The company should have a strategy to compete in the market. One strategy is to determine the selling price using target costing. The purpose of this study was to determine whether the target costing method can be used as determining the selling price, and how its implementation in the field of construction.

This Object study is Pengadengan Welfare Housing Pensions IV type of house 36/72 and 45/84. The data analysis is reviewing previous studies, literature, and the implementation of target costing is to determine the selling price, desired profit, value engineering, lowering production costs, contribution margin, and kaizen costing.

The results showed that target costing can be used as a selling price determination Pengadengan Pensions Prosperity IV. With the target costing CV Khatara Construction could lower the selling price of the house type 36/72 to Rp 116 million and can lower the production cost of Rp 90,000,636. As for the 45/84-type housing sales price can be lowered to USD 155 million with a decrease in production cost of Rp 108 180 123. 36/72 type of home sales give the contribution margin of Rp 519 987 280, and for the 45/84-type housing Rp 93,639,754