by year end, so there is a good chance that pay will hit 4.7% or more this year. For pay increase comparison - according to WorldatWork, across all industries, exempt professionals saw 2023 increases of 4.5% with initial projected 2024 increases of 4.1%



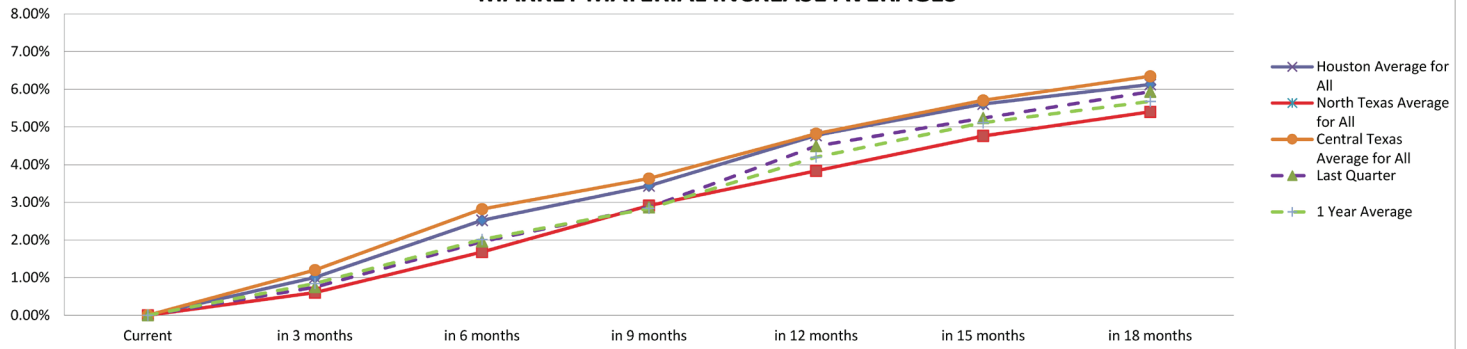
[Source and Hyperlink:](#)
[AGC News: June 25, 2024](#)

<https://www.agc.org/news/2024/06/25/construction-staff-wages-reported-rise-438-2024>

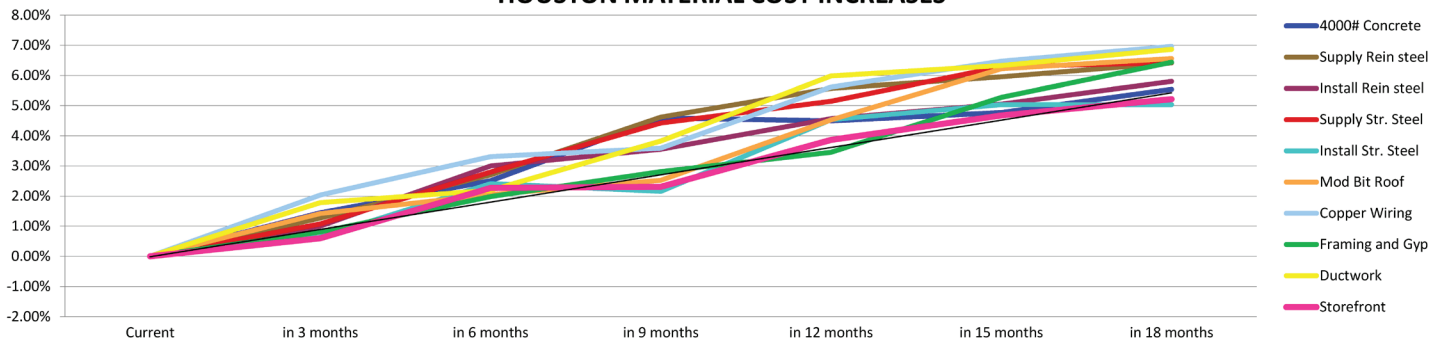


Abilene Christian University Renovation of Crutcher Scott Field and the Wildcat Baseball Facility, Abilene, Texas

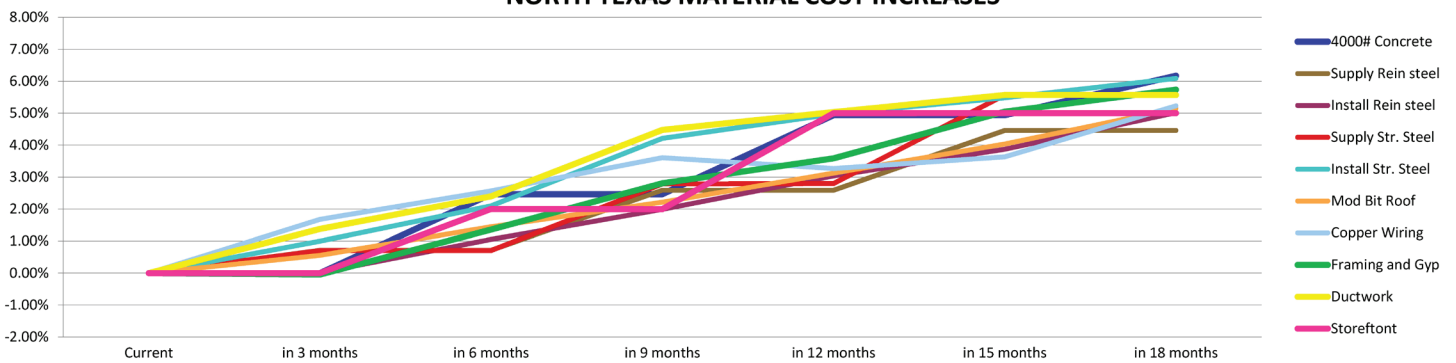
MARKET MATERIAL INCREASE AVERAGES



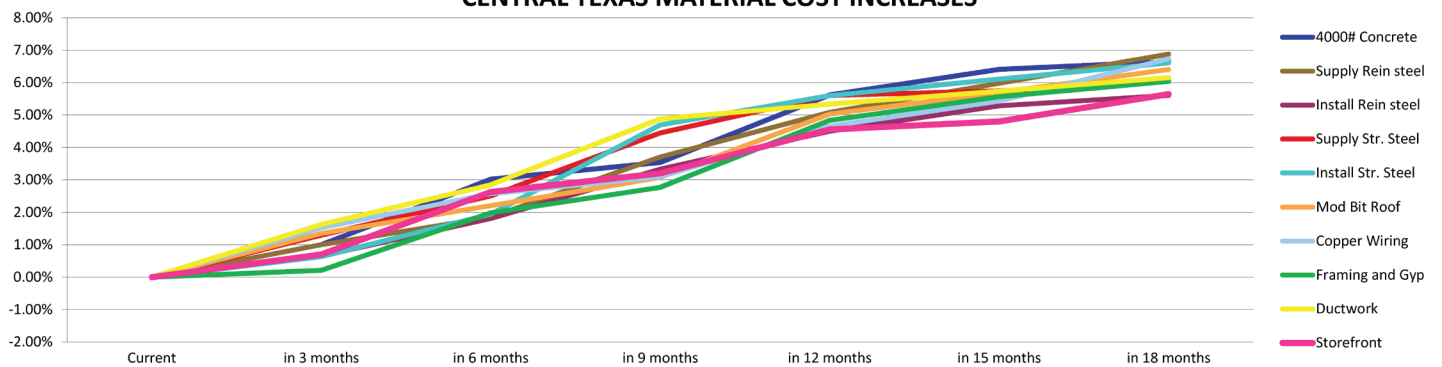
HOUSTON MATERIAL COST INCREASES



NORTH TEXAS MATERIAL COST INCREASES



CENTRAL TEXAS MATERIAL COST INCREASES



Construction Starts Increase

Nonresidential building starts fell 2% in May to a seasonally adjusted annual rate of \$415 billion. Manufacturing starts lost 14% following a very strong April, while institutional starts dropped 6%. Commercial starts gained 10% due to gains in warehouse, office, and parking starts. On a year-to-date basis through May, total nonresidential starts were up 3%. Institutional starts were 20% higher, while commercial starts were down 5%, and manufacturing starts were 19% lower on a year-to-date basis through May.

For the 12 months ending May 2024, nonresidential building starts were 7% lower than the previous 12 months. Manufacturing starts were down 32% and commercial starts

were down 11%, while institutional starts were 10% higher for the 12 months ending May 2024.

The largest nonresidential building projects to break ground in May were the \$2.1 billion Tennessee Titans Football Stadium in Nashville, Tennessee, the \$1 billion Gotion EV Battery plant in Manteno, Illinois, and the \$875 million General Motors Battery Cell factory in New Carlisle, Indiana.

[Source and Hyperlink:](#)

[Dodge Construction Network: June 21, 2024](#)

<https://www.construction.com/company-news/construction-starts-may-2024/>

Construction Input and Bid Prices Remain Tame in May; Nonresidential Craftworkers Pay Rises Steeply

Input and bid prices for construction showed mixed monthly and y/y patterns in May, according to data the Bureau of Labor Statistics (BLS) posted on Thursday. The producer price index (PPI) for material and service inputs to new nonresidential construction fell 0.6%, not seasonally adjusted, and increased 1.9% year-over-year (y/y). The PPI for new nonresidential building construction—a measure of prices that contractors say they would bid to erect a fixed set of buildings—was unchanged from April but slipped 1.0% y/y. AGC posted tables of construction PPIs.

Trends in construction pay for craft and other nonsupervisory workers have varied by subsector. Average hourly earnings (AHE) for all production and nonsupervisory employees in the construction industry increased 4.5% y/y in April, compared to 4.1% for the private sector, based on AGC's analysis of BLS data posted on June 7. AHE for production employees rose 6.5% at heavy and civil engineering construction firms, 6.4% at nonresidential building firms, 4.9% at residential building firms, and 3.7% at specialty trade contractors. (BLS does not break out residential and nonresidential trade contractors.) This variation is consistent with reports from general contractors that their labor costs are rising rapidly.

[Source and Hyperlink:](#)

[AGC's Data DiGest: June 10-14, 2024](#)

<https://constructioncitizen.com/blog/agcs-data-digest-june-10-14-2024/2406171>



The Kinkaid School New Upper School Safety Stand and Morning Huddle, Houston, Texas

Supply Reinforcing Steel \$\$/TON							Install Reinforcing Steel \$\$/TON													
		HTX		NTX		CTX				HTX		NTX		CTX						
Timeframe	\$ / LB	Delta	\$ / LB	Delta	\$ / LB	Delta	Timeframe	\$ / LB	Delta	\$ / LB	Delta	\$ / LB	Delta	Timeframe	\$ / LB	Delta				
Current	\$1,412	0.00%	\$1,340	0.00%	\$1,350	0.00%	Current	\$500	0.00%	\$505	0.00%	\$511	0.00%	3 months	\$505	1.27%	\$505	0.01%	\$515	0.65%
3 months	\$1,430	1.27%	\$1,350	0.71%	\$1,364	1.00%	6 months	\$515	2.71%	\$510	1.05%	\$521	1.81%	9 months	\$518	4.62%	\$515	1.99%	\$528	3.32%
6 months	\$1,450	2.71%	\$1,350	0.71%	\$1,375	1.85%	12 months	\$523	5.57%	\$520	3.04%	\$534	4.50%	15 months	\$525	5.96%	\$525	3.87%	\$538	5.28%
9 months	\$1,477	4.62%	\$1,375	2.59%	\$1,400	3.70%	18 months	\$529	6.41%	\$530	5.02%	\$540	5.61%							
12 months	\$1,490	5.57%	\$1,375	2.59%	\$1,419	5.08%														
15 months	\$1,496	5.96%	\$1,400	4.46%	\$1,431	5.98%														
18 months	\$1,502	6.41%	\$1,400	4.46%	\$1,443	6.88%														

Supply Structural Steel \$\$/TON							Install of Structural Steel \$\$/TON													
		HTX		NTX		CTX				HTX		NTX		CTX						
Timeframe	\$ / LB	Delta	\$ / LB	Delta	\$ / LB	Delta	Timeframe	\$ / LB	Delta	\$ / LB	Delta	\$ / LB	Delta	Timeframe	\$ / LB	Delta				
Current	\$3,500	0.00%	\$3,600	0.00%	\$3,770	0.00%	Current	\$1,618	0.00%	\$1,886	0.00%	\$1,665	0.00%	3 months	\$1,629	0.64%	\$1,904	1.00%	\$1,676	0.64%
3 months	\$3,538	1.07%	\$3,625	0.71%	\$3,819	1.30%	6 months	\$1,657	2.42%	\$1,925	2.10%	\$1,698	1.94%	9 months	\$1,653	2.16%	\$1,965	4.22%	\$1,744	4.70%
6 months	\$3,598	2.80%	\$3,625	0.70%	\$3,865	2.51%	12 months	\$1,692	4.54%	\$1,979	4.98%	\$1,759	5.60%	15 months	\$1,700	5.04%	\$1,989	5.48%	\$1,767	6.11%
9 months	\$3,655	4.43%	\$3,700	2.78%	\$3,938	4.44%	18 months	\$1,700	5.04%	\$2,000	6.09%	\$1,776	6.61%							
12 months	\$3,680	5.14%	\$3,700	2.80%	\$3,981	5.60%														
15 months	\$3,720	6.29%	\$3,800	5.57%	\$3,987	5.75%														
18 months	\$3,725	6.43%	\$3,800	5.57%	\$3,998	6.04%														

Copper Wire \$\$/LB							
		HTX		NTX		CTX	
Timeframe	\$ / LB	Delta	\$ / LB	Delta	\$ / LB	Delta	
Current	\$4.55	0.00%	\$4.51	0.00%	\$4.84	0.00%	
3 months	\$4.65	2.03%	\$4.59	1.68%	\$4.91	1.52%	
6 months	\$4.70	3.31%	\$4.63	2.57%	\$4.96	2.58%	
9 months	\$4.72	3.59%	\$4.67	3.61%	\$4.99	3.10%	
12 months	\$4.81	5.61%	\$4.66	3.27%	\$5.07	4.65%	
15 months	\$4.85	6.47%	\$4.67	3.63%	\$5.10	5.43%	
18 months	\$4.87	6.97%	\$4.75	5.23%	\$5.17	6.74%	

Frame and Gyp \$\$/SF							
		HTX		NTX		CTX	
Timeframe	\$ / LB	Delta	\$ / LB	Delta	\$ / LB	Delta	
Current	\$9.40	0.00%	\$6.90	0.00%	\$7.76	0.00%	
3 months	\$9.47	0.80%	\$6.90	-0.04%	\$7.77	0.21%	
6 months	\$9.58	1.98%	\$7.00	1.36%	\$7.91	1.99%	
9 months	\$9.66	2.81%	\$7.10	2.81%	\$7.97	2.77%	
12 months	\$9.72	3.45%	\$7.15	3.59%	\$8.13	4.84%	
15 months	\$9.89	5.28%	\$7.25	5.05%	\$8.19	5.57%	
18 months	\$10.00	6.44%	\$7.30	5.74%	\$8.22	6.04%	



Rice University, Cannady Hall Student Summer Immersion Program, Houston, Texas

Mod Bit Roofing* \$\$/SF							
		HTX		NTX		CTX	
Timeframe	\$ / LB	Delta	\$ / LB	Delta	\$ / LB	Delta	
Current	\$20.83	0.00%	\$27.25	0.00%	\$22.12	0.00%	
3 months	\$21.12	1.42%	\$27.40	0.56%	\$22.42	1.35%	
6 months	\$21.25	2.05%	\$27.65	1.45%	\$22.61	2.21%	
9 months	\$21.35	2.52%	\$27.85	2.22%	\$22.80	3.07%	
12 months	\$21.77	4.52%	\$28.10	3.12%	\$23.24	5.03%	
15 months	\$22.12	6.22%	\$28.35	4.03%	\$23.38	5.69%	
18 months	\$22.19	6.56%	\$28.65	5.15%	\$23.54	6.41%	

* 20,000 SF Roof W/4-Inch ISO

Ductwork \$\$/LB							
		HTX		NTX		CTX	
Timeframe	\$ / LB	Delta	\$ / LB	Delta	\$ / LB	Delta	
Current	\$9.71	0.00%	\$9.04	0.00%	\$9.58	0.00%	
3 months	\$9.88	1.78%	\$9.17	1.38%	\$9.74	1.63%	
6 months	\$9.92	2.19%	\$9.26	2.40%	\$9.86	2.85%	
9 months	\$10.08	3.83%	\$9.45	4.48%	\$10.05	4.88%	
12 months	\$10.29	5.98%	\$9.50	5.04%	\$10.09	5.34%	
15 months	\$10.32	6.33%	\$9.54	5.57%	\$10.13	5.74%	
18 months	\$10.37	6.87%	\$9.54	5.57%	\$10.17	6.15%	

4000# Concrete \$\$/CY							
		HTX		NTX		CTX	
Timeframe	\$ / LB	Delta	\$ / LB	Delta	\$ / LB	Delta	
Current	\$150.89	0.00%	\$162.00	0.00%	\$165.50	0.00%	
3 months	\$153.07	1.44%	\$162.00	0.00%	\$167.16	1.00%	
6 months	\$154.68	2.51%	\$166.00	2.47%	\$170.50	3.02%	
9 months	\$157.82	4.59%	\$166.00	2.47%	\$171.35	3.54%	
12 months	\$157.68	4.50%	\$170.00	4.94%	\$174.80	5.62%	
15 months	\$158.09	4.77%	\$170.00	4.94%	\$176.10	6.41%	
18 months	\$159.25	5.54%	\$172.00	6.17%	\$176.50	6.65%	

Storefront \$\$/SF							
		HTX		NTX		CTX	
Timeframe	\$ / LB	Delta	\$ / LB	Delta	\$ / LB	Delta	
Current	\$90.75	0.00%	\$100.00	0.00%	\$95.00	0.00%	
3 months	\$91.29	0.60%	\$100.00	0.00%	\$95.67	0.70%	
6 months	\$92.81	2.27%	\$102.00	2.00%	\$97.50	2.63%	
9 months	\$92.85	2.31%	\$102.00	2.00%	\$100.62	3.20%	
12 months	\$94.26	3.87%	\$105.00	5.00%	\$99.32	4.55%	
15 months	\$94.99	4.68%	\$105.00	5.00%	\$99.56	4.80%	
18 months	\$95.48	5.22%	\$105.00	5.00%	\$100.36	5.64%	

The information provided in Linbeck's Quarterly Construction Market Forecast and Subcontractor/Supply Chain Pulse is gathered from numerous local and national suppliers every quarter to provide our clients with up-to-date market news.