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Construction in Los Angeles has seen a slowdown in recent months. However, there is activity in the multifamily and affordable housing markets as well as a resurgence of hospitality outside of the urban core. The entitlement process and time for obtaining approvals are hindering developments in the urban core and the commercial office market has been hit hard with high vacancy rates, maturing debt, and oversupply driving asset transactions. Conversion of office to mixed-use residential or hospitality projects is being debated for a number of properties.

Despite the slowdown, the city's strong economy has reliably supported new construction. There continues to be strong activity in the public and infrastructure sectors, but the private sector is seeing some tailwinds from the current availability of funding and costs of construction.

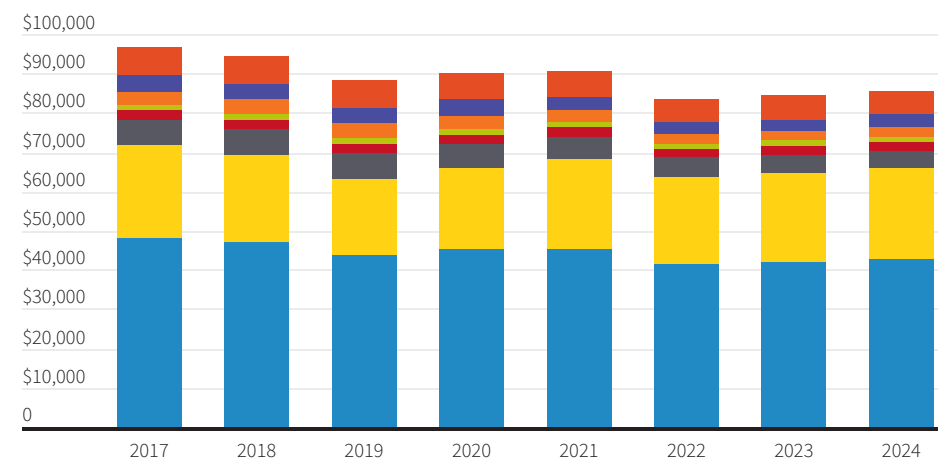
Total Construction Market Volume by Sector (x \$1m, Nominalized 2012\$)

	2017	2018	2019	2020	2021	2022	2023	2024
Total Increase	2.2%	-2.2%	-6.5%	2.4%	0.4%	-8.0%	1.1%	1.4%
Residential	7.8%	-5.4%	-14.6%	9.7%	11.4%	-5.7%	2.3%	4.0%
Commercial	4.2%	2.8%	0.4%	-3.8%	-10.6%	-9.5%	-5.5%	-8.1%
Manufacturing	-15.4%	-5.2%	4.1%	-11.3%	-3.6%	5.1%	4.9%	-5.6%
Healthcare	5.7%	-2.9%	-1.1%	0.8%	-4.0%	-9.0%	-5.9%	2.3%
Education	3.7%	1.6%	3.4%	-3.3%	-15.8%	-12.9%	-1.2%	3.5%
Other Structure*	3.7%	1.2%	-3.8%	0.3%	-8.1%	-10.0%	-3.5%	0.4%
Infrastructure	-10.1%	1.3%	1.8%	-2.2%	-7.9%	-16.0%	6.4%	1.8%

◀ HISTORIC FORECAST ▶

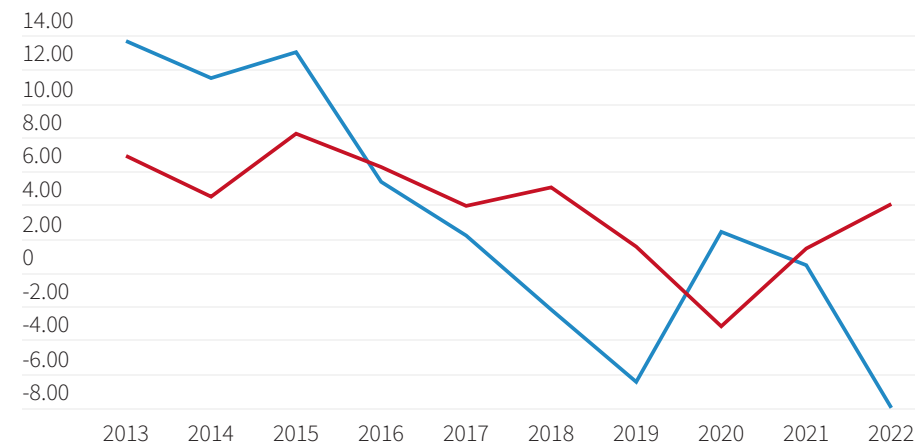
* This includes religious buildings, amusement, government communications, and public recreation projects.

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



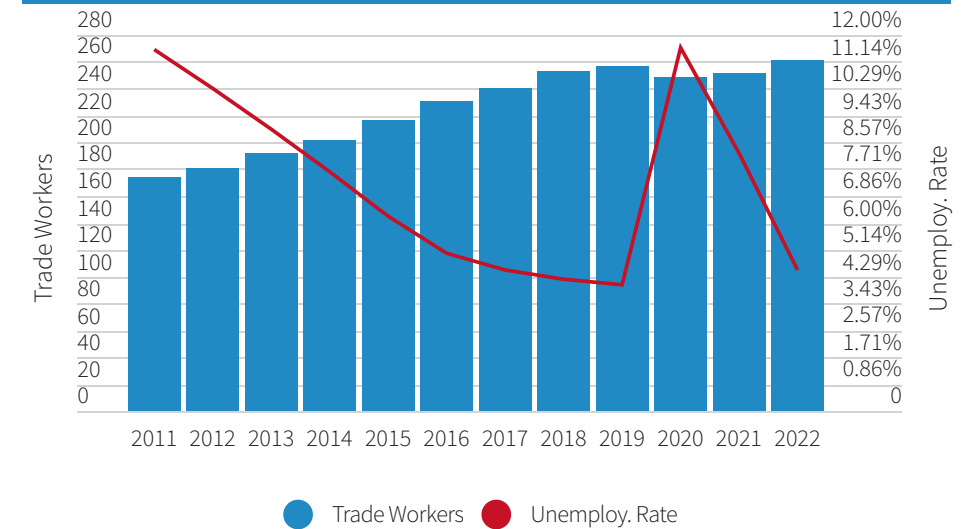
SOURCE: IHS-Market

Construction Volume vs Labor - Annual Increase/Decrease



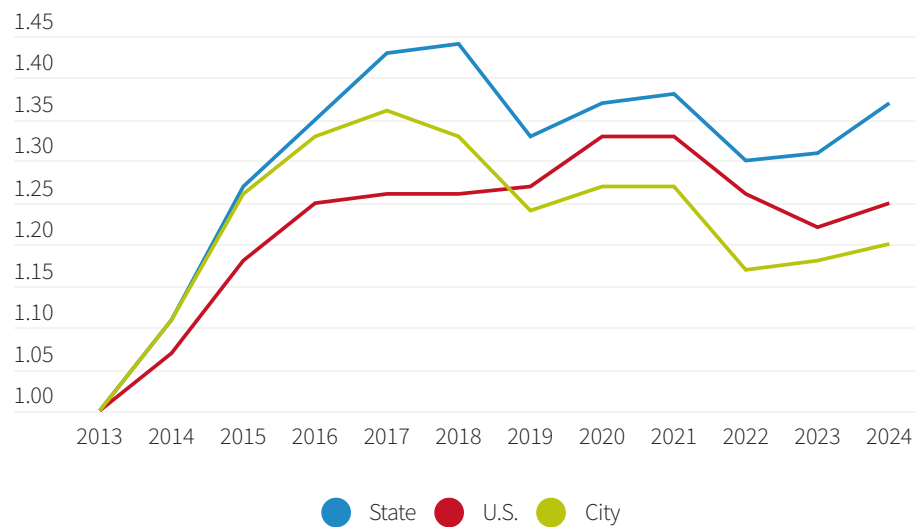
SOURCE: ReedConnect

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
I-710 LA River Bike Path - Maywood to Long Beach - Los Angeles County Metropolitan Transportation Authority	East Los Angeles	4.00B
One Beverly Hills	Beverly Hills	2.00B
Fourth & Central Mixed-Use Redevelopment	Los Angeles	2.00B
The Pier B On-Dock Rail Support Facility - Port of Long Beach	Long Beach	1.50B
Barstow International Gateway	Los Angeles	1.50B
Hollywood Park Tomorrow Mixed-Use - Future Phases	Inglewood	1.14B
Inglewood Transit Connector - City of Inglewood	Inglewood	1.02B
Inglewood Transit Connector - City of Inglewood	Long Beach	1.00B
RFQ Contractor - Base Isolators Systems	Los Angeles	1.00B
Olympia	Los Angeles	1.00B

SOURCE: ReedConnect