

Office Buildings & Parking Structures

The office building figures apply to site, and core and shell only, while the corporate interiors costs reference a 25,000-gsf floor plate. We have compiled our findings below using several generic building types.



ONE-STORY FLEX OFFICE BUILDINGS

\$101 to \$117/SF (\$90 to \$103/sf in 2021)

One-story shell buildings ranging from traditional offices to light assembly, high-technology lab applications. Typical projects are cold, dark shell steel structures with tilt-up concrete skins and punched openings. Cost includes \$15 to \$26/sf for sitework, assuming five spaces/1,000 sf in a surface parking lot.

LOW-RISE OFFICE BUILDINGS

\$125 to \$152/SF (\$114 to \$138/sf in 2021)

Two- to three-story, larger footprint shell buildings designed with speculative building features. Typical projects are composite steel structures with bar joist roof structures, tilt-up concrete skins, and punched openings. Cost includes \$18 to \$24/sf for sitework, assuming four spaces/1,000 sf in a surface parking lot.

MID-RISE OFFICE BUILDINGS

\$140 to \$180/SF (\$133 to \$158/sf in 2021)

Four- to six-story, 25,000-sf footprint shell buildings designed with speculative building features. Typical projects are composite steel structures with pre-cast concrete and glass skins. Cost includes \$11 to \$19/sf for sitework and minimal (visitor) surface parking. Typical projects have the majority of parking housed in an adjacent garage. See Parking Structures in the next column.

HIGH-RISE OFFICE BUILDINGS

\$155 to \$235/SF (\$141 to \$192/sf in 2021)

- 7 stories: \$155 to \$170/sf (\$141 to \$153/sf in 2021)
- 14 stories: \$155 to \$173/sf (\$136 to \$159/sf in 2021)
- 20 stories: \$175 to \$190/sf (\$153 to \$170/sf in 2021)
- 25 stories: \$180 to \$235/sf (\$157 to \$192/sf in 2021)

Seven- to 25-story, 25,000-sf footprint shell buildings. Typical projects are cast-in-place concrete structures with articulated pre-cast and curtainwall glass skins. Rising cost of concrete may result in some composite steel structures. Costs include less than \$19/sf for sitework and minimal (visitor) surface parking. The majority of parking is in adjacent garages. See Parking Structures in the next column.

PODIUM BUILDINGS

\$170 to \$215/SF (BUILDING)

\$63 to \$82/SF (PARKING)

(Building: \$153 to \$189/sf in 2021) (Parking: \$59 to \$78/sf in 2021)

12-story, 25,000-sf typical office footprints over eight levels, 50,000-sf parking footprints without below-grade parking. The 50,000-sf ground level includes: 5,000-sf, two-level lobby, 10,000-sf amenity shell space, 5,000-sf building support spaces, and 30,000-sf parking and ramps. Typical projects are cast-in-place concrete structures with curtainwall glass skins for both the office and garage levels. Cost includes \$13 to \$18/sf for sitework.

PARKING STRUCTURES

\$67 to \$87/SF (\$54 to \$70/sf in 2021)

Includes sitework costs.

Cast-in-place concrete: \$68 to \$80/sf, without basement (\$54 to \$68/sf in 2021)

Pre-cast concrete: \$58 to \$68/sf, without basement (\$42 to \$51/sf in 2021)

Steel: \$43 to \$55/sf, without basement (\$42 to \$51/sf in 2021)

Below-grade parking: \$100 to \$110/sf, by level to go below grade (\$89 to \$101/sf in 2021)

Most office projects continue to build pre-cast or cast-in-place garages. The lower cost range examples would typically be for more efficient suburban sites. Small urban downtown and medical center sites with limitations may have higher costs than our ranges show.

CONSTRUCTION COST TRENDS / 2023

AUSTIN

Corporate Interiors

All categories reference a 25,000-nrsf floor plate with 50% offices and 50% open-plan. Construction cost only; does not include owner-provided AV and IT equipment.

BASIC OFFICE SPACE

\$80 to \$96/SF (\$67 to \$83/sf in 2021)

The most basic applicable space with landlord standards, but using all new components: basic 2x4 LED lighting, standard 2x2 ceiling, plastic laminate building standard doors with mortised hardware, 18" sidelight at office fronts, minimal millwork, and all plastic laminate, \$38/yd carpet tile, standard electrical and HVAC. Add up to \$12/sf for first-generation space.

MID-RANGE OFFICE SPACE

\$100 to \$135/SF (\$81 to \$101/sf in 2021)

Upgraded with linear LED lighting, 2x2 fineline ceiling, wood veneer building standard doors with mortised hardware, full-height glass office fronts in aluminum framing system, more extensive plastic laminate millwork with solid surface countertops throughout, \$43/yd carpet tiles, more extensive electrical service with 24/7 server room AC and two supplemental fan-coil units for conference room zones. Add up to \$14/sf for first-generation space.

EXECUTIVE OFFICE SPACE

\$145 to \$225/SF* (\$126 to \$183/sf in 2021)

Upgraded with some drywall ceiling areas with indirect cove lighting, architectural woodwork doors and frames, demountable glass office fronts; 30% of wall areas as premium-grade architectural woodwork, 40% with acoustical fabric wallcovering, 30% as painted drywall; extensive wood veneer millwork with premium countertops, \$47/yd carpet tile, more extensive lighting and custom fixtures for artwork and accent areas. Add up to \$23/sf for first-generation space.

* Price ranges are averages, premium executive space can exceed the high end of the range.

FURNITURE

\$33 to \$80/SF (\$30 to \$74/sf in 2021)

Basic office space: \$33 to \$43/sf (\$30 to \$35/sf in 2021)

Mid-range office space: \$44 to \$56/sf (\$35 to \$48/sf in 2021)

Executive office space: \$57 to \$80/sf (\$48 to \$74/sf in 2021)

FITNESS FACILITY

\$215 to \$295/SF (\$175 to \$220/sf in 2021)

10,000 sf with strength and cardio areas, including rubber flooring, exposed painted structure ceiling in workout areas, frameless glass entry doors, pendant indirect lighting, extensive wiring for AV and TV; men's and women's locker rooms to have ceramic tile wet areas (four showers and two toilets each); carpeted dressing areas with plastic laminate lockers.

CONFERENCE CENTER

\$205 to \$310/SF (\$168 to \$285/sf in 2021)

Similar to executive office space description except with ceiling system and acoustical upgrades, as well as individual fan-coil units for each room, VIP lounge area with millwork, coffee service, and receptionist millwork.

EMPLOYEE DINING FACILITY, KITCHEN & SERVERY

\$304 to \$375/SF (\$280 to \$330/sf in 2021)

5,000-sf kitchen to have 2x4 washable surface suspended ceiling, quarry tile flooring, FRP walls, all equipment by others; servery to have drywall ceiling with indirect cove lighting, ceramic tile flooring, painted drywall; custom millwork at servery and grab-and-go station; dining to have mix of drywall and acoustical ceilings, linear LED lighting, indirect cove and pendant accent lighting; some low walls with architectural woodwork paneling as room dividers, ceramic tile throughout.

CONSTRUCTION COST TRENDS / 2023

AUSTIN

TRENDS



The market has begun to settle after construction costs surged in 2021 and 2022. However, the industry still projects annual pricing increases of 4%-8% overall. While many manufacturers and suppliers are running at capacity, supply chain and labor shortages are

still at odds with the large workload, causing long lead times and higher costs. Project schedules should continue to account for longer durations but we should expect a more reasonable pricing increase instead of the large fluctuations experienced in previous years. The market can expect HVAC and electrical equipment, along with doors, frames, and hardware to drive project schedules.

New commercial office projects from pre-pandemic volume are declining in and around the city of Austin as vacant office space enters the market. Interior architectural projects typically must now offer a heightened office environment and provide more enticing spaces for employees. While these office upgrades can cause increased costs, they also offer more flexibility in how office space design can accommodate a hybrid work schedule.

MASS TIMBER

While many regional industry partners are still considering the cost of mass timber as a premium, costs could fall as manufacturing facilities begin to boost production. Mass timber production is finding new ground in the southern yellow pine (SYP) forests dotted throughout the south and southeastern US. Manufacturing SYP into mass timber components is a rapidly growing market.

There are many advantages to the mass timber construction system. Among these are an increased ability to gain capital for financing due to the positive sustainable and environmental aspects of the material, speed of construction, reduced noise concerns during erection, reduced foundation costs due to wood being lighter than steel or concrete, and warm and spacious interior volumes that already have finished surfaces for open ceiling spaces. Authorities Having Jurisdiction (AHJs) within Texas are increasingly more educated and welcoming to mass timber in larger and taller developments due to the 2021 International Building Code. Numerous general contractors have gained experience with mass timber over the last few years, and the amount and quality of manufacturers is increasing. As a result, pricing has become much more competitive. Kirksey has designed 13 mass timber projects ranging in size from 4,000 to 345,000 sf. Resources and the latest developments can be seen on [our website](#).

Statistics provided by:

Hoar Construction
Rogers-O'Brien Construction
Sabre Commercial, Inc.
SpawGlass Contractors, Inc.

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