



International Warehouse / Logistics Center Costs:

What does it cost to design & build a Warehouse / Logistic Center in the USA & around the world?

We are frequently asked this question by Owners, Developers, Architects & Engineers, Estimators, Quantity Surveyors & Construction Professionals around the world. To answer this question we have researched & collected "current day" costs from more than 20 countries. After analyzing & conditioning these costs we have formatted the data into the table indicated below. The table specifies the low range, high range & average cost per Square Foot & Square Meter for 20 USA & International locations and are appropriate for 1st Q 2017:

#	Location	Low Range Construction Cost \$ / SF	High Range Construction Cost \$ / SF	Average Construction Cost \$ / SF	Average Construction Cost \$ / M2 (SF costs multiplied by 10.76)
1	New York City, NY	71	123	97	1,044
2	Chicago, IL	68	107	88	942
3	Los Angeles, CA	66	105	86	920
4	San Francisco, CA	64	112	88	947
5	Washington, DC	62	105	84	898
6	London, UK	67	113	90	968
7	Paris, France	64	107	86	920
8	Rome, Italy	61	102	82	877
9	Zurich, Switzerland	66	109	88	942
10	Mexico City, Mexico	47	87	67	721
11	Rio de Janerio, Brazil	49	89	69	742
12	Abu Dhabi, UAE	63	101	82	882
13	Beijing, China	47	89	68	732
14	Tokyo, Japan	59	99	79	850
15	Sydney, Australia	57	95	76	818
16	Oslo, Norway	69	113	91	979
17	Madrid, Spain	52	87	70	748
18	Moscow, Russia	51	85	68	732
19	Istanbul, Turkey	36	55	46	490
20	Warsaw, Poland	51	83	67	721

Notes / Comments:

There is no precise answer to the question posed, because there so are many variables to the Square Foot (SF) / Square Meter (M2) unit final cost, such as:

1. Current Site Conditions: What are the existing construction sites' condition, i.e. does the site have to be worked on to remove existing buildings, utilities, obstructions, trees & bushes? Is the site reasonably flat? Will "engineered fill" be needed to be brought onto the site? Are exiting utilities (water, sewers, gas, electricity) close by? If not, the cost of bringing these services onto the site could impact the final cost. Are there any soil / contaminated material conditions that need to be resolved? Is there a high water table? Is there any rock or concrete to be removed? All of these issues could impact the final cost of the Warehouse / Logistics Center.
2. Location of Warehouse / Logistics Center: is the proposed location in a congested area that will impact material handling & delivery, or is Warehouse / Logistics Center situated in the city suburbs with less material delivery & handling issues?
3. Large or Small application: Typically the larger the usable footprint space the lower the unit Square Foot / Square Meter price will be.
4. Materials Selection: Use of high end i.e. expensive construction materials or are middle of the road construction material & fixtures being utilized will impact the final construction cost.
5. Contracting Approach: Is a Lump Sum – 3 to 6 bidders being considered, or a single source Negotiated Contract, Construction Schedule (is Warehouse / Logistic Center a fast track project, i.e. the Owner wants the facility ASAP, perhaps overtime pay or shift work will be required, or will the construction effort utilize a "normal" 40 hours per week / 5 days a week approach) & the local construction bidding climate in this particular location. Is there a lot of construction activity in this city, an extremely active construction market tends to drive construction costs up & to increase contractors profit margins.
6. Union or Non-Union Labor: This applies predominantly in the USA, where the vast majority of construction in the largest 20 cities is executed by Union Labor, which on average is 15% to 25% more expensive than Non-Union labor (Open Shop)

Warehouse / Logistic Center – (1 floor – 20' to 30' high) Total Usable Footprint Space 250,000 SF to 500,000 SF / 23,250 M2 to 46,500 M2

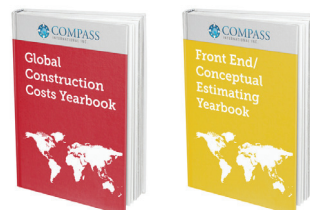
1st Q 2017 Cost Basis:

- Costs are based on a suburban city location (average 7.5 to 15 miles outside main city center).
- Excludes Architectural & Engineering / Detailed Design Fees: Typically these cost 5% to 10% of the indicated Construction Costs indicated below: (Recommend using 6%).
- Excludes Construction Management Fees: Typically 3% to 6% of Construction Costs below: (Recommend using 4%).
- Costs include General Conditions, CSI Division 1, Preliminaries (Field Trailers / Offices, Contractor Site Supervision, Construction Equipment, Temporary Fencing, Temporary Toilets, Safety Equipment - Hard Hats etc.).
- Excludes Land purchase, storage racks, warehouse equipment such as under concrete slab robotic forklift control cable, forklifts, battery charging stations, product printers, wrappers, bar coding equipment, robotic forklifts, robotic packers, motorized & gravity roller loading conveyors, various trollies / hand carts, warehouse / office furniture, filing cabinets, cherry pickers, work benches, pallet racking equipment, lockers for warehouse personnel & lunch break equipment.

Square Foot / Square Meter Cost Data are established from data collected for the Compass International's 2017 Global Construction Costs Yearbooks: Compass International's (7) Global Cost Books cover, Facilities / Buildings, Energy, Power, Offshore & Process cost models & unit prices, visit our website at www.compassinternational.net to view our latest books & our latest free newsletter & free estimating tools.

If you have any questions or comments on this cost per square foot & square meter benchmark report please contact:

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