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FMI's North American Construction Outlook

First Quarter 2019 Report

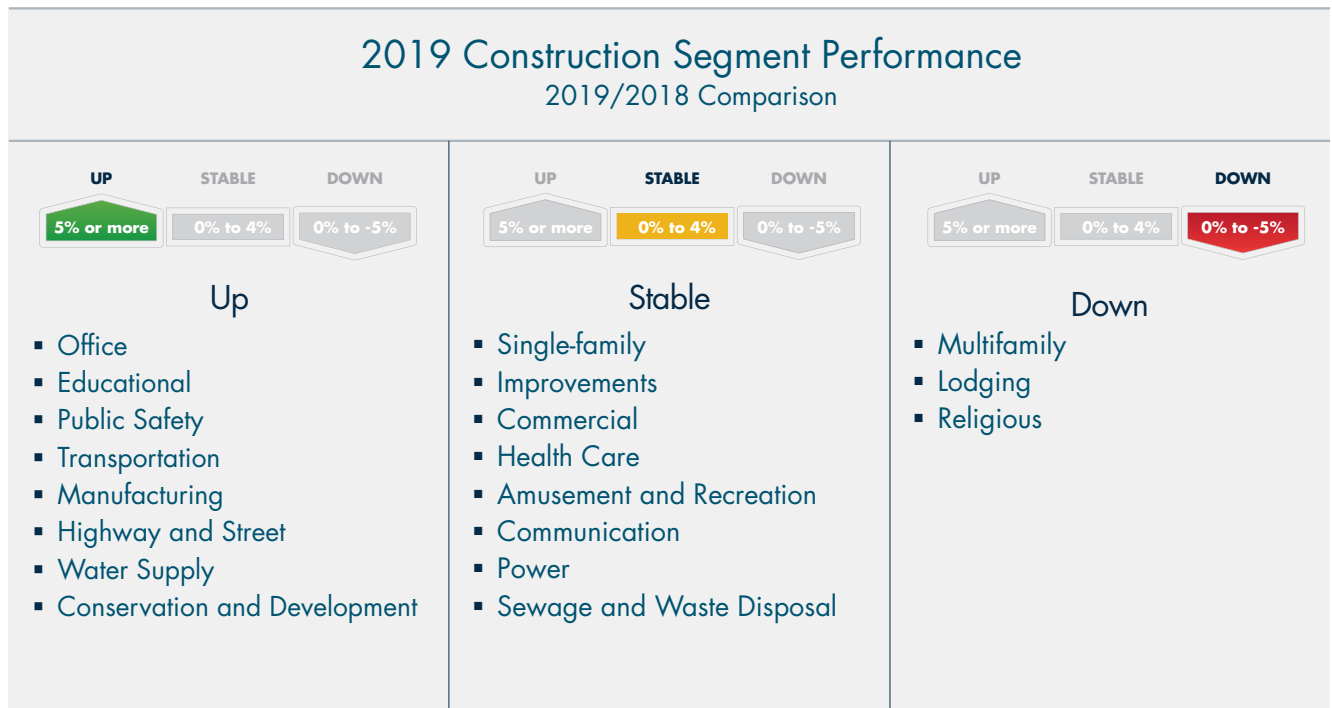


FMI U.S. Construction Outlook

First Quarter 2019 Report

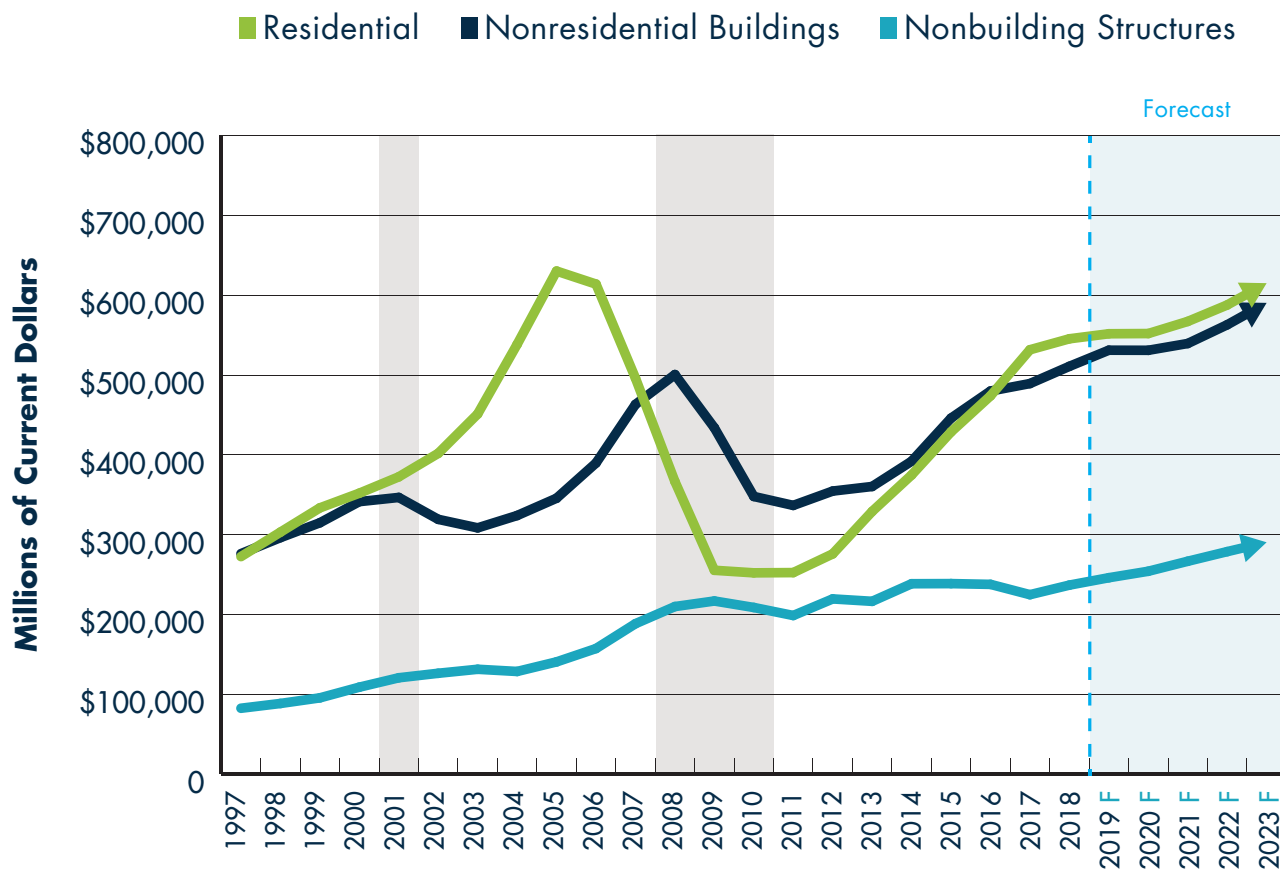
Key Takeaways

- Total engineering and construction spending for the U.S. is forecast to end up 3 percent in 2019, compared to up 4 percent in 2018.



- Spending growth in 2019 is expected to be led by public investment across both nonresidential buildings and nonresidential structures. Current top-performing segments forecast in 2019 include transportation (+9 percent), public safety (+6 percent), educational (+5 percent) and manufacturing (+5 percent). Forecast bottom-performing segments in 2019 include religious (-5 percent), multifamily (-5 percent) and lodging (-2 percent).
- Key segments that were upgraded into our growth category going into 2019 include educational, manufacturing, and highway and street. Various others appear to be stabilizing this year, including three prior growth segments from 2018: single-family residential, amusement and recreation, and sewage and waste disposal. Both lodging and multifamily were adjusted into our down category this quarter with anticipated declines realized through the remainder of the year.

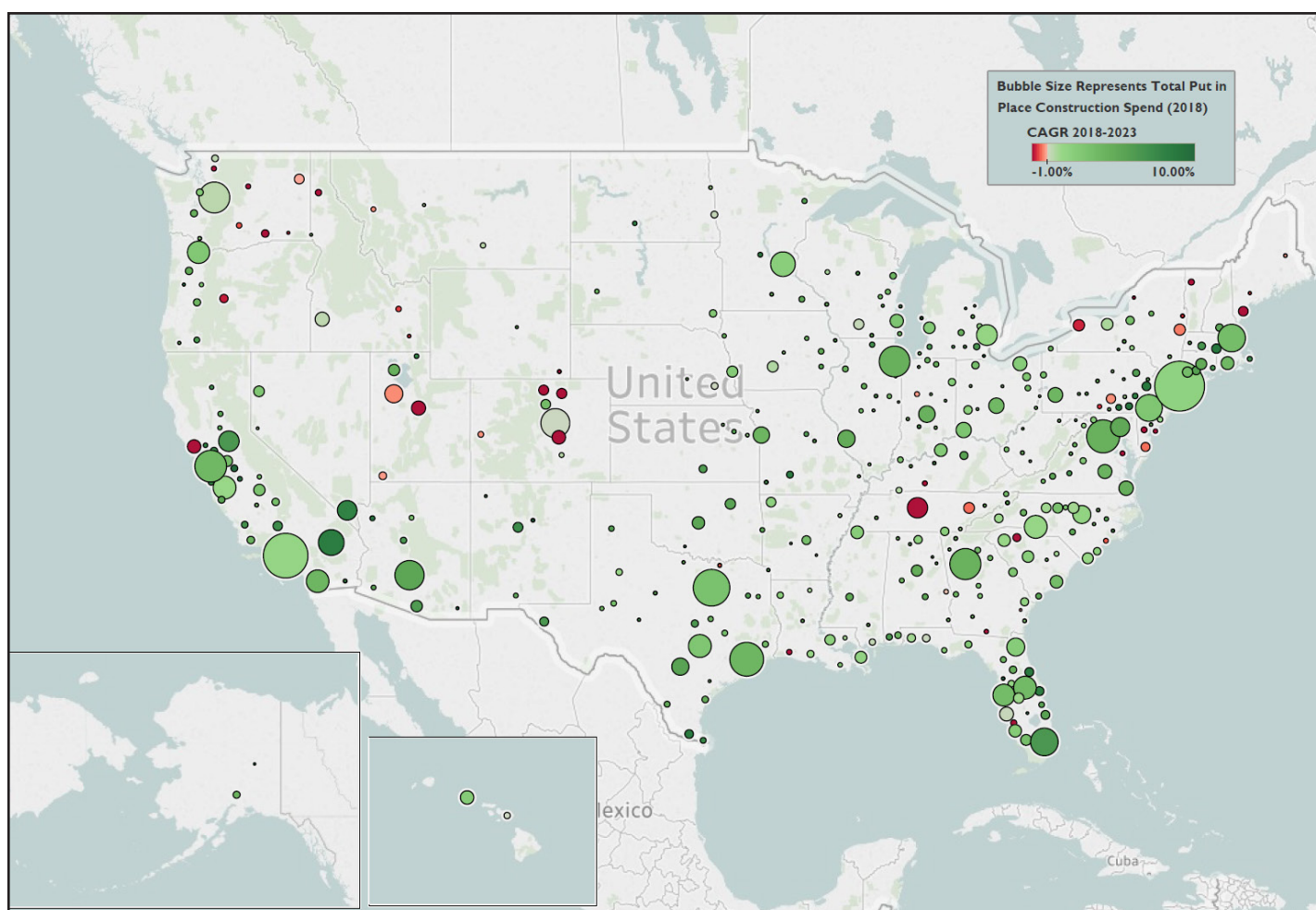
Total Construction Put in Place Estimated for the U.S.



Source: U.S. Census and FMI Forecast



Total Construction Spending Put in Place 2018 and Forecast Growth (2018-2023 CAGR) by Metropolitan Statistical Area



Source: FMI Forecast

RESIDENTIAL CONSTRUCTION PUT IN PLACE

Single-Family Residential

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

STA **3%**

\$293 Billion

2019/2018 Comparison



- Starts expected to rise slowly through 2020, alongside mounting affordability concerns
- Employment growth has moderated while wages continue to slowly rise
- Mortgage rates have reached 13-month lows in an effort to motivate buyers
- FHA is tightening lending standards

2019	STA 3%	\$293 Billion
2020	STA 1%	\$296 Billion
2021	STA 3%	\$305 Billion
2022	STA 4%	\$317 Billion
2023	UP 5%	\$334 Billion

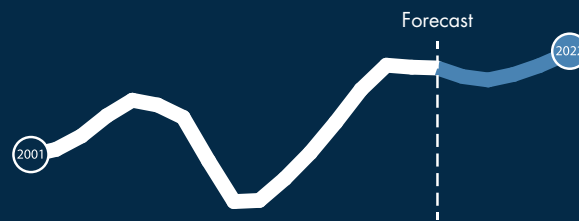
Multifamily Residential

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

DWN **5%**

\$63 Billion

2019/2018 Comparison



- Declining investment expected through 2020 as major cities recognize new capacity
- Millennial buying practices, alongside urbanization trends, continue to drive long-term opportunities
- Prices continue to rise

2019	DWN 5%	\$63 Billion
2020	DWN 2%	\$62 Billion
2021	STA 3%	\$64 Billion
2022	UP 5%	\$67 Billion
2023	UP 6%	\$71 Billion

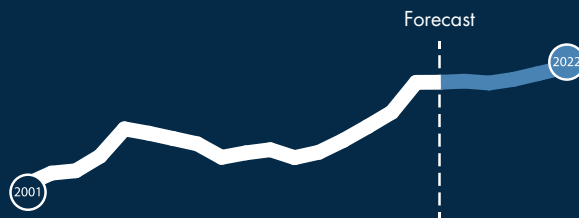
Improvements

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

STA **1%**

\$196 Billion

2019/2018 Comparison



- Stalled moving activity expected through 2020
- Rising labor and material costs continue to postpone improvement projects
- Rising home prices and wages continue to fuel demand

2019	STA 1%	\$196 Billion
2020	DWN 1%	\$194 Billion
2021	STA 2%	\$198 Billion
2022	STA 3%	\$204 Billion
2023	STA 3%	\$210 Billion



Nonresidential Construction Index (NRCI) Scores Q1 2011 to Q2 2019

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

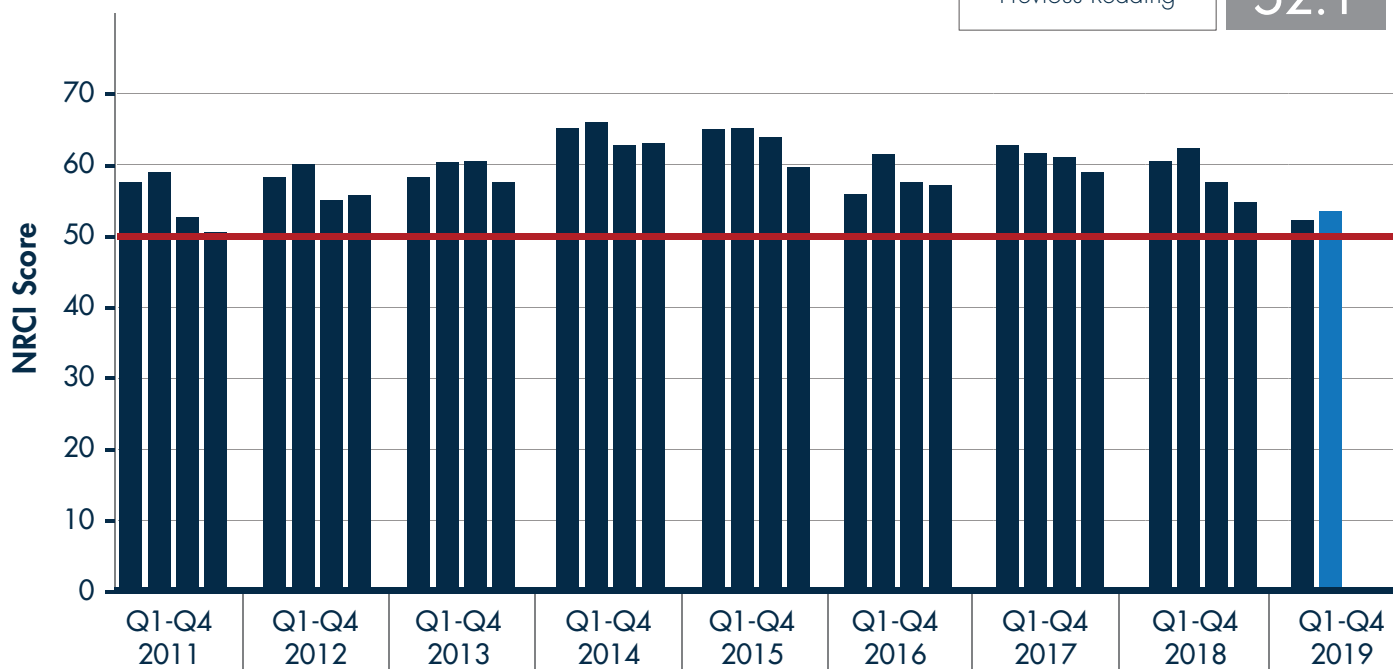
NRCI scores are based on a diffusion index where scores above 50 represent improving or expanding industry conditions, a score of 50 represents conditions remaining the same, and a score below 50 represents worse conditions than last quarter (or contraction).

Current NRCI Reading
for Q2 2019

53.3

Previous Reading

52.1



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

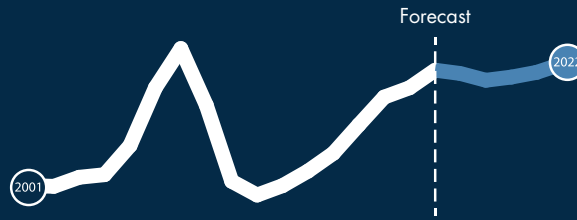
Lodging

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

DWN 2%

\$31 Billion

2019/2018 Comparison



- New capacity, alongside lower employment growth, is expected to stall short-term investment
- Occupancy rates and RevPar expected to remain healthy through 2020
- Increasing competition from nontraditional forms of lodging (e.g., Airbnb)

2019 **DWN** 2%
\$31 Billion

2020 **DWN** 4%
\$30 Billion

2021 **STA** 2%
\$31 Billion

2022 **STA** 3%
\$31 Billion

2023 **UP** 5%
\$33 Billion

Office

Drivers: Office vacancy rate, unemployment rate

UP 5%

\$76 Billion

2019/2018 Comparison



- Cost pressures and slowed employment growth are expected to weigh on demand
- Major corporate campus projects are driving the overall trend
- Demand for data center investment continues to expand rapidly

2019 **UP** 5%
\$76 Billion

2020 **DWN** 2%
\$75 Billion

2021 **DWN** 1%
\$74 Billion

2022 **UP** 5%
\$78 Billion

2023 **UP** 6%
\$83 Billion

Commercial

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

STA 3%

\$92 Billion

2019/2018 Comparison



- Traditional retail continues to evolve with rising vacancy rates and ongoing closures/exits (e.g., Payless ShoeSource)
- Ongoing rise in e-commerce led by Amazon
- Demand for warehouse and distribution investment continues to expand

2019 **STA** 3%
\$92 Billion

2020 **DWN** 4%
\$88 Billion

2021 **STA** 1%
\$89 Billion

2022 **UP** 5%
\$93 Billion

2023 **UP** 7%
\$99 Billion

Health Care

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

STA **1%**

\$42 Billion

2019/2018 Comparison



- Ongoing influence from M&A activity, senior living demand from the aging population and specialty care platforms
- “Microhospitals” (eight- to 12-bed facilities) are helping local markets meet demand for acute medical treatment
- Key indicators suggest strong future growth in southern and western states

2019	STA 1%
	\$42 Billion
2020	STA 2%
	\$43 Billion
2021	STA 3%
	\$44 Billion
2022	UP 5%
	\$47 Billion
2023	UP 6%
	\$50 Billion

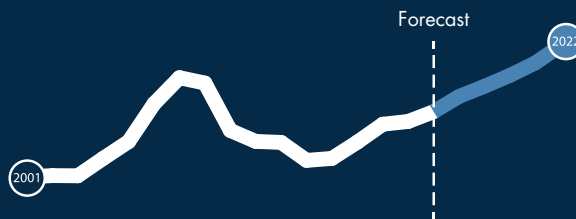
Educational

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

UP **5%**

\$99 Billion

2019/2018 Comparison



- Increasing percentage of the U.S. population under 18 years old
- Local bond support has been on the rise
- Any upcoming federal infrastructure package is expected to include increased funding for schools

2019	UP 5%
	\$99 Billion
2020	STA 3%
	\$102 Billion
2021	STA 3%
	\$106 Billion
2022	STA 4%
	\$109 Billion
2023	UP 5%
	\$115 Billion

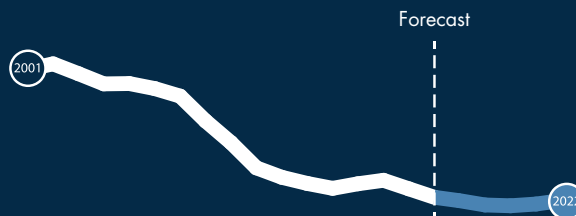
Religious

Drivers: GDP, population, income, personal savings

DWN **5%**

\$3 Billion

2019/2018 Comparison



- Increased wages and income levels bolster industry revenue growth
- Declining share of Americans donating to religious organizations
- Declining attendance over time

2019	DWN 5%
	\$3 Billion
2020	DWN 6%
	\$3 Billion
2021	DWN 1%
	\$3 Billion
2022	STA 3%
	\$3 Billion
2023	UP 5%
	\$3 Billion

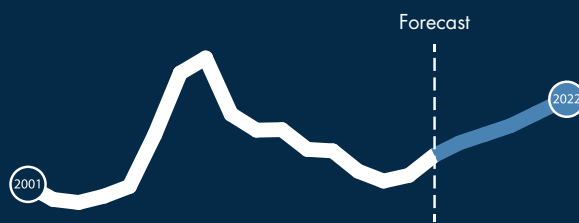
Public Safety

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

UP **6%**

\$10 Billion

2019/2018 Comparison



- High-growth metropolitans are in need of updated facilities and infrastructure
- National crime rates over the past 18-24 months are trending downward
- Legislation has ordered various states to either reduce the prison population or build new private prisons

2019	UP 6%	\$10 Billion
2020	STA 4%	\$10 Billion
2021	STA 4%	\$11 Billion
2022	UP 5%	\$11 Billion
2023	UP 5%	\$12 Billion

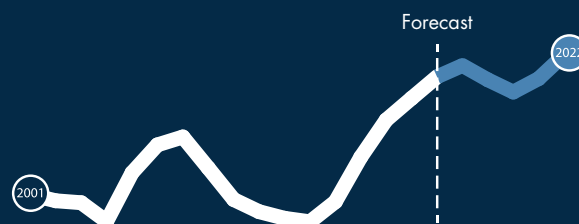
Amusement and Recreation

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

STA **3%**

\$27 Billion

2019/2018 Comparison



- Private investment and developments drive the overall trend
- Surge in recent investment is supported by public activity bonds
- Casino construction as a nationwide construction trend is decelerating into 2019

2019	STA 3%	\$27 Billion
2020	DWN 4%	\$26 Billion
2021	DWN 4%	\$25 Billion
2022	STA 4%	\$26 Billion
2023	UP 7%	\$28 Billion

Transportation

Drivers: Population, government spending, transportation funding

UP **9%**

\$56 Billion

2019/2018 Comparison



- Urbanization is influencing increased demand for connectivity
- Addressing crowding is a means to continue attraction in large, high-growth metropolitans
- The evolution of e-commerce is bolstering transportation investment nationwide

2019	UP 9%	\$56 Billion
2020	UP 8%	\$61 Billion
2021	UP 7%	\$65 Billion
2022	UP 6%	\$69 Billion
2023	DWN 1%	\$69 Billion

Communication

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

STA **3%**

\$25 Billion

2019/2018 Comparison



- Bandwidth needs remain high, providers work to bring new capacity online in efforts to keep up with public demand
- Connectivity has become a requirement for local economic growth
- Significant fifth-generation (5G) infrastructure needs

2019 **STA** **3%**
\$25 Billion

2020 **STA** **4%**
\$26 Billion

2021 **UP** **5%**
\$27 Billion

2022 **STA** **3%**
\$28 Billion

2023 **STA** **4%**
\$30 Billion

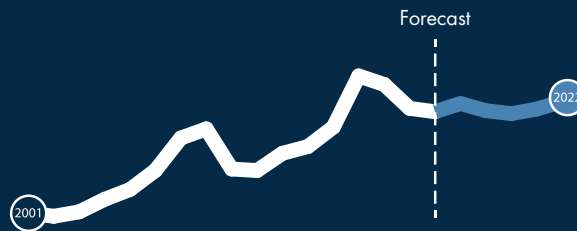
Manufacturing

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

UP **5%**

\$68 Billion

2019/2018 Comparison



- Chinese trade negotiations continue to generate uncertainty
- Increased investment tied to domestic oil and gas production
- Past 18-24 months of increased orders, production and utilization rates will encourage short-term spending
- Leading indicators have softened through 2018 and into 2019

2019 **UP** **5%**
\$68 Billion

2020 **DWN** **4%**
\$65 Billion

2021 **DWN** **2%**
\$64 Billion

2022 **STA** **3%**
\$66 Billion

2023 **UP** **5%**
\$69 Billion

NONBUILDING STRUCTURES CONSTRUCTION PUT IN PLACE

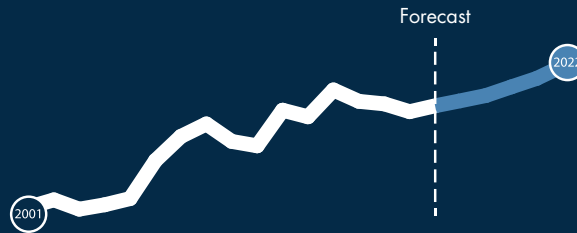
Power

Drivers: Population, industrial production, government spending

STA **3%**

\$103 Billion

2019/2018 Comparison



- Continued shift from coal to natural gas and renewable energy sources
- Slow but sustained growth in electricity consumption, technology adoption continues to drive investment
- T&D spending is expected to plateau in 2019 following two strong years

2019	STA 3%	\$103 Billion
2020	STA 3%	\$107 Billion
2021	UP 5%	\$112 Billion
2022	UP 5%	\$117 Billion
2023	UP 6%	\$125 Billion

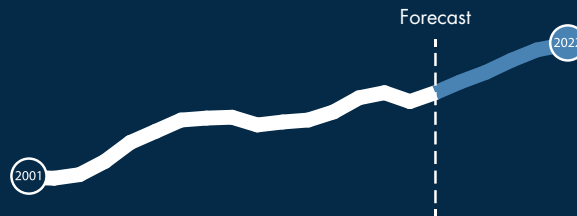
Highway and Street

Drivers: Population, government spending, nonresidential structure investment

UP **5%**

\$97 Billion

2019/2018 Comparison



- Widespread increases in related state and local revenues
- Federal funding will experience some increase due to last year's appropriations bill
- Overall spending growth is driven by a handful of the largest states

2019	UP 5%	\$97 Billion
2020	STA 4%	\$101 Billion
2021	UP 5%	\$106 Billion
2022	STA 4%	\$111 Billion
2023	STA 2%	\$113 Billion

Sewage and Waste Disposal

Drivers: Population, industrial production, government spending

STA **2%**

\$23 Billion

2019/2018 Comparison



- Passage of America's Water Infrastructure Act in late 2018 and reauthorization of the Water Infrastructure Finance and Innovation Act (WIFIA) provide a substantial boost in funding
- Residential needs and technology advancements will drive overall demand

2019	STA 2%	\$23 Billion
2020	STA 0%	\$22 Billion
2021	STA 4%	\$23 Billion
2022	UP 6%	\$25 Billion
2023	STA 4%	\$26 Billion

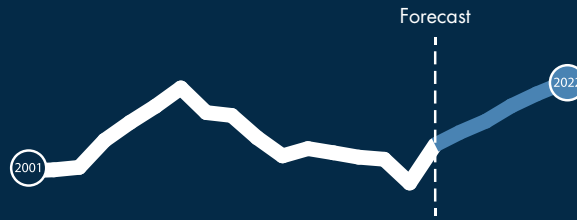
Water Supply

Drivers: Population, industrial production, government spending

UP 5%

\$14 Billion

2019/2018 Comparison



- Passage of America's Water Infrastructure Act in late 2018 and reauthorization of the Water Infrastructure Finance and Innovation Act (WIFIA) provide a substantial boost in funding
- Recent introduction of the Water Quality Protection and Jobs Creation Act of 2019 further supports ongoing clean water supply infrastructure spending

2019	UP 5%	\$14 Billion
2020	STA 4%	\$15 Billion
2021	UP 5%	\$16 Billion
2022	STA 4%	\$16 Billion
2023	STA 3%	\$17 Billion

Conservation and Development

Drivers: Population, government spending

UP 5%

\$9 Billion

2019/2018 Comparison



- Increased USACE spending, driven from 2018 Consolidated Appropriations Bill
- EPA budget cuts limit spending growth

2019	UP 5%	\$9 Billion
2020	UP 5%	\$9 Billion
2021	STA 4%	\$9 Billion
2022	STA 4%	\$10 Billion
2023	UP 6%	\$10 Billion

Construction Put in Place Estimated for the United States

Millions of Current Dollars

1st Quarter 2019 Forecast (based on Q4 2018 Actuals)

	2014	2015	2016	2017	2018	2019e	2020f	2021f	2022f	2023f
RESIDENTIAL BUILDINGS										
Single-family	194,091	221,680	242,938	270,338	284,229	292,563	295,959	305,345	316,887	334,132
Multifamily	46,250	58,228	67,084	66,354	66,068	62,950	61,720	63,713	66,882	70,926
Improvements*	134,519	148,854	163,911	194,965	195,091	196,184	194,284	198,063	203,957	209,997
Total Residential Buildings	374,860	428,762	473,933	531,657	545,388	551,696	551,963	567,121	587,726	615,055
NONRESIDENTIAL BUILDINGS										
Lodging	16,738	21,908	26,969	28,672	31,872	31,268	30,036	30,612	31,478	33,018
Office	46,582	55,521	67,616	66,850	72,903	76,228	74,902	74,313	78,094	82,685
Commercial	62,841	65,899	78,151	87,733	89,521	92,058	88,470	88,974	92,992	99,466
Health Care	38,647	39,147	40,157	41,916	42,023	42,372	43,379	44,483	46,648	49,557
Education	79,681	84,771	90,348	91,213	94,277	99,025	102,198	105,599	109,483	114,935
Religious	3,386	3,577	3,721	3,366	3,014	2,871	2,693	2,661	2,732	2,879
Public Safety	9,437	8,484	8,023	8,290	9,229	9,819	10,214	10,616	11,196	11,774
Amusement and Recreation	16,773	20,258	23,155	24,851	26,526	27,406	26,289	25,334	26,384	28,237
Transportation	42,043	44,843	43,274	45,173	51,866	56,316	61,028	65,128	69,308	68,846
Communication	17,298	21,696	22,178	24,831	24,633	25,268	26,309	27,520	28,476	29,691
Manufacturing	58,648	79,930	76,380	66,448	65,033	68,475	65,472	64,253	66,146	69,300
Total Nonresidential Buildings	392,074	446,034	479,972	489,343	510,897	531,106	530,991	539,493	562,937	590,387
NONBUILDING STRUCTURES										
Power	110,089	102,972	101,389	96,513	100,180	103,335	106,599	112,009	117,312	124,864
Highway and Street	84,743	90,626	92,738	89,053	92,748	97,299	101,268	106,278	110,556	112,637
Sewage and Waste Disposal	23,173	24,380	23,149	20,386	22,046	22,523	22,433	23,396	24,845	25,772
Water Supply	13,380	13,150	13,042	11,806	13,788	14,457	15,024	15,819	16,445	16,990
Conservation and Development	7,310	7,726	7,588	7,244	8,209	8,610	8,998	9,329	9,742	10,309
Total Nonbuilding Structures	238,695	238,854	237,906	225,002	236,971	246,223	254,323	266,831	278,900	290,572
Total Construction Put in Place	\$1,005,629	\$1,113,650	\$1,191,811	\$1,246,002	\$1,293,256	\$1,329,026	\$1,337,276	\$1,373,444	\$1,429,563	\$1,496,013

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

Construction Put in Place Estimated for the United States

Change From Prior Year - Current Dollar Basis

1st Quarter 2019 Forecast (based on Q4 2018 Actuals)

	2014	2015	2016	2017	2018	2019e	2020f	2021f	2022f	2023f
RESIDENTIAL BUILDINGS										
Single-family	13%	14%	10%	11%	5%	3%	1%	3%	4%	5%
Multifamily	32%	26%	15%	-1%	0%	-5%	-2%	3%	5%	6%
Improvements*	10%	11%	10%	19%	0%	1%	-1%	2%	3%	3%
Total Residential Buildings	14%	14%	11%	12%	3%	1%	0%	3%	4%	5%
NONRESIDENTIAL BUILDINGS										
Lodging	24%	31%	23%	6%	11%	-2%	-4%	2%	3%	5%
Office	23%	19%	22%	-1%	9%	5%	-2%	-1%	5%	6%
Commercial	18%	5%	19%	12%	2%	3%	-4%	1%	5%	7%
Health Care	-5%	1%	3%	4%	0%	1%	2%	3%	5%	6%
Education	1%	6%	7%	1%	3%	5%	3%	3%	4%	5%
Religious	-6%	6%	4%	-10%	-10%	-5%	-6%	-1%	3%	5%
Public Safety	-1%	-10%	-5%	3%	11%	6%	4%	4%	5%	5%
Amusement and Recreation	10%	21%	14%	7%	7%	3%	-4%	-4%	4%	7%
Transportation	7%	7%	-3%	4%	15%	9%	8%	7%	6%	-1%
Communication	-3%	25%	2%	12%	-1%	3%	4%	5%	3%	4%
Manufacturing	16%	36%	-4%	-13%	-2%	5%	-4%	-2%	3%	5%
Total Nonresidential Buildings	9%	14%	8%	2%	4%	4%	0%	2%	4%	5%
NONBUILDING STRUCTURES										
Power	18%	-6%	-2%	-5%	4%	3%	3%	5%	5%	6%
Highway and Street	4%	7%	2%	-4%	4%	5%	4%	5%	4%	2%
Sewage and Waste Disposal	3%	5%	-5%	-12%	8%	2%	0%	4%	6%	4%
Water Supply	-2%	-2%	-1%	-9%	17%	5%	4%	5%	4%	3%
Conservation and Development	23%	6%	-2%	-5%	13%	5%	5%	4%	4%	6%
Total Nonbuilding Structures	10%	0%	0%	-5%	5%	4%	3%	5%	5%	4%
Total Construction Put in Place	11%	11%	7%	5%	4%	3%	1%	3%	4%	5%

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



FMI Canadian Construction Outlook

First Quarter 2019 Report

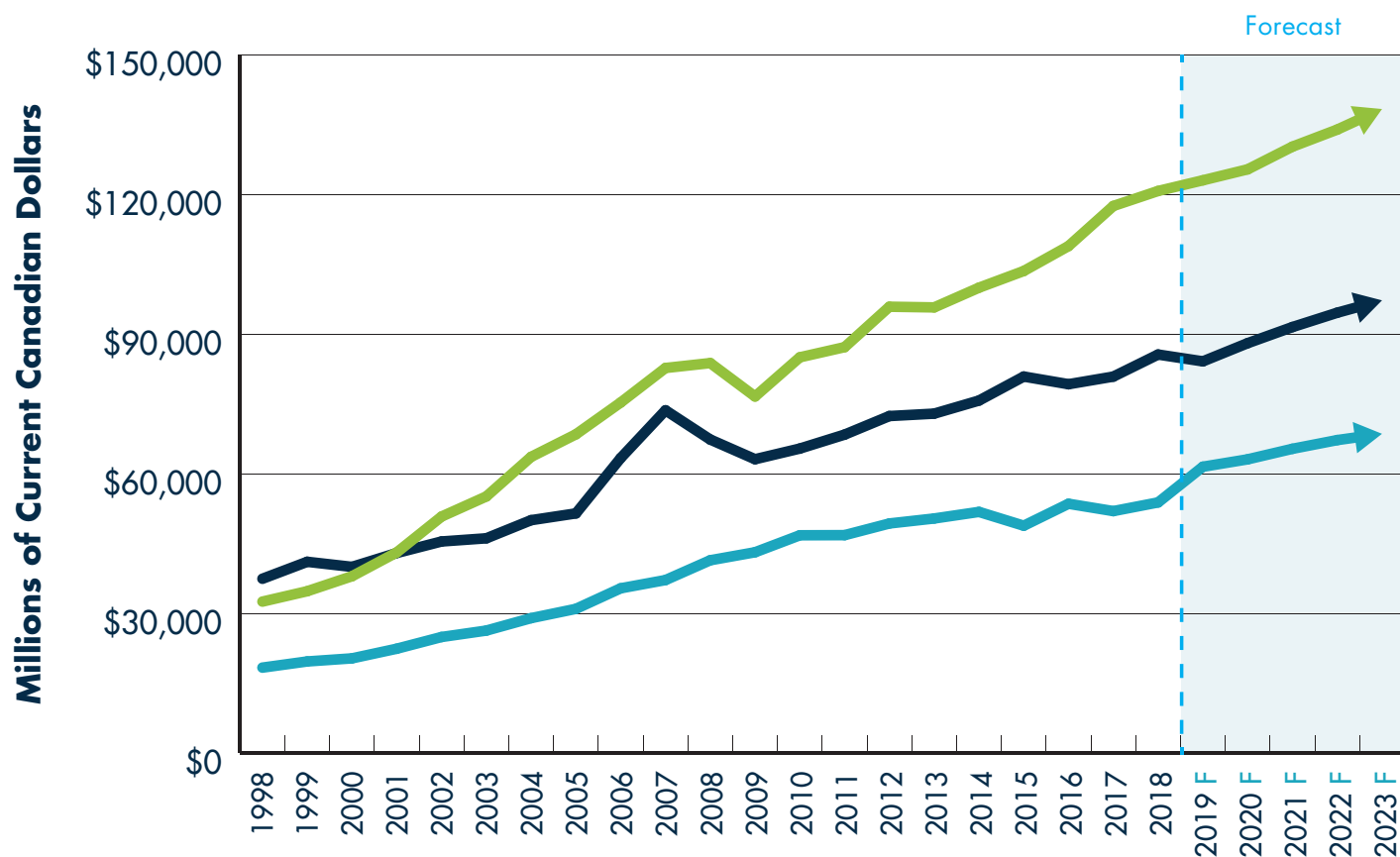
2019 Construction Segment Performance 2019/2018 Comparison

UP 5% or more	STABLE 0% to 4%	DOWN 0% to -5%
Up	Stable	Down
<ul style="list-style-type: none"> Improvements Public Safety Manufacturing Power Sewage and Waste Disposal Water Supply Conservation and Development 	<ul style="list-style-type: none"> Multifamily Lodging Office Commercial Religious Transportation 	<ul style="list-style-type: none"> Single-family Health Care Educational Amusement and Recreation Communication Highway and Street



Total Construction Put in Place Estimated for Canada

■ Residential ■ Nonresidential Buildings ■ Nonbuilding Structures





Total Construction Put in Place Estimated for Canada



Construction Put in Place Estimated for Canada

Millions of Current Dollars

1st Quarter 2019 Forecast (based on Q4 2018 Actuals)

	2014	2015	2016	2017	2018	2019e	2020f	2021f	2022f	2023f
RESIDENTIAL BUILDINGS										
Single-family	26,398	25,945	27,599	30,377	30,984	29,735	31,022	31,128	31,108	31,707
Multifamily	21,802	24,235	26,146	28,195	29,041	29,626	28,441	31,030	32,492	34,245
Improvements*	51,770	53,373	55,163	58,946	60,714	63,673	65,924	68,103	70,326	72,390
Total Residential Buildings	99,970	103,552	108,908	117,517	120,739	123,034	125,387	130,262	133,926	138,342
NONRESIDENTIAL BUILDINGS										
Lodging	2,487	3,113	3,177	2,998	3,088	3,137	3,274	3,623	3,797	3,986
Office	9,214	10,092	9,050	8,817	9,169	9,353	11,036	10,815	11,065	12,088
Commercial	17,913	18,904	18,505	18,456	19,564	20,107	20,931	22,380	23,355	24,090
Health Care	3,694	3,124	2,557	3,492	3,544	3,310	3,290	3,182	2,963	2,703
Education	6,460	7,585	8,373	8,641	9,505	7,947	7,959	7,981	7,964	7,863
Religious	327	324	320	323	340	347	359	381	396	408
Public Safety	699	964	975	793	809	904	993	1,022	1,059	1,089
Amusement and Recreation	3,350	3,772	4,257	4,520	4,701	3,936	4,248	4,244	4,267	4,226
Transportation	19,444	20,445	20,698	20,477	21,705	21,927	22,702	24,133	25,163	25,662
Communication	3,264	3,548	2,747	3,373	3,845	3,343	3,356	3,411	3,624	3,765
Manufacturing	8,875	9,015	8,583	8,985	9,345	9,839	9,908	10,346	10,940	11,370
Total Nonresidential Buildings	75,728	80,885	79,242	80,875	85,614	84,149	88,056	91,518	94,593	97,250
NONBUILDING STRUCTURES										
Power	26,731	26,402	28,245	25,385	24,878	29,000	30,913	32,661	34,418	35,714
Highway and Street	8,080	8,207	9,493	10,179	11,146	11,416	11,169	11,415	11,597	11,695
Sewage and Waste Disposal	2,857	2,503	2,600	2,787	2,955	3,617	3,622	3,582	3,632	3,604
Water Supply	5,890	2,882	3,026	3,154	3,438	5,738	5,869	5,922	5,607	5,421
Conservation and Development	176	651	707	305	338	387	416	427	441	460
Other Nonbuilding Structures	8,080	8,207	9,493	10,179	11,095	11,364	11,118	11,363	11,545	11,695
Total Nonbuilding Structures	51,815	48,851	53,563	51,989	53,849	61,523	63,109	65,370	67,240	68,590
Total Construction Put in Place	\$227,513	\$233,288	\$241,713	\$250,380	\$260,202	\$268,706	\$276,552	\$287,150	\$295,759	\$304,182

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

Construction Put in Place Estimated for Canada

Change From Prior Year - Current Dollar Basis

1st Quarter 2019 Forecast (based on Q4 2018 Actuals)

	2014	2015	2016	2017	2018	2019e	2020f	2021f	2022f	2023f
RESIDENTIAL BUILDINGS										
Single-family	2%	-2%	6%	10%	2%	-4%	4%	0%	0%	2%
Multifamily	1%	11%	8%	8%	3%	2%	-4%	9%	5%	5%
Improvements*	7%	3%	3%	7%	3%	5%	4%	3%	3%	3%
Total Residential Buildings	4%	4%	5%	8%	3%	2%	2%	4%	3%	3%
NONRESIDENTIAL BUILDINGS										
Lodging	11%	25%	2%	-6%	3%	2%	4%	11%	5%	5%
Office	2%	10%	-10%	-3%	4%	2%	18%	-2%	2%	9%
Commercial	7%	6%	-2%	0%	6%	3%	4%	7%	4%	3%
Health Care	-12%	-15%	-18%	37%	1%	-7%	-1%	-3%	-7%	-9%
Education	5%	17%	10%	3%	10%	-16%	0%	0%	0%	-1%
Religious	11%	-1%	-1%	1%	5%	2%	3%	6%	4%	3%
Public Safety	-13%	38%	1%	-19%	2%	12%	10%	3%	4%	3%
Amusement and Recreation	-17%	13%	13%	6%	4%	-16%	8%	0%	1%	-1%
Transportation	3%	5%	1%	-1%	6%	1%	4%	6%	4%	2%
Communication	95%	9%	-23%	23%	14%	-13%	0%	2%	6%	4%
Manufacturing	0%	2%	-5%	5%	4%	5%	1%	4%	6%	4%
Total Nonresidential Buildings	4%	7%	-2%	2%	6%	-2%	5%	4%	3%	3%
NONBUILDING STRUCTURES										
Power	10%	-1%	7%	-10%	-2%	17%	7%	6%	5%	4%
Highway and Street	-3%	2%	16%	7%	10%	2%	-2%	2%	2%	1%
Sewage and Waste Disposal	-3%	-12%	4%	7%	6%	22%	0%	-1%	1%	-1%
Water Supply	-8%	-51%	5%	4%	9%	67%	2%	1%	-5%	-3%
Conservation and Development	-4%	270%	8%	-57%	11%	14%	8%	3%	3%	4%
Other Nonbuilding Structures	-3%	2%	16%	7%	9%	2%	-2%	2%	2%	1%
Total Nonbuilding Structures	3%	-6%	10%	-3%	4%	14%	3%	4%	3%	2%
Total Construction Put in Place	4%	3%	4%	4%	4%	3%	3%	4%	3%	7%

*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. The combination of Brian's 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.

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