

Chicago, IL

U.S. Construction Market | Market Snapshot Q2 - 2022

Chicago's market is unique in many ways. It had about as many residents in 2020 as in 1920, and the city population has been declining since residents began moving to the suburbs in the 1980s. This trend appears to be reversing, however, and the city center is full of new condominiums and office buildings. But because population growth is low, in many cases the city's existing facilities are adequate. It doesn't need new schools; it needs modern schools. Because of this, renovations and improvements make up a larger sector of the market here than in cities on the West Coast.

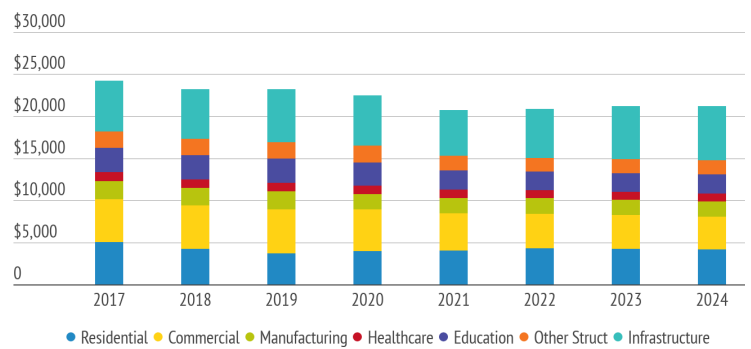
The Chicago market is forecasted to see modest growth after a lackluster performance during the 2010s. This is primarily due to the infrastructure sector, as the city looks to extend and modernize its rail and highway network. The commercial sector is set to shrink as commerce increasingly moves online. As Chicago has long been a hub for the logistics industry, however, the market is relatively well-positioned to benefit from this shift.

Total Construction Market Volume by Sector (x \$1m, Nominalized 2012\$)

Sector	HISTORIC FORECAST								
	2017	2018	2019	2020	2021	2022	2023	2024	
Total Increase	Y-O-Y %	-4.0%	-0.1%	-3.1%	-7.7%	0.5%	1.5%	0.3%	
Residential	Y-O-Y %	-16.2%	-13.1%	6.6%	2.5%	6.6%	-1.6%	-2.3%	
Commercial	Y-O-Y %	1.9%	1.0%	-5.2%	-11.2%	-6.3%	-2.6%	-2.8%	
Manufacturing	Y-O-Y %	-2.8%	4.7%	-13.0%	-0.2%	-0.9%	-0.6%	1.0%	
Healthcare	Y-O-Y %	-5.1%	-1.6%	-1.4%	-3.8%	-3.8%	1.1%	2.2%	
Education	Y-O-Y %	-1.2%	0.4%	-4.1%	-15.3%	-4.3%	0.3%	1.2%	
Other Struct*	Y-O-Y %	0.2%	0.3%	0.9%	-15.9%	-5.9%	3.5%	3.1%	
Infrastructure	Y-O-Y %	-1.7%	6.4%	-4.6%	-8.2%	6.8%	7.2%	2.4%	

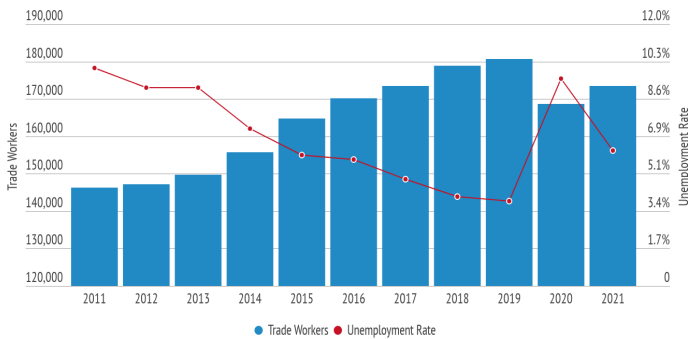
* This includes religious buildings, amusement, government communications, and public recreation projects.

Annual Volume (x\$1M, 2012\$)



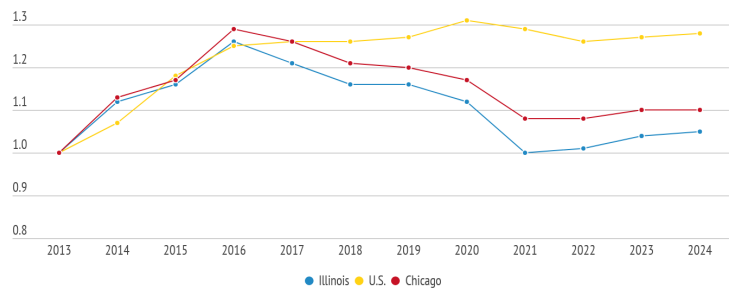
SOURCE: IHS-Markit

Regional Construction Employment



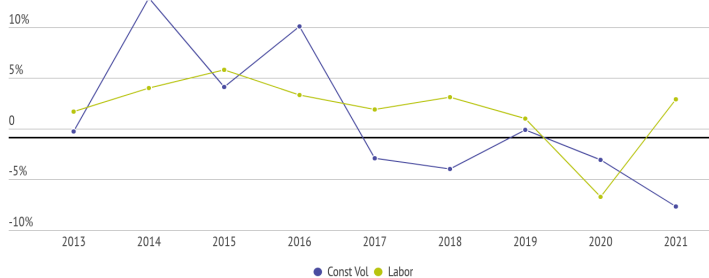
SOURCE: U.S. Bureau of Labor Statistics

Construction Spending Index 2013-2023 (2013=1.0)



SOURCE: IHS-Markit

Construction Volume vs Labor - Annual Increase/Decrease



SOURCE: ReedConnect

Top Regional Projects Sorted by Construction Value

Project	Location	Value
One Central Project	Chicago	\$20.0B
RFP: Developer- Casino in the City of Chicago	Chicago	\$7.5B
The 78	Chicago	\$7.0B
Lincoln Yards	Chicago	\$6.0B
Lincoln Yards - Future Phases	Chicago	\$5.6B
Bronzeville Lakefront	Chicago	\$3.8B
Red Line Extension - 95th/Dan Ryan Terminal to 130th Street - Chicago Transit Authority (CTA)	Chicago	\$2.3B
Navigator CO2 Ventures Midwest Carbon Capture Sequestration	Chatham	\$2.0B
Eliot Logistics Park 55 Expansion	Wilmington	\$2.0B
Compass Global Logistics Hub	Joliet	\$1.9B

SOURCE: ReedConnect