

Salt Lake City, UT

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

The pandemic housing boom is visible in Salt Lake City's construction market. Total volume has grown by almost 20% since April 2020. This was almost entirely due to the residential sector, which grew by more than 20% in 2020 and 2021. The rest of the market did not change that much. Many of these projects have finished, and 2022 is predicted to see the market return to normal. This is a decline from the previous year, but the market is still improving upon its pre-pandemic level.

Thanks to its status as Utah's capital, Salt Lake City enjoys relative insulation from economic shocks. Approximately one in

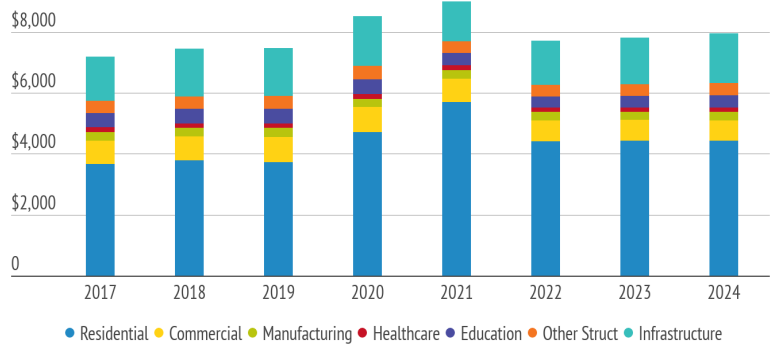
five workers are employed by state, municipal, or federal governments. Another one in five works in transportation in some capacity. These industries are uniquely positioned to benefit from a shift away from brick-and-mortar stores and towards online commerce. Government employees are at the whims of booms and recessions in the same way that the private sector is, and the logistics sector has enjoyed constant, sustained demand for the past decade. These factors keep a significant chunk of workers employed, and these workers can stimulate demand for the remainder of the economy.

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 %	3.8%	0.1%	14.1%	8.8%	-16.7%	1.3%	1.8%	
Residential	Y-O-Y %	3.0%	-1.1%	26.2%	21.0%	-22.8%	0.6%	0.1%	
Commercial	Y-O-Y %	4.0%	2.9%	0.6%	-7.7%	-7.6%	-3.4%	-1.8%	
Manufacturing	Y-O-Y %	-2.4%	6.6%	-10.1%	3.7%	-1.6%	-1.0%	1.1%	
Healthcare	Y-O-Y %	0.3%	-2.2%	5.8%	2.1%	-11.6%	0.9%	4.8%	
Education	Y-O-Y %	1.0%	3.9%	-1.7%	-16.3%	-8.4%	1.9%	3.8%	
Other Struct*	Y-O-Y %	0.2%	0.7%	7.1%	-12.8%	-5.5%	4.3%	4.6%	
Infrastructure	Y-O-Y %	9.5%	-0.9%	4.5%	-3.4%	-7.1%	5.2%	6.7%	

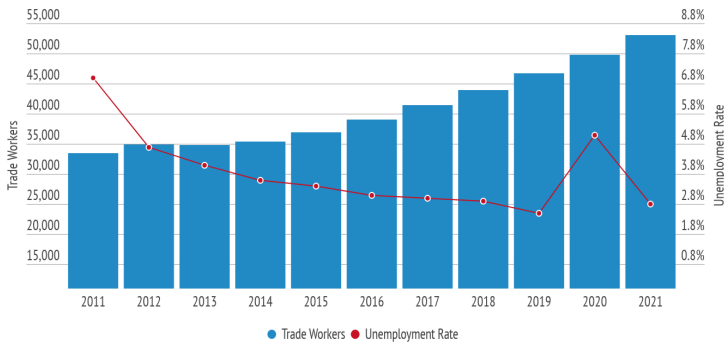
* This includes religious buildings, amusement, government communications, and public recreation projects.

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



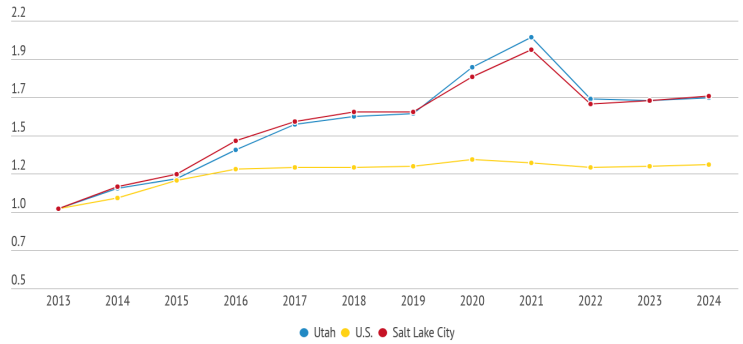
SOURCE: IHS-Markit

Regional Construction Employment



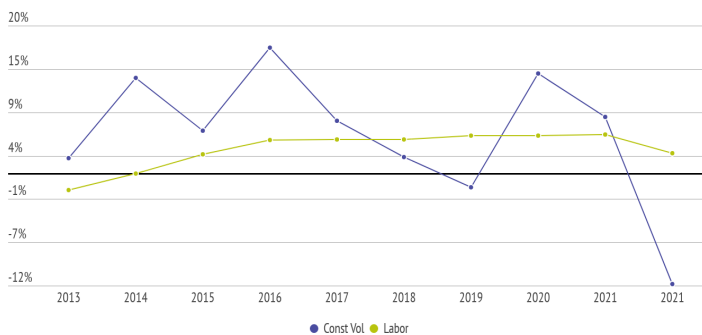
SOURCE: U.S. Bureau of Labor Statistics

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
Thanksgiving Station	Lehi	\$2.0B
Uinta Basin Railway	Vernal	\$1.5B
Tech Ridge	St George	\$1.2B
Eagle Mountain Data Campus	Fairfield	\$1.2B
SMS: Public Safety Communication Equipment NASPO Courtesy Posting	Salt Lake City	\$800m
New Wastewater Reclamation Facility (WRF) Construction	Salt Lake City	\$600m
New Water Reclamation Facility Project Solids Train 1 Dewatering Facility	Salt Lake City	\$600m
Clearfield Connected	Clearfield	\$525m
The West Quarter Phase 2	Salt Lake City	\$450m
New Utah State Correctional Facility - Salt Lake	Magna	\$440m

SOURCE: ReedConnect