

# Here's how much construction materials, labor costs in Houston

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May 22, 2017, 8:02am CDT

Houston was recently deemed one of the most expensive cities in the world to build a construction project.

But just how expensive are construction costs in the so-called global energy capital?

A recent report from Turner & Townsend aims to shed a light on the rising costs for construction in Houston. The U.K.-based professionals services firm found that the average cost to build a commercial or residential project in the Bayou City is \$233 per square foot.

Construction costs ranged from \$50 a square foot to build an above-ground parking garage to more than \$450 per square foot to build a domestic full-service airport terminal, accord to Turner & Townsend.

In fact, Houston ranks No. 10 on Turner & Townsend's list of the 43 most expensive cities globally to build a commercial or residential project. Rising construction material and labor costs will likely eat into developer profits.

Here's how expensive construction labor and materials cost in Houston, according to Turner & Townsend's 2017 international construction market survey:

## Labor

Labor accounts for the bulk of construction costs in Houston. The Bayou City is among two dozen international metros with a shortage of skilled construction laborers, which is driving labor costs up, according to Turner & Townsend.

North America has the highest hourly wage for construction workers at \$72.5 per hour while the average internationally is about \$28 per hour.

Labor costs in Houston are slightly lower than the average in North America, but costs are rising amid a severe labor shortage and concerns about limiting immigrant laborers in the U.S.

Here are the average construction labor costs in the Bayou City:



JUSTIN HORROCKS

A recent report from Turner & Townsend aims to shed a light on the rising costs for construction in Houston.

Site foreman: \$98 per hour  
Plumber or electrician: \$59 per hour  
Carpenter or bricklayer: \$51 per hour  
Carpet layer, tiler, plasterer: \$46 per hour  
General laborer: \$41 per hour

## Material Costs

The cost for construction materials has been rising amid Houston's construction boom in recent years. Although new office and apartment construction have slowed amid the oil slump, new school and transportation construction has picked up — driving up demand for materials like lumber and concrete.

Developers in particular are contending with a U.S. tariff on Canadian lumber, which has caused lumber prices to jump 20 percent over the past three months. Demand for concrete continues to grow as new highway and infrastructure construction projects proliferate in Houston.

Here are the average costs for some construction materials in the Bayou City:

Concrete: \$107 per cubic yard  
Standard brick per 1,000: \$458  
Glass pane: \$22 per square foot  
Framing lumber: \$1 per foot  
Emulsion paint: \$24 per gallon  
Copper pipe: \$3 per foot

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