

LINBECK

Subcontractor/Supply Chain Pulse



Q1 2026



Linbeck's Quarterly Construction Market Forecast and Subcontractor/Supply Chain Pulse gather data from various local and national suppliers each quarter to keep clients informed about market news.

Concrete



Effective April, concrete pricing is projected to increase by approximately \$5-\$6 per cubic yard. Despite this adjustment, market fundamentals remain stable, with consistent lead

times, reliable availability, and no current labor-related disruptions.

Producers are expanding capacity through the hiring of additional mixer operators while closely tracking competitor pricing and service levels. Input cost risk remains a key consideration, particularly potential volatility in fuel prices driven by ongoing geopolitical tensions in the Middle East, which may introduce further upward pressure on delivered costs.

Masonry



Masonry market conditions remain stable, with no significant disruptions to materials or labor beyond typical annual inflationary trends. Lead time constraints are generally limited to

specialty materials, while labor availability has tightened modestly, necessitating approximately a 5% wage increase to maintain workforce levels. Material costs continue to face upward pressure, with tariffs contributing to an estimated 9% increase compared to 2025 levels, indirectly impacting key inputs such as cement and reinforcing steel. Broader Q1 2026 cost data reflects persistent inflationary pressure across the this sector.

Metals



Steel market conditions remain constrained, with sustained demand driving lead times to approximately 22-24 weeks and pushing fabrication start dates out 6-8 months. This backlog

reflects continued strength in large-scale industrial and technology-driven projects. Pricing has increased from roughly \$86 to \$106 per hundredweight (\$1.06/lb), with contractors carrying 4%-6% escalation to account for ongoing market volatility and tariff-related impacts. These factors continue to pressure overall project costs. Labor availability is an emerging risk, particularly across North and West Texas, where a concentration of data center and semiconductor facility construction is intensifying competition for skilled steel labor. This demand is contributing to upward wage pressure and may further impact pricing and schedule reliability in the near term.

Millwork



Millwork market conditions remain stable, though lead times have increased from 3-4 weeks to 4-6 weeks when materials are unavailable. Lead times for metal casework, flexible furniture, and fume hoods remain extended at 10-12 weeks. Pricing continues to trend upward due to tariffs and fuel surcharges, sustaining cost pressure across materials and fabrication. Labor remains a key constraint, with shortages of skilled craftsmen driving wages to record levels and limiting capacity across both shop and management functions. Primary risks include continued tariff-related cost volatility and increased freight/fuel charges.

Waterproofing



Market conditions remain generally stable, though material pricing is seeing moderate increases—metal products are up 10%-15%, insulation is up 1%-3%, and freight cost increases range from

1%-2% up to 25% in some cases. Labor is available but tightening, with wages projected to rise 3%-5% amid a shortage of skilled workers and increasing competition. Key risks to monitor include further freight escalation, tariff impacts on sheet metal, and broader economic or geopolitical factors that could influence demand and pricing.

Roofing/Enclosure System



Roofing market conditions and pricing trends are generally tracking alongside increases in waterproofing materials and associated delivery costs. Material cost escalation continues to be the

primary pricing driver, with manufacturers projecting increases of up to approximately 8% entering Q2 2026. These adjustments are largely attributed to rising petroleum-based input costs, steel components, and ongoing tariff impacts. Supply chains are functioning reliably, and no significant disruptions have been identified.

Labor availability remains relatively steady overall; however, isolated instances of competitors losing crews indicate a potential for localized labor disruptions that could impact project execution.

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Storefront/Curtainwall



Glazing market conditions are seeing moderate material impacts, with aluminum products driving storefront and curtainwall lead time increases of 2-4 weeks and pricing up 5%-10%, while hardware has risen 15%-25%. Energy surcharges remain elevated at approximately 11.5%-13% due to geopolitical factors. Labor availability is generally stable, though skilled labor shortages and rising costs of living remain considerations, with potential future risks tied to overseas conflict and added fees.

Framing, Drywall, & Ceiling



Drywall market conditions reflect moderate cost increases, primarily driven by tariffs and broader inflationary pressures. Metal prices are rising in response to mill cost increases, while gypsum board and related materials are also experiencing inflation-driven upward pressure. Overall, supply chain disruptions remain minimal, maintaining stable material availability. Labor conditions are generally steady; however, competition from out-of-town projects is drawing workers away, contributing to higher overtime requirements and potential localized labor constraints. Key risks to the market include volatility in oil prices and geopolitical factors that may impact freight and logistics costs, which could further influence drywall pricing and project schedules.

Flooring, Tile, & Stone



Flooring and tile market conditions are experiencing material cost increases of approximately 5%-10% to 6%-10%, largely driven by tariffs on imported goods, while domestic products remain stable. Lead times for imported materials have extended to 8-10+ weeks, with slight increases in tile as well. Labor remains stable, though wages are rising 5%-8%, with ongoing risks tied to freight costs and global market conditions.

Fire Protection



Regarding supply and lead times, fire sprinkler market conditions remain stable in Q1 2026; however, material costs have increased approximately 9%-10%, with steel prices rising amid broader market volatility. Labor continues to be a significant constraint, as the workforce has declined roughly 50% over the past five years, creating shortages of skilled installers and sustained upward pressure on wages.

Plumbing



While supply chains show signs of normalization and lead times for many plumbing components have stabilized, risks associated with input price volatility—particularly related to energy and freight costs—remain relevant. Material costs have experienced moderate upward pressure, particularly for key inputs such as copper, PVC, and plumbing fixtures, consistent with broader inflation and tariff-related impacts seen in other MEP categories. Labor availability remains a significant factor for commercial plumbing. Skilled plumbers and mechanical trades continue to be in high demand, with workforce shortages driving increased wage costs.

Low Voltage



Telecommunications market conditions are tightening due to data center demand, with fiber lead times at 6-8 weeks and overall materials ranging 4-20+ weeks, alongside cost increases of 10%-25%. Labor has stabilized, but wages remain elevated, increasing up to 25%-50% due to competition for skilled workers.

Mechanical



HVAC market conditions are stabilizing in some areas, with most equipment lead times returning to normal, though materials tied to data center work—such as steel pipe and valves—are seeing 5%-10% price increases and tightening availability alongside high copper pricing. Labor remains a key challenge, with shortages of pipefitters and welders driving increased wages, overtime guarantees (approximately 58 hours per week), and added incentives to stay competitive.

Electrical



Lead times for switchgear—especially 4,000-amp panels—have sharply increased due to new electrical code metering requirements and the continued boom in data-center construction. Generators are also still experiencing the same long lead times for the same reason. There are minor labor shortages, but keep an eye on skilled labor availability and experience as the data centers ramp up on electricians. Copper prices, however, continue to climb to record highs, due to supply disruption, tariff uncertainty and supply shortages, adding additional cost pressure on electrical materials.

Elevators



Elevator market conditions are seeing modest impacts, with tariffs driving an anticipated 5% increase in material costs and lead times extending by 2-3 weeks, though availability remains unaffected. Labor conditions are stable with no notable changes.

2024-2025 Labor Rate Escalation

