

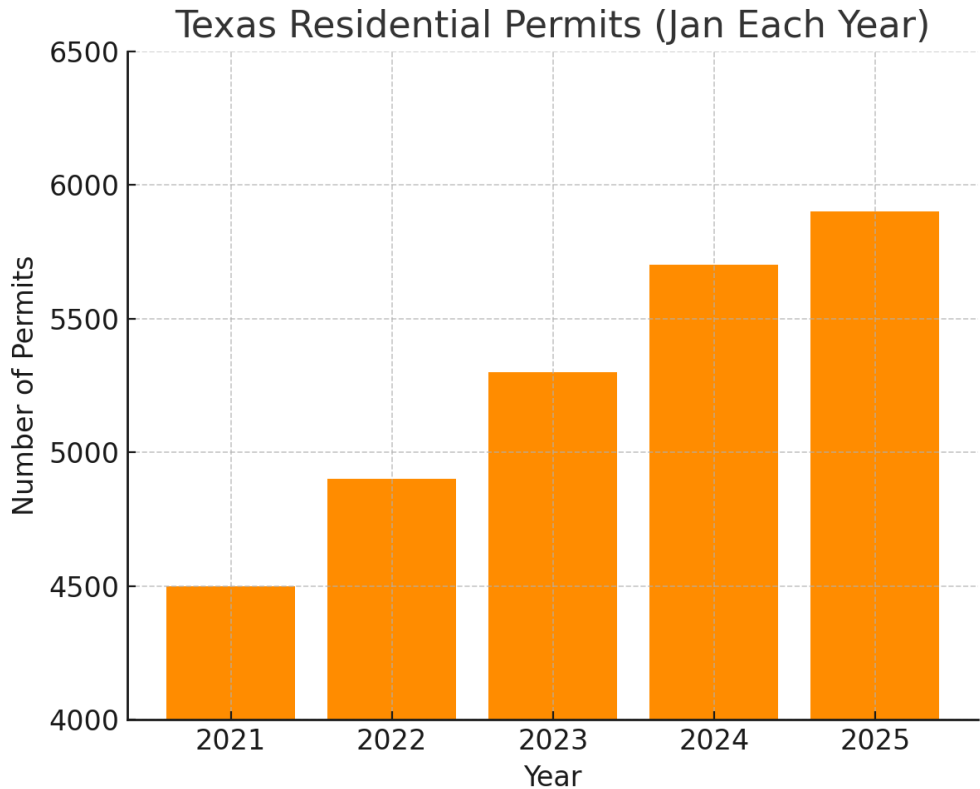
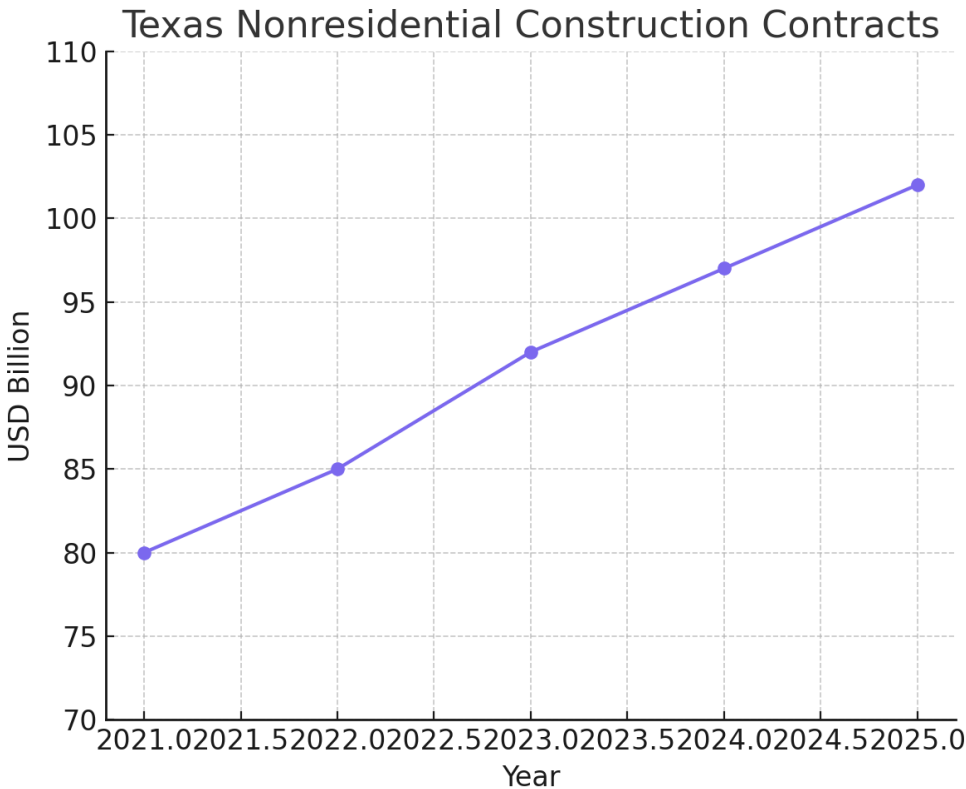
Market Overview- Construction Industry

In 2025, Texas's construction sector is experiencing a significant boom, driven by population growth, business relocations, and substantial industrial investments. Major projects, including semiconductor plants and data centers, are reshaping the state's landscape. However, the industry faces challenges such as labor shortages, rising material costs, and infrastructure demands. Despite these hurdles, Texas remains a national leader in construction activity.



Economic Contributions & Employment

Texas has accounted for over \$289 billion in U.S. non-residential and nonbuilding construction contracts over the past three years, representing approximately 16.5% of the national total. The state's construction employment continues to grow, supported by both public and private sector projects. Residential construction is also robust, with more than 5,900 new residential construction permits issued in January 2025 alone, totaling approximately \$2 billion in value.



Current Trends & Challenges

Industrial Expansion:

Texas is experiencing a surge in industrial construction, particularly in technology and energy sectors. Projects include semiconductor facilities and data centers, supported by federal initiatives like the CHIPS and Science Act.

Labor Shortages:

The industry faces a significant shortage of skilled workers, impacting project timelines and costs.

Material Costs:

Rising material costs, influenced by factors such as tariffs and supply chain disruptions, are affecting project budgets and profitability.

Infrastructure Development:

Major infrastructure projects, including the expansion of Interstate 14, are underway to support the state's growing population and economic activity.

Source: [Texas Construction in 2025: Trends and Challenges](#)

