

Denver, CO

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

Denver's unprecedented growth seems to finally be coming to an end. The 2020 Census revealed that roughly one in five residents moved to Denver in the last ten years. This kind of growth is simply not sustainable. Much of this growth came from residents moving to the suburbs rather than the city itself, and officials now must shift spending towards tying all of these disparate communities together. To that end, highways and commuter rail should be a priority in the coming years.

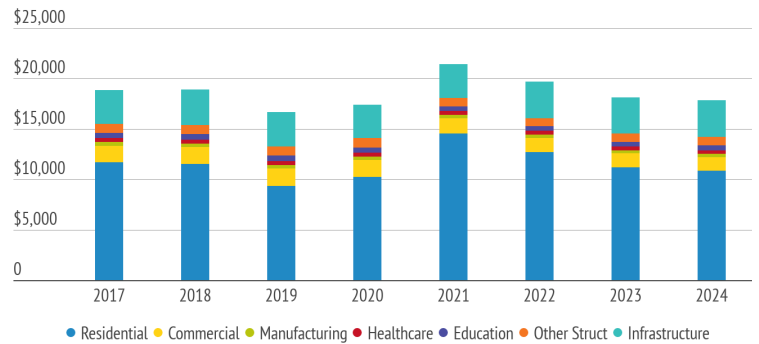
The market in Denver appears to be coming down from its peak last year. 2022 is shaping up to be more active than our previous estimate, however. The market is expected to taper off in the coming year as the residential sector cools. Residential construction swelled as people moved to Denver in droves. In the years ahead, we expect growth to come from healthcare, education, and infrastructure. Now that people have houses, they will need schools, medical care, and a way to get around the city.

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

Sector	2017	2018	2019	2020	HISTORIC ○ ○ FORECAST			
					2021	2022	2023	2024
Total Increase	Y-O-Y %	0.5%	-11.9%	4.3%	23.3%	-8.1%	-8.0%	-1.7%
Residential	Y-O-Y %	-1.4%	-19.1%	9.8%	41.8%	-12.9%	-11.8%	-3.0%
Commercial	Y-O-Y %	3.5%	2.9%	-3.0%	-9.2%	-6.1%	-1.9%	-2.1%
Manufacturing	Y-O-Y %	-2.9%	6.2%	-10.6%	1.0%	-1.7%	-0.9%	0.8%
Healthcare	Y-O-Y %	-1.7%	-3.5%	-0.4%	4.0%	-2.3%	-4.4%	0.6%
Education	Y-O-Y %	2.1%	4.7%	-5.4%	-12.0%	-5.4%	1.2%	2.0%
Other Struct*	Y-O-Y %	4.2%	-0.9%	5.2%	-14.8%	-4.3%	4.8%	4.4%
Infrastructure	Y-O-Y %	4.9%	-3.6%	-3.7%	3.1%	9.1%	-1.7%	-0.1%

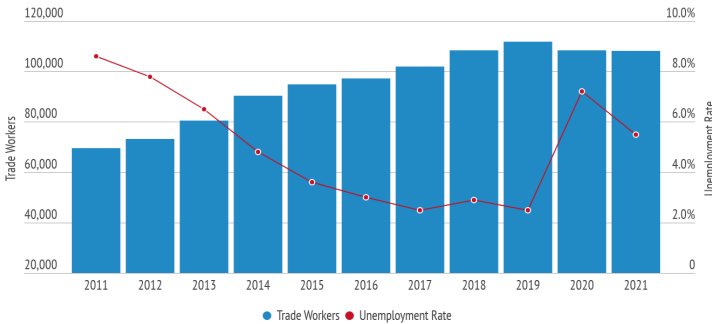
* This includes religious buildings, amusement, government communications, and public recreation projects.

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



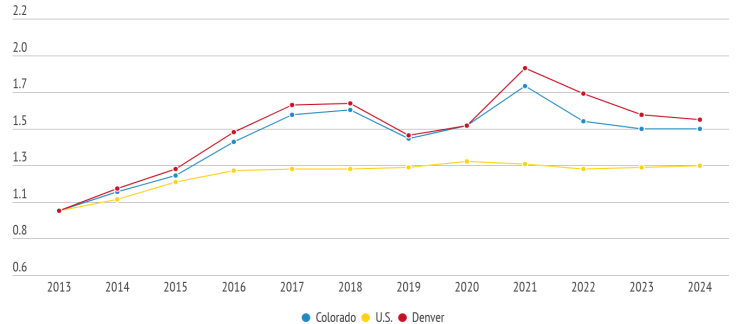
SOURCE: IHS-Markit

Regional Construction Employment



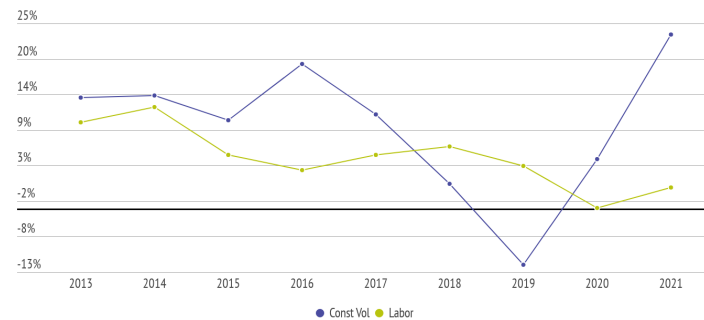
SOURCE: U.S. Bureau of Labor Statistics

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
Hyperloop One / Rocky Mountain Hyperloop	Denver	\$43.6B
East Villages at RidgeGate / Lone Tree	Littleton	\$3.9B
Lone Tree City Center At Ridgeway	Lone Tree	\$2.8B
Interstate 70 - Central 70 Project	Denver	\$1.2B
Northern Integrated Supply Project and Glade Reservoir	Fort Collins	\$1.1B
Cherry Creek West	Denver	\$1.0B
Ever Vail	Vail	\$1.0B
Parterre - Future Phases	Thornton	\$1.0B
The Village at Wolf Creek	Pagosa Springs	\$1.0B
The Flaming Gorge Project	Greeley	\$1.0B

SOURCE: ReedConnect