

Denver, CO

CONTACT: Sean McDermott, Regional Director
smcdermott@cumming-group.com

Construction in Denver has been strong in recent months, although not as strong as its peak of late 2021. The last census revealed that one in five residents moved to Denver within the last ten years, and this kind of growth simply is not sustainable. The cost of living has steadily increased over the same period, while new developments inch closer and closer to the mountains. We expect the market to see modest declines as residential construction catches up with the area's population growth. It should be noted, however, that the Denver market has consistently outperformed our forecasts. Doing so again is certainly a possibility.

Residential construction here swelled as new people moved in. Nonresidential construction has slowly increased since 2022, as the area pivots from housing to schools, offices, and shopping centers. However, in the years ahead, we expect the growth to come from the education, healthcare, and infrastructure sectors. Now that people have houses, they will need schools, medical care, and a way to get around the city. Most of Denver's population growth has occurred outside of the city itself. Officials now must shift spending towards tying these disparate communities together. To that end, highways and commuter rail should be a priority in the coming years.

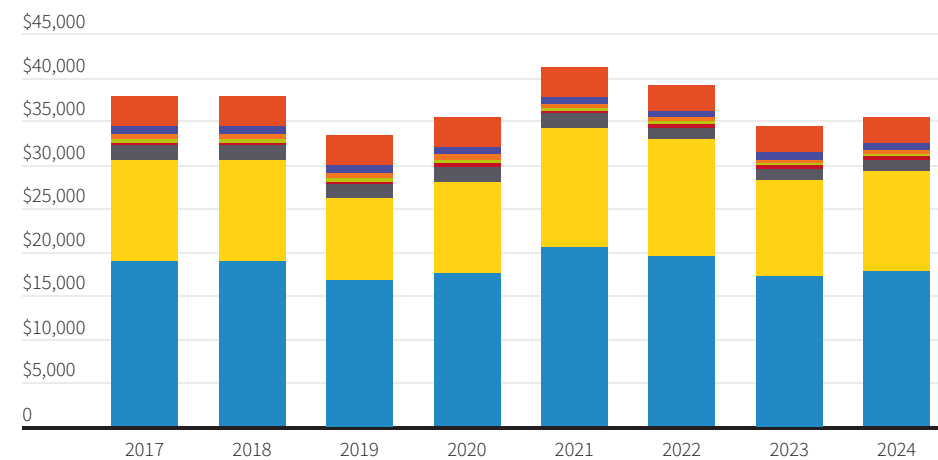
Total Construction Market Volume by Sector (x \$1m, Nominalized 2012\$)

	2017	2018	2019	2020	2021	2022	2023	2024
Total Increase	11.1%	0.4%	-12.0%	6.2%	16.0%	-5.0%	-12.2%	3.6%
Residential	16.8%	-1.5%	-19.2%	11.0%	31.7%	-2.7%	-16.9%	4.9%
Commercial	4.8%	3.5%	2.9%	1.0%	-8.9%	-9.5%	-6.3%	-8.1%
Manufacturing	-13.9%	-2.8%	6.2%	-6.8%	-1.1%	5.8%	3.9%	-4.9%
Healthcare	9.7%	-1.7%	-3.5%	1.3%	0.2%	-6.8%	-11.0%	2.4%
Education	1.9%	2.0%	4.6%	0.0%	-12.5%	-15.8%	-0.3%	4.5%
Other Structure*	7.8%	4.3%	-0.9%	8.7%	-11.9%	-13.7%	-2.9%	1.4%
Infrastructure	2.2%	4.9%	-3.5%	-1.9%	-2.9%	-9.3%	-0.1%	6.0%

◀ HISTORIC FORECAST ▶

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

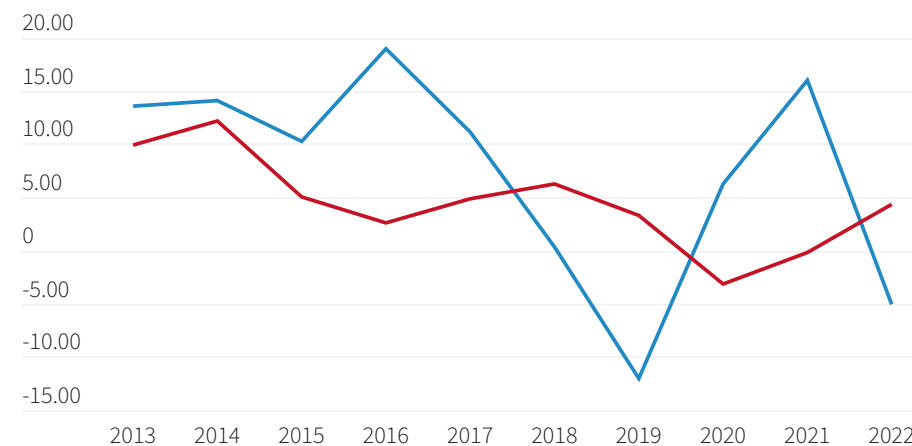
Annual Volume (x\$1M, 2012\$)



Legend: Total (Blue), Residential (Yellow), Commercial (Grey), Manufacturing (Red), Healthcare (Green), Education (Orange), Other Struct (Purple), Infrastructure (Dark Red)

SOURCE: IHS-Market

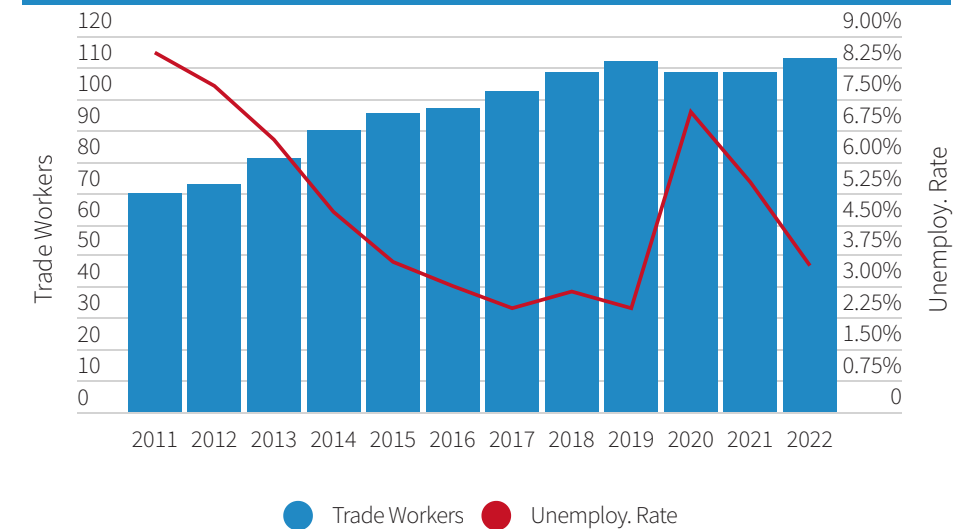
Construction Volume vs Labor - Annual Increase/Decrease



Legend: Construct. Vol. (Blue), Labor (Red)

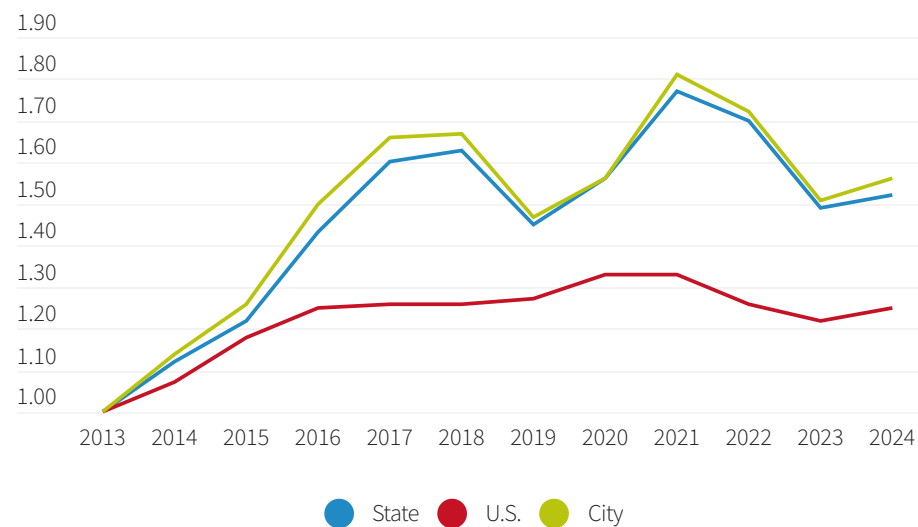
SOURCE: ReedConnect

Regional Construction Employment



SOURCE: U.S. Bureau of Labor Statistics

Construction Spending Index 2013-2024 (2013=1.0)



SOURCE: IHS-Market

Top Regional Projects Sorted by Construction Value

Project Name	Location	Value
Amara Masterplan Development	Colorado Springs	3.58B
Sun Empire Industrial Park Phase 2-3	Aurora	1.30B
Microchip Technology Silicon Carbide Plant	Colorado Springs	0.88B
Entegris Manufacturing Center of Excellence	Colorado Springs	0.60B
Sun Empire Industrial Park Phase 1	Aurora	0.45B
Kings Point - Future Phases	Aurora	0.42B
Lumberyard Affordable Housing Development	Aspen	0.40B
Capital Construction Projects - 2022 Bond - Boulder Valley School District	Boulder	0.35B
Windler Mixed-Use Development / Aurora - Phase One	Aurora	0.29B
RFQ Contractor - Renovate Sijan Hall, Phase 1	Colorado Springs	0.25B

SOURCE: ReedConnect