

# 2026 Housing Tax Credit

## Cost Drivers to Watch

from **START** to **STELLAR**



A quick snapshot of construction cost categories shaping **TDHCA 9% Competitive Housing Tax Credit (HTC) Applications** across Texas.

### Why This Matters

Cost assumptions in **TDHCA 9% Competitive Housing Tax Credit applications** must reflect current market conditions—not last year’s pricing. Several cost categories are showing increased volatility, extended lead times, and regional variability, all of which can impact both application scoring and post-award execution.

This summary highlights the cost drivers our preconstruction team actively monitors when supporting **9% Housing Tax Credit applicants** during early planning and design.



## Key Cost Drivers

### Electrical Gear & Power Infrastructure

- Extended lead times for switchgear and transformers
- Utility coordination affecting schedules
- Pricing volatility tied to manufacturing capacity

### Concrete & Structural Systems

- Regional labor availability impacting placement
- Pricing sensitivity to fuel and plant capacity
- Peak-season scheduling constraints

### Framing Labor

- Market-to-market labor shifts across Texas
- Productivity assumptions affecting schedule
- Competition during overlapping deliveries

### Roofing Materials

- Membrane pricing fluctuations
- Manufacturer lead-time variability
- Weather-dependent installation windows

### Dry Utilities & Site Coordination

- Late-stage routing conflicts
- Escalation tied to trenching and off-site work
- Jurisdictional review timelines

### Transportation & Fuel

- Delivery cost variability
- Long-haul material sensitivity
- Impacts on concrete, steel, and prefabricated components

### How Developers Use This

Early awareness of these drivers supports clearer cost narratives, more informed value engineering decisions, and fewer post-award surprises.