Flanagan
CONSTRUCTION CONSULTANTS

Irish Construction Costs

Update January 2023

First Quarter

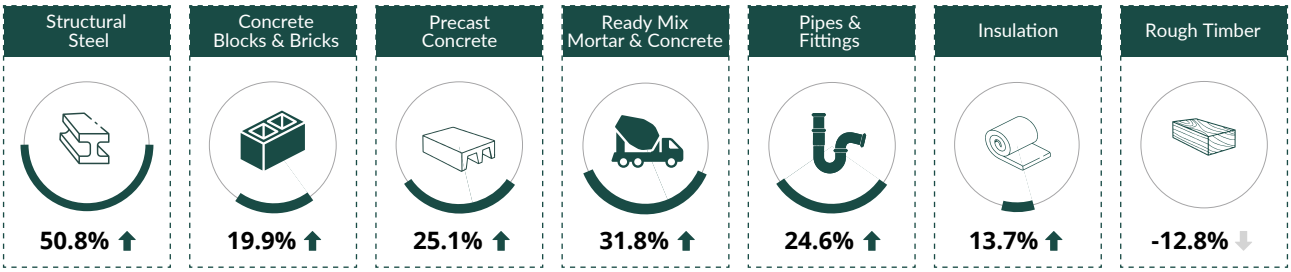
Construction Cost Movement

The Market Overview

2022 was a challenging year, which saw spiraling construction costs putting pressure on developers, property end users and contractors alike. This upward trajectory of labour and material costs resulted in the highest ever recorded six monthly construction price inflation increase of 7.5% for the first half of 2022 (see tender price index below)

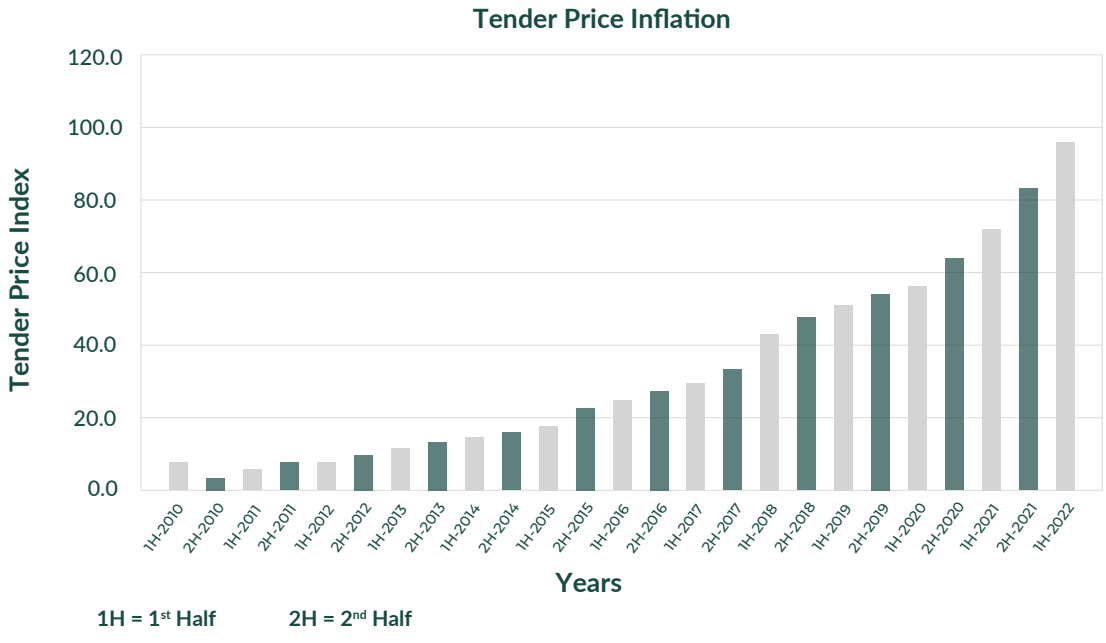
Materials

For the twelve month period up to October 2022, building material wholesale prices increased by 16.1%. Some of the largest movements included:



Challenges Ahead

Whilst some elements such as timber and rebar reduced in price in the latter months of 2022, the trend of material inflation has continued. This coupled with a shortage of skilled labour, will mean that for the first quarter of 2023 there is unlikely to be an easing of tender pricing.



1H = 1st Half 2H = 2nd Half

Source: SCSI

Construction Cost Benchmarking

Building Type	2023 (1st Quarter) Cost Range (€/sqm)
Residential	
Estate Housing - semi detached	1,250 - 1,680
Apartments - Developer Standard - four to eight storey	1,825 - 2,550
Apartments - Developer Standard - twelve to fifteen storey	2,300 - 2,900
Student Accomadation - including furniture fittings and equipment	2,350 - 2,900
Commercial Offices	
Shell & Core - Developer Standard - excluding CAT A	1,800 - 2,600
CAT A fit out	375 - 550
Office fit out - Basic Specification	450 - 850
Office Fit Out - Mid Specification	850 - 1,400
Office fit out - High Specification	1,400 - 2,450
Retail	
Shell and Core Units	1,100 - 1,650
Shopping Centre	2,050 - 3,750
Hotels - including furniture fitings and equipment	
Tree Star	2,300 - 2,650
Four Star	2,550 - 3,300
Five Star	3,000 - 5,000
Industrial	
Warehousing	775 - 1,050
Light duty industrial	1,100 - 1,450
High Spec Factory (Shell & Core)	1,200 - 1,700
Car Parking	
Surface - including drainage and lighting	110 - 450
Multi Storey	500 - 1,100
Single Basement	820 - 1,400
Double Basement	1,000 - 1,700

- Land acquisition, professional fees and financing costs are excluded
- VAT excluded
- Costs/sqm are based on GFA

About Flanagan

Our Services ensure risks are eliminated, quality of design and construction are delivered, optimum program timelines are achieved, all at the lowest price possible

Our Services Include

Quantity Surveying

- Cost Modelling & Benchmarking
- Risk Appraisal
- Value Engineering
- Tendering & Evaluation
- Contract Documentation & Administration
- Cost Planning/Management/Control
- Life Cycle Costing
- Procurement Strategy & Advise
- Tender Documentation & Bills of Quantities
- Cash Flow Forecasting

Technical Advisory

- Loan Technical Advisory
- Reinstatement Valuations
- Pre-acquisition Due Diligence
- Employer's Representation

Project Management

- Due Diligence
- Project Execution Plan
- Procurement Strategy
- Design Team Procurement
- Risk Management
- Value Engineering
- Contractor Tendering
- Construction Supervision
- Pre & Post-Handover Snagging
- Project Definition Development
- Program Management
- Operator Technical Negotiations
- Design Management
- Quality Management
- Contractor Pre-Qualification
- Contract Administration
- Commissioning Supervision

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