

Miami, FL

U.S. Construction Market | Market Snapshot Q4 - 2022

If the number of new skyscrapers dotting the city's skyline is any indication, Miami's construction market should continue to grow well into the 2020s. A lot of these are new residential developments, which make up a little over half of the market. The commercial sector is a large slice of the market as well, as Miami is a major destination for tourism and leisure travel. North America's largest cruise terminal is currently under construction here and is set to open early next year.

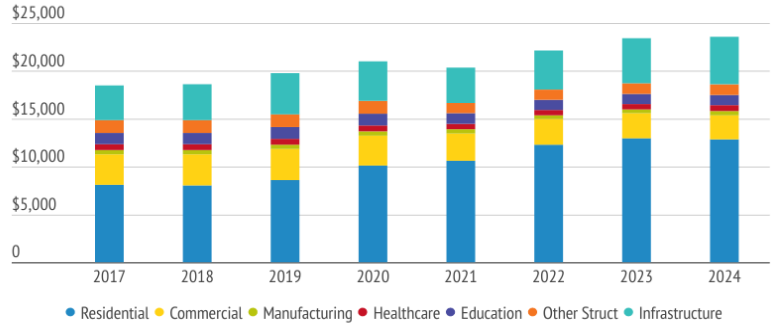
Supply-chain issues and new variants of COVID-19 have increased the cost of a typical project in Miami by about 20%. Volatility in the market has led some contractors to buy materials earlier than they would have before the pandemic, causing more of a project's cost to be paid up-front. This trend can help explain the gentle decline in commercial construction since 2020. Despite these costs, there is still strong demand for new construction.

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

Sector	HISTORIC (2017-2020) FORECAST (2021-2024)								
	2017	2018	2019	2020	2021	2022	2023	2024	
Total Increase	2.3%	0.7%	6.4%	8.5%	-2.9%	2.8%	-0.9%	-1.0%	
Residential	7.4%	-0.5%	6.4%	19.9%	5.2%	15.6%	-2.0%	-3.1%	
Commercial	4.2%	2.3%	0.2%	0.2%	-8.9%	-11.2%	-8.1%	-5.6%	
Manufacturing	-13.3%	-2.4%	6.8%	-8.7%	-0.2%	6.6%	2.9%	-9.1%	
Healthcare	3.1%	-5.0%	2.6%	-0.2%	-5.7%	-10.1%	-1.6%	6.0%	
Education	5.5%	1.3%	3.9%	0.6%	-13.6%	-14.9%	-0.7%	3.2%	
Other Struct*	7.2%	1.3%	-0.6%	4.6%	-13.3%	-14.7%	-3.9%	0.1%	
Infrastructure	-9.3%	2.7%	15.6%	-1.4%	-11.2%	-10.3%	9.6%	7.5%	

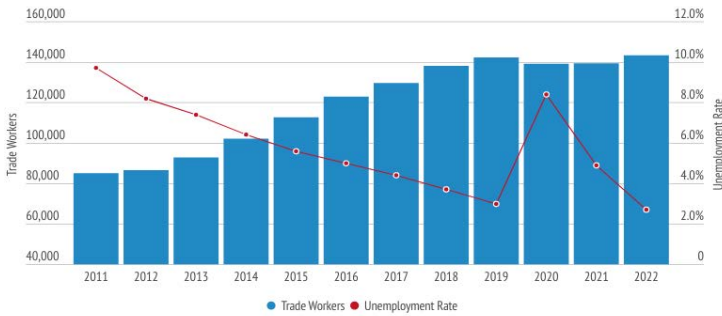
* This includes religious buildings, amusement, government communications, and public recreation projects.

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



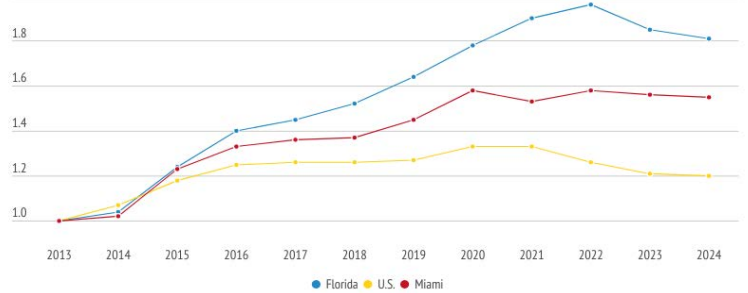
SOURCE: IHS-Markit

Regional Construction Employment



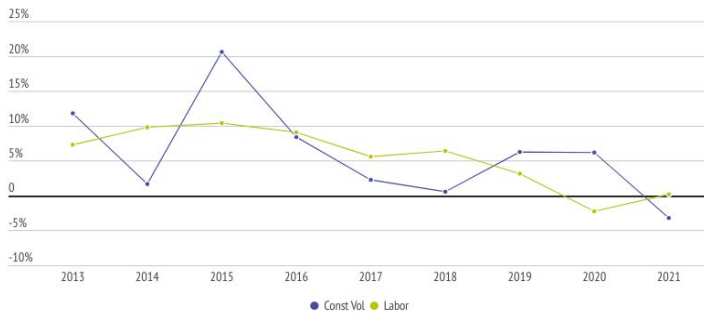
SOURCE: U.S. Bureau of Labor Statistics

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
RFP-Rapid Mass Transit Solution for the North Corridor - Phase 2	Miami Gardens	1.9B
Southeast Second Avenue Towers	Miami	1.7B
Hialeah Park Racing Development	Hialeah	1.5B
One Bayfront Plaza	Miami	1.4B
13th Street Mixed Use Development	Miami	1.1B
13th Street Mixed Use Development	Miami	1.1B
Miami International Airport Vertically Integrated Cargo Community (VIC)	Miami	1.1B
Chetrit Miami River	Miami	1.0B
Beckham's Miami Freedom Park - United Major League Soccer Stadium	Miami	1.0B
Miami Avenue Mixed Use Development	Miami	1.0B

SOURCE: ReedConnect