Prefabricated Construction Market Size & Share Analysis - Growth Trends and Forecast (2026 - 2031)

> **Industry:** Construction & Infrastructure (Real Estate & Construction)
> **Source:** https://www.mordorintelligence.com/industry-reports/prefabricated-buildings-industry-study
> **Scraped Date:** 2026-09-17

Executive Market Summary

Market Metric	Details
Base Market Size	USD 292.31 billion
Projected Forecast (2031)	USD 292.31 billion
Growth Rate (CAGR)	7.16 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

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![Major players in Prefabricated Construction industry](images/chart_2.png)

![Prefabricated Construction Market (2026 - 2031)](images/chart_3.png)

![Prefabricated Construction Market: Market Share by Material](images/chart_4.png)

![Prefabricated Construction Market: Market Share by Product Type](images/chart_5.png)

![Prefabricated Construction Market CAGR (%), Growth Rate by Region](images/chart_6.png)

![Prefabricated Buildings Market Concentration](images/chart_7.png)

![Icon](images/chart_8.png)

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![Mordor Intelligence on Facebook](images/chart_12.svg)

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![ESOMAR](images/chart_17.png)

![GPTW](images/chart_19.png)
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Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market OverviewStudy Period | 2020 - 2031 |
Market Size (2026) | USD 292.31 Billion |
Market Size (2031) | USD 413.11 Billion |
Growth Rate (2026 - 2031) | 7.16 % |
Fastest Growing Market | Asia-Pacific |
Largest Market | North America |
Market Concentration | Medium |

Major Players*Disclaimer: Major Players sorted in no particular order

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Market Overview

Prefabricated Construction Market Analysis by Mordor IntelligenceThe Prefabricated Construction Market size was valued at USD 0 billion in 2025 and is estimated to grow from USD 292.31 billion in 2026 to reach USD 413.11 billion by 2031, at a CAGR of 7.16% during the forecast period (2026-2031).

Escalating labor shortages, rising site-productivity gaps, and tighter project schedules are steering investors toward factory-built delivery models that trim design-to-handover cycles by up to 40%. Concrete modules captured 40.2% of 2025 material revenue, yet cross-laminated timber is growing quickest as carbon accounting gains executive-level urgency. Residential work generated 57.1% of global demand in 2025, but data-center and logistics developers are now fueling the fastest gains in commercial pipeline starts. Volumetric modular buildings led product adoption with 47.4% share in 2025 and continue to outpace panelized systems, signaling broad acceptance rather than pilot-scale experimentation in the prefabricated construction market. Regional patterns diverge: North America benefits from zoning reforms that favor factory-built infill, while Asia-Pacific's urbanization and public subsidies propel the highest regional CAGR.

Key Report Takeaways* By material, in the prefabricated construction market, concrete held the largest share at 40.2% of 2025 revenue, whereas timber is forecast to register the fastest 7.89% CAGR through 2031.
* By application, residential projects commanded 57.1% of 2025 demand, while commercial developments are expected to accelerate at an 8.01% CAGR to 2031.
* By product type, modular buildings led with 47.4% of 2025 turnover and are also projected to advance at the quickest 8.31% CAGR over the forecast period.
* By geography, in the prefabricated construction market, North America accounted for 33.2% of 2025 sales, yet Asia-Pacific is on track for the swiftest regional growth at an 8.65% CAGR to 2031.

Key Market Trends

Market Trends and InsightsDrivers Impact Analysis of Prefabricated Construction Market*

Drivers	(~) % IMPACT ON CAGR FORECAST	Geographic Relevance	Impact Timeline
Housing shortages and rapid urbanization	+1.8%	Asia-Pacific core, spillover to Middle East and Africa	Medium term (2–4 years)
Labor scarcity and site-productivity gaps	+1.5%	Global, acute in North America and Europe	Short term (≤ 2 years)
Stricter energy / carbon codes (ESG)	+1.2%	Europe and North America, emerging in Asia-Pacific	Long term (≥ 4 years)
Public-sector programs favoring speed and certainty	+1.0%	Europe, Asia-Pacific, selective North America	Medium term (2–4 years)
Standardization and BIM-to-factory workflows	+0.9%	Global, led by North America and Europe	Short term (≤ 2 years)
Source: Mordor Intelligence			

Competitive Landscape

Competitive Landscape

Competition is moderately fragmented globally, with the top suppliers collectively accounting for only a limited share of the market. Sekisui House and Daiwa House together account for close to 40% of Japan's modular housing volume by leveraging proprietary steel frames and earthquake-resistant designs. In Europe, PEAB and Skanska maintain integrated supply chains that cover design, fabrication, and assembly, letting them hedge raw-material volatility and secure long-term framework agreements with public buyers. North American players are split between manufactured-housing giants such as Clayton Homes and emergent multifamily specialists, creating a two-tier ecosystem inside the prefabricated construction market.

Strategic maneuvers center on vertical integration and automation. Lendlease bought a Melbourne precast plant in December 2025 to internalize facade and pod production, echoing Skanska’s rollout of dedicated modular lines in the U.K. and Nordics. Sekisui House’s 2025 partnership with a robotics company targets a 40% labor reduction by 2028, aiming for sub-millimeter precision that unlocks healthcare and semiconductor-cleanroom projects. Smaller innovators like Element5 target CLT panels, while Forta PRO develops modular cleanrooms for pharmaceutical clients, leveraging niche know-how to sidestep direct showdowns with volume leaders.

Technology adoption is becoming the sorting mechanism between scale winners and followers. Plants that run end-to-end BIM integration report up to 20% lower unit costs thanks to scrap reduction and punch-list avoidance. Compliance with ISO 19650 and ISO 14040 is now a prerequisite for public tenders in Europe and parts of the Asia-Pacific region, raising the investment bar for entrants. Venture-funded disruptors such as ILKE Homes show that capital intensity can derail operations without a robust backlog, highlighting execution risk even amid strong structural tailwinds in the prefabricated construction market.

Prefabricated Construction Industry Leaders* Clayton Homes

* Sekisui Homes

* China Saite Group Company Limited

* PEAB

* Barratt Developments PLC

* *Disclaimer: Major Players sorted in no particular order

Component Component 3 Scope Of The Report Bottom

Global Prefabricated Construction Market Report ScopeA prefabricated building is a building or part of a building that has been manufactured in advance and can be easily transported and assembled.

The prefabricated buildings market is segmented by material type (concrete, glass, metal, timber, and other material types), application (residential, commercial, and industrial), and geography (North America, Europe, Asia-Pacific, and the Rest of the World).

The report offers market size and forecast in (USD) for the segments mentioned above.

By MaterialConcrete |
Glass |
Metal |
Timber |
Other Materials |

Segmentation Accordion Item

By GeographyNorth America | United States |
| Canada |

	Mexico
South America	Brazil
	Rest of South America
Europe	United Kingdom
	Germany
	France
	Italy
	Spain
	Rest of Europe
Asia-Pacific	China
	India
	Japan
	South Korea
	Australia
	Indonesia
	Rest of Asia-Pacific
Middle East and Africa	Saudi Arabia
	United Arab Emirates
	Rest of Middle East and Africa

Frequently Asked Questions

How large is the prefabricated construction market in 2026?

The global prefabricated construction market size reached USD 292.31 billion in 2026 and is forecast to keep expanding at a 7.16% CAGR.

Which material dominates revenue today?

Precast concrete modules lead with 40.2% of 2025 revenue because of their structural reliability and acoustic performance.

Which application segment is growing fastest?

Commercial projects—especially data centers and logistics hubs—are projected to grow at an 8.01% CAGR through 2031 as developers value faster lease-up.

Which region delivers the highest growth rate?

Asia-Pacific is expected to post an 8.65% CAGR to 2031, driven by rapid urbanization, supportive policy, and rising labor costs.

What restrains wider adoption of modular methods?

Fragmented permitting, cultural preference for masonry, and last-mile logistics costs in dense cities remain the primary barriers.

Who are the leading players?

Sekisui House, Daiwa House, Skanska, PEAB, and Red Sea Housing headline the competitive field, yet none exceeds a 10% individual share.