



June ESCALATION

Cost & Schedule Signals as Award Announcements Approach

A high-level snapshot of the cost, procurement, and regulatory conditions our preconstruction team is monitoring as TDHCA 9% Competitive Housing Tax Credit projects approach award announcements.

Why Escalation Awareness Matters in June

As award season approaches, not all project costs and schedule risks behave the same way. Some material categories are relatively stable, while others continue to experience pricing volatility, procurement constraints, or jurisdictional changes that can affect early execution planning.

This snapshot highlights the areas where we are seeing relative stability—and where development teams may want to remain attentive heading into summer.

Current Cost & Schedule Signals

Concrete

- Generally stable pricing
- Regional labor availability remains a variable
- Weather can affect early sitework and productivity assumptions

Lumber & Framing

- Modest upward pricing pressure
- Labor availability varies by market
- Productivity assumptions remain important

Electrical Gear

- Lead times have improved but remain worth monitoring
- Early coordination and equipment selections are still important
- Procurement timing can affect the construction schedule

Elevators

- Lead times can significantly influence the overall project schedule
- Particularly important for smaller, fast-paced 9% developments
- Early design coordination, release, and procurement can help protect critical milestones



Steel & Copper

- Recent upward pricing movement warrants attention
- Copper volatility can affect electrical and MEP budgets
- Steel pricing may influence structural, reinforcing, and miscellaneous metals packages

Petroleum-Based Products

- Pricing remains sensitive to oil markets and geopolitical conditions
- Volatility may affect roofing, insulation, waterproofing, asphalt, sealants, flooring, and other related products
- Market movement should be evaluated as pricing is refreshed

HVAC & MEP Equipment

- Slight upward pricing pressure
- Availability varies by equipment and system type
- Early selections and coordination help reduce procurement risk

Additional Cost Consideration: Code Adoption and Interpretation

Not every cost increase is driven by material escalation or lead times. New building-code adoptions—and varying interpretations by local jurisdictions—can introduce significant scope and cost changes without adequate consideration of their effect on project feasibility.

Early coordination with municipalities, design teams, and code officials can help identify these requirements before they become unplanned budget or schedule impacts

How Developers Use This Snapshot

Our preconstruction team actively tracks pricing, procurement, schedule, and regulatory signals to help partners validate assumptions early, identify potential exposure, and move into award with greater confidence.