<insert date>

Dear <insert name>

**Re: Material price rises in the construction industry – why this is happening and what it means for your building project**

Thank you for your interest in working with <insert company name> on your latest building project. <insert relevant detail of the project>

I am writing regarding the current situation around the prices of construction materials and products, and to set out the impact this may have on the quote and contract that I am providing for your project.

Inflation is affecting the entire economy, but global demand for construction materials is also increasing, which is pushing up prices. The Federation of Master Builder’s latest State of Trade Survey showed that 87% of its members were experiencing increased costs.

The availability and pricing of materials is a fluid situation and one that we cannot control. I therefore want to make you aware that the quotation for work provided at the outset of this project is subject to change in terms of price, time and materials. I have included a change clause in our contract to this effect. If any of these factors do need to change part-way through the project, we will of course communicate this with you, and will need to agree on the revised course of action before proceeding. As with any building project, it will be important for us to maintain a channel of open communication throughout.

To achieve the best results for your project, it is important that I only use the highest-quality building materials, and this change clause helps me to ensure that the funds are available to do that. As a company we are in close contact with our local merchants and suppliers to monitor the situation.

I hope this information provides a helpful explanation for the breakdown of costs for your project. I am aware that other companies may be providing lower quotes than I have proposed, but I would caution you to speak to them about how they will account for the material price increases that I have set out above. Unscrupulous firms are more likely to use lower quality products or compromise the high standards you should expect from your builders, to circumvent this issue.

If you would like to discuss any aspects of your quote further, please do not hesitate to contact me on <insert number>.

Yours sincerely

<name>

<Company name>