

New York, NY

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



The US economy is inching back to normal, but the recovery remains uneven. Some states are lagging in the race to get back to pre-pandemic strength — especially New York. Although several states' economies have already fully recovered and are even outpacing their pre-Covid levels of economic activity, New York is by far the worst-performing state, according to the Back-to-Normal Index created by CNN Business and Moody's Analytics. The nation has recovered 95% of the jobs lost in the pandemic. However, New York only recovered 74% -- way behind other states. While the index shows that the US economy was 93% back to normal as of June 18, New York was only at

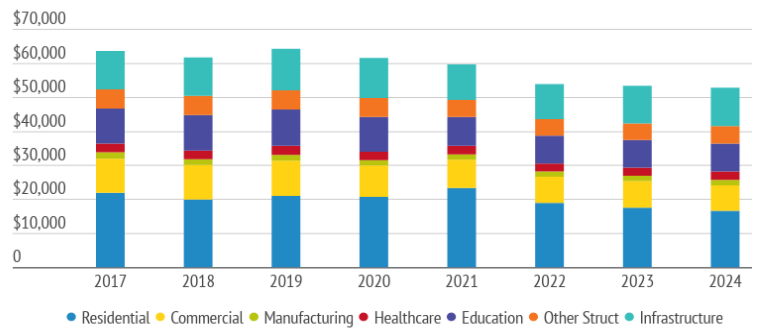
83%, leaving it with the furthest to go to get back into pre-Covid shape. The biggest factor is the scope of the economic destruction New York City suffered during the height of the pandemic when it was the epicenter of the outbreak, leading to more severe lockdown protocols than in many other parts of the country. On top of that, the New York City economy is heavily reliant on service-driven industries that were heavily impacted by COVID measures. Many offices are still mostly empty, and only some workers are commuting, which is definitely bad news for the New York City coffee shops, dry cleaners, and lunch spots that support the office infrastructure.

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

Sector	HISTORIC (2017-2021) FORECAST (2022-2024)								
	2017	2018	2019	2020	2021	2022	2023	2024	
Total Increase	Y-O-Y %	-2.8%	3.9%	-4.1%	-3.1%	-9.6%	-1.0%	-1.1%	
Residential	Y-O-Y %	-9.4%	5.7%	-1.9%	13.3%	-19.1%	-6.9%	-5.6%	
Commercial	Y-O-Y %	2.0%	1.0%	-9.2%	-11.4%	-5.2%	-1.0%	-1.8%	
Manufacturing	Y-O-Y %	-4.4%	4.0%	-16.9%	2.7%	-0.8%	-0.7%	0.1%	
Healthcare	Y-O-Y %	-2.5%	1.9%	-1.6%	-2.7%	-4.8%	1.0%	1.5%	
Education	Y-O-Y %	1.2%	2.3%	-4.9%	-14.8%	-5.9%	0.2%	1.4%	
Other Struct*	Y-O-Y %	1.1%	-1.7%	1.5%	-13.6%	-3.7%	4.4%	3.8%	
Infrastructure	Y-O-Y %	0.7%	8.2%	-3.9%	-11.1%	0.1%	5.5%	1.6%	

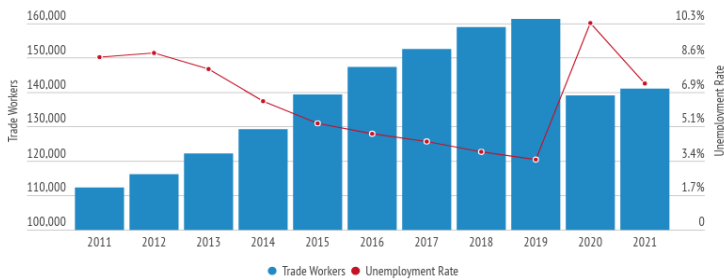
* This includes religious buildings, amusement, government communications, and public recreation projects.

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



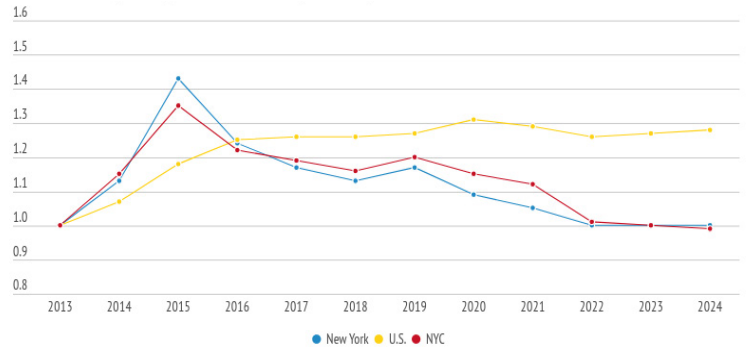
SOURCE: IHS-Markit

Regional Construction Employment



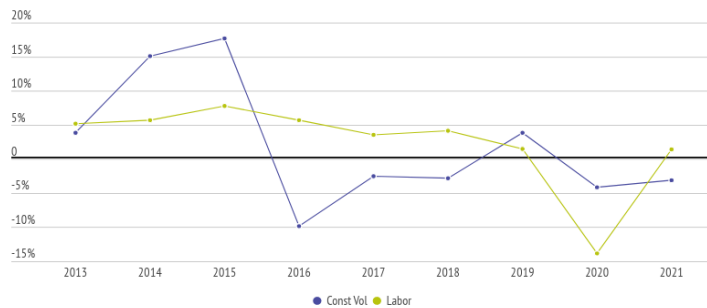
SOURCE: U.S. Bureau of Labor Statistics

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
Gateway Tunnel - Rail Tunnel Between New Jersey and New York - PANYNJ	New York	\$29.1B
Phase 2 of the Second Avenue Subway Project - MTA - New York City Transit	New York	\$17.0B
Phase 3 of the Second Avenue Subway Project - MTA - New York City Transit	New York	\$14.2B
Hudson River Tunnel Project	New York	\$11.6B
JFK International Airport Redevelopment Expansion and Renovations Terminal 1	Jamaica	\$9.5B
AirTrain LaGuardia Project - Port Authority of New York and New Jersey	La Guardia Arpt	\$8.0B
RFQ D/B - For NYC Based Jails, Detention Facilities in Manhattan, Brooklyn, Queens, and the Bronx	New York	\$6.6B
Champlain Hudson Power Express Project	Yonkers	\$4.5B
John F. Kennedy International Airport Terminal Six Expansion	Jamaica	\$3.8B
Fordham Landing Project / Bronx Waterfront Mixed-Use Development	Bronx	\$3.5B

SOURCE: ReedConnect