

Construction Economy Snapshot

May's Total Nonresidential Construction Starts 13.3% MoM | 4.5% YoY | 0.2% Ytd

ConstructConnect announced today that May 2024's volume of Total Nonresidential construction starts — the sum of Nonresidential Building and Heavy Engineering — was \$58.8 billion, an increase of \$8.9 billion, or 17.9%, versus April's reading of \$49.9 billion.

Heavy Engineering

May 2024
v. Apr. 2024 **-9.4%**

May 2024
v. May 2023 **21.8%**

Residential

May 2024
v. Apr. 2024 **4.9%**

May 2024
v. May 2023 **-2.7%**

Non-Residential Building

May 2024
v. Apr. 2024 **49.9%**

May 2024
v. May 2023 **0.6%**

2024 U.S. Construction Starts

May 2024
v. Apr. 2024 **13.3%**

May 2024
v. May 2023 **4.5%**

Year to Date **0.2%**

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Broad Gains in May Result in Strong Growth

Year-to-date Nonresidential Building construction starts presently total \$144.1 billion, down 8.4 percent from the comparable period of a year ago. Across subcategories spending performance in the year-to-date versus the same period a year ago has varied significantly.

May's double-digit month-to-month increase in Nonresidential Building work was largely a result of strong growth across a collection of market categories when compared to a thoroughly average April reading. Over the last 24 months, nonresidential work has averaged \$51.9 billion per month, only slightly higher than April's revised reading of \$49.9 billion.

Among the top 5 largest categories, May's best performer was Prisons, thanks to the \$3 billion start of a new detention facility in New York. This was followed by Airports, which saw three projects start in Texas, Iowa, and Florida, with a combined value of over \$3.2 billion. In total, Airport starts exceeded \$4.4 billion and encompassed over 350 projects, making this month the third highest for Airports since at least 2010. The category All Other Civil which includes parks, landscaping, railroad & subway work, military nonbuilding, athletic fields & courts, swimming pools, civil electrical work, oil and gas pipelines, and tunnels also reported a strong month. Rounding out the top five categories for May were Junior and Senior High Schools, which have seen monthly starts trend higher throughout 2024. The May reading of \$4.3 billion was also the highest for the category in recent years.

Among the underperforming categories in May were Electric Power Infrastructure, Warehouses, Hospital/Clinic, and Military. In all of these instances, year-to-date results have been lackluster because they are being compared against historically high 2023 starts. Only the Retail and Shopping category thus far in 2024 has struggled against 2023 results which were historically typical to below average for its category.

Value of United States Nonresidential Construction Starts May 2024 (ConstructConnect®)

| | Jan-May 2024 (\$ Billions) | % Change Jan-May 2024 vs Jan-May 2023 | May 24 (\$ Billions) | % Change May 24 vs May 23 | % Change May 24 vs Apr 24 |
|------------------------------------|-------------------------------|---|-------------------------|---------------------------------|---------------------------------|
| Hotel/Motel | \$ 5.039 | 16.8% | \$ 0.830 | 20.7% | -53.4% |
| Retail/Shopping | \$ 5.693 | -16.3% | \$ 0.982 | -18.6% | -24.0% |
| Retail Miscellaneous | \$ 3.013 | -5.1% | \$ 0.527 | -28.5% | -25.3% |
| Parking Garages | \$ 1.006 | 24.6% | \$ 0.189 | -36.4% | -41.4% |
| Amusement | \$ 5.301 | 23.6% | \$ 0.852 | 57.0% | -43.9% |
| Private Office | \$ 10.299 | 21.8% | \$ 3.150 | 199.0% | 543.3% |
| Government Office | \$ 6.500 | 1.3% | \$ 1.489 | -17.8% | 4.1% |
| Laboratory | \$ 2.215 | 59.5% | \$ 0.819 | 158.9% | 167.4% |
| Warehouse | \$ 6.847 | -30.1% | \$ 2.007 | -47.1% | 115.4% |
| Sports Stadiums/Convention Centers | \$ 2.391 | -10.8% | \$ 0.382 | 40.3% | -1.8% |
| Transportation Terminals | \$ 3.447 | -26.9% | \$ 0.537 | 124.8% | 117.0% |
| COMMERCIAL | \$ 51.751 | -2.1% | \$ 11.764 | 7.4% | 25.0% |
| INDUSTRIAL (Manufacturing) | \$ 23.249 | -41.3% | \$ 5.182 | -25.6% | 290.1% |
| Religious | \$ 0.596 | 41.8% | \$ 0.136 | 47.7% | 6.3% |
| Hospital/Clinic | \$ 8.536 | -34.3% | \$ 1.121 | -68.5% | -24.2% |
| Nursing/Assisted Living | \$ 0.945 | -20.5% | \$ 0.132 | -27.7% | -57.8% |
| Library/Museum | \$ 2.126 | 49.9% | \$ 0.602 | 149.9% | 220.8% |
| Courthouses | \$ 1.015 | 28.9% | \$ 0.259 | 62.1% | 45.0% |
| Police Stations and Fire Halls | \$ 2.501 | 39.8% | \$ 0.561 | 33.0% | 20.4% |
| Prisons | \$ 4.817 | 379.5% | \$ 3.417 | 2053.3% | 1940.8% |
| Military | \$ 3.212 | -43.1% | \$ 1.029 | -0.2% | 117.2% |
| Pre-School/Elementary | \$ 11.019 | 0.6% | \$ 2.238 | -24.6% | -5.0% |
| Junior & Senior High Schools | \$ 17.903 | 30.1% | \$ 4.130 | 8.6% | 14.9% |
| Special and Vocational Schools | \$ 1.286 | 148.6% | \$ 0.270 | 205.8% | 1.0% |
| Colleges and Universities | \$ 10.828 | 0.8% | \$ 2.379 | -19.0% | 10.7% |
| Miscellaneous Medical | \$ 4.359 | 21.5% | \$ 1.189 | 82.9% | 158.1% |
| INSTITUTIONAL | \$ 69.143 | 6.7% | \$ 17.464 | 7.1% | 42.9% |
| NONRESIDENTIAL BUILDING | \$ 144.143 | -8.4% | \$ 34.410 | 0.6% | 49.9% |
| Airport | \$ 6.589 | 73.3% | \$ 4.452 | 303.5% | 594.0% |
| Road/Highway | \$ 45.274 | 1.6% | \$ 9.457 | -6.4% | -27.7% |
| Bridge | \$ 12.430 | 3.3% | \$ 2.392 | 2.5% | -37.8% |
| Dam/Marine | \$ 4.561 | -15.7% | \$ 0.607 | 6.5% | -5.2% |
| Water/Sewage | \$ 23.699 | 22.5% | \$ 5.643 | 29.1% | -10.4% |
| Electric Power Infrastructure | \$ 2.108 | -55.0% | \$ 0.299 | -3.5% | -54.0% |
| All Other Heavy Engineering | \$ 15.461 | 57.8% | \$ 1.574 | 24.9% | -12.7% |
| HEAVY ENGINEERING | \$ 110.122 | 10.5% | \$ 24.424 | 21.8% | -9.4% |
| TOTAL NONRESIDENTIAL | \$ 254.265 | -1.0% | \$ 58.835 | 8.4% | 17.9% |

Best Performing Large Dollar Categories YTD

Prisons, +380%
Airports, +73%
All Other Civil, +58%
Junior & Senior High Schools, +30%
Amusement, +24%

Underperforming Large Dollar Categories YTD

Electric Power Infrastructure, -55%
Military, -43%
Hospital/Clinic, -34%
Warehouse, -30%
Retail/Shopping, -16%

* "Large dollar categories" are the 25 largest subcategories by starts dollars in the previous calendar year

Renovation Work Offers a Silver Lining As Falling Existing CRE Prices Entice Buying Over Building

In response to falling Commercial Real Estate (CRE) prices and today's expensive construction costs, many prospective owners and developers have turned to renovation as the new 'value' play. By opting to renovate rather than build new, developers are taking advantage of the falling cost of existing real estate while reducing the construction work needed to achieve their end goal. The strength of this movement is evident in ConstructConnect's recent starts data: nonresidential renovation work increased by 33.1% in the two years ending 2023 and is projected to see further gains through 2028.

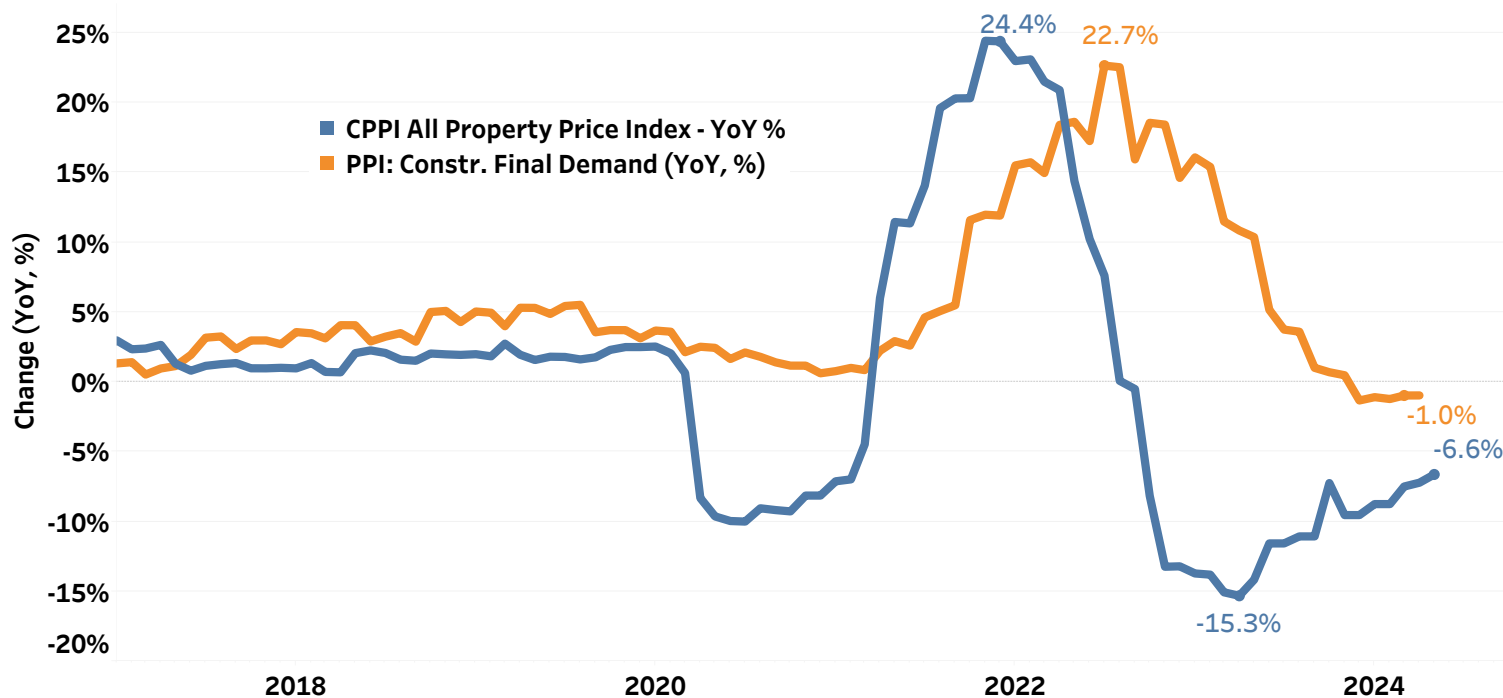
Additionally, between 2021 and 2023 heavy engineering (civil) renovation

work has increased by 50%, according to a recent analysis of ConstructConnect's starts data. Our latest starts forecast expects heavy engineering renovation spending to grow faster than new construction through 2028. This forecast aligns with a wide array of studies looking at America's civil infrastructure maintenance needs and their economic importance to the overall economy. Among these many studies is the American Society of Civil Engineers' last report on America's Infrastructure Gap from 2021. This report determined that maintaining the country's infrastructure in "a state of good repair" would cost \$5.9 trillion through 2029. This figure is certainly higher now, given the pace of construction inflation

in recent years. Regardless, according to the report, the failure to maintain America's roads, power grid, and other infrastructure is estimated to cost the average American household \$3,300 annually and the overall economy \$10 trillion in GDP by 2039. In short, it will be even more costly NOT to preserve America's infrastructure than to appropriate the funding to maintain it over the next decade. Ultimately, the clear cost-benefit analysis of public renovation work should result in a steady increase in future renovation projects and be a notable component of the construction industry's long-run revenue strategy.

Existing Commercial Real Estate Prices Falling Faster Than New Construction Pricing

Declining office prices are a substantial contributor to eroding overall CRE prices (% Change, YoY)



Source: CPPI, GreenStreet Commercial Property Price Index; Construction Demand, U.S. Bureau of Labor Statistics



Construction Employment Update

During May, the total number of US construction jobs increased by 21,000. This was well above April's reading of +9,000, which was later revised to zero net change in construction employment. Significant gains in nonresidential trade contractor payrolls accounted for more than half of May's overall increase. Year-to-date this segment has averaged nearly 10,000 new jobs monthly.

The ratio of unemployed people with prior construction experience to the number of construction openings has remained steady year-to-date, at around 1.6 unemployed laborers with previous construction experience for every construction job opening. This is a modest improvement from the all-time lows of 2022 and 2023 when the ratio fell to as low as 0.8 potential laborers per opening. However, the mismatch between the skills of unemployed laborers and the specific needs of currently open jobs means that the construction labor market remains extremely tight. Historically the typical ratio of unemployed laborers to openings has fluctuated between 4 and 11. At these much higher ratios firms are far more likely to find an already appropriately skilled laborer for the specific demands of the open position.

Change in Level of U.S. Construction Employment

Month to Month (M-M) Change in 000's — Total & by Categories — May 2024



'Sub-trade' in BLS data referred to as 'specialty' trade
Data Source: Bureau of Labor Statistics (BLS), Chart: ConstructConnect

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The Ratio of Construction Openings to Experienced Job Seekers Stuck Near Parity

Since 2022 there have frequently been more construction openings than there are job-seeking laborers with construction experience.



Source: Bureau of Labor Statistics

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Nonresidential Construction Starts Regional Analysis

Year-to-date regional construction activity has been generally positive for the coastal states and difficult for much of mid-America. Construction spending has expanded the fastest in the Pacific (+23.1%) in part thanks to strong construction activity in Alaska (+125%) and Washington (+77%). These gains have more than offset the flat-to-contracting starts results among the remaining Pacific states. Looking to the other coast, New England (+10.7%) has reported strong gains because two-thirds of all the states in this division have reported rising year-to-date starts.

The growth on the coasts has helped offset lackluster year-to-date starts across most of the middle of the country. Collectively, states in the West North Central and West South Central divisions have reported a drop in starts spending of more than -11%. Mountain division states have fared only modestly better, contracting thus far for the year by -8.1%.

Although geographic results from Nevada to Ohio currently pale compared to the coastal results, Heavy Engineering and Civil work continues to provide opportunities for many of the country's "flyover" states. Heavy Engineering starts in the West North Central (+3.7%), West South Central (+16.7%), and East South Central (+7.9%) have helped to offset weak nonresidential starts.

2024 Year-to-Date Ranking of the Top 20 States

ConstructConnect®

By \$ Volume of Nonresidential Construction Starts

| | Jan-May 2024 | % Change vs Jan-May 2023 |
|-------------------|------------------|--------------------------|
| 1 Texas | \$36,852,127,843 | -12.1% |
| 2 California | \$19,727,511,857 | 1.9% |
| 3 Florida | \$15,178,153,846 | 11.5% |
| 4 New York | \$12,600,743,496 | -0.7% |
| 5 Indiana | \$12,539,901,588 | 49.0% |
| 6 Alaska | \$8,570,410,585 | 124.8% |
| 7 Illinois | \$7,622,052,300 | 5.7% |
| 8 Virginia | \$7,046,563,700 | 21.8% |
| 9 North Carolina | \$7,011,620,525 | -10.9% |
| 10 Washington | \$6,271,815,688 | 76.9% |
| 11 South Carolina | \$6,234,437,836 | 74.9% |
| 12 Tennessee | \$6,190,488,790 | 4.2% |
| 13 Georgia | \$6,111,985,776 | -5.4% |
| 14 Wisconsin | \$5,923,376,534 | 47.1% |
| 15 Missouri | \$5,752,103,655 | 72.3% |
| 16 Ohio | \$5,536,112,842 | -49.0% |
| 17 Massachusetts | \$5,454,530,252 | 4.8% |
| 18 Arizona | \$5,380,832,097 | 0.5% |
| 19 Michigan | \$5,133,765,282 | -20.6% |
| 20 Minnesota | \$4,767,464,612 | 31.6% |

By \$ Volume of Nonresidential Building Construction Starts

| | Jan-May 2024 | % Change vs Jan-May 2023 |
|------------------|------------------|--------------------------|
| 1 Texas | \$21,710,534,461 | -25.9% |
| 2 California | \$11,140,291,948 | 4.1% |
| 3 Indiana | \$10,729,592,160 | 81.6% |
| 4 New York | \$8,667,622,818 | 9.1% |
| 5 Florida | \$7,910,936,794 | 0.3% |
| 6 Tennessee | \$5,182,545,689 | 21.4% |
| 7 North Carolina | \$4,603,600,033 | -15.7% |
| 8 Virginia | \$4,289,317,411 | 16.5% |
| 9 South Carolina | \$4,196,609,618 | 111.1% |
| 10 Georgia | \$3,981,740,642 | -3.6% |
| 11 Missouri | \$3,790,631,289 | 109.9% |
| 12 Wisconsin | \$3,742,011,696 | 93.6% |
| 13 Massachusetts | \$3,489,552,351 | 14.1% |
| 14 Arizona | \$3,441,717,992 | -15.4% |
| 15 Illinois | \$3,388,154,439 | -11.1% |
| 16 Ohio | \$2,777,702,556 | -64.1% |
| 17 Washington | \$2,487,317,149 | 18.9% |
| 18 Michigan | \$2,415,494,989 | -5.6% |
| 19 Pennsylvania | \$2,365,032,154 | -44.1% |
| 20 Colorado | \$2,277,610,725 | -15.5% |

By \$ Volume of Heavy Engineering Construction Starts

| | Jan-May 2024 | % Change vs Jan-May 2023 |
|-------------------|------------------|--------------------------|
| 1 Texas | \$15,141,593,382 | 19.9% |
| 2 California | \$8,587,219,909 | -0.7% |
| 3 Alaska | \$8,355,557,263 | 138.8% |
| 4 Florida | \$7,267,217,052 | 26.8% |
| 5 Illinois | \$4,233,897,861 | 24.5% |
| 6 New York | \$3,933,120,678 | -17.1% |
| 7 Washington | \$3,784,498,539 | 160.4% |
| 8 Ohio | \$2,758,410,286 | -11.5% |
| 9 Virginia | \$2,757,246,289 | 31.0% |
| 10 Michigan | \$2,718,270,293 | -30.4% |
| 11 Minnesota | \$2,616,862,845 | 25.5% |
| 12 North Carolina | \$2,408,020,492 | 0.2% |
| 13 Pennsylvania | \$2,311,711,029 | -38.0% |
| 14 Wisconsin | \$2,181,364,838 | 4.2% |
| 15 Georgia | \$2,130,245,134 | -8.7% |
| 16 South Carolina | \$2,037,828,218 | 29.2% |
| 17 Massachusetts | \$1,964,977,901 | -8.5% |
| 18 Missouri | \$1,961,472,366 | 28.0% |
| 19 Arizona | \$1,939,114,105 | 50.4% |
| 20 Iowa | \$1,867,046,397 | 4.4% |

Figures are comprised of non-res building & engineering (residential is omitted).



U.S. Ytd Regional Starts, Nonresidential Construction* — ConstructConnect®

| | Jan-May 2023 | Jan-May 2024 | % Change |
|---------------------------------|--------------------------|--------------------------|---------------|
| Connecticut | \$2,166,791,549 | \$2,469,169,981 | 14.0% |
| Maine | \$565,255,428 | \$678,093,650 | 20.0% |
| Massachusetts | \$5,206,194,729 | \$5,454,530,252 | 4.8% |
| New Hampshire | \$656,283,475 | \$505,789,792 | -22.9% |
| Rhode Island | \$297,789,188 | \$824,051,466 | 176.7% |
| Vermont | \$456,567,058 | \$415,624,042 | -9.0% |
| Total New England | \$9,348,881,427 | \$10,347,259,183 | 10.7% |
| New Jersey | \$2,466,264,127 | \$3,725,090,225 | 51.0% |
| New York | \$12,690,343,725 | \$12,600,743,496 | -0.7% |
| Pennsylvania | \$7,961,800,585 | \$4,676,743,183 | -41.3% |
| Total Middle Atlantic | \$23,118,408,437 | \$21,002,576,904 | -9.2% |
| Total Northeast | \$32,467,289,864 | \$31,349,836,087 | -3.4% |
| Illinois | \$7,209,631,295 | \$7,622,052,300 | 5.7% |
| Indiana | \$8,415,290,757 | \$12,539,901,588 | 49.0% |
| Michigan | \$6,463,220,735 | \$5,133,765,282 | -20.6% |
| Ohio | \$10,864,503,909 | \$5,536,112,842 | -49.0% |
| Wisconsin | \$4,025,556,781 | \$5,923,376,534 | 47.1% |
| Total East North Central | \$36,978,203,477 | \$36,755,208,546 | -0.6% |
| Iowa | \$3,260,368,348 | \$2,816,934,110 | -13.6% |
| Kansas | \$6,579,678,821 | \$2,286,588,530 | -65.2% |
| Minnesota | \$3,623,408,128 | \$4,767,464,612 | 31.6% |
| Missouri | \$3,337,675,286 | \$5,752,103,655 | 72.3% |
| Nebraska | \$2,641,950,081 | \$2,513,609,112 | -4.9% |
| North Dakota | \$1,787,331,247 | \$1,379,435,864 | -22.8% |
| South Dakota | \$2,295,696,266 | \$1,220,195,500 | -46.8% |
| Total West North Central | \$23,526,108,177 | \$20,736,331,383 | -11.9% |
| Total Midwest | \$60,504,311,654 | \$57,491,539,929 | -5.0% |
| Delaware | \$726,542,321 | \$462,144,330 | -36.4% |
| DISTRICT OF COLUMBIA | \$869,313,704 | \$1,493,418,469 | 71.8% |
| Florida | \$13,617,262,391 | \$15,178,153,846 | 11.5% |
| Georgia | \$6,464,283,710 | \$6,111,985,776 | -5.4% |
| Maryland | \$4,833,286,789 | \$3,225,152,436 | -33.3% |
| North Carolina | \$7,866,097,254 | \$7,011,620,525 | -10.9% |
| South Carolina | \$3,564,838,163 | \$6,234,437,836 | 74.9% |
| Virginia | \$5,787,523,352 | \$7,046,563,700 | 21.8% |
| West Virginia | \$1,276,108,146 | \$847,712,508 | -33.6% |
| Total South Atlantic | \$45,005,255,830 | \$47,611,189,426 | 5.8% |
| Alabama | \$5,617,836,140 | \$4,080,407,023 | -27.4% |
| Kentucky | \$2,884,791,561 | \$2,987,374,514 | 3.6% |
| Mississippi | \$1,619,140,333 | \$1,872,606,092 | 15.7% |
| Tennessee | \$5,940,641,611 | \$6,190,488,790 | 4.2% |
| Total East South Central | \$16,062,409,645 | \$15,130,876,419 | -5.8% |
| Arkansas | \$2,297,984,392 | \$2,205,689,342 | -4.0% |
| Louisiana | \$3,188,001,806 | \$2,724,202,669 | -14.5% |
| Oklahoma | \$3,261,620,161 | \$3,066,942,533 | -6.0% |
| Texas | \$41,906,672,237 | \$36,852,127,843 | -12.1% |
| Total West South Central | \$50,654,278,596 | \$44,848,962,387 | -11.5% |
| Total South | \$111,721,944,071 | \$107,591,028,232 | -3.7% |
| Arizona | \$5,356,121,353 | \$5,380,832,097 | 0.5% |
| Colorado | \$4,353,962,294 | \$3,703,550,631 | -14.9% |
| Idaho | \$1,181,102,507 | \$1,301,502,104 | 10.2% |
| Montana | \$1,003,281,528 | \$715,700,904 | -28.7% |
| Nevada | \$3,738,532,013 | \$2,584,046,252 | -30.9% |
| New Mexico | \$1,420,681,095 | \$2,029,934,925 | 42.9% |

*Figures above are comprised of non-res building and engineering (i.e., residential is omitted).

Source: ConstructConnect/Table: ConstructConnect.



Semi-parting Words

ALEX CARRICK

Cracks are finally appearing in the resistance to interest rate cuts on the part of central banks around the world. The Bank of Canada recently dropped its key policy-setting 'overnight' rate to a minor degree, as did the European Central Bank (ECB), on the grounds of having achieved reasonable success in reining in inflation. The Federal Reserve, so far, has remained steadfast in maintaining peak monetary tightness.

The Consumer Price Index (CPI) in the U.S. has retreated into a +3.0% to +3.5% range, far less severe than the +9.0% which caused the Fed to take restrictive action in the first place. Reaching the +2.0% y/y target for the CPI is proving elusive. There are some every-day items, such as rent and repairs to motor vehicles, that are still racing ahead on an annual basis. Also, it's important to

know that while y/y price advances for most consumer items may be on more moderate paths, cumulative advances since before the pandemic are up by at least one-fifth. The world we live in is now much more expensive than it used to be and, short of the sort of slowdown no-one wants, there is little likelihood this situation will be reversed.

The portion of the population most often referred to as in a pickle when prices spiral upwards is the seniors' contingent on fixed incomes. Grasping the personal relevance, and with a furrowed brow, this brings me to an announcement for the readers of this newsletter, my own imminent retirement. My successor, Michael Guckes, will soon be supplying you with the latest economic updates, plus 'starts' forecast comments, in this Industry Snapshot and other ConstructConnect reports. I hope to have contact with you on a semi-reg-

ular basis through columns to be found at our Economic Resources website.

It has been a pleasure and privilege covering the construction industry and reporting back to you 'lo these many years. I thank you heartily for your attention and feedback. Interacting with a glorious array of clients and staff members has been a highlight of my career. An almost equally surprising joy has been the imperative of staying up-to-date with the technological tide that has often come close to swamping my craft. My advice to readers is to recognize that tech change is now happening in ways that are no longer intuitive. Self-learning may no longer be viable. Committing to course work has become the better option.

I wish each and every one of you the best; and here's hoping we stay in touch in some fashion or another.



INSIGHT View of Starts Statistics

Value of United States Construction Starts

ConstructConnect® INSIGHT Version — May 2024

Arranged to match the alphabetical category drop-down menus in INSIGHT

| | Jan -May 2024 (\$, billions) | % Change Jan -May 24 vs Jan -May 23 | % Change May 24 vs May 23 | % Change May 24 vs Apr 24 |
|--------------------------------------|---------------------------------|---|---------------------------------|---------------------------------|
| Summary | | | | |
| CIVIL | 110.122 | 10.5% | 21.8% | -9.4% |
| NONRESIDENTIAL BUILDING | 144.143 | -8.4% | 0.6% | 49.9% |
| RESIDENTIAL | 131.515 | 2.8% | -2.7% | 4.9% |
| GRAND TOTAL | 385.781 | 0.2% | 4.5% | 13.3% |
| Verticals | | | | |
| Airport | 6.589 | 73.3% | 303.5% | 594.0% |
| All Other Civil | 15.461 | 57.8% | 24.9% | -12.7% |
| Bridges | 12.430 | 3.3% | 2.5% | -37.8% |
| Dams / Canals / Marine Work | 4.561 | -15.7% | 6.5% | -5.2% |
| Power Infrastructure | 2.108 | -55.0% | -3.5% | -54.0% |
| Roads | 45.274 | 1.6% | -6.4% | -27.7% |
| Water and Sewage Treatment | 23.699 | 22.5% | 29.1% | -10.4% |
| CIVIL | 110.122 | 10.5% | 21.8% | -9.4% |
| Offices (private) | 10.299 | 21.8% | 199.0% | 543.3% |
| Parking Garages | 1.006 | 24.6% | -36.4% | -41.4% |
| Transportation Terminals | 3.447 | -26.9% | 124.8% | 117.0% |
| Commercial (small subset) | 14.751 | 5.6% | 143.8% | 265.9% |
| Amusement | 5.301 | 23.6% | 57.0% | -43.9% |
| Libraries / Museums | 2.126 | 49.9% | 149.9% | 220.8% |
| Religious | 0.596 | 41.8% | 47.7% | 6.3% |
| Sports Arenas / Convention Centers | 2.391 | -10.8% | 40.3% | -1.8% |
| Community | 10.414 | 18.2% | 71.8% | -11.3% |
| College / University | 10.828 | 0.8% | -19.0% | 10.7% |
| Elementary / Pre School | 11.019 | 0.6% | -24.6% | -5.0% |
| Jr / Sr High School | 17.903 | 30.1% | 8.6% | 14.9% |
| Special / Vocational | 1.286 | 148.6% | 205.8% | 1.0% |
| Educational | 41.036 | 14.1% | -8.0% | 7.8% |
| Courthouses | 1.015 | 28.9% | 62.1% | 45.0% |
| Fire and Police Stations | 2.501 | 39.8% | 33.0% | 20.4% |
| Government Offices | 6.500 | 1.3% | -17.8% | 4.1% |
| Prisons | 4.817 | 379.5% | 2053.3% | 1940.8% |
| Government | 14.833 | 48.4% | 124.5% | 155.4% |
| Industrial Labs / Labs / School Labs | 2.215 | 59.5% | 158.9% | 167.4% |
| Manufacturing | 23.249 | -41.3% | -25.6% | 290.1% |
| Warehouses | 6.847 | -30.1% | -47.1% | 115.4% |
| Industrial | 32.311 | -36.4% | -27.7% | 212.1% |
| Hospitals / Clinics | 8.536 | -34.3% | -68.5% | -24.2% |
| Medical Misc. | 4.359 | 21.5% | 82.9% | 158.1% |
| Nursing Homes | 0.945 | -20.5% | -27.7% | -57.8% |
| Medical | 13.841 | -22.1% | -44.4% | 8.4% |
| Military | 3.212 | -43.1% | -0.2% | 117.2% |
| Hotels | 5.039 | 16.8% | 20.7% | -53.4% |
| Retail Misc. | 3.013 | -5.1% | -28.5% | -25.3% |
| Shopping | 5.693 | -16.3% | -18.6% | -24.0% |
| Retail | 13.745 | -3.8% | -11.1% | -38.1% |
| NONRESIDENTIAL BUILDING | 144.143 | -8.4% | 0.6% | 49.9% |
| Multi-Family | 39.768 | -21.5% | -49.3% | -38.7% |
| Single-Family | 91.747 | 18.7% | 20.2% | 23.0% |
| RESIDENTIAL | 131.515 | 2.8% | -2.7% | 4.9% |
| NONRESIDENTIAL | 254.265 | -1.0% | 8.4% | 17.9% |
| GRAND TOTAL | 385.781 | 0.2% | 4.5% | 13.3% |

Table 1 conforms to the type-of-structure ordering adopted by many firms and organizations in the industry. Specifically, it breaks nonresidential building into ICI work (i.e., industrial, commercial and institutional), since each has its own set of economic and demographic drivers. Table 6 presents an alternative, perhaps more user-friendly and intuitive type-of-structure ordering that matches how the data appears in ConstructConnect's on-line product 'Insight'.

Source: ConstructConnect/Table: ConstructConnect.



“Top Ten” Projects of the Month

ConstructConnect's Top 10 Project Starts in May 2024

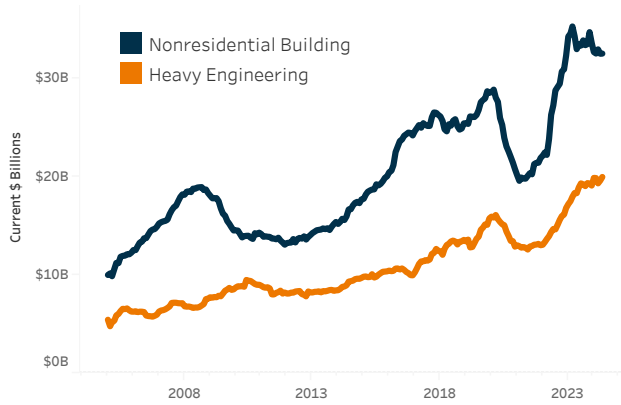
| Location | Type of Construction | Description | Square Feet (000's) | Dollars (Millions, \$) |
|------------------------------|----------------------|--|---------------------|------------------------|
| New York Brooklyn | Institutional | New Brooklyn Detention Center - New York City | 518 | \$ 3,000 |
| Texas Houston | Heavy | United Airlines Terminal B Redevelopment - IAH | 231 | \$ 2,600 |
| Indiana Fort Wayne | Commercial | Google - Project Zodiac / Fort Wayne | 2,000 | \$ 2,000 |
| South Carolina Blythewood | Industrial | Scout Motors Inc. | 1,200 | \$ 2,000 |
| Missouri Saint Louis | Industrial | Project Voyager - The Boeing Co. | 1,000 | \$ 1,800 |
| Indiana Jeffersonville | Commercial | Meta Data Center / Jeffersonville | 700 | \$ 800 |
| Florida Miami | Residential | JEM Private Residences | 1,000 | \$ 580 |
| New York Niagara Falls | Industrial | Amazon Fulfillment Center - Project FiFi / Niagara Falls | 3,076 | \$ 550 |
| Minnesota Bloomington | Industrial | Polar Semiconductor Manufacturing Facility Expansion | 200 | \$ 525 |
| Iowa Des Moines | Heavy | Des Moines Airport Terminal Phase 1A | 265 | \$ 440 |
| TOTALS | | | 10,190 | \$ 14,295 |

*A square footage measure does not apply for alteration, some forms of industrial (e.g., petrochemical) and most engineering/civil work.

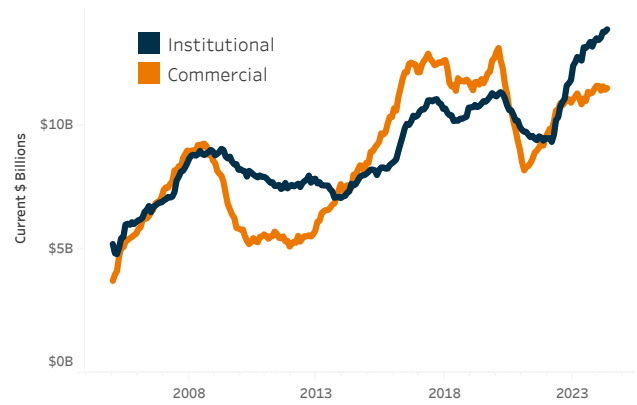
Source: ConstructConnect/Table: ConstructConnect.

Trend graphs for 12 key categories

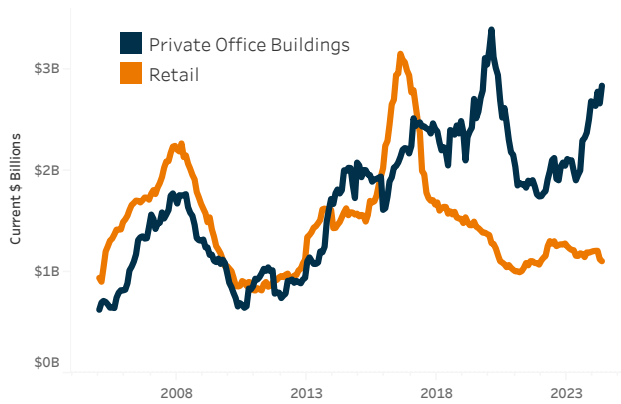
U.S. Nonresidential Construction Starts — ConstructConnect
(12-Month Moving Average)



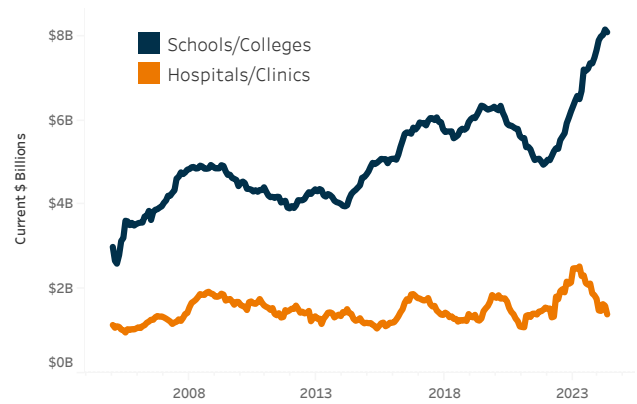
U.S. Commercial and Institutional Construction Starts — ConstructConnect
(12-Month Moving Average)



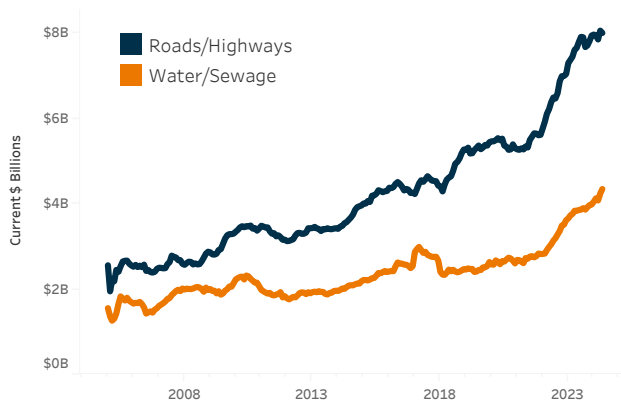
U.S. Retail and Private Office Building Construction Starts — ConstructConnect
(12-Month Moving Average)



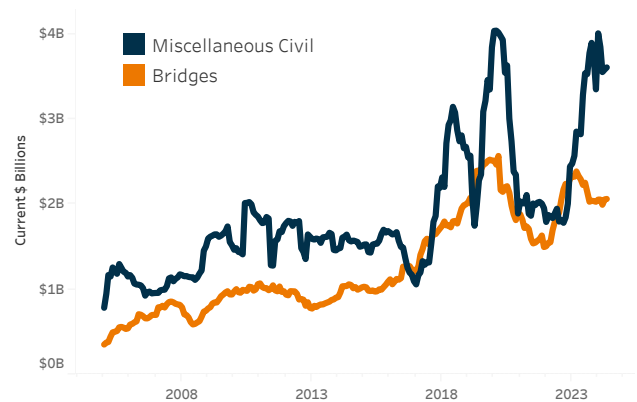
U.S. Hospitals/Clinic and School/College Construction Starts — ConstructConnect
(12-Month Moving Average)



U.S. Roads/Highways and Water/Sewage Construction Starts — ConstructConnect
(12-Month Moving Average)



U.S. Bridges and Miscellaneous Civil Construction Starts — ConstructConnect
(12-Month Moving Average)



The last data points in all the graphs on this page are for May 2024.

Source: ConstructConnect/Charts: ConstructConnect.

Detailed national table

Value of U.S. National Construction Starts

May 2024 ConstructConnect® — Billions of current \$'s, not seasonally adjusted (NSA)

| | Latest month actuals | | | Moving averages (placed in end month) | | | | | | Year to Date | |
|----------------------------------|----------------------|--------|--------|---------------------------------------|--------|--------|--------|--------|--------|---------------|---------------|
| | Mar 24 | Apr 24 | May 24 | Mar 24 | Apr 24 | May 24 | Mar 24 | Apr 24 | May 24 | Jan -May 2023 | Jan -May 2024 |
| Single Family | 17.931 | 19.095 | 23.488 | 16.388 | 17.935 | 20.171 | 17.478 | 17.672 | 18.001 | 77.297 | 91.747 |
| month-over-month % change | 6.9% | 6.5% | 23.0% | 6.3% | 9.4% | 12.5% | 1.2% | 1.1% | 1.9% | | |
| year-over-year % change | 15.6% | 13.9% | 20.2% | 20.0% | 19.3% | 16.8% | 2.1% | 7.3% | 10.5% | -27.6% | 18.7% |
| Apartment | 5.961 | 7.951 | 4.875 | 8.981 | 7.785 | 6.262 | 9.098 | 9.107 | 8.712 | 50.683 | 39.768 |
| month-over-month % change | -36.9% | 33.3% | -38.7% | -6.1% | -13.3% | -19.6% | -5.3% | 0.1% | -4.3% | | |
| year-over-year % change | -50.5% | 1.4% | -49.3% | -18.9% | -20.3% | -36.3% | -28.3% | -25.2% | -27.4% | -8.5% | -21.5% |
| TOTAL RESIDENTIAL | 23.892 | 27.046 | 28.363 | 25.369 | 25.720 | 26.434 | 26.577 | 26.779 | 26.713 | 127.979 | 131.515 |
| month-over-month % change | -8.9% | 13.2% | 4.9% | 1.5% | 1.4% | 2.8% | -1.1% | 0.8% | -0.2% | | |
| year-over-year % change | -13.3% | 9.9% | -2.7% | 2.6% | 3.7% | -2.5% | -10.8% | -6.5% | -5.6% | -21.1% | 2.8% |
| Hotel/Motel | 0.728 | 1.781 | 0.830 | 0.809 | 1.160 | 1.113 | 1.195 | 1.251 | 1.263 | 4.313 | 5.039 |
| month-over-month % change | -25.0% | 144.6% | -53.4% | -22.4% | 43.3% | -4.1% | -2.7% | 4.7% | 0.9% | | |
| year-over-year % change | -35.6% | 61.8% | 20.7% | -3.8% | 11.3% | 14.4% | 28.9% | 28.6% | 30.3% | 15.1% | 16.8% |
| Retail/Shopping | 1.211 | 1.292 | 0.982 | 1.140 | 1.157 | 1.162 | 1.210 | 1.126 | 1.107 | 6.805 | 5.693 |
| month-over-month % change | 25.1% | 6.7% | -24.0% | 15.1% | 1.5% | 0.4% | 0.0% | -6.9% | -1.7% | | |
| year-over-year % change | 0.3% | -43.8% | -18.6% | 3.6% | -21.8% | -26.0% | -0.8% | -7.4% | -4.6% | -17.6% | -16.3% |
| Parking Garages | 0.132 | 0.322 | 0.189 | 0.165 | 0.200 | 0.214 | 0.185 | 0.199 | 0.190 | 0.807 | 1.006 |
| month-over-month % change | -8.6% | 143.9% | -41.4% | -5.7% | 21.0% | 7.4% | 1.2% | 7.3% | -4.5% | | |
| year-over-year % change | 26.1% | 101.7% | -36.4% | 41.3% | 69.2% | 14.5% | -4.4% | 12.9% | -0.4% | -13.8% | 24.6% |
| Amusement | 1.001 | 1.519 | 0.852 | 0.977 | 1.157 | 1.124 | 0.803 | 0.824 | 0.849 | 4.289 | 5.301 |
| month-over-month % change | 5.4% | 51.7% | -43.9% | 24.3% | 18.4% | -2.8% | -1.0% | 2.5% | 3.1% | | |
| year-over-year % change | -9.3% | 19.2% | 57.0% | 18.5% | 14.6% | 15.5% | 13.0% | 6.6% | 9.3% | 51.2% | 23.6% |
| Office | 3.567 | 0.490 | 3.150 | 2.220 | 1.748 | 2.402 | 2.780 | 2.665 | 2.840 | 8.454 | 10.299 |
| month-over-month % change | 200.3% | -86.3% | 543.3% | 5.9% | -21.2% | 37.4% | 5.3% | -4.2% | 6.6% | | |
| year-over-year % change | 89.1% | -73.9% | 199.0% | 20.5% | 2.1% | 49.7% | 32.2% | 33.5% | 49.0% | -16.9% | 21.8% |
| Governmental Offices | 1.233 | 1.431 | 1.489 | 1.193 | 1.172 | 1.384 | 1.367 | 1.392 | 1.366 | 6.414 | 6.500 |
| month-over-month % change | 44.5% | 16.1% | 4.1% | -5.2% | -1.8% | 18.1% | -0.7% | 1.9% | -1.9% | | |
| year-over-year % change | -8.3% | 27.3% | -17.8% | 2.9% | -0.2% | -3.0% | 13.4% | 15.6% | 9.0% | 38.7% | 1.3% |
| Laboratories | 0.168 | 0.306 | 0.819 | 0.363 | 0.276 | 0.431 | 0.427 | 0.431 | 0.473 | 1.389 | 2.215 |
| month-over-month % change | -52.5% | 82.5% | 167.4% | -25.2% | -24.0% | 56.2% | -5.1% | 1.0% | 9.7% | | |
| year-over-year % change | -62.2% | 20.2% | 158.9% | 33.2% | 5.2% | 27.3% | -1.0% | 10.0% | 18.6% | -8.3% | 59.5% |
| Warehouse | 1.618 | 0.931 | 2.007 | 1.303 | 1.245 | 1.519 | 1.786 | 1.757 | 1.608 | 9.800 | 6.847 |
| month-over-month % change | 36.4% | -42.4% | 115.4% | 25.3% | -4.5% | 22.0% | 1.7% | -1.7% | -8.5% | | |
| year-over-year % change | 28.4% | -27.6% | -47.1% | -17.2% | -1.2% | -28.1% | -27.3% | -23.9% | -32.0% | -17.7% | -30.1% |
| Misc Commercial | 2.515 | 0.637 | 0.920 | 1.427 | 1.240 | 1.357 | 1.230 | 1.193 | 1.227 | 7.395 | 5.838 |
| month-over-month % change | 343.7% | -74.7% | 44.4% | 81.4% | -13.1% | 9.5% | 6.3% | -3.0% | 2.9% | | |
| year-over-year % change | 53.1% | -41.3% | 79.8% | -26.2% | -36.4% | 25.7% | -10.2% | -13.1% | 6.5% | 13.0% | -21.1% |
| TOTAL COMMERCIAL | 12.728 | 9.414 | 11.764 | 10.191 | 9.947 | 11.302 | 11.572 | 11.432 | 11.499 | 52.843 | 51.751 |
| month-over-month % change | 65.3% | -26.0% | 25.0% | 10.7% | -2.4% | 13.6% | 1.5% | -1.2% | 0.6% | | |
| year-over-year % change | 19.5% | -15.2% | 7.4% | -0.7% | -5.9% | 3.6% | 2.5% | 3.2% | 6.0% | -1.5% | -2.1% |
| TOTAL INDUSTRIAL (Manufacturing) | 7.618 | 1.328 | 5.182 | 5.579 | 3.600 | 4.710 | 7.645 | 7.335 | 7.186 | 39.634 | 23.249 |
| month-over-month % change | 310.9% | -82.6% | 290.1% | 42.2% | -35.5% | 30.8% | 0.3% | -4.1% | -2.0% | | |
| year-over-year % change | 3.4% | -73.7% | -25.6% | -39.4% | -27.9% | -27.1% | -32.2% | -30.6% | -24.8% | -2.0% | -41.3% |
| Religious | 0.081 | 0.128 | 0.136 | 0.110 | 0.120 | 0.115 | 0.101 | 0.105 | 0.108 | 0.420 | 0.596 |
| month-over-month % change | -46.7% | 59.2% | 6.3% | -10.1% | 8.8% | -4.1% | -1.6% | 3.9% | 3.5% | | |
| year-over-year % change | -19.9% | 58.8% | 47.7% | 34.0% | 42.0% | 26.1% | 12.3% | 18.8% | 22.1% | 6.6% | 41.8% |
| Hospitals/Clinics | 3.127 | 1.480 | 1.121 | 1.978 | 2.009 | 1.909 | 1.642 | 1.603 | 1.399 | 12.992 | 8.536 |
| month-over-month % change | 120.4% | -52.7% | -24.2% | 67.7% | 1.5% | -4.9% | 10.9% | -2.4% | -12.7% | | |
| year-over-year % change | 162.6% | -24.3% | -68.5% | -20.6% | 27.8% | -14.6% | -33.8% | -36.8% | -39.4% | 16.8% | -34.3% |
| Nursing/Assisted Living | 0.298 | 0.313 | 0.132 | 0.167 | 0.227 | 0.248 | 0.213 | 0.223 | 0.219 | 1.189 | 0.945 |
| month-over-month % change | 331.0% | 4.8% | -57.8% | -21.9% | 36.0% | 9.2% | -0.7% | 4.7% | -1.9% | | |
| year-over-year % change | -5.4% | 62.0% | -27.7% | -38.4% | -3.2% | 7.6% | -38.8% | -30.1% | -29.2% | -42.2% | -20.5% |
| Libraries/Museums | 0.554 | 0.188 | 0.602 | 0.445 | 0.333 | 0.448 | 0.460 | 0.448 | 0.478 | 1.418 | 2.126 |
| month-over-month % change | 115.8% | -66.1% | 220.8% | 31.3% | -25.2% | 34.6% | 4.1% | -2.6% | 6.7% | | |
| year-over-year % change | 63.8% | -43.6% | 149.9% | 58.1% | 16.2% | 47.4% | 59.1% | 48.6% | 58.8% | 1.0% | 49.9% |
| Fire/Police/Courthouse/Prison | 1.135 | 0.811 | 4.237 | 1.095 | 0.998 | 2.061 | 1.308 | 1.309 | 1.600 | 3.581 | 8.333 |
| month-over-month % change | 8.2% | -28.5% | 422.1% | 15.6% | -8.8% | 106.4% | 2.4% | 0.1% | 22.3% | | |
| year-over-year % change | 49.0% | 1.6% | 472.6% | 60.8% | 44.1% | 168.8% | 68.2% | 65.3% | 100.5% | 25.8% | 132.7% |
| Military | 0.710 | 0.474 | 1.029 | 0.570 | 0.521 | 0.737 | 1.162 | 1.149 | 1.149 | 5.649 | 3.212 |
| month-over-month % change | 86.3% | -33.2% | 117.2% | 16.5% | -8.5% | 41.4% | -7.2% | -1.2% | 0.0% | | |
| year-over-year % change | -60.4% | -25.4% | -0.2% | -57.1% | -48.7% | -36.0% | 6.6% | 20.0% | 20.2% | 44.3% | -43.1% |
| Schools/Colleges | 7.637 | 8.364 | 9.018 | 7.885 | 7.538 | 8.340 | 8.023 | 8.154 | 8.089 | 35.965 | 41.036 |
| month-over-month % change | 15.5% | 9.5% | 7.8% | -0.3% | -4.4% | 10.6% | 0.4% | 1.6% | -0.8% | | |
| year-over-year % change | 5.5% | 23.2% | -8.0% | 22.1% | 15.8% | 5.0% | 21.9% | 25.4% | 20.8% | 19.3% | 14.1% |
| Misc Medical | 1.426 | 0.461 | 1.189 | 0.903 | 0.766 | 1.025 | 0.859 | 0.782 | 0.827 | 3.588 | 4.359 |
| month-over-month % change | 247.1% | -67.7% | 158.1% | 42.3% | -15.2% | 33.9% | 10.4% | -8.9% | 5.7% | | |
| year-over-year % change | 212.5% | -66.7% | 82.9% | 74.2% | -3.4% | 23.6% | -22.2% | -33.8% | -28.2% | 3.2% | 21.5% |
| TOTAL INSTITUTIONAL | 14.969 | 12.219 | 17.464 | 13.153 | 12.512 | 14.884 | 13.768 | 13.772 | 13.869 | 64.801 | 69.143 |
| month-over-month % change | 44.7% | -18.4% | 42.9% | 11.1% | -4.9% | 19.0% | 1.7% | 0.0% | 0.7% | | |
| year-over-year % change | 22.8% | 0.5% | 7.1% | 8.6% | 11.9% | 9.8% | 7.9% | 8.6% | 10.0% | 17.0% | 6.7% |
| Misc Non Residential | 0.554 | 0.705 | 0.527 | 0.594 | 0.593 | 0.595 | 0.589 | 0.594 | 0.576 | 3.176 | 3.013 |
| month-over-month % change | 6.7% | 27.2% | -25.3% | 8.3% | -0.1% | 0.4% | 0.4% | 0.9% | -2.9% | | |
| year-over-year % change | 5.0% | 9.5% | -28.5% | -0.8% | 5.3% | -6.4% | -11.5% | -10.9% | -14.6% | 3.3% | -5.1% |
| TOTAL NON-RES BUILDING | 35.314 | 22.961 | 34.410 | 28.924 | 26.059 | 30.895 | 32.985 | 32.538 | 32.554 | 157.278 | 144.143 |
| month-over-month % change | 77.4% | -35.0% | 49.9% | 15.8% | -9.9% | 18.6% | 1.3% | -1.4% | 0.0% | | |
| year-over-year % change | 16.9% | -18.9% | 0.6% | -8.4% | -2.6% | -0.1% | -6.6% | -5.2% | -1.4% | 5.3% | -8.4% |
| Airports | 0.502 | 0.642 | 4.452 | 0.498 | 0.486 | 1.865 | 0.775 | 0.767 | 1.046 | 3.801 | 6.589 |
| month-over-month % change | 59.8% | 27.8% | 594.0% | -11.0% | -2.5% | 283.9% | -1.6% | -1.1% | 36.4% | | |
| year-over-year % change | -23.6% | -13.3% | 303.5% | -23.6% | -18.1% | 123.7% | 8.0% | 3.4% | 40.9% | 50.4% | 73.3% |
| Roads/Highways | 7.873 | 13.084 | 9.457 | 7.578 | 9.009 | 10.138 | 7.850 | 8.056 | 8.002 | 44.562 | 45.274 |
| month-over-month % change | 29.7% | 66.2% | -27.7% | 11.7% | 18.9% | 12.5% | -1.2% | 2.6% | -0.7% | | |
| year-over-year % change | -12.3% | 23.3% | -6.4% | -4.7% | 4.2% | 2.4% | 5.4% | 5.9% | 4.6% | 19.8% | 1.6% |
| Bridges | 1.835 | 3.843 | 2.392 | 2.065 | 2.406 | 2.690 | 1.997 | 2.060 | 2.065 | 12.036 | 12.430 |
| month-over-month % change | 19.2% | 109.4% | -37.8% | -0.4% | 16.5% | 11.8% | -3.0% | 3.2% | 0.2% | | |
| year-over-year % change | -28.4% | 24.7% | 2.5% | -6.4% | 0.4% | 1.1% | -16.4% | -11.7% | -10.1% | -0.9% | 3.3% |
| Dams/Marine | 0.409 | 0.640 | 0.607 | 1.105 | 1.051 | 0.552 | 1.081 | 0.916 | 0.919 | 5.412 | 4.561 |
| month-over-month % change | -80.6% | 56.4% | -5.2% | -15.5% | -4.9% | -47.5% | -2.5% | -15.3% | 0.3% | | |
| year-over-year % change | -45.1% | -75.6% | 6.5% | 49.4% | -27.3% | -58.0% | 35.0% | -7.8% | -6.5% | 78.3% | -15.7% |
| Water/Sewage | 3.453 | 6.296 | 5.643 | 3.920 | 4.546 | 5.131 | 4.079 | 4.239 | 4.345 | 19.346 | 23.699 |
| month-over-month % change | -11.2% | 82.3% | -10.4% | -1.9% | 16.0% | 12.9% | -1.2% | 3.9% | 2.5% | | |
| year-over-year % change | -15.1% | 44.1% | 29.1% | 10.9% | 19.6% | 20.2% | 8.4% | 10.5% | 13.3% | 15.7% | 22.5% |
| Misc Civil (Power, etc.) | 1.233 | 2.452 | 1.873 | 4.415 | 1.529 | 1.853 | 3.557 | 3.587 | 3.612 | 14.477 | 17.569 |
| month-over-month % change | 36.7% | 98.9% | -23.6% | -3.0% | -65.4% | 21.2% | -7.6% | 0.8% | 0.7% | | |
| year-over-year % change | -74.1% | 16.9% | 19.3% | 22.5% | -52.7% | -34.0% | 24.5% | 26.1% | 27.8% | 45.9% | 21.4% |
| TOTAL ENGINEERING (Civil) | 15.305 | 26.956 | 24.424 | 19.58 | | | | | | | |