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**NYC CONSTRUCTION NEWS**

## **NYC Construction Costs Grew For A Third Year Running Amid Building Boom**

The rate of increase has remained at a steady five percent



The Zaha Hadid-designed, under construction High Line condo building.

Photo via [Field Condition](#).

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The cost of construction in New York City increased at about five percent for a third year running, *The Real Deal* [first reported](#) based on a [new report](#) published by the New York Building Congress (NYBC).

The rise in costs is still nowhere near what it was prior to the financial market collapse in 2008. The two years prior to that, construction costs rose 12 percent and 11 percent in 2006 and 2007 respectively.

The steady increase for three years running has been attributed to an increase in construction in the city. The president of the NYBC [told](#) *Real Estate Weekly* that the number of new or refurbished units could rise to 40,000 this year, a number that hasn't been seen since the mid-1960s.

The reasons costs haven't increased astronomically however is because a number of construction projects these days are using non-unionized labor. And the cost of materials like steel, lumber and fuel oil has also remained steady amid a decline in the global markets.

- [New York City Construction Outlook 2015-2017](#) [NYBC]
- [Nonunion labor keeping wage growth down: report](#) [TRD]
- [Housing demand fuels construction cost hike](#) [REW]