



FMI's North American Engineering and Construction Outlook

Second Quarter 2020 Report



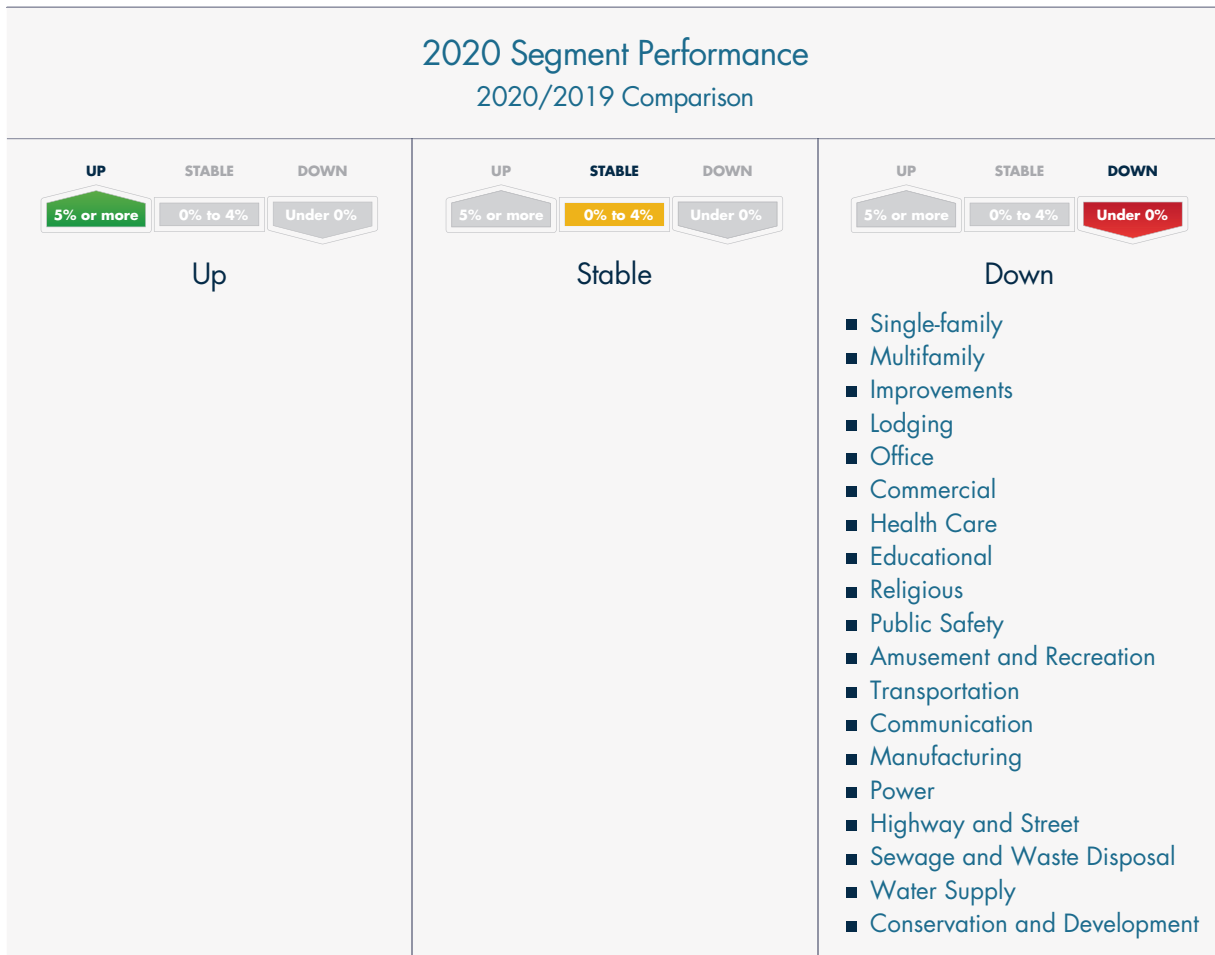
Recent economic disruptions considered in the following forecast include the domestic and foreign impact of COVID-19, recognition of a recession beginning in March 2020, high volatility across financial and equity markets, emergency policies set in place by the Federal Reserve, some early government stimulus, significantly lower oil prices, mounting political uncertainty, and social unrest headed into the 2020 presidential election. Based on the speed, breadth and apparent lasting impacts of these various factors, FMI is anticipating the current recession to continue through the remainder of 2020 and possibly into 2021. Depth and reach of these disruptions will remain under close watch.

FMI U.S. Engineering and Construction Outlook

Second Quarter 2020 Report

Key Takeaways

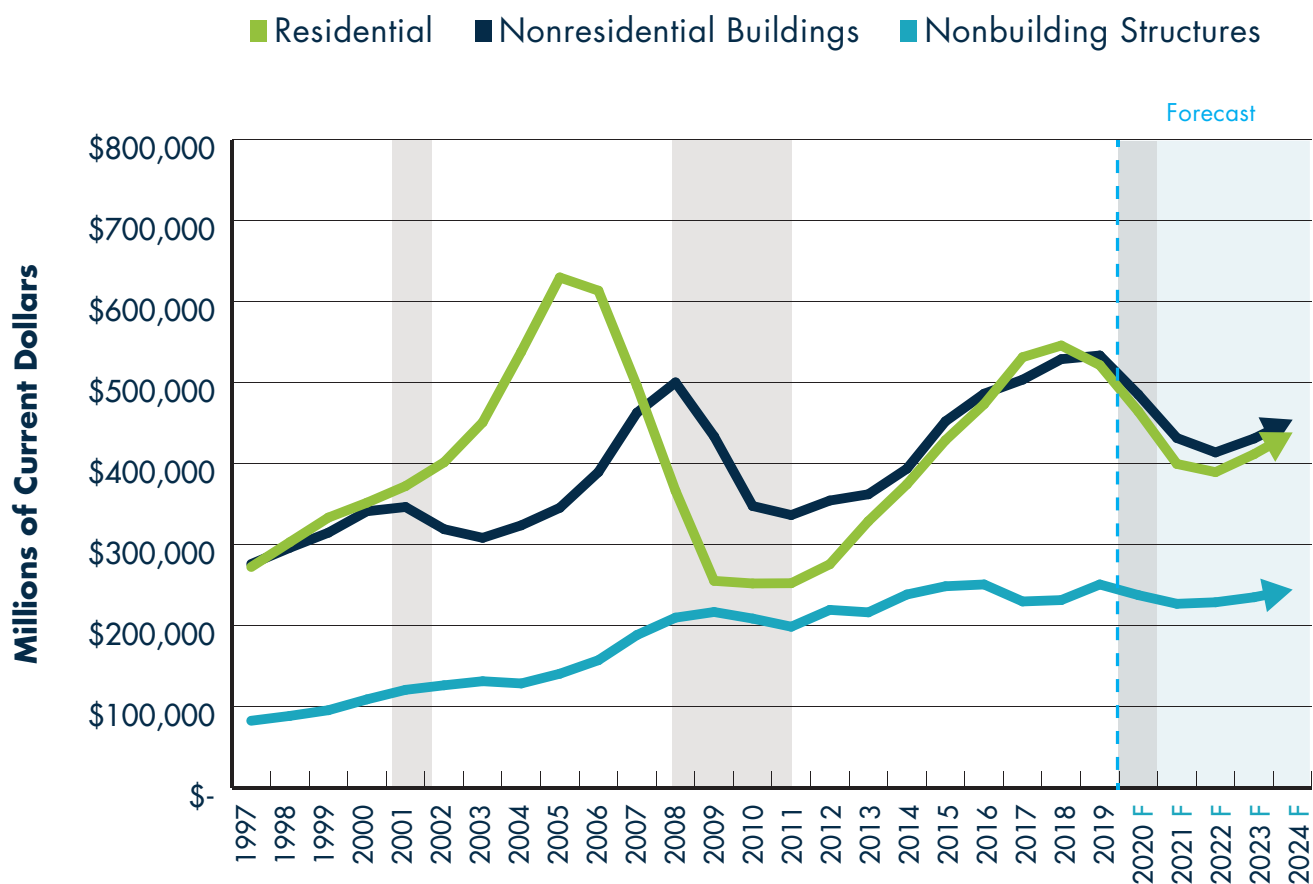
- Total engineering and construction spending for the U.S. is forecast to end down 9 percent in 2020, compared to 0 percent growth in 2019.



- All sectors and segments will see spending declines in 2020. Declines will be led by an abrupt contraction across residential and private nonresidential building segments. Current anticipated low-performing segments forecast in 2020 include religious (-20 percent), amusement and recreation (-17 percent), multifamily residential (-17 percent) and lodging (-15 percent). Milder declines are anticipated in select infrastructure and nonbuilding segments, including communication (-1 percent), highway and street (-3 percent), transportation (-4 percent) and public safety (-4 percent).
- All segments that were previously in the up or stable categories have been downgraded to reflect the broad declines stated above. No segments remain in the up or stable categories.
- FMI's third quarter 2020 Nonresidential Construction Index (NRCI) at 36.9 reflects a stark 31 percent decline in industry sentiment from the second quarter reading. This is the most severe quarter-to-quarter decline reported in the history of conducting the NRCI. The diffusion index score, below the growth threshold of 50, indicates significant projected losses in future engineering and construction opportunities.



Total Construction Put in Place Estimated for the U.S.

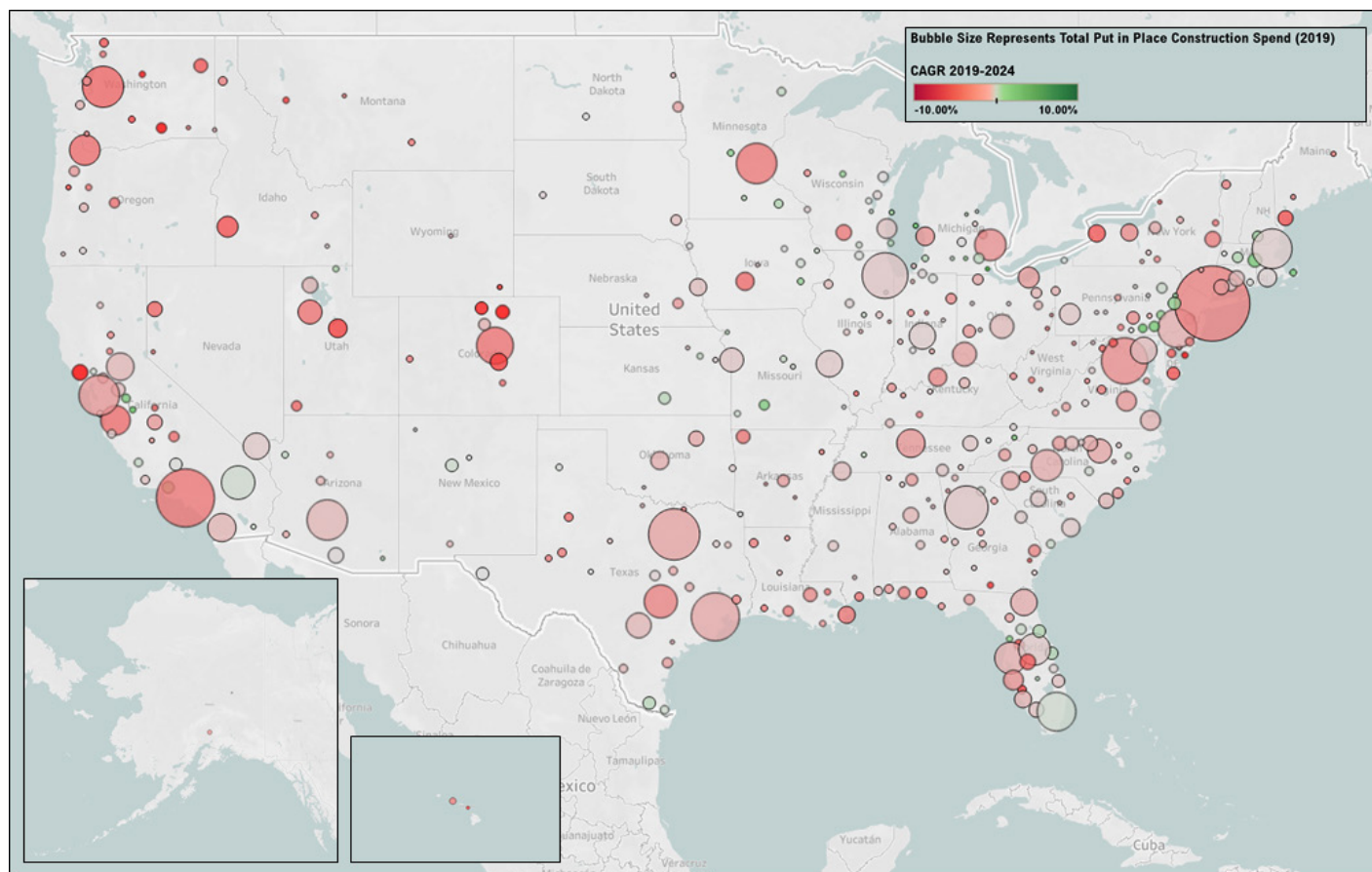


Throughout the value of construction put in place includes the cost of architectural and engineering work.

Source: U.S. Census and FMI Forecast



Total Construction Put in Place 2019 and Forecast Growth (2019-2024 CAGR) by Metropolitan Statistical Area



Source: U.S. Census and FMI Forecast

RESIDENTIAL CONSTRUCTION PUT IN PLACE

Single-Family Residential

Drivers: Unemployment rate, core CPI, income, mortgage rate, home prices, housing starts, housing permits

DWN -10%

\$246 Billion

2020/2019 Comparison



- Heightened unemployment rates will weigh on inventories, prices and confidence
- Affordability and availability issues persist despite bottomed interest rates
- Weakness through the prior expansion cycle, reconsideration of downtown living and increased remote working may provide stability and opportunities into economic recovery

2020	DWN -10%
\$246 Billion	
2021	DWN -13%
\$213 Billion	
2022	STA 2%
\$218 Billion	
2023	UP 7%
\$233 Billion	
2024	UP 7%
\$248 Billion	

Multifamily Residential

Drivers: Unemployment rate, core CPI, income, mortgage rate, home prices, housing starts, housing permits

DWN -17%

\$56 Billion

2020/2019 Comparison



- Demographic shifts favor secondary and tertiary urban submarkets
- Anticipate significant disruption to planned mixed-use developments
- Buyers and renters are increasingly transient in both living and employment obligations
- Heightened unemployment and volatility favor rentals

2020	DWN -17%
\$56 Billion	
2021	DWN -20%
\$45 Billion	
2022	DWN -4%
\$43 Billion	
2023	UP 7%
\$46 Billion	
2024	UP 8%
\$50 Billion	

Improvements

Drivers: Unemployment rate, core CPI, income, mortgage rate, home prices, housing starts, housing permits

DWN -11%

\$163 Billion

2020/2019 Comparison



- Shelter-in-place mandates spurred short-term demand for improvements spending through early 2020
- Fewer qualified buyers and home sales and declining rental turnover drive improvement spending lower in coming years
- Aging inventories and increased refinance activity help offset long-term losses

2020	DWN -11%
\$163 Billion	
2021	DWN -13%
\$142 Billion	
2022	DWN -9%
\$129 Billion	
2023	STA 3%
\$133 Billion	
2024	UP 6%
\$141 Billion	



Nonresidential Construction Index (NRCI) Q1 2011 to Q3 2020

(Scores above 50 indicate expansion; scores below 50 indicate contraction)

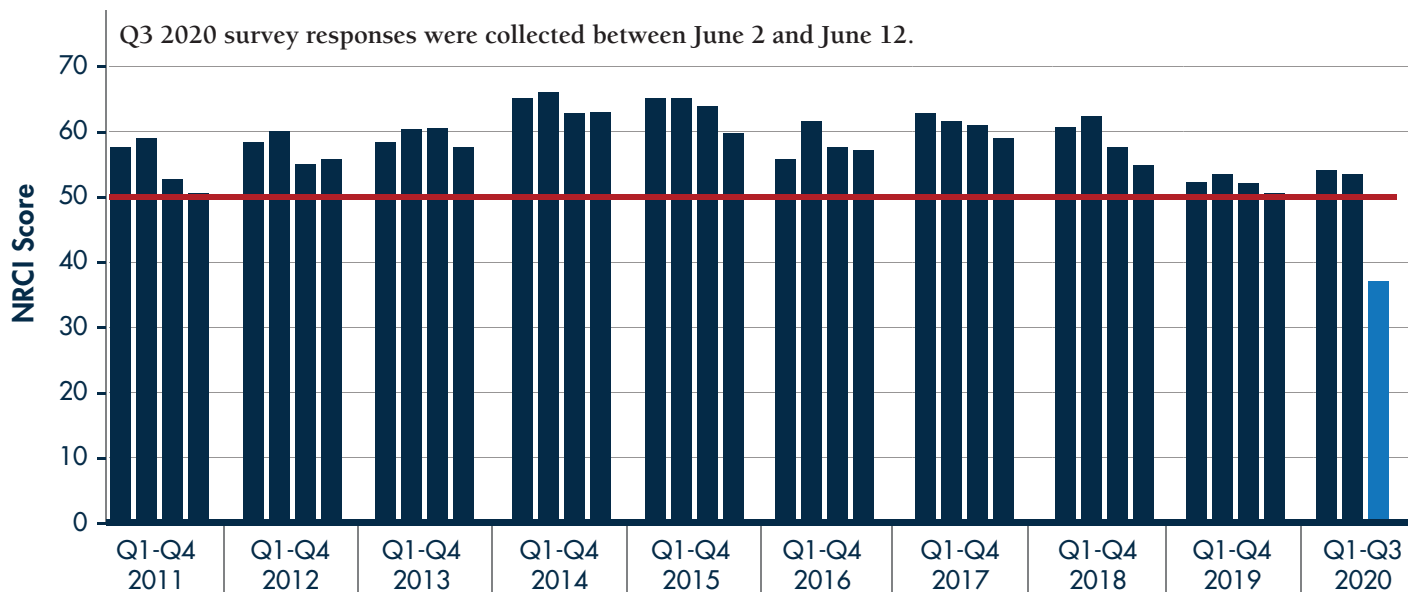
NRCI scores are based on a diffusion index where scores above 50 represent improving or expanding industry conditions, a score of 50 represents conditions remaining the same, and a score below 50 represents worse conditions than last quarter (or contraction).

Current NRCI Reading
for Q3 2020

36.9

Previous Reading

53.2



The data in the NRCI is presented as a sampling of construction industry executives voluntarily serving as panelists for this FMI survey. Responses are based on their experience and opinions, and the analysis is based on FMI's interpretation of the aggregated results.

NONRESIDENTIAL CONSTRUCTION PUT IN PLACE

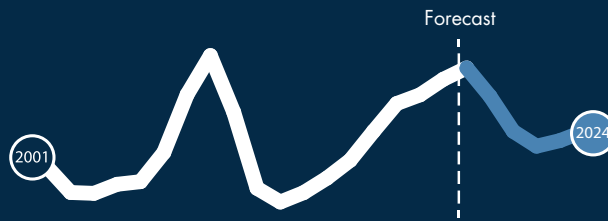
Lodging

Drivers: Occupancy rate, RevPAR, average daily rate, room starts

DWN -15%

\$28 Billion

2020/2019 Comparison



- COVID-19 and protests caused major disruptions to travel (both business and leisure) nationwide
- Industry fundamentals, including occupancy rates and RevPar, are expected to remain depressed well into 2021
- Future losses tied to reduced mixed use and transportation investment

2020 **DWN -15%**
\$28 Billion

2021 **DWN -23%**
\$22 Billion

2022 **DWN -12%**
\$19 Billion

2023 **UP 5%**
\$20 Billion

2024 **UP 8%**
\$22 Billion

Office

Drivers: Office vacancy rate, unemployment rate

DWN -7%

\$74 Billion

2020/2019 Comparison



- Increased acceptance/leniency on remote working weighs on future demand
- Open-floor plan design, shared office space and coworking business models will be tested
- Reduced mixed use investment and corporate relocations
- Rapid expansion of data center investment continues alongside 5G deployment and increased e-commerce and remote working adoption

2020 **DWN -7%**
\$74 Billion

2021 **DWN -16%**
\$62 Billion

2022 **DWN -10%**
\$56 Billion

2023 **STA 3%**
\$58 Billion

2024 **UP 6%**
\$61 Billion

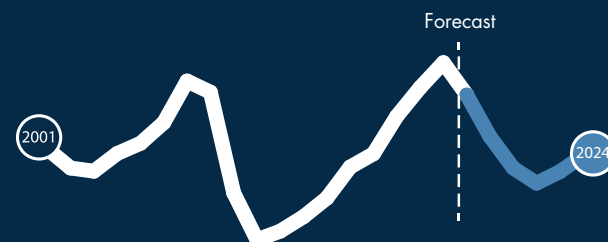
Commercial

Drivers: Retail sales, CPI, income, home prices, housing starts, housing prices

DWN -15%

\$72 Billion

2020/2019 Comparison



- Ongoing and increasing bankruptcies through 2021
- Increased acceptance and use of omnichannel sales (i.e., online curbside pickup)
- Future losses tied to reduced mixed use investment and increasing vacancies
- Demand for warehouse and distribution picks up across all facility types

2020 **DWN -15%**
\$72 Billion

2021 **DWN -14%**
\$63 Billion

2022 **DWN -8%**
\$58 Billion

2023 **UP 6%**
\$61 Billion

2024 **UP 8%**
\$66 Billion

Health Care

Drivers: Population change, population change in ages 75 and up, uninsured population, government spending, nonresidential structure investment

DWN -7%

\$41 Billion

2020/2019 Comparison



- Demand and adoption for health care services and technologies (e.g., telehealth and wearables) are expected to jump substantially in the wake of COVID-19 and 5G deployment
- Rapidly increasing adoption of telehealth significantly challenges capital plans for clinics and outpatient facilities
- Project pipeline suggests a potential resurgence in larger health care campuses

2020 **DWN -7%**
\$41 Billion

2021 **DWN -7%**
\$38 Billion

2022 **DWN -1%**
\$38 Billion

2023 **STA 4%**
\$39 Billion

2024 **STA 2%**
\$40 Billion

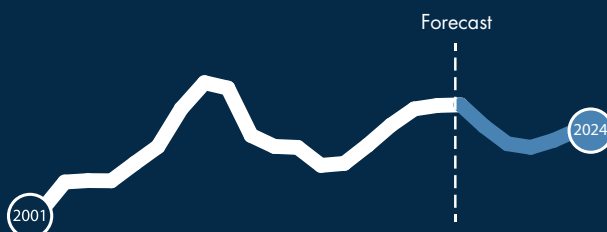
Educational

Drivers: Population change younger than age 18, population change ages 18-24, stock markets, government spending, nonresidential structure investment

DWN -7%

\$91 Billion

2020/2019 Comparison



- K-12 and higher education both experience significant revenue losses; a fall/September start will be critical for many
- Industrywide prioritization in establishing and/or refining an online presence
- Increased focus on facility design in safety and well-being
- Maintenance backlogs receive much needed support through future infrastructure stimulus

2020 **DWN -7%**
\$91 Billion

2021 **DWN -6%**
\$86 Billion

2022 **DWN -1%**
\$85 Billion

2023 **STA 3%**
\$87 Billion

2024 **STA 4%**
\$90 Billion

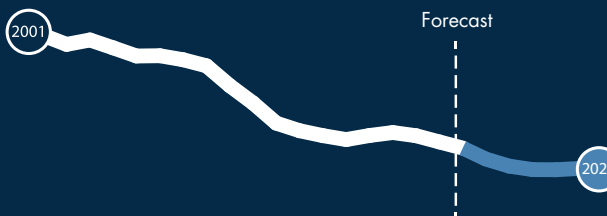
Religious

Drivers: GDP, population, income, personal savings

DWN -20%

\$2 Billion

2020/2019 Comparison



- Shelter-in-place mandates, rising unemployment and weakening consumer confidence weigh on existing capital plans
- Trend in declining attendance and religious affiliation continues
- Ongoing shift away from traditional worship facilities into community-focused service and gathering places

2020 **DWN -20%**
\$2 Billion

2021 **DWN -15%**
\$2 Billion

2022 **DWN -9%**
\$2 Billion

2023 **STA 0%**
\$2 Billion

2024 **STA 4%**
\$2 Billion

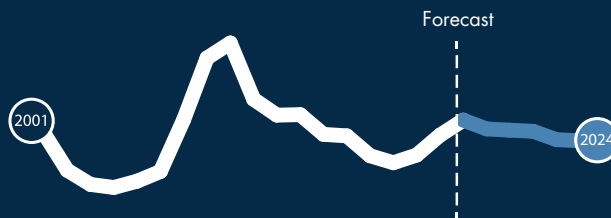
Public Safety

Drivers: Population, government spending, incarceration rate, nonresidential structure investment

DWN -4%

\$10 Billion

2020/2019 Comparison



- Historically low crime rates reverse alongside rising unemployment and heightened social unrest
- Department budgets at risk of cuts as tax revenues decrease
- Large and high-growth metropolitans increasingly in need of updated facilities, resources and infrastructure

2020 **DWN -4%**
\$10 Billion

2021 **DWN -1%**
\$10 Billion

2022 **DWN -1%**
\$10 Billion

2023 **DWN -4%**
\$9 Billion

2024 **DWN -1%**
\$9 Billion

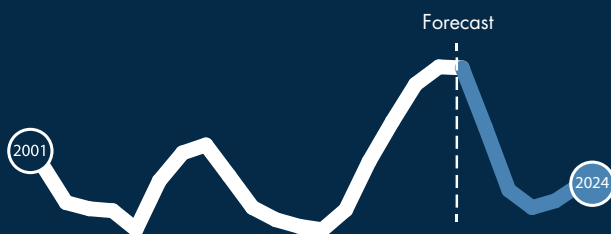
Amusement and Recreation

Drivers: Income, personal savings rate, unemployment rate, employment

DWN -17%

\$23 Billion

2020/2019 Comparison



- Anticipate pandemic-related shutdowns and capacity restrictions into 2021
- Loss of revenue, elevated unemployment, lower consumer confidence and spending, and reduced travel (both business and leisure), alongside economic contraction, results in fewer projects in planning
- Future bankruptcy and/or restructuring announcements are anticipated

2020 **DWN -17%**
\$23 Billion

2021 **DWN -21%**
\$18 Billion

2022 **DWN -7%**
\$17 Billion

2023 **STA 3%**
\$17 Billion

2024 **UP 7%**
\$19 Billion

Transportation

Drivers: Population, government spending, transportation funding

DWN -4%

\$52 Billion

2020/2019 Comparison



- Transit/rail and airline ridership has plummeted and will remain challenged well into 2021
- Future bankruptcy and/or restructuring announcements are anticipated; losses bleed into state and local budgets
- Various anticipated megaprojects will be canceled or postponed
- Oncoming federal infrastructure bill and stimulus funding will support increased spending levels to aid economic recovery

2020 **DWN -4%**
\$52 Billion

2021 **DWN -8%**
\$48 Billion

2022 **DWN -2%**
\$47 Billion

2023 **UP 5%**
\$49 Billion

2024 **UP 5%**
\$51 Billion

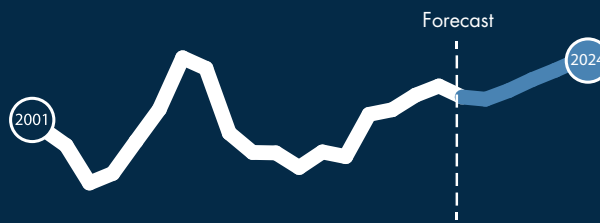
Communication

Drivers: Population, security/regulation standards, private investment, innovation/technology investment

DWN -1%

\$23 Billion

2020/2019 Comparison



- Demand is increasing for an online/e-commerce presence across multiple industries
- Communications investment will be prioritized and highlighted in upcoming federal infrastructure and stimulus packages
- Internet traffic, connected devices and demand for data storage and processing increase dramatically over the forecast period
- Fifth-generation (5G) iPhone rumored on track for late-2020 release

2020	DWN -1%	\$23 Billion
2021	STA 4%	\$24 Billion
2022	UP 5%	\$25 Billion
2023	STA 4%	\$26 Billion
2024	STA 4%	\$27 Billion

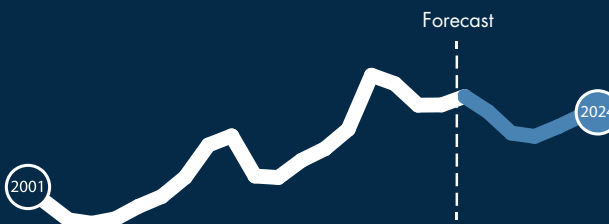
Manufacturing

Drivers: PMI, industrial production, capacity utilization, durable goods orders, manufacturing inventories

DWN -8%

\$68 Billion

2020/2019 Comparison



- Supply chain disruptions, political uncertainty, ongoing trade tensions and oil price collapse all support continued declines
- Large-scale planned petrochemical and transportation equipment investments will remain challenged
- Reshoring manufacturing becomes a political platform going into the presidential election
- Increased investment in robotics and facility automation

2020	DWN -8%	\$68 Billion
2021	DWN -13%	\$59 Billion
2022	DWN -2%	\$58 Billion
2023	STA 7%	\$62 Billion
2024	STA 7%	\$66 Billion

NONBUILDING STRUCTURES CONSTRUCTION PUT IN PLACE

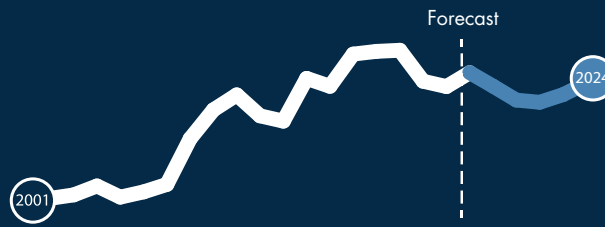
Power

Drivers: Population, industrial production, government spending

DWN -7%

\$93 Billion

2020/2019 Comparison



- Oil and gas price collapse, alongside a wavering trade climate, will continue to challenge pipeline and related infrastructure investment
- Resiliency improvements, regulatory requirements and electrification trends are expected to help offset short-term and midterm losses in oil and gas spending
- Lower energy prices contest demand for planned large-scale renewable projects

2020 **DWN -7%**
\$93 Billion

2021 **DWN -8%**
\$86 Billion

2022 **DWN -1%**
\$85 Billion

2023 **UP 5%**
\$89 Billion

2024 **UP 7%**
\$95 Billion

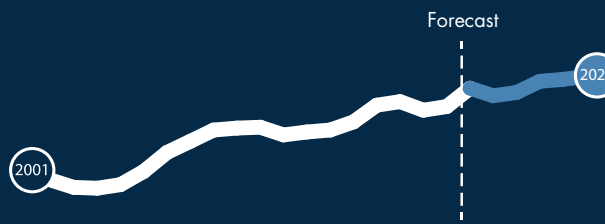
Highway and Street

Drivers: Population, government spending, nonresidential structure investment

DWN -3%

\$96 Billion

2020/2019 Comparison



- The successor to the FAST Act will become a political platform in the upcoming election; low likelihood of increased federal gas taxes
- Budgets and capital plans will become increasingly strained with lower tax collections; states that have passed recent/large measures (e.g., California's SB1) will fare better than others
- Future economic stimulus into infrastructure construction will largely be directed into shovel-ready and resurfacing projects

2020 **DWN -3%**
\$96 Billion

2021 **STA 1%**
\$97 Billion

2022 **UP 5%**
\$102 Billion

2023 **STA 1%**
\$102 Billion

2024 **STA 1%**
\$104 Billion

Sewage and Waste Disposal

Drivers: Population, industrial production, government spending

DWN -6%

\$25 Billion

2020/2019 Comparison



- Overall demand will decline alongside reduced residential and nonresidential development
- Passage of America's Water Infrastructure Act in late 2018 and reauthorization of the Water Infrastructure Finance and Innovation Act (WIFIA) provide some stability in capital plans
- Future infrastructure stimulus and low borrowing costs are expected to help uphold spending levels

2020 **DWN -6%**
\$25 Billion

2021 **DWN -9%**
\$22 Billion

2022 **DWN -3%**
\$22 Billion

2023 **STA 3%**
\$23 Billion

2024 **STA 4%**
\$23 Billion

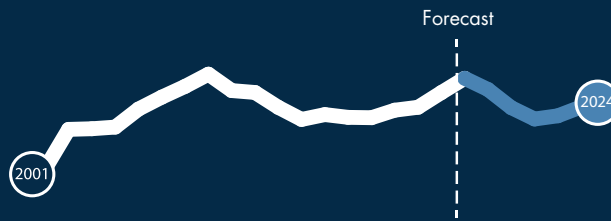
Water Supply

Drivers: Population, industrial production, government spending

DWN -5%

\$16 Billion

2020/2019 Comparison



- The Water Quality Protection and Jobs Creation Act of 2019 injects billions into the Clean Water State Revolving Fund through the forecast period
- Overall demand will decline alongside reduced residential and nonresidential development
- Future infrastructure stimulus and low borrowing costs are expected to help uphold spending levels

2020 **DWN -5%**
\$16 Billion

2021 **DWN -9%**
\$14 Billion

2022 **DWN -6%**
\$13 Billion

2023 **STA 2%**
\$14 Billion

2024 **UP 5%**
\$14 Billion

Conservation and Development

Drivers: Population, government spending

DWN -6%

\$9 Billion

2020/2019 Comparison



- Low oil prices and declining industrial production/expansion will limit short-term needs for remediation and conservation spending
- Ongoing USACE spending tied to 2019 Disaster Relief Act efforts
- EPA budgets will remain in contention through the 2020 presidential election

2020 **DWN -6%**
\$9 Billion

2021 **DWN -14%**
\$7 Billion

2022 **DWN -2%**
\$7 Billion

2023 **UP 7%**
\$8 Billion

2024 **UP 8%**
\$8 Billion

Construction Put in Place Estimated for the United States

Millions of Current Dollars

2nd Quarter 2020 Forecast (based on Q1 2020 Actuals)

	2015	2016	2017	2018	2019	2020F	2021F	2022F	2023F	2024F
RESIDENTIAL BUILDINGS										
Single-family	221,683	242,939	270,365	289,855	272,518	246,133	212,931	217,766	232,957	248,220
Multifamily	58,686	66,835	66,404	65,670	67,153	55,772	44,614	43,046	45,992	49,769
Improvements*	148,857	163,913	194,986	190,611	182,299	162,834	142,340	128,978	133,054	140,829
Total Residential Buildings	429,226	473,687	531,755	546,136	521,970	464,740	399,885	389,790	412,002	438,817
NONRESIDENTIAL BUILDINGS										
Lodging	22,012	27,077	28,660	31,496	33,560	28,404	22,008	19,301	20,318	21,957
Office	56,013	67,907	68,685	74,450	79,233	73,593	62,109	56,056	57,744	61,169
Commercial	66,977	78,696	87,626	95,420	85,361	72,348	62,508	57,787	61,386	66,468
Health Care	39,665	40,574	43,120	42,642	44,248	41,001	38,224	37,963	39,335	40,079
Educational	85,346	91,629	96,685	97,777	97,963	91,286	85,826	84,693	86,917	90,144
Religious	3,598	3,752	3,586	3,262	2,943	2,368	2,003	1,823	1,816	1,883
Public Safety	8,505	8,177	8,539	9,468	10,173	9,761	9,702	9,651	9,259	9,208
Amusement and Recreation	20,527	23,652	26,569	27,924	27,846	23,181	18,302	16,941	17,470	18,683
Transportation	45,106	43,339	46,137	51,446	54,694	52,332	47,991	46,948	49,131	51,355
Communication	21,691	22,179	23,696	24,645	23,499	23,270	24,173	25,308	26,291	27,368
Manufacturing	83,143	79,633	70,682	70,782	74,297	68,019	59,076	57,686	61,678	66,299
Total Nonresidential Buildings	452,583	486,615	503,985	529,312	533,817	485,561	431,922	414,156	431,344	454,612
NONBUILDING STRUCTURES										
Power	111,495	112,067	95,951	93,176	100,429	93,407	86,136	85,002	88,956	94,899
Highway and Street	91,701	93,187	89,620	91,124	98,793	95,625	96,992	101,655	102,460	103,737
Sewage and Waste Disposal	24,599	24,151	22,901	23,931	26,142	24,606	22,456	21,823	22,505	23,446
Water Supply	13,353	13,940	14,168	15,317	16,429	15,555	14,137	13,251	13,502	14,198
Conservation and Development	7,735	7,745	7,464	8,253	9,276	8,720	7,489	7,357	7,879	8,475
Total Nonbuilding Structures	248,883	251,090	230,104	231,801	251,069	237,914	227,210	229,087	235,302	244,755
Total Put in Place	\$1,130,692	\$1,211,392	\$1,265,844	\$1,307,249	\$1,306,856	\$1,188,215	\$1,059,018	\$1,033,034	\$1,078,649	\$1,138,185

Construction Put in Place Estimated for the United States

Change From Prior Year - Current Dollar Basis

2nd Quarter 2020 Forecast (based on Q1 2020 Actuals)

	2015	2016	2017	2018	2019	2020F	2021F	2022F	2023F	2024F
RESIDENTIAL BUILDINGS										
Single-family	14%	10%	11%	7%	-6%	-10%	-13%	2%	7%	7%
Multifamily	27%	14%	-1%	-1%	2%	-17%	-20%	-4%	7%	8%
Improvements*	11%	10%	19%	-2%	-4%	-11%	-13%	-9%	3%	6%
Total Residential Buildings	15%	10%	12%	3%	-4%	-11%	-14%	-3%	6%	7%
NONRESIDENTIAL BUILDINGS										
Lodging	32%	23%	6%	10%	7%	-15%	-23%	-12%	5%	8%
Office	20%	21%	1%	8%	6%	-7%	-16%	-10%	3%	6%
Commercial	7%	17%	11%	9%	-11%	-15%	-14%	-8%	6%	8%
Health Care	3%	2%	6%	-1%	4%	-7%	-7%	-1%	4%	2%
Educational	7%	7%	6%	1%	0%	-7%	-6%	-1%	3%	4%
Religious	6%	4%	-4%	-9%	-10%	-20%	-15%	-9%	0%	4%
Public Safety	-10%	-4%	4%	11%	7%	-4%	-1%	-1%	-4%	-1%
Amusement and Recreation	22%	15%	12%	5%	0%	-17%	-21%	-7%	3%	7%
Transportation	7%	-4%	6%	12%	6%	-4%	-8%	-2%	5%	5%
Communication	25%	2%	7%	4%	-5%	-1%	4%	5%	4%	4%
Manufacturing	37%	-4%	-11%	0%	5%	-8%	-13%	-2%	7%	7%
Total Nonresidential Buildings	15%	8%	4%	5%	1%	-9%	-11%	-4%	4%	5%
NONBUILDING STRUCTURES										
Power	1%	1%	-14%	-3%	8%	-7%	-8%	-1%	5%	7%
Highway and Street	8%	2%	-4%	2%	8%	-3%	1%	5%	1%	1%
Sewage and Waste Disposal	6%	-2%	-5%	4%	9%	-6%	-9%	-3%	3%	4%
Water Supply	0%	4%	2%	8%	7%	-5%	-9%	-6%	2%	5%
Conservation and Development	6%	0%	-4%	11%	12%	-6%	-14%	-2%	7%	8%
Total Nonbuilding Structures	4%	1%	-8%	1%	8%	-5%	-4%	1%	3%	4%
Total Put in Place	12%	7%	4%	3%	0%	-9%	-11%	-2%	4%	6%

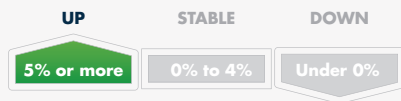
*Improvements includes additions, alterations and major replacements. It does not include maintenance and repairs.



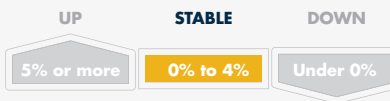
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2020 Segment Performance 2020/2019 Comparison

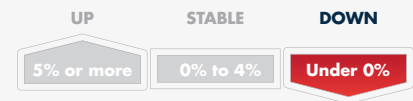


Up



Stable

- Health Care
- Education
- Highway and Street
- Sewage and Waste Disposal
- Water Supply
- Conservation and Development



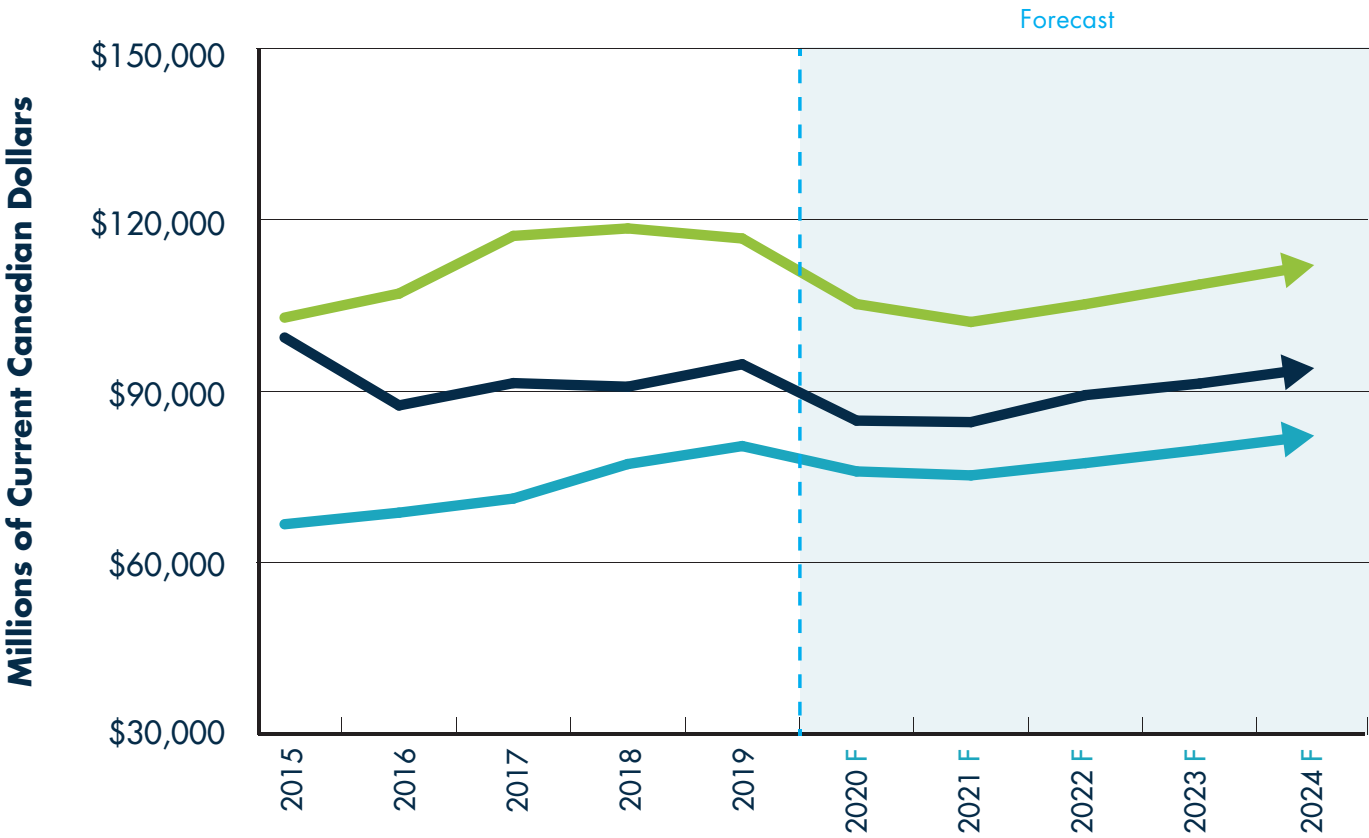
Down

- Single-family
- Multifamily
- Improvements
- Lodging
- Office
- Commercial
- Religious
- Public Safety
- Amusement and Recreation
- Transportation
- Communication
- Manufacturing
- Power



Total Construction Put in Place Estimated for Canada

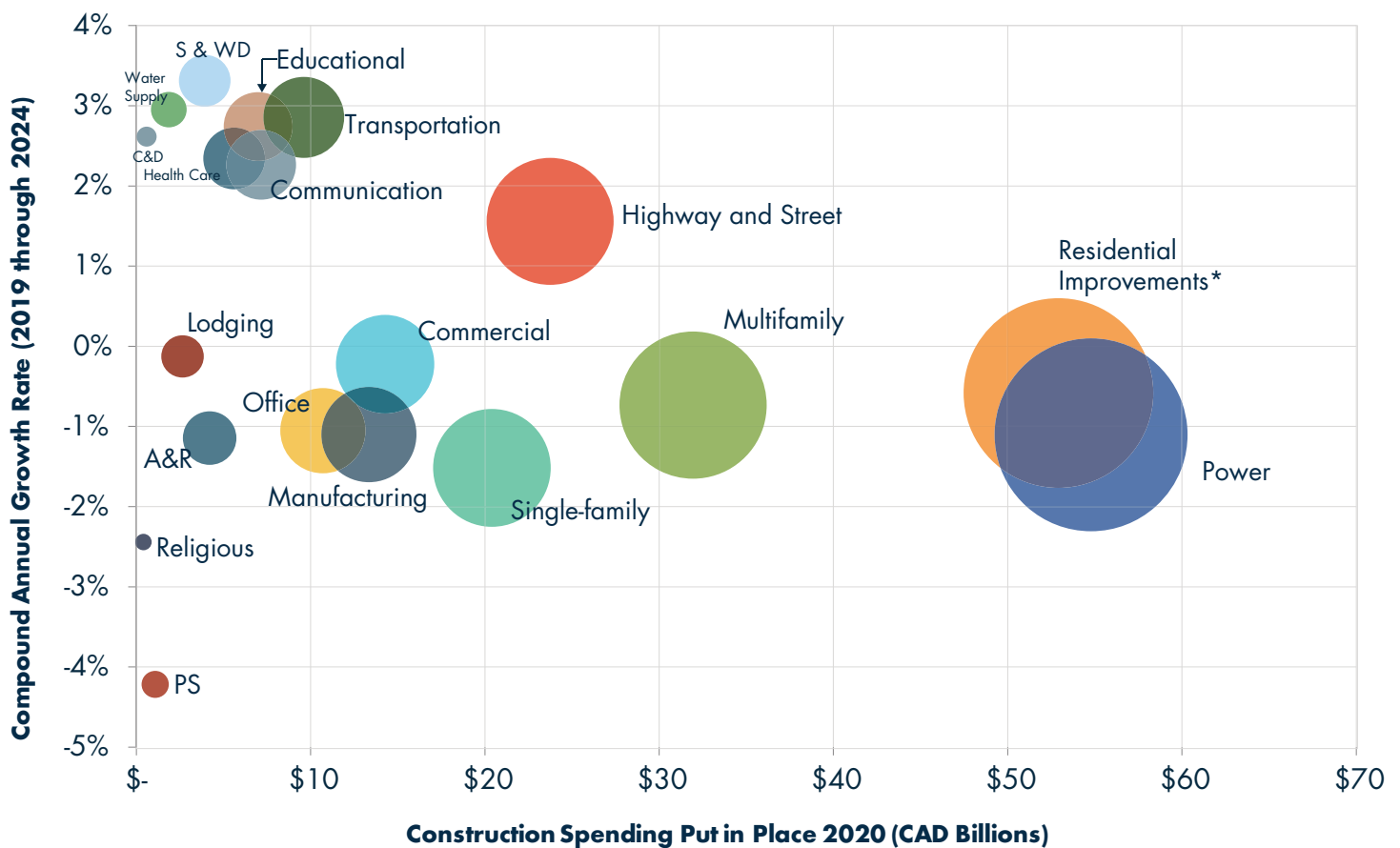
■ Residential ■ Nonresidential Buildings ■ Nonbuilding Structures



Source: Statistics Canada and FMI Forecast



Total Construction Put in Place Estimated for Canada



*Improvements includes additions, alterations and major replacements. It does not include maintenance and repairs.

Source: Statistics Canada and FMI Forecast

Construction Put in Place Estimated for Canada

Millions of Current Canadian Dollars

2nd Quarter 2020 Forecast (based on Q1 2020 Actuals)

	2015	2016	2017	2018	2019	2020F	2021F	2022F	2023F	2024F
RESIDENTIAL BUILDINGS										
Single-family	25,628	26,964	28,106	26,395	22,790	20,398	19,676	20,048	20,555	21,113
Multifamily	23,529	24,483	28,307	32,635	35,696	31,945	30,957	32,069	33,322	34,405
Improvements*	53,731	55,646	60,764	59,456	58,240	52,916	51,494	53,114	54,803	56,564
Total Residential Buildings	102,888	107,092	117,177	118,486	116,727	105,259	102,127	105,232	108,680	112,082
NONRESIDENTIAL BUILDINGS										
Lodging	2,728	2,766	2,633	2,646	2,877	2,648	2,555	2,660	2,763	2,859
Office	9,608	9,111	9,628	10,415	11,886	10,704	10,266	10,538	10,923	11,273
Commercial	13,926	13,381	13,568	14,117	15,552	14,272	13,827	14,399	14,864	15,379
Health Care	5,278	4,975	5,018	5,118	5,459	5,605	5,740	5,807	5,959	6,130
Educational	5,999	6,767	7,775	7,757	6,768	6,984	7,230	7,409	7,538	7,747
Religious	442	413	386	382	444	404	377	377	383	392
Public Safety	953	948	863	898	1,120	1,076	924	954	903	903
Amusement and Recreation	3,560	4,432	4,480	4,741	4,710	4,199	4,076	4,232	4,301	4,447
Transportation	6,057	7,056	7,855	9,745	9,755	9,607	10,020	10,511	10,852	11,230
Communication	5,227	5,781	6,578	6,915	7,055	7,152	7,368	7,582	7,688	7,891
Manufacturing	12,978	13,149	12,466	14,545	14,797	13,340	12,915	12,979	13,585	14,001
Total Nonresidential Buildings	66,757	68,779	71,250	77,279	80,424	75,993	75,298	77,449	79,759	82,252
NONBUILDING STRUCTURES										
Power	70,830	61,084	65,579	62,437	65,674	54,782	52,920	57,952	59,948	62,129
Highway and Street	19,044	17,725	20,039	22,266	22,827	23,737	24,843	24,371	24,242	24,661
Sewage and Waste Disposal	5,476	5,114	3,655	3,769	3,872	3,915	4,259	4,380	4,518	4,557
Water Supply	3,707	3,000	1,657	1,742	1,785	1,859	1,976	1,985	2,021	2,064
Conservation and Development	344	611	505	591	571	585	616	646	635	650
Total Nonbuilding Structures	99,401	87,534	91,435	90,805	94,729	84,878	84,614	89,334	91,364	94,061
Total Put in Place	\$269,046	\$263,405	\$279,862	\$286,570	\$291,880	\$266,130	\$262,039	\$272,015	\$279,803	\$288,395

Construction Put in Place Estimated for Canada

Millions of Current Canadian Dollars

2nd Quarter 2020 Forecast (based on Q1 2020 Actuals)

	2015	2016	2017	2018	2019	2020F	2021F	2022F	2023F	2024F
RESIDENTIAL BUILDINGS										
Single-family	1%	5%	4%	-6%	-14%	-10%	-4%	2%	3%	3%
Multifamily	2%	4%	16%	15%	9%	-11%	-3%	4%	4%	3%
Improvements*	4%	4%	9%	-2%	-2%	-9%	-3%	3%	3%	3%
Total Residential Buildings	3%	4%	9%	1%	-1%	-10%	-3%	3%	3%	3%
NONRESIDENTIAL BUILDINGS										
Lodging	17%	1%	-5%	1%	9%	-8%	-4%	4%	4%	3%
Office	-12%	-5%	6%	8%	14%	-10%	-4%	3%	4%	3%
Commercial	-4%	-4%	1%	4%	10%	-8%	-3%	4%	3%	3%
Health Care	12%	-6%	1%	2%	7%	3%	2%	1%	3%	3%
Educational	5%	13%	15%	0%	-13%	3%	4%	2%	2%	3%
Religious	11%	-7%	-7%	-1%	16%	-9%	-7%	0%	2%	2%
Public Safety	44%	-1%	-9%	4%	25%	-4%	-14%	3%	-5%	0%
Amusement and Recreation	-16%	24%	1%	6%	-1%	-11%	-3%	4%	2%	3%
Transportation	-6%	16%	11%	24%	0%	-2%	4%	5%	3%	3%
Communication	4%	11%	14%	5%	2%	1%	3%	3%	1%	3%
Manufacturing	-9%	1%	-5%	17%	2%	-10%	-3%	0%	5%	3%
Total Nonresidential Buildings	-4%	3%	4%	8%	4%	-6%	-1%	3%	3%	3%
NONBUILDING STRUCTURES										
Power	-24%	-14%	7%	-5%	5%	-17%	-3%	10%	3%	4%
Highway and Street	18%	-7%	13%	11%	3%	4%	5%	-2%	-1%	2%
Sewage and Waste Disposal	71%	-7%	-29%	3%	3%	1%	9%	3%	3%	1%
Water Supply	-32%	-19%	-45%	5%	2%	4%	6%	0%	2%	2%
Conservation and Development	157%	78%	-17%	17%	-3%	3%	5%	5%	-2%	2%
Total Nonbuilding Structures	-16%	-12%	4%	-1%	4%	-10%	0%	6%	2%	3%
Total Put in Place	-6%	-2%	6%	2%	2%	-9%	-2%	4%	3%	3%

*Improvements includes additions, alterations and major replacements. It does not include maintenance and repairs.

About the Authors



Jay Bowman is a principal with FMI. Jay assists a broad range of stakeholders in the construction industry, from program managers and general contractors to specialty trades and materials producers, with the identification and assessment of the risks influencing the strategic and tactical decisions they face. In this role, Jay's primary responsibilities include research design and interpretation, based on developing an understanding of the context within which these organizations operate. Jay can be reached at jbowman@fminet.com.



Brian Strawberry is a senior economist with FMI. Brian's expertise is in economic and statistical modeling. He leads FMI's efforts in market sizing, forecasting, and building product/construction material pricing and consumption trends. Brian's combination of analytical skills and creative problem-solving abilities has proven valuable for many contractors, owners and private equity groups as well as industry associations and internal research initiatives. Brian can be reached at bstrawberry@fminet.com.



Emily Beardall is a senior analyst for FMI's strategy practice. Emily is responsible for creating and developing tools to deliver innovative solutions for our clients. She is committed to utilizing these strategic tools to improve company performance and profitability. Emily can be reached at ebeardall@fminet.com.



for the Built Environment

Denver

210 University Boulevard
Suite 800
Denver, CO 80206
303.377.4740

Houston

1301 McKinney Street
Suite 2000
Houston, TX 77010
713.936.5400

Phoenix

7639 East Pinnacle Peak Road
Suite 100
Scottsdale, AZ 85255
602.381.8108

Raleigh (headquarters)

223 S. West Street
Suite 1200
Raleigh, NC 27603
919.787.8400

Tampa

4300 W. Cypress Street
Suite 950
Tampa, FL 33607
813.636.1364

WWW.FMINET.COM