Buildcost
Chartered Quantity Surveyors

Second Half 2026 Construction Cost Guide

Executive Summary

Commercial construction cost inflation has gathered pace, with tender prices increasing 3% in the first half of 2026, the strongest six-month rise since the second half of 2022.

Annual tender price inflation now stands at approximately 4% in the 12 months to June 2026, up from 2.5% in 2025.

Market Sentiment

Tender price inflation picked up across all regions in the first half of 2026, with Munster at **3.3%**, Connacht / Ulster at **3%**, Dublin at **2.5%** and Leinster excluding Dublin at **2.3%**. In relation to annual increases, Munster and Connacht / Ulster lead at (**4.8%**,) followed by Dublin (**2.5%**) and Leinster excluding Dublin (**2.3%**).

Key Highlights

- Skilled labour availability, material price volatility, supply chain uncertainty, and planning and grid capacity will remain central constraints through the remainder of 2026.
- CSO data shows copper up **8.7%**, pipes and fittings up **7.9%** and PVC pipes up **5.4%** in the 12 months to June 2026.
- Sectoral Employment Order (SEO) wage increases, effective August 2026, are adding to labour cost pressures across the sector.

Short-Medium Term Expectations

We expect tender prices to rise further in the second half of 2026. Material price instability, skilled labour shortages, the SEO increases, and data centre construction across mainland Europe, which is tightening supply further, are placing renewed upward pressure on pricing. Geopolitical uncertainty, particularly the Middle East conflict and its impact on supply chains and oil-based material prices, remains a potential risk, alongside uncertainty around US foreign direct investment.

Approximately **84%** of Chartered Quantity Surveyors place the market in an upswing phase or at its peak. For many projects, the issue is no longer simply whether material costs are rising, but the extent to which contractors can confidently price materials over the life of a tender and construction programme.

Buildcost's current project pipeline indicates a mixed outlook across the following sectors:

- **Residential:** H1 2026 completions of **15,679** put the market on course for circa **40,000** homes this year. Starts have rebounded sharply from the 2025 collapse, but the commencement gap will still be felt in 2027 output.
- **Commercial:** Dublin office take-up strengthened through the first half of 2026 and vacancy is falling, yet effectively no speculative development is underway and around **80%** of this year's completions are already pre-let. Without new starts, a supply crunch and prime rent growth of circa **10%** are expected.
- **Public Infrastructure:** Record NDP capital allocations continue to meet persistent planning, grid, and capacity constraints. Output growth is expected to be modest in 2026 before accelerating from 2027 as investment in transport, energy, and water is delivered.

Buildcost Directors



Liam Langan
Director



Jason Tully
Director

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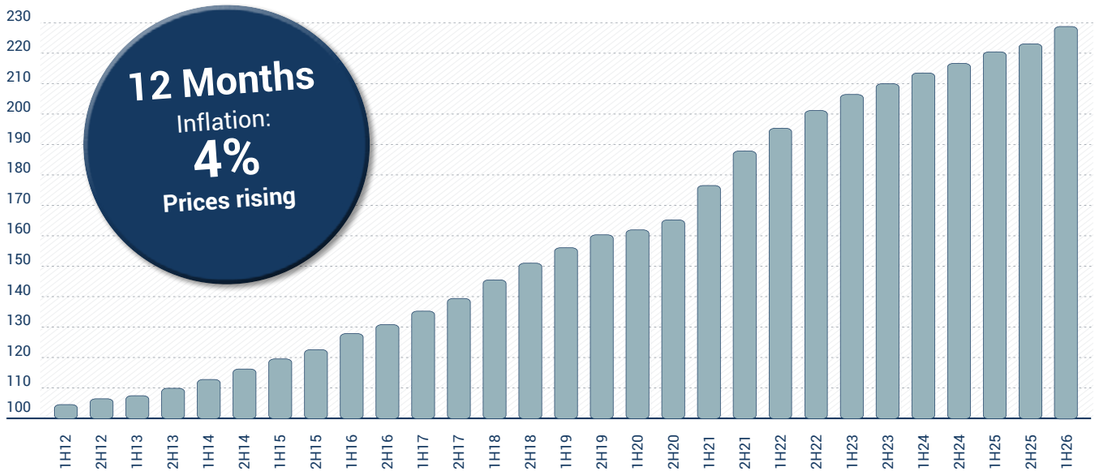
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SCSI Tender Indices

The latest Tender Price Index from the Society of Chartered Surveyors Ireland (SCSI) records a **3%** increase in commercial tender prices in the first half of 2026, a trebling of the 1% rate of increase recorded in the second half of 2025. This represents the strongest six-month increase since the second half of 2022, with prices approximately 4% higher in the 12 months to June 2026.

The pick-up in inflation reflects rising material prices, skilled labour shortages and higher wage rates under the Sectoral Employment Order, with the SCSI expecting tender prices to rise further in the second half of 2026.



1998	First half	100.0	**2008**	First half	140.7	**2018**	First half	142.6
	Second half	103.8		Second half	130.0		Second half	147.7
1999	First half	108.6	**2009**	First half	116.4	**2019**	First half	152.7
	Second half	116.1		Second half	107.7		Second half	157.0
2000	First half	121.7	**2010**	First half	103.7	**2020**	First half	158.4
	Second half	130.7		Second half	101.5		Second half	160.5
2001	First half	132.2	**2011**	First half	101.5	**2021**	First half	171.7
	Second half	136.9		Second half	103.5		Second half	182.0
2002	First half	133.9	**2012**	First half	104.5	**2022**	First half	195.7
	Second half	130.1		Second half	106.4		Second half	202.9
2003	First half	127.2	**2013**	First half	107.3	**2023**	First half	207.9
	Second half	129.3		Second half	109.7		Second half	210.9
2004	First half	135.3	**2014**	First half	112.0	**2024**	First half	214.0
	Second half	139.4		Second half	115.2		Second half	217.1
2005	First half	142.6	**2015**	First half	118.2	**2025**	First half	220.4
	Second half	144.7		Second half	121.5		Second half	222.6
2006	First half	146.7	**2016**	First half	125.5	**2026**	First half	229.3
	Second half	151.7		Second half	129.2		Second half	-
2007	First half	152.0	**2017**	First half	132.6			
	Second half	145.2		Second half	137.2			

SCSI National Commercial Construction Tender Price Index (base 1998).

Deep Retrofit: Turning Ageing Offices into ESG-Ready Assets

Launched by us in May 2026, at a joint industry briefing with commercial property consultants Bannon and attended by developers, investors and commercial property advisors, Ireland's Deep Retrofit Report 2026 sets out why retrofit, not redevelopment, is now the fastest commercial route for Dublin's ageing office stock.

The report found:

- Up to 90% of redevelopment rental performance, at approximately one third of the cost.
- A €15 million retrofit delivers an A3-rated building within two years, earning circa €3 million a year; against €44 million and a five-year programme for redevelopment.
- More than €10 million of rental income earned while a redevelopment scheme would still be on site.
- Over 1,000 Dublin offices are more than 10 years old (33 million+ sq. ft.), yet only 3% of Irish offices are A-rated.



Deep Retrofit:

Item	Cost Range €
Uplift BER to a B range rating	800 - 1,800 per sq.m
Uplift BER to an A range rating	1,600 - 2,800 per sq.m

NB: Ranges depend on existing BER, extent of landlord upgrade works, and whether Cat A fit-out is included.

Director's Insight:
Time to income is now the deciding factor

"This is no longer simply about sustainability or compliance, it is about capital efficiency, speed to market and protecting asset value. Retrofit allows owners to get buildings back to market and back to income earlier, while avoiding a significant portion of the development risk associated with demolition and redevelopment. There is very limited new supply coming to market over the next number of years. That is creating a major opportunity for owners willing to reposition existing assets through retrofit."

Liam Langan,

Director.

Download Ireland's Deep Retrofit Report 2026 for full cost benchmarks, BER upgrade pathways and case studies at buildcost.ie/resources/



Construction Cost Guide

This guide provides indicative cost ranges across key building types. Figures are intended as benchmarks only.

All costs presented are derived from Buildcost project database. This ensures the ranges reflect current market conditions. Figures are based on standard specifications and **exclude** FF&E, VAT, siteworks, professional fees, developer overheads, and abnormal costs.

Changes in costs have been indicated by → Stable, ↑ Rise.

Commercial Offices	**Cost Range €**	**Trend**
Sub Urban Offices - Shell & Core	2,800 - 3,300 per m^2	↑
City Centre Offices - Shell & Core	3,600 - 4,100 per m^2	↑
Office Fit Outs (Cat A)	800 - 1,100 per m^2	↑
Office Fit Outs (Cat B)	2,200 - 3,000 per m^2	→

Office Retrofit	**Cost Range €**	**Trend**
Uplift BER to a B range rating	800 - 1,800 per m^2	→
Uplift BER to an A range rating	1,600 - 2,800 per m^2	→

Protected Structures	**Cost Range €**	
Refurbishment / Fit-Out Works to existing Georgian Buildings	4,000 - 6,000 per m^2	↑

Logistic Units (*Varies significantly depending on size)	**Cost Range €**	**Trend**
Warehouse with no Office - Low Specification	900 - 1,000 per m^2	↑
Warehouse with 10% Office - Medium Specification	950 - 1,100 per m^2	↑
Warehouse with 10% Office - High Specification	1,050 - 1,250 per m2	→

Retail	**Cost Range €**	**Trend**
Shopping Centre - Anchor Unit	1,600 - 1,900 per m^2	↑
Shopping Centre - Shop Unit	1,800 - 2,000 per m^2	↑
Shopping Centre - Covered Mall	3,300 - 4,000 per m^2	→

Residential	**Cost Range €**	**Trend**
Terraced Houses	1,800 - 2,000 per m^2	→
Semi Detached Houses	2,000 - 2,200 per m^2	→
Apartments (Depends on typology)	2,500 - 3,000 per m^2	→
Shared / Student Accommodation	125,000 - 140,000 per unit	↑
Crèche “Grey Box”	1,300 - 1,600 per m^2	→

House Rebuilding Costs

The SCSI House Rebuilding Guide provides benchmark costs for reinstating typical house types across Ireland. Costs are based on rates set in November 2025. More information can be found at: **scsi.ie/consumer/build/calculator/**

Construction Cost Guide

For tailored advice specific to your development, Buildcost’s team can provide feasibility analysis, value engineering, and strategic cost planning.

Site Development Works	**Cost Range €**	**Trend**
Estate Roads	3,100 - 3,600 per m^2	↑
Roads, Footpaths, Enclosed and Services	250 - 400 per m^2	↑
Civic / Public Realm Areas	500 - 800 per m^2	→

Education (*Basic building costs only - external allowance of 12.5% and abnormal costs to be added)	**Cost Range €**	**Trend**
Primary Level (DOE Allowance)	2,132 per m^{2*}	→
Secondary Level (DOE Allowance)	2,132 per m^{2*}	→
Sports Hall (DOE Allowance)	2,771 per m^2	→
Third Level (Excludes FF & E)	5,000 - 7,000 per m^2	↑

Hotels (*All of the figures below exclude FF&E, Pool & Spa)	**Cost Range €**	**Trend**
Hotel - 3 Star	190,000 - 210,000 per key	↑
Hotel - 4 Star	210,000 - 240,000 per key	↑
Hotel - 5 Star	240,000 - 280,000 per key	↑

Health (*Health budgets exclude medical equipment)	**Cost Range €**	**Trend**
Primary Care Centre	2,800 - 3,500 per m^2	→
Hospital	7,000 - 10,000 per m^2	→

Carparks (*Carpark costs will depend on efficiencies)	**Cost Range €**	**Trend**
Surface Car Park	5,500 - 7,000 per space	↑
Multi Storey Car Park	20,000 - 30,000 per space	↑
Undercroft Car Park	27,000 - 34,000 per space	↑
Single Basement Car Park	50,000 - 70,000 per space	→
Double Basement Car Park	70,000 - 85,000 per space	→

Retrofit Sector

“Retrofit is now the most active part of the commercial market. With very little new supply coming forward and only 3% of Irish offices A-rated, owners are choosing to upgrade rather than rebuild. A deep retrofit can deliver an A-rated building for roughly one third of the cost of redevelopment and get the asset back to income years earlier, which is why we are seeing sustained demand for BER uplift works despite wider viability pressures.”

Recent Projects

Our portfolio demonstrates the breadth of Buildcost's experience across residential, student accommodation, healthcare, and industrial and life sciences sectors. The schemes selected here give a flavour of the work our teams have advised on over the past 12 months, from early feasibility through to final account. Across each of them our involvement has kept budgets on track, protected programme, and given clients the confidence to commit to build in a demanding market.



Student Accommodation:
Queen Street Place, Galway

Our deep understanding of the purpose-built student accommodation sector shaped cost advice on this 345-bed scheme, delivered across two blocks of nine and ten storeys on a constrained brownfield site in Galway Harbour. Disciplined cost management from inception to completion supported delivery of a complex urban scheme in a challenging viability environment.

Healthcare:
Linear Accelerator Works, Hermitage Clinic

The installation of a new Elekta Versa HD linear accelerator within a live private hospital environment demanded specialist cost knowledge of radiotherapy bunker construction, radiation shielding, and medical equipment coordination. Careful phasing and rigorous cost control ensured clinical services continued uninterrupted throughout the works.



Buildcost in Action: These projects illustrate our ability to manage costs across diverse sectors, from specialist healthcare works to high-specification life sciences facilities. Our goal remains the same: **to deliver cost certainty and value for every client.**

Student Accommodation:
Westside Place, Galway

We are currently providing cost management services on this 240-bed student accommodation scheme, maintaining budget certainty from procurement through construction on a live, constrained urban site, with completion due in 2027. The scheme uses full precast concrete facade panels, and our cost advice covered the commercial implications of that approach i.e. factory-cast finishes and off-site quality control, fewer wet trades and less scaffolding on site, and a faster, more predictable envelope programme.





Industrial / Life Sciences:
PCI Pharma Services, CityNorth Business Campus, Co. Meath

This 82,000 sq ft commercial pharmaceutical packaging facility achieved LEED Gold certification and an A3 energy rating, expanding PCI's existing Irish operations. The project was delivered within budget and on programme, demonstrating Buildcost's capability in the high-specification industrial and life sciences sector, where cost certainty and programme discipline are critical to client operations.

About Buildcost

Buildcost is Ireland's leading cost consultancy, trusted by developers, funders and project teams for clear, commercially grounded cost advice across every construction sector. We are more than quantity surveyors: we are cost strategy partners, working alongside clients from first feasibility to final account to protect budgets and keep programmes on track.

"The market has moved into a new phase, with tender price inflation picking up and pricing conditions becoming more demanding. In this environment, disciplined cost management matters more than ever, and we remain confident about the outlook for well-planned schemes. Navigating these inflationary conditions requires early engagement, robust cost planning and procurement strategies that manage price risk across the life of a programme. Our focus is on helping clients navigate that environment with confidence, protecting viability and keeping well-planned schemes moving forward."

Liam Langan & Jason Tully, Directors

What We Do

We provide a complete suite of cost consultancy services tailored to client needs, including:

- **Feasibility Studies & Cost Planning** - early-stage advice to test project viability and funding strategies.
- **Budget Management & Cost Control** - rigorous monitoring throughout the project lifecycle.
- **Value Engineering & Procurement Strategy** - ensuring design intent is delivered efficiently.
- **Contract Administration** - safeguarding cost certainty and transparency.
- **Employer's Representative** - acting for clients under private contract forms.
- **Final Accounts & Claims Resolution** - settling accounts and resolving claims to protect our clients' commercial position.
- **Lifecycle & Whole-Building Costing** - helping clients understand long-term value.

Sustainability at the Core

We help clients meet sustainability targets across LEED, BREEAM, EXEED, WELL, EU Taxonomy, HPI and deep retrofit, costing each option at design stage so the capital premium and whole-life saving are clear before they commit.

Our Values

We build long-term relationships founded on trust, integrity, knowledge, and professionalism. A high level of repeat business is proof of our commitment to delivering excellence for every client.

Professional Accreditations

Buildcost is proud to be affiliated with:

- **Society of Chartered Surveyors Ireland (SCSI)**
- **Royal Institution of Chartered Surveyors (RICS)**
- **Great Place to Work Certified (Ireland, Nov 2025 - Nov 2026)**

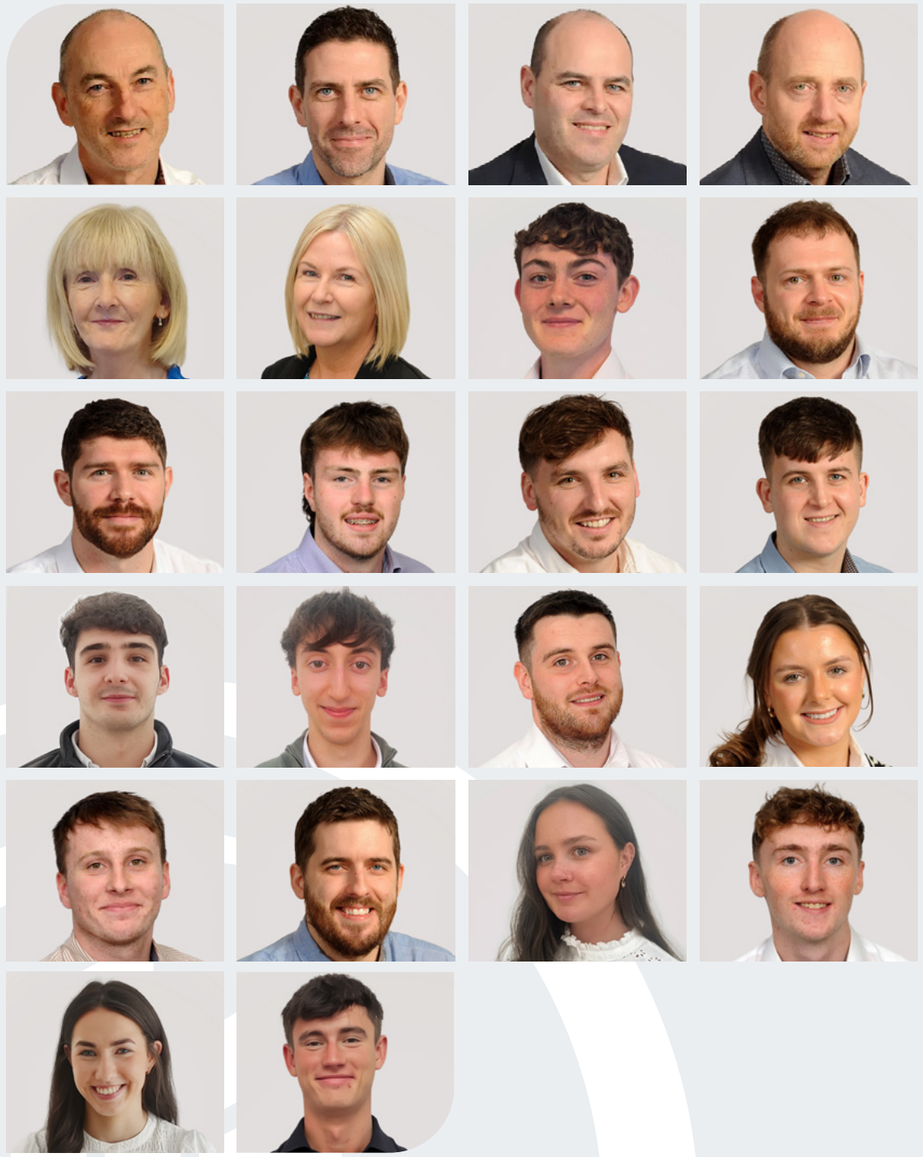
These affiliations reinforce our commitment to the highest professional and ethical standards in cost consultancy. Our **ISO 9001:2015 and ISO 14001: 2015 certification** ensures rigorous quality management and environmental management across all our cost advice.

Get in Touch

Planning a project? Our team can advise on cost planning, feasibility and procurement strategy from the earliest stage.

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Great Clients

Great Work



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