Q2 2025 Market Conditions Report

DPR CONSTRUCTION

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On the cover: Waterline Project | Austin, TX (photo by Danny Sandler)

INDUSTRY INSIGHTS

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Report

Photo by Danny Sandler

In This Section

Industry Insights

Phil Bartkowski
National Preconstruction Leader

Labor: The Squeeze Is On

The skilled labor shortage isn't new, but it's hitting harder than ever—especially on large-scale commercial work. As project backlogs stack up, we're still facing a serious gap in available trades, particularly when it comes to electricians, HVAC techs, and pipe fitters. Dodge's latest forecast confirms what most field teams already know: subcontractors are stretched past their limits, especially in mega-project hotspots like Texas, Arizona, and the Southeast.

On the policy side, the administration is rolling out new incentives for firms investing in trade school pipelines and internal training—something to watch as we look to shore up workforce development long-term. Bottom line? Project delays are going to get worse before they get better unless teams get aggressive about securing and holding onto trade labor early. If you're not planning that at the conceptual phase, you're already behind.

Now Hiring: A Village

The U.S. data center boom has barreled into remote and rural locations with plenty of cheaper land and power but not plenty of gigawatt-size electricians, pipe fitters or carpenters. In fact, mechanical, electrical and structural trades are in such short supply that industry executives say finding qualified construction folks is now nearly as tough as finding enough megawatts needed for rising demand. One report bluntly noted the need to "bring skilled labor to the rural areas" where these mega-projects are typically located. **It turns out building hyperscale data centers in remote areas often means that you need an entire village's worth of skilled tradespeople on speed dial**—and the labor crunch is real.

THE RESULT? TIMELINE HEADACHES.
Some roles that once took 8 weeks to fill are now taking 4+ months. When trying to staff a project the size of a small town, in a small town, no one is shocked, anymore, that the hiring signs might as well read, "Now Hiring: Entire Town." However, there are mitigation strategies we can deploy to help keep you from reaching for the Tylenol.

These large, fast-paced projects further emphasize the need to align early with key trade partners. With the "we gotta go" drive in this market, there's no time to waste on delays that can arise from misalignment with structural and mechanical trades on long-lead procurement. In doing so, we can maintain better control of the schedule and align early, prior to moving forward with a deal.

Through use of prefabrication, we can get exterior metal panels put in place at speeds far exceeding any typical tilt-panel construction. Further making the "need for speed" and hectic timeline less of a concern. Prebuilt electrical skids, mechanical pods, guard shacks—you name it, we are building it offsite to speed up the pace.

Although these hyperscale remote projects with challenging timelines remain uncommon, their popularity is growing due to the increasing demand for AI and cloud computing. **To avoid the timeline headache: get in early with key trade partners, consider prefabrication and educate teams on data center demands and labor requirements to ensure a strong backlog workforce.**

i https://www.whitehouse.gov/presidential-actions/

Trade School, Rebooted: Building Builders from the Ground Up

The construction industry has been talking about the labor shortage for years, but talk doesn't pour concrete or wire a data center. The real question is, who's stepping up to train the next generation of tradespeople? Fortunately, several organizations are moving and investing in tangible solutions.

These programs are more than just training initiatives; they're strategic investments in the industry's future. By providing accessible, practical education pathways, they're helping to ensure that the construction workforce is robust, skilled, and ready to meet the demands of modern projects.

Furthermore, DPR is investing in a program targeted at recent graduates to provide strategic training within a new hire's first 18 months. Focusing on field-specific training and on-site experience, we will have better builders long-term. Understanding the details is important. Foregoing that depth of training means that a new project engineer might only know how to handle RFIs and submittals without ever really understanding the difference between #6 and #18 rebar, or if we should put the rubber base on before or after the painter has done their work. Building better builders requires dedicated energy to provide this level of training and experience in the field.

The construction industry is thriving in the markets we serve, and it's not just growth, it's transformation. We're witnessing a shift into **new geographies, emerging technologies, and evolving expectations** around people, cost, and time.

To stay ahead, we have to think differently. That means embracing innovation, adapting to dynamic demands, and reimagining how we build—faster, smarter, and more sustainably. Whether it's navigating complex supply chains, leveraging data-driven insights, or building stronger partnerships, we're not just keeping up—we're leading the way.

WE'RE HERE FOR IT. WE'RE READY. EVER FORWARD.

TRADEWORKER TRAINING PROGRAMS

North America's Building Trades Unions (NABTU) operates over 1,600 training centers across the U.S., offering registered apprenticeship programs that combine classroom instruction with on-the-job training. These programs not only equip workers with essential skills but also provide them with family-sustaining wages and benefits from day one.

Associated Builders and Contractors (ABC) offers flexible, competency-based training programs through its 67 chapters and 23,000+ members. Their approach includes just-in-time task training and work-based learning, leading to industry-recognized credentials that prepare individuals for various construction roles.

National Center for Construction Education & Research (NCCER) provides a modular, customizable curriculum covering over 40 construction crafts and disciplines. Their programs are designed to meet the needs of diverse apprenticeship programs, ensuring that training is tailored to specific industry requirements.

YouthBuild USA focuses on empowering young people aged 16 to 24 by offering education, job training, and leadership development. Participants spend alternate weeks on construction sites and in classrooms, gaining practical experience while working towards their high school diploma or GED.

iii Unleashing American Energy – The White House

MANAGED SUPPLY CHAIN

Impacts, material prices, mitigation strategies

Photo by Danny Sandler

Q2 2025
Market Conditions Report

Supply Chain

Tim Jed
DPR Supply Chain Leader

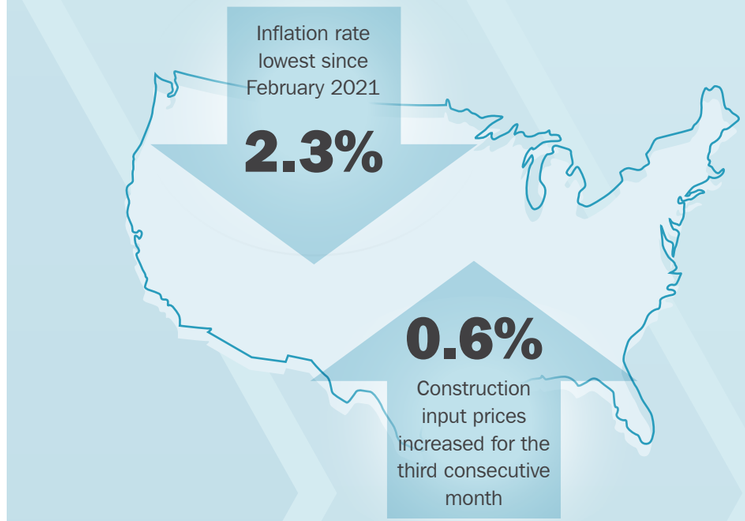
As of May 30, 2025, the content in this section reflects the most current market data available. Given the dynamic nature of the global market, changes occur daily. For the latest updates and insights, please consult your local DPR contact.

Penguin Suit Price Hikes?

We've all heard the ongoing news regarding tariffs, including those on McDonald and Heard Islands, whose main population is…penguins. So while they have no actual exports,[1] if these little inhabitants decide to export their tuxes to the U.S., it will be at a higher cost, as will any other items being exported from other countries to the U.S. Tariffs are not yet reflected in our economic data, with the inflation rate for April at 2.3%, which was the lowest since February 2021.[2]

Unemployment ticked up slightly to 4.2% in March[3] and remained at 4.2% in April, with construction hiring slowing in February, even as the construction unemployment rate ticked down from February to March.[4] Construction input prices increased by 0.6% in March, marking the third month of increases, led by steel, copper, structural metal products, lumber, adhesives and sealants, and electrical gear.[5] Architectural billings have been soft but ticked up slightly in February.[6] And despite Microsoft pausing some of its data centers,[7] Nvidia is increasing its investment in U.S. chip manufacturing.[8]

The stock market has been highly volatile in recent weeks, driven by the news of new tariffs and reports from the Fed saying that tariffs are expected to increase inflation and slow economic growth.[9] Contractors are cautious, with fewer than 26% expecting profits to rise over the next six months, and 40% expecting a decline, even though the backlog improved to 8.5 months, up 0.2 months from February.[10]



1 Trump's tariffs target Heard Island and McDonald Islands, Australian territory inhabited by penguins - CBS News
2 Current US Inflation Rates: 2000-2025
3 Civilian unemployment rate
4 Industries at a Glance: Construction: NAICS 23 : U.S. Bureau of Labor Statistics
5 Construction materials costs rise for third month on tariff pressures | Construction Dive
6 AIA | Architecture Billings Index
7 Microsoft Hits Pause Button on $1B in Data Centers in Ohio | Engineering News-Record
8 Nvidia to spend $500B to manufacture AI chips in US | Construction Dive
9 Fed Chair Powell sounds alarm on tariffs, sending stocks lower
10 Tariff fallout hits contractor confidence | Construction Dive

PENGUIN SUIT PRICE HIKES?

Some indicators are telling us things are going well, while others tell a different story. The most common questions we're being asked to address on tariffs are: **"How much will this cost?"** and **"Should we just buy everything now to lock it in?" The short answer is that it depends on the project, trade, manufacturer, and their supply chain. What is clear is that there is a lot of uncertainty regarding this topic, where we are, and where we are headed.**

In a few short months, we've been deluged with news about new tariffs, tariff rates, paused tariffs, and exceptions. Our supply chains are global, nuanced, and complex, and the details matter, making it difficult to develop a clear strategy. **This quarter, we'll take a deep dive into this topic, look at what's happened, and explore what we can do about it.**

Why Tariffs Matter to Construction

Unlike standard duties, which are indirect taxes to help moderate global trade, **tariffs are direct targeted taxes and can shift quickly based on geopolitical and economic developments.** They are intended to raise the price of imported products to make them less cost-advantaged, thereby bringing more demand and manufacturing back to U.S. producers.

The current global tariff situation is evolving rapidly and companies are reacting. We've been tracking, logging, and analyzing every notice we've received from suppliers. **Since January 20th we've already received almost 4,300 impacts with some related to cost and others to longer lead times.**

Will the tariffs work? Time will tell. The steel and aluminum industries added more than 80,000 jobs between 2017 and 2019 that resulted from the tariffs of 2017 and 2018, but the broader impact on U.S. manufacturing has been limited. **Bringing manufacturing back to the U.S. is complicated, expensive,**[11] **slow, and difficult due to existing labor constraints.**[12]

STANDARD DUTIES
Indirect taxes used to help moderate global trade

TARIFFS
Targeted *direct taxes* on imports that vary based on country

11 *Reshoring Supply Chains: Challenges & Costs Revealed in CNBC Survey*
12 *Manufacturers Revamp Supply Chains Amid Shifting Trade Policies*

Current State and Which Materials Are Most at Risk?

Even if manufacturing is brought back to the U.S., many raw materials and products used to manufacture materials will likely remain imported. With the complexity and number of goods used to produce any one item, it has been difficult to predict the true impact. This is due to three main issues:

1 Updates to the tariff 'code' are slow

The updates to the HTS (the Harmonized Tariff Schedules) are managed by the U.S. International Trade Commission, and they have been slow in coming, due to the sheer volume of changes and amount of information that needs to be updated throughout the code, which is thousands of pages long.

2 The code is complex

While the executive orders are relatively straightforward, the detailed application of the tariffs need to be stitched into the HTS at a very detailed level. With the many footnotes, cross-references, exceptions, and exclusions, proper application is complicated.

3 The supply chain is complex

Different manufacturers have different supply chains for products. In a recent analysis of a global maker of transformers and power converters, we learned that their supply chain for these products uses 1,257 unique suppliers from 156 countries. These chains shift constantly, as suppliers earlier in the chain tend to buy things more tactically. This adds time and complexity to the suppliers figuring out their end costs.

The new tariffs in 2025 include semiconductors, the removal of special country exceptions and quotas on steel and aluminum (and an increase on aluminum from 10% to 25%), tariffs on China of 30%, tariffs on Canada and Mexico of 25% for items outside the USMCA (United States-Mexico-Canada Agreement), with a 10% tariff on petroleum from Canada (which is 24% of the U.S. refinement capacity), and a global tariff of 10% on all other countries (this replaced the reciprocal tariffs that were paused for 90 days and are significantly higher for many countries). On May 28th the U.S. Court of International Trade blocked the tariffs imposed on April 2nd,[13] and an appeal made by the White House was upheld a day later, signaling a continuation of the current tariffs for now.[14] We're also seeing reports that the U.S. is assessing additional port fees to ocean carriers for vessels built in China or tied to Chinese entities, from $18 per ton or $120 per container,[15] which would add up to $2.9 million to the largest Chinese ships.

These tariffs will ripple across product costs, depending on where the material comes from, and the level of transformation of the product (e.g. raw steel, versus coil, versus studs, versus wall systems). Steel and aluminum were

Tariffs: Then vs. Now

PRIOR TO 2025

PRODUCT	TARIFF
Semiconductors	25%
Solar cells	50%
Batteries	7.5-25%
Steel products*	25%
Aluminum products*	10%

CURRENT

PRODUCT/COUNTRY	TARIFF
Semiconductors	+ 25%
Steel & Aluminum*	25%
China	10% + 20%
Canada**	25% / 10% (fuel)***
Mexico**	25%
All Other Countries	10%

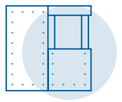
* *Exceptions for Canada, Mexico, Australia; allowed quotas for Argentina, Brazil, South Korea, the EU, Japan, and the United Kingdom*
** *Exceptions for items covered by the U.S. Mexico Canada Agreement (USMCA) which have no tariffs.*
*** *24% of U.S. petroleum comes from Canada.*

13 *Trade Court Blocks President Trump Tariffs ruling they exceed legal authority Stock Dollar Rally Fizzles as investors assess tariff roadblock*
14 *Federal Appeals Court halts decision blocking Trumps tariffs*
15 *New U.S. Fees on China-Linked Ships to Boost Domestic Shipbuilding*

CURRENT STATE AND WHICH MATERIALS ARE MOST AT RISK?

already subject to longstanding tariffs, but as much of the supply chain had already shifted to providers who were previously excluded from tariffs, we would expect these costs to be impacted. Electrical equipment and transformers contain many imported components, and Mexico is a major importer. **The chart shows the top ten items imported to the U.S. from our largest trading partners, China, Mexico, and Canada, and what we think will affect construction.**

Some products, like drywall and concrete, are domestically produced.



West Coast drywall, however, uses gypsum rock from Mexico. If the USMCA stays in place, drywall should not be impacted due to tariffs, as gypsum is protected under this agreement. However, if the USMCA is set aside, a 25% tariff on Mexican rock should be around a 3% increase to the installed price. But that's not the whole story. **The bigger concern for drywall is the additive Siloxane, which is mostly produced in China.** This is a concern because the tariffs have started trade wars, the most concerning happening between China and the U.S.

Top U.S. Imports + Potential Project Impacts

	DIRECT IMPACTS	SECONDARY IMPACTS	OTHER
	PRODUCT	PRODUCT	PRODUCT
China	Electrical Equipment		Games/Sport Equip.
	Nuclear Reactors/Boilers		Furn./Lighting/Prefab
	Plastics		Vehicles
	Iron/Steel		Optical/Techn./Medical
Mexico	Electrical Machinery	Mineral Fuels/Oils	Vehicles
	Nuclear Reactors/Machine		Optical/Medical/Surgical
	Plastics		Furniture/Beds/Mattress
Canada	Raw Aluminum	Crude Petroleum	Cars
	Sawn Wood	Petroleum Gas	Motor Vehicle Parts
		Refined Petroleum	Baked Goods
		Electricity	Gold (Unwrought)

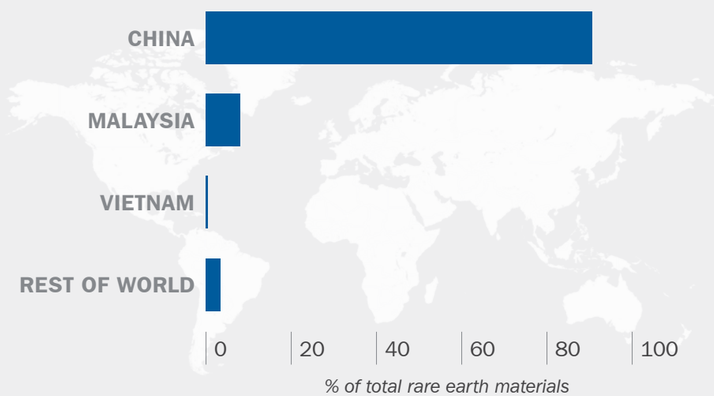
CURRENT STATE AND WHICH MATERIALS ARE MOST AT RISK?

In recent news, along with high tariffs countering the U.S. tariffs, **China announced it will be limiting exports of rare earth elements to the U.S.**[16] These are 17 materials that are used in electrical and electronic components, lasers, glass, magnetic materials, and industrial processes, with the vast majority are mined and refined in China. This could be a problem for domestic manufacturers of construction materials where rare earth materials are needed by manufacturers in the U.S. to make these products:

- Aluminum
- Steel
- Stainless Steel
- Magnesium
- Chromium
- Polishing powders
- Certain types of glass
- Certain glass colorings
- Batteries
- LED & fluorescent bulbs, CFLs, CCFLs, mercury vapor, and metal halide lamps
- Street lighting
- Capacitors, electrodes, and cathodes
- Magnets
- Fuel cells
- Control of nuclear reactors
- Certain coatings
- Luminous paint
- Certain types of eco-friendly, industrial and commercial cooling systems
- Certain green construction materials
- Fiber-optic technology
- Electric motors
- High-strength cutting tools, drill bits, and wrenches
- Welding goggles
- Structural monitoring devices
- Earthquake monitoring
- Oxygen detectors
- Hydrogen storage
- Oil refinery operating materials
- Certain healthcare-related and medical imaging equipment

Refined Production of Rare Earth Materials (2023)

Source: International Energy Agency



16 *Why China curbing rare earth exports is a huge blow to the US*

But we're seeing some encouraging news, too, including positive movement on negotiations with other countries, like the announcement in early May lower tariffs on the UK, including lowering steel to 0%.[17] There was also a deal signed with Ukraine that allows for U.S. access to Ukraine's rare earth elements. This is particularly relevant, as China, the main source of rare earths for the world, has placed export controls on seven of these materials, and the deal with Ukraine helps to provide a path to securing access to some of those materials for the U.S.[18]

Understanding the Cost Impact

In general, the less transformation that happens to a product prior to its import, the lower the impact should be. For example, if iron ore is imported to make steel in a U.S. mill, that should have a lower overall impact than if the steel is imported as a fabricated detailed structural steel beam. The question is whether the total cost of one choice is better than the other, which requires analysis. Blanket assumptions, like "there's a 25% tariff on steel so just add 25% to the installed price" should be reviewed and assessed and are likely not directionally accurate. **But tariffs on imports can also affect the pricing of items produced in the U.S. for opportunistic reasons, as some U.S. makers may increase their price beyond their cost increase.**

In cases where the final manufacture and assembly of products happens in the U.S., the cost impact should be a percent of a percent of a percent of the subcontracted value. The formula looks like this:

A * B * C * D = E

where:

A = Subcontract value of the trade

B = % of material portion of the subcontract value (e.g. electrical materials)

C = % of material that is a specific product (e.g. copper wire)

D = Tariff rate in % for the country of origin of the imported product

E = $ impact to the trade

17 Recap: Trump announces US-UK trade deal with focus on steel, autos and beef
18 Ukraine and the US have finally signed a minerals deal. What does it include?

UNDERSTANDING THE COST IMPACT

SO WHY NOT BUY NOW AND LOCK IN PRICING?

The rapidly shifting policy has made it difficult to know when to buy versus when to wait. For example, reciprocal tariffs that were in place at midnight one evening were paused by the next afternoon and then replaced with a global tariff of 10%—had you committed to buy something the day before the pause, it is likely the suppliers would have included the tariffs in their price, increasing it significantly.

So simply buying everything now is unlikely to be the best strategy. **This does, however, emphasize the importance of digging into the particulars on each item, tracking them at a detailed level in real-time, and providing that filtered, pertinent information to our front-line teams.** Our teams can then apply the information on a trade-by-trade, and manufacturer-by-manufacturer basis, prioritizing higher spend, higher risk items first to get the best project result.

"Excellence, then, is not an act but a habit." - Aristotle

At DPR we've focused in recent years on building unique and innovative tools to provide data and actionable analytics to our frontline teams. They understand the project needs best and utilize these analytics to work toward the best option for their projects, with our supply chain team and our DPR family of companies supporting our teams through ability to buy materials direct, store them, and leverage the deep manufacturer and supplier relationships we've cultivated.

A MORE TARGETED APPROACH

Understanding the details of the tariffs, how to apply them, and how to approach conversations with our partners to gain intelligence and appropriate pricing is key. **A targeted approach is best, using allowances rather than locking in the entire budget now to address potential cost impacts.** This prevents locking in pricing at unreasonably high levels that may ease over time—which has already occurred on several occasions since January.

Strategies that can be leveraged to abate tariffs include considering domestic products or items which are already in stock, purchasing early and using our flexible storage options, pre-payment to manufacturers and storing goods, as well as many other options. Open conversations

UNDERSTANDING THE COST IMPACT

between customers, design teams, and trade partners are critical. Working collaboratively, we learn and share what we know about tariffs and create an environment where thoughtful, data-driven answers and transparency are rewarded, which leads to the best project result.

It is difficult to know what the outcome will be, but there are positive signs. In a webinar hosted by the Brookings Institute, trade experts from Japan, the EU, Mexico, and the U.S. spoke about the challenges and dangers of the current U.S. position, but they also had a reconciliatory tone, and countries seem to be coming together to work through compromises, suggesting that in the end, there could be improvements in the trade deals with the U.S. juxtaposing those with the potential risks around world relations and other unintended consequences.[19] In other recent encouraging news, as we've seen an easing to the tariffs for consumer electronics[20] and news of relaxing tariffs on automotive[21] and Chinese goods.[22]

How Can We Help?

DPR has substantial supply chain expertise and experience. We understand what information is needed, where to get it, the nuances, and how to apply it. We've built tools and programs to help overcome these issues, like direct material procurement and temporary storage solutions. We've modeled different scenarios to proactively understand and build resiliency into our supply chain, and we understand the details which give us insights that others don't have, to get in front of issues and solve them proactively.

DPR's combination of the right people, programs, tools, and relationships enables us to do a better job mitigating increases and overcoming lead time challenges as we navigate the current climate of tariffs.

19 *Global responses to an American reset of international trade | Brookings*
20 *Trump Adds Tariff Exemptions for Smartphones, Computers and Other Electronics - The New York Times*
21 *Auto Stocks See Brief Spike In After-Hours Trading Wednesday As Trump Plans To Ease Tariffs On Automakers Ford, GM, Stellantis Stocks Briefly Spike In After-Hours Trading Wednesday - Ford Motor (NYSE:F), General Motors (NYSE:GM) - Benzinga*
22 *Trump Signals Easing Of China Tariffs, Says 145% Rate "Won't Be Anywhere Near That High"*

Impacts & Mitigation

Impacts

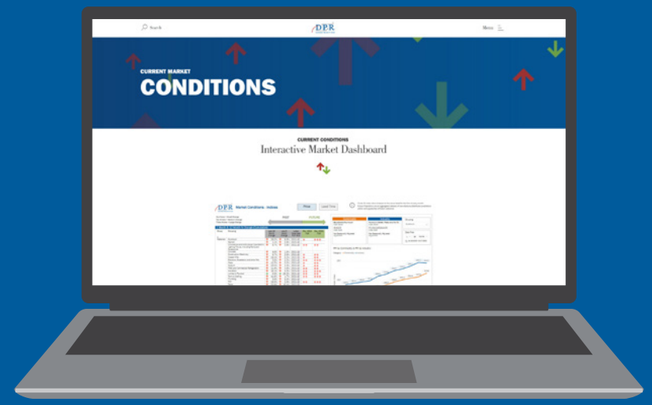
LOOKING FORWARD

These impacts are based on actual communications received from our suppliers and distributors, and may be different than the Market Conditions Dashboard, as this information is based on specific products compared to the general data in the Market Conditions Dashboard.

LOGISTICS	STATUS	RECOMMENDATION
Domestic Trucking	In Q2, trucking volumes are expected to rise between 1% to 1.6% through the end of the year.[23] Expect a modest increase in domestic trucking cost based on carriers exiting the market.	Continue to look to spot rates for best value unless operating on a well-established lane with volume.
Rail	On February 20, 2025, The Association of American Railroads (AAR) reported carloads and intermodal units were up 1.5% compared with the same week in 2024. A total of 209,216 carloads were down 4.8% year-over-year, while the intermodal volume of 271,524 containers and trailers was up 7%.[24] The slight uptick in railroad car volume is due to intermodal containers. For Q2, 2025 there are expected effects from current and future tariffs that could impact rail volume and costs.	Continue to compare rates between intermodal rail and commercial trucking to get the best value.
Ocean Freight / Containers	The U.S. Trade Representative announced a proposed action that would target China's growing influence in the shipbuilding industry by imposing fees ranging from $500k to $1.5 million per U.S. port call by any Chinese carrier, Chinese vessel, or other carrier that has Chinese vessels as part of their global fleet.[25] The U.S. Trade Representative released their Section 301 investigation, "Report on China's Targeting of the Maritime, Logistics and Shipbuilding Sectors for Dominance." This report provides trade imbalance information and justification for additional tariff and costs for using Chinese Shipping and Shipbuilding capabilities.[26]	Be prepared to pay for increased fees on Chinese owned vessels offloading cargo at U.S. Ports.

23 *https://coyote.com/resources/research*
24 *https://www.freightwaves.com/news/us-weekly-rail-volume-falls-compared-to-2024*
25 *New U.S. Fees on China-Linked Ships to Boost Domestic Shipbuilding*
26 *USTRReportChinaTargetingMaritime.pdf*

MARKET CONDITIONS DASHBOARD



Scan the QR code or click to **view the current market conditions dashboard**

https://www.dpr.com/company/market-conditions

Past data reflects the movement of PPI indices, as provided by the U.S. Bureau of Labor and Statistics and is captured and updated monthly.

Future forecast data is gathered through DPR's Supplier Relationship Management Program in coordination with leading industry manufacturers and suppliers. Forecasted data is captured and modeled quarterly as an average of several surveys to multiple suppliers within the trade.

IMPACTS LOOKING FORWARD

	MATERIALS	CAUSE	ACTION
	**Fiberglass Reinforced PVC Piping** 60-week lead time	Pre-buying to avoid tariffs.	Investigate project needs and place orders as soon as possible.
	**Switchboards** 52-week lead time	Continued long lead times.	Investigate project needs and place orders as soon as possible.
	**Medium Voltage Wire and Cable** 40 to 60-week lead time	Continued long lead times.	Investigate project needs and place orders as soon as possible.

Impacts

SINCE LAST QUARTER

	MATERIALS	CAUSE
	**Concrete Materials & Aggregate** 4-6% price increase	Due to a global shortage and unprecedented rise in the cost of raw materials our manufacturing partners continue to increase prices.
	**MEP Equipment** 5-15% price increase	Increase in demand from mega Advance Tech projects, price increase from material suppliers, and volatile market.
	**ACT, Gypsum, Finishes & Accessories** 5-20% price increase	Due to raw material inflation, macro-economic drivers, & increased fabrication costs.
	**Steel and Aluminum** 10-25% price increase	Due to raw material inflation, macro-economic drivers, & increased fabrication costs.

Pricing

We've received almost 4,300 impacts from our manufacturers and suppliers, who have communicated significant cost implications for their products. We've compiled, analyzed, and summarized what we are hearing below. **These are not negotiated prices, but rather an aggregation of the notices we've received. A trade-by-trade strategic approach is needed to evaluate each project to assess to ensure the best outcome for each project.**

TRADE NAME	AVG. CUMULATIVE INCREASE	MAX REPORTED INCREASE
Air Distribution		
Cement & Aggregates		
Central Cooling Equipment		
Central Heating Equipment		
Central HVAC Equipment		
Communications		
Compressed Air Systems		
Decentralized HVAC Equipment		
Electrical Accessories		
Electrical Distribution Gear		
Electrical Protection		
Electronic Safety and Security		
Equipment		
Facility Drainage		
Facility Electrical Power Generating and Storing Equipment		
Facility Fuel Systems		
Finishes		
Fire Suppression Piping		
Fire Suppression Pumping & Storage		
Fire Suppression Sprinkler Systems		
Fixtures		

TRADE NAME	AVG. CUMULATIVE INCREASE	MAX REPORTED INCREASE
Furnishings		
Gas and Vacuum systems		
Grounding and Bonding for Electrical		
Instrumentation for Electrical		
Integrated Automation		
Lighting		
Metals		
Openings		
Piping and Fittings		
Plumbing Fixtures		
Potable Water Storage		
Semiconductor Equipment		
Site Utilities		
Specialty Equipment		
Thermal, Moisture, Sound Protection		
Valves		
Water Heaters and Exchangers		
Water Treatment		
Wire and Cables		
Wood, Plastics, and Composites		

Mitigation Strategies:

SPOTLIGHT STORY

Raj Komuravelli
Logistics Lead

LEADING THROUGH LEAD-TIMES

In any city, commercial construction balances zoning laws, community disruptions, logistics and storage hurdles, environmental and social needs with schedule and cost. For the city and our teams, ensuring and improving access to utilities like gas, electricity and water are a shared reality, but with potentially conflicting priorities. DPR is adept at helping our owners navigate these intricacies.

Strategic Sourcing reduces lead time by 10 months

DPR is building a project in our mountain states region for a customer who has additional projects under construction, all overseen by different general contractors. On one of these other projects, a municipal requirement to lower a waterline required installation of a long lead time 36" butterfly valve. Even though DPR is not overseeing this project, the customer reached out to DPR for help. We leveraged our deep supplier relationships and went to work to source the product. Looking across our national supply chain, we located the required valve in another state. The outcome? Katy Corrigan, DPR's Get Work Leader for the Mountain States Leader shared the owner's sentiments: "YOU GUYS ROCK!!!" adding, "I am going to share all of the backstory and how you guys sourced one within a day when we were told 10 months."

Preventing Downstream Delays and Potential Outdated Equipment

On another project, the DPR pursuit team was challenged by the 32-week lead time for an UPS (uninterruptible power supply). They engaged our supply chain team with the goal to save time through direct purchase. The procurement team reached out to our supplier partners to find options, where they learned that the specified product would be obsolete after January 2026. Not only was the lead time reduced to 10 weeks, but our subject matter experts uncovered and addressed an obsolescence issue by using a different product, which prevented further downstream schedule delays.

Having in-house chain capabilities like sourcing, direct procurement, and warehousing, combined with deep subject matter expertise, is a true differentiator for DPR customers. It helps us capture benefits including pricing and lead time improvements, additional purchase and fulfillment options, and improved results. Katy Corrigan characterized the butterfly valve anecdote as "one of those little nuggets that really help us continue to show that we are the right partner. It shined a light on our procurement team just being such a differentiator and a resource when it came to helping people out in a pinch—that talent is a value they bring."

CORE MARKET INSIGHTS

Insights from our Core Market leaders on Life Sciences, Healthcare, Commercial, Higher Education and Advanced Technology trends

Photo by Danny Sandler

Life Sciences

2025 started out with unprecedented waves of federal funding cuts, tariff threats and U.S. manufacturing investment announcements. While fear of the unknown exists and we cannot predict the long-term impacts of these moves, one thing is clear—the life sciences industry is poised to make history.

RESEARCH AND DEVELOPMENT (R&D)'S LASTING IMPACTS

Federal funding reductions pose a significant challenge for drug discovery and development—spanning across universities, hospitals, government agencies and private industry—all benefiting from taxpayer dollars. Near term impacts range from extended drug approval cycles to reduced capital investment with potential longer-term impact to drug innovation and discovery. No one can predict the future, but most agree the cuts will have a lasting impact on the life sciences industry.

Regarding the R&D construction market, increased pressures on government funded research facilities, in a stalled R&D real estate market fueled by high vacancy rates, are slowing new project starts. The industry is already experiencing delayed or canceled construction of federally funded programs across multiple research institutions. The silver lining is that several of the recent U.S. based manufacturing investment announcements suggest there will be R&D components of these new programs. It should be noted that the slowdown of federal funding of projects may provide future opportunities for the funding of projects by private venture capital, but current opportunities seem limited.

Dennis Kirkpatrick
Life Sciences
Core Market Leader

Mike Marston
Life Sciences
Core Market Leader

CGMP MANUFACTURING EXCITEMENT & FEARS

The activity we've seen in the last five months has created feelings of excitement and fear as it relates to U.S. biopharmaceutical manufacturing. The recent publicly available announcements for investment in U.S. based manufacturing has breached the $300+ billion mark, forecasted over the next five years. While exciting, much of it is in direct response to existing and proposed tariffs. The increase in the cost of goods, disrupted global supply chains and general uncertainty will impact the market over the next few years. We forecast the investments will further compound the disparity between mega and small/medium sized construction projects driven by large scale Bulk Biologics, API and Fill Finish investment. In addition, while regional investment remains depressed in the NW and SW regions, opportunities continue to increase for large scale investment in the SE, Midwest and NE.

LABOR REMAINS A PRIORITY

As reported in previous market condition reports, labor remains a priority within the construction industry.

- Labor competition between emerging tech and life sciences markets, each requiring highly technical resources from limited trade pools.
- Large projects, specifically in manufacturing, are outpacing the growth of resources needed to design, construct and operate these facilities.
- Where are the trades going? In certain geographic markets many trade partners are challenged in selecting more short-term lucrative work vs more diverse work in their portfolios.
- Aging workforce and decreased attraction of talent in the construction industry.
- Over-saturation in established markets, new remote regions and emerging markets are either overwhelmed with work or do not have the local trade expertise (trades: Process, Mechanical, and Electrical). Resource limitations continue around power supply, water, etc.

RESILIENT OUTLOOK FOR THE MARKET

Despite the current challenges and uncertainties in the life sciences market, the market is expected to remain resilient with significant opportunities in drug discovery and manufacturing over the next five years. We remain highly focused on labor, market conditions, scenario planning, and selectivity for upcoming projects.

How Can We Help?

NATIONAL & REGIONAL SOURCING

With significant competition for limited resources on complex large-scale work, having a strong national and regional presence gives us greater access to attract a wider pool of craft and trade resources.

Click to learn more

PREFABRICATION DELIVERY

Optimize prefabrication to reduce on-site labor, enhance installation quality, and reduce project timelines.

Click to learn more

SUPPLY CHAIN MANAGEMENT

We mitigate potential impacts through early procurement, expediting strategies, tariff scenario forecasting, and schedule scenario planning.

Click to learn more

SELF-PERFORM ADVANTAGE

With 4,400 craft employees, we not only understand how to hire, train, and develop qualified builders but are also uniquely equipped to understand factors in addressing labor shortages.

Click to learn more

CORE MARKET INSIGHTS

Healthcare

Finding Solid Footing in a Shifting Landscape

Healthcare providers are navigating an increasingly volatile landscape underscored by disruptions, real and potential, stemming from uncertainty around future Medicaid cuts, threats to $340B program revenue and NIH funding, rising costs from tariff policies, and broader regulatory unpredictability.

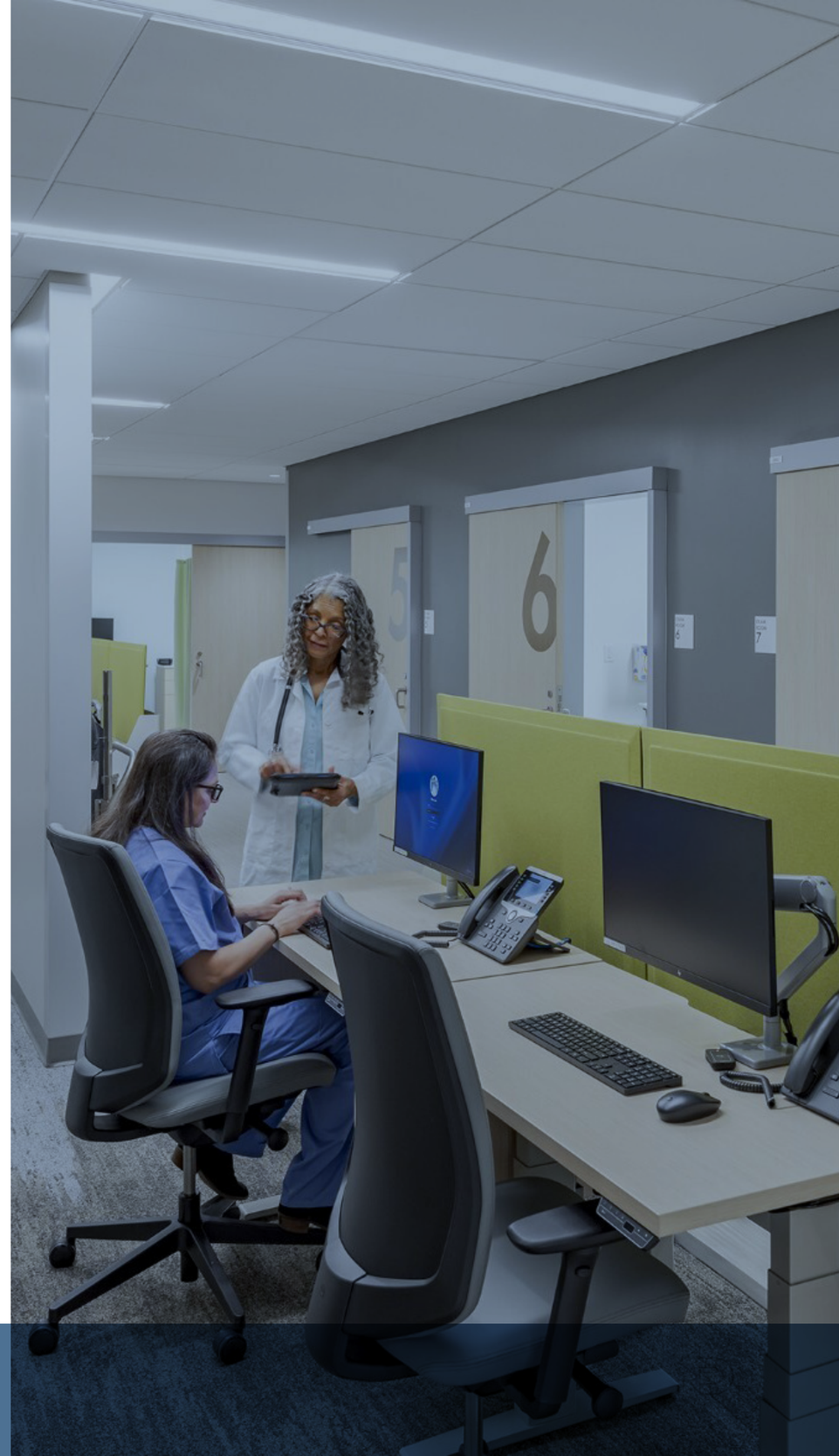
According to a 2025 Oliver Wyman analysis, policy proposals on the table could result in up to a 3.2% negative margin impact on health systems. Supplementing these findings, a January survey of 200 healthcare industry experts found that 82% expect tariff-related import expenses to drive up hospital and health system costs by 15% within the next six months. Meanwhile, though hospital average operating margins remain above 2024 averages, financial performance variability between the top and bottom performers is stark with over 40% of hospitals still operating in the red and 31% of rural hospitals at risk of closing.

Economists project a rising risk of recession this year, with projections showing a 15% increase in consumer goods costs and inflation nearing 3.5%. Unemployment could rise to 4.5% by the end of 2025. In the healthcare sector, this uncertainty is layered on top of long-existing challenges like workforce shortages, rising operational costs, and capital market constraints.

And yet, healthcare continues to show signs of strength. The Labor Department reported 228,000 new jobs in March, with healthcare employment leading that growth. Capital investment across health systems is still moving forward, with sharper scrutiny on timing, cost control, and return on investment. And as healthcare finances are under pressure, health systems are leaning into technologies like artificial intelligence and telehealth to adapt and innovate.

Hamilton Espinosa
Healthcare
Core Market Leader

Sean Ashcroft
Healthcare
Core Market Leader



PREDICTABILITY WHERE IT MATTERS MOST

Today's healthcare leaders are balancing more than just project timelines and budgets; they are managing evolving patient needs, regulatory requirements, workforce challenges, and long-term operational resilience. In a market full of uncertainty—the question isn't if your capital strategy will be tested—it's how you will respond.

DATA-DRIVEN PLANNING TO DRIVE CERTAINTY: DPR invests in real-time market intelligence. We monitor everything from equipment lead times and permit delays to labor trends and regional escalation. These insights power our quarterly market updates and inform strategic planning sessions with our healthcare clients, so you can make data-driven decisions with confidence that align with your broader mission and financial goals.

PREFABRICATION TO REDUCE RISK: Prefabrication is a powerful tool in the healthcare space, where quality, safety, and infection control are non-negotiable. Realizing the maximum benefits afforded by prefabrication strategies requires a collaborative effort from designers, contractors and the owner. In a recent healthcare project, DPR used prefabricated MEP racks, headwalls, and wall panels to streamline installation, reduce on-site disruption, and accelerate the schedule while maintaining the strict quality standards that healthcare demands.

EARLY ALIGNMENT TO DELIVER VALUE AT EVERY PHASE OF PLANNING: We leverage Integrated Project Delivery (IPD) and Lean behaviors to bring early alignment between design, construction, and clinical operations—so critical decisions happen upstream, and stakeholder voices are heard from day one. Lean methodologies help ensure we deliver value at every phase, improve workflows, and eliminate waste in the construction process and the built environment.

PROACTIVE STRATEGIES TO WEATHER ELEVATED UNCERTAINTY: Health systems must prepare for scenarios that model shifts in payer mix and anticipated higher costs due to tariff policies. Even in a turbulent market, we're helping clients respond, not just react, to protect their budgets and schedules. *"In a time when our clients are being asked to make complex decisions with limited visibility, our job is to bring certainty wherever we can,"* says Deb Sheehan, healthcare strategy leader at DPR. *"Whether it's forecasting impacts on cost and schedule or helping guide strategic facility planning, we're here to be the calm in the chaos."*

DPR is committed to helping healthcare providers navigate today's evolving landscape by rethinking procurement, refining cost models, and prioritizing project scope through real-time planning. From strategic assessments to real-time pull planning, our approach accelerates capital decision-making—advancing value and empowering clients to align real estate and technology investments with long-term organizational goals.

Healthcare Insights

Stay ahead of change with DPR's Healthcare Insights—your resource for understanding how emerging market pressures are reshaping care delivery.

https://www.dpr.com/media/collections/healthcare-insights

https://www.dpr.com/media/blog/achieving-conviction-in-capital-planning-and-development

https://www.dpr.com/media/blog/healthcare-insights-harnessing-prefabrication

https://www.dpr.com/media/blog/construction-technology-investments-impact-human-connection

Check out our Podcast

Episodes 11 & 12:
Re-evaluating Healthcare Real Estate Portfolios

https://www.dpr.com/media/blog/construction-technology-investments-impact-human-connection

Commercial

OFFICE OUTLOOK

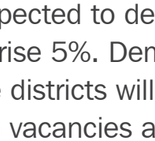
The 2025 commercial office real estate outlook continues to be cautiously optimistic, with stabilization signaling a new cycle. Office vacancy rates, hovering around 20% in major U.S. markets, are expected to decline slightly as hybrid work models solidify, with leasing volume projected to rise 5%. Demand for flight to quality, amenity-rich Class A spaces in vibrant, mixed-use districts will drive absorption, while Class B and C properties face challenges from high vacancies and sublease competition. Prime office space shortages may emerge by year-end due to reduced construction.

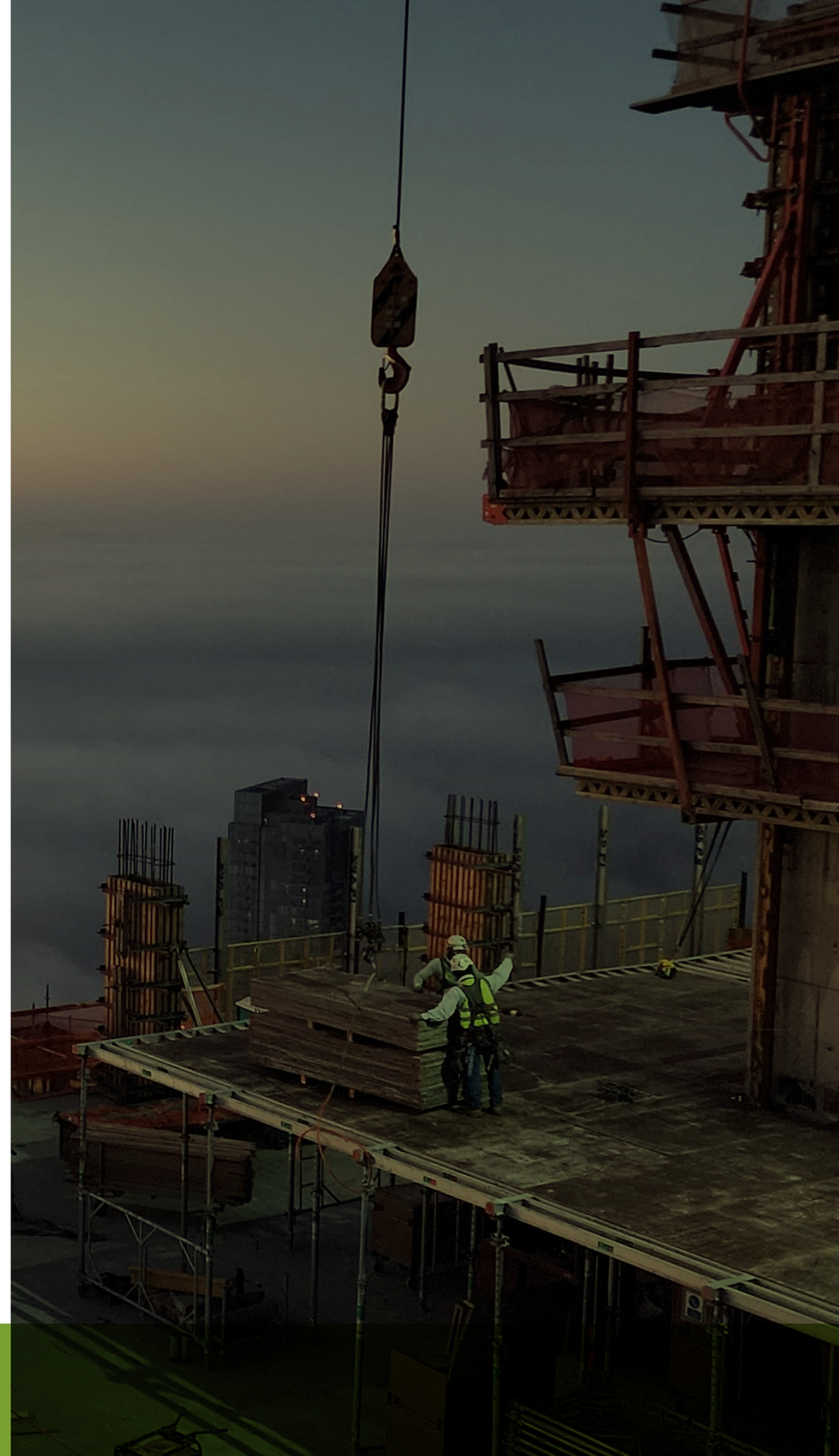
Interest rates, likely stabilizing at 4-5%, could support moderate transaction growth. A soft economic landing may boost occupier confidence, but regional disparities persist, with markets like Manhattan, Austin, and Miami showing stronger recovery.

Beyond 2025, office values may not fully recover until after 2034, with a projected 26% valuation drop through 2025 from 2019 peaks. Technology, including AI and smart buildings, will enhance efficiency, while sustainability and ESG compliance gain importance. Urbanization trends will favor mixed-use developments, blending office, residential, and retail to meet evolving demands. However, risks like banking stress or a recession could dampen recovery, favoring cash-rich investors.

Investors should focus on prime assets, modernization via adaptive reuse, and markets with strong tenant pipelines. Despite challenges, opportunities exist for strategic players adapting to hybrid work and urban trends.

Scott Lyons
Commercial
Core Market Leader





HOSPITALITY OUTLOOK

The 2025 U.S. hotel development outlook is robust, with Lodging Econometrics forecasting 730 new hotels approximately 82,538 new rooms, a 1.5% supply increase. New York, Atlanta, and Dallas lead openings, driven by upscale and extended-stay brands, which comprise 60% of the pipeline. Renovation and conversion projects remain strong, with 1,997 projects approximately 255,816 new rooms in late 2024 which was led by Washington, D.C., and Chicago.

In 2026, growth is forecasted to accelerate with 904 hotels with approximately 97,328 new rooms, a 1.7% rise, led by Dallas and Phoenix. Extended-stay hotels will see 304 openings in 2025 and 363 in 2026. RevPAR is projected to grow 2.7% in 2025, driven by ADR increases, though margins may erode due to rising costs. Beyond 2026, urban and leisure markets will dominate, with technology and sustainability shaping designs for hotel construction.

SPORTS OUTLOOK

The global sports venue construction market is set to grow at a 5.5% compounded annual growth rate, reaching $387 billion by 2034. In the U.S., over $2 billion in major league venues will open in 2025, with further growth expected from 2026–2030 due to aging infrastructure, demand for fan-centric experiences, and mixed-use developments.

Soccer is leading growth with $1.5 billion in upgrades ahead of the 2026 FIFA World Cup. Additionally, women's sports are seeing a 300% viewership surge, prompting new investments, while outdated MLB and NFL venues are driving large-scale replacements. Key drivers include economic impact, rising fan expectations, and tourism benefits.

Customer Priorities & How Can We Help?

COST PREDICTABILITY

Customers want cost predictability and the best way to lock in today's pricing is to act as fast as possible. We've seen a group of projects in a holding pattern the last 6 months that are now 4%-8% higher cost and the new major challenge of quantifying expected tariff impacts which is causing a new allowance to be introduced.

- Clear and consistent communication and quick decision making is key in these uncertain times.

SUSTAINABLE BUILDING

We are seeing renewed interest and desire to incorporate sustainable applications into building design. Many clients have specific desires to use mass timber in commercial mixed-use spaces.

- Engaging our Sustainability and Mass Timber team early is critical to avoid design rework.

Higher Education

Chaos, Disruption, Uncertainty

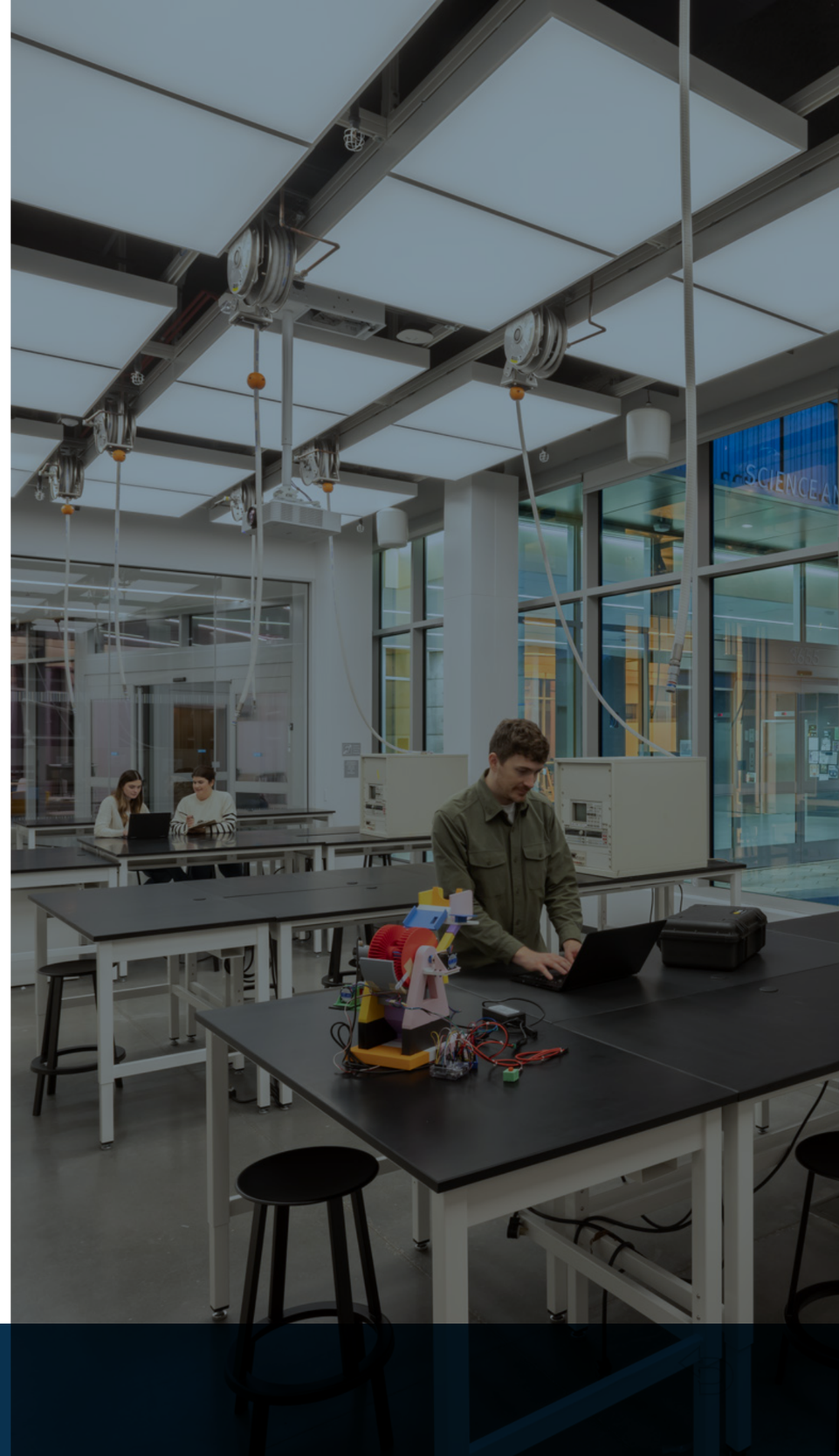
The first quarter of 2025 will likely be written into history as one of the most chaotic and disruptive periods the US Higher Education market has ever witnessed. Reductions in federal grants, proposed changes to endowment taxation, increased tariffs on materials, policy reversals related to diversity, equity, and inclusion (DEI), and moves to eliminate the Department of Education are but a few headlines dominating a tumultuous start to the year. The culmination of issues has resulted in a chaotic atmosphere wrapped in a prickly blanket of uncertainty – creating unique challenges for universities trying to navigate their capital investment and critical research strategies.

FEDERAL GRANT REDUCTIONS

Funding reductions to programs like Federal Work-Study and Supplemental Educational Opportunity Grants (SEOG), National Endowment for the Humanities (NEH), Autism Research, National Science Foundation (NSF) and NASA have created an unprecedented disruption in the Higher Education community. Proposed cuts to indirect cost (IDC) reimbursements for NIH research grants have severely impacted research-intensive universities, stalling PhD and Principal Investigator renewals and pausing critical research. Due to all the uncertainty, some construction of new laboratories, tech-enabled classrooms, student centers, and DEI mission related facilities have paused or been canceled. Several lawsuits have been filed to reverse mandates. Some institutions are diverting resources from long-term investments to meet immediate operational needs. As a result, delays, scope reductions, and even cancellations of construction projects are occurring.

> “The culmination of issues has resulted in a chaotic atmosphere wrapped in a prickly blanket of uncertainty...”

Greg Fraikor
Higher Education
Core Market Leader



TARIFFS ON CONSTRUCTION MATERIALS

Increased tariffs on imported steel, aluminum, gypsum and imported lumber will impact the cost of university construction projects—and the price increases will hit large-scale developments the hardest, particularly those involving lab facilities, student housing, and athletics infrastructure. Institutions are re-evaluating designs, considering value engineering, or turning to phased construction approaches to manage potential escalations. Q2-Q3 will be particularly important, with facility leaders watching closely to see where the myriad of specific trade deals land. In the meantime, uncertainty will reign supreme thwarting informed planning processes.

ENDOWMENT TAX PROPOSALS

Congressional proposals to significantly expand and increase the excise tax on university endowments are another point of stress. The Endowment Accountability Act, introduced in early 2025, would raise the tax rate from 1.4% to 10% and lower the qualifying per-student endowment threshold from $500,000 to $200,000 pulling many more institutions—especially elite private colleges—into the tax's reach. As endowment earnings are often earmarked for infrastructure improvements they threaten to erode key funding sources for capital projects. Institutions are already reevaluating building plans in anticipation of diminished financial flexibility.

DEI POLICY CHANGES

In response to federal pressure, many universities are reworking or downsizing their DEI-related programs. The Department of Education and other federal agencies have issued new guidance linking DEI compliance with federal funding eligibility, leading to the withdrawal or reallocation of funds at non-compliant institutions. For example, Harvard University faced a freeze of approximately $2.3 billion in federal funding due to perceived DEI policy violations. These developments not only affect university operating budgets but also influence planning for future campus spaces—such as multicultural centers and inclusive housing—that were designed to support equity and access.

ORGANIZING AND RESPONDING

More than 150 college and university presidents recently signed a statement published by the American Association of Colleges and Universities challenging the "government overreach and political interference". Several members of the Big Ten Academic Alliance have established a "mutual defense compact". Three major lawsuits challenging the NIH's cap on indirect research cost reimbursements have been filed by 22 state attorneys general, 13 universities, and the Association of American Medical Colleges, arguing the cap is unlawful and threatens essential research. Efforts are having some impacts, and a federal judge issued a nationwide injunction halting the policy which DHS has appealed to the U.S. Court of Appeals for the First Circuit. Separately, Harvard is suing the federal government over frozen funding and tax-exempt status threats, while states are challenging efforts to dismantle the Department of Education and cut teacher grant programs. All eyes are watching, as the results of the court's decisions will have major implications.

CONCLUSION

The higher education market is facing a perfect storm of challenges: financial aid cuts, rising materials costs due to tariffs, the threat of punitive endowment taxes, policy shifts around DEI all on the heels of the enrollment cliff and COVID. The cumulative effect of these forces is an environment of lingering uncertainty creating some pauses in campus development activity. During the pause however, some are pivoting toward renovation, maintenance, and cost containment projects. Forward-thinking universities are seeking new models of funding—such as public-private partnerships and new donor campaigns. Still, the road ahead remains fraught with financial and political uncertainty, demanding agility and strategic foresight across the sector. Strap in tight it's going to be a bumpy ride.

How Can We Help?

Interested in learning more? Take a look at some of our higher education resources available at dpr.com.

https://www.dpr.com/construction/expertise/prefabrication

Advanced Technology

Advanced Manufacturing

TARIFFS AND ADVANCED MANUFACTURING: COST PRESSURE & POLICY FALLOUT

The recent wave of U.S. tariffs—particularly on imported steel, aluminum, and electronics—has created significant headwinds for the advanced manufacturing sector. Tariffs have sharply increased the cost of raw materials used in sectors like semiconductor fabrication, aerospace, and clean energy. These rising costs are eroding already thin profit margins and forcing many companies to reconsider or delay capital investments. While designed to protect domestic manufacturing, industry groups like the National Association of Manufacturers warn that tariffs are having the opposite effect—undermining U.S. competitiveness, delaying major projects, and disrupting construction supply chains.

According to the U.S. International Trade Commission, Section 301 tariffs led to a 70% drop in semiconductor imports, while U.S. production rose only 1.2%, highlighting the current limits of domestic capacity expansion.

SUPPLY CHAIN STRATEGY SHIFTS: RESHORING AND REGIONALIZATION

Tariff uncertainty and global disruptions are prompting companies to reevaluate supply chain strategies. Manufacturers are investing in reshoring, stockpiling domestic inventory, and choosing site locations that minimize exposure to foreign dependencies. Nvidia's investment in a Texas-based AI supercomputer manufacturing facility is a prime example of this regionalization trend. However, these shifts come at a high cost. While reshoring can offer long-term resilience, the near-term consequences include increased overhead, capital strain, and workforce demands that challenge both owners and builders.

John Arcello
Advanced Technology
Core Market Leader

John Vardaman
Advanced Technology
Core Market Leader

ECONOMIC IMPACTS AND PROJECT DISRUPTION

The broader economic effects of tariffs are becoming more visible. The Tax Foundation estimates long-term U.S. GDP reductions of up to 1% due to tariffs and retaliatory measures. Some steel-related jobs now cost the economy up to $650,000 per job preserved. These conditions are leading to rising consumer prices, stalling innovation, and prompting companies to pause or cancel major manufacturing and construction projects—particularly those initially backed by government funding.

NEAR-TERM STRAIN, LONG-TERM OPPORTUNITY

While the short-term outlook includes rising construction costs, delayed projects, and fluctuating government incentives, there is still optimism. Strategic investments in workforce development, infrastructure resilience, and domestic manufacturing capacity can position the U.S. for growth. The CHIPS Act and other federal programs may catalyze long-term benefits, but near-term pain from supply chain instability and funding uncertainty will continue to challenge project delivery.

Mission Critical

TARIFFS AND DATA CENTER CONSTRUCTION: RISING COSTS BUT STILL PRESSING FORWARD

We're not seeing delays directly due to tariffs. However, the rising costs seem to cause brief hesitations to overcome while launching projects which are compounding the challenges of meeting aggressive delivery schedules, where speed-to-market is critical.

ENERGY INFRASTRUCTURE STRAIN: A COMPOUNDING CHALLENGE

The tariff whiplash is only amplifying pre-existing challenges related to energy availability. Reliable and timely delivery of power infrastructure—such as transformers, generators, substations, and switchgear—has become more difficult, leading to potential delays and deterring new investments in high-growth areas.

GLOBAL SUPPLY CHAIN DISRUPTION: IT HARDWARE AND EQUIPMENT

Tariffs are not only affecting domestic construction materials but are also disrupting the global supply chain for essential data center equipment. Foreign manufacturers of critical components—including electrical gear, racks, servers, and cooling systems—are facing higher export costs, which are being passed down the line. These disruptions are causing delays in hardware availability and forcing operators to reevaluate their IT equipment refresh cycles. The global interdependence of data center supply chains means that these challenges ripple through the industry far beyond U.S. borders.

STRATEGIC RESPONSE: RETHINKING SITE SELECTIONS AND PROCUREMENT

In response to these pressures and dynamics out of any one's control, data center operators and developers continue to pursue multiple sites, energy solutions and suppliers for diversification. Some are choosing to shift site selection toward regions with more stable energy infrastructure or lower construction input costs. Others continue to pursue remote locations with alternative power source variations other than the utility grid that may take 2-4 years for fruition. Others are focused on increasing domestic sourcing, engaging in early procurement for long-lead items, or leveraging prefabrication to mitigate risk. While these changes can offer resilience, they often require additional planning, cost, and schedule considerations in an already constrained labor and material environment.

How Can We Help?

SUPPLY CHAIN DIVERSIFICATION

DPR's national and international procurement teams actively source from multiple regions to reduce exposure to tariff-impacted suppliers.

Click to learn more

PREFABRICATION AND MODULARIZATION

By prefabricating key systems (e.g., MEP racks, structural elements) off-site, DPR reduces material waste, labor demands, and schedule impacts—all critical in high-cost environments.

Click to learn more

STRATEGIC PROCUREMENT & EARLY BUYOUT

Leveraging early design engagement, DPR secures long-lead materials and locks in pricing before tariff volatility escalates.

LOCAL MATERIAL SOURCING

DPR prioritizes sourcing from U.S.-based suppliers and manufacturers when feasible, reducing dependency on imported materials and potential delays.

SCHEDULE FLEXIBILITY & CONTINGENCY PLANNING

DPR's preconstruction teams model multiple delivery scenarios to account for possible material disruptions and inflation risks.

CLIENT-CENTERED PLANNING

DPR works closely with owners to reevaluate material selections and delivery strategies based on evolving tariff impacts, ensuring informed decisions and predictable outcomes.

Q2 2025 Market Conditions Report

DPR CONSTRUCTION

Resource Materials

Information in this report is compiled from third-party reporting that is available to the public. It is not owned by DPR Construction.

United States Census Bureau
https://www.census.gov/

United States Department of Labor
https://www.dol.gov/

United States Energy Information Administration
https://www.eia.gov/

United States Chamber of Commerce
https://www.uschamber.com/

United States Bureau of Labor Statistics
https://www.bls.gov/

Engineering News Record
https://www.enr.com/

American Institute of Architects
https://www.aia.org/

Cumming Corporation
https://cumming-group.com/

Dodge Construction Network
https://www.construction.com/