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The construction market in Nashville peaked in 2021 and has been in decline since then. This is due to demographics rather than economics: Nashville's economy grew at an unsustainably fast pace during the 2010s, and now the market is correcting. In 2016 there was more than \$2 billion in real estate under development and in 2017 more than 100 people moved in every day. This is just not sustainable. The number of trade workers increased throughout the 2010s to meet this growth, but it is unclear what will happen now that the market is tapering off. Some will likely move throughout the region and will push labor costs down in nearby cities.

We expect Nashville's market to taper off in the coming years as demographic trends return to their mean. The Nashville metro area occupies almost 20% of Tennessee's land area, and providing key services across such a large area will be a challenge. Officials will likely invest in infrastructure first, followed by education and healthcare projects later in the decade. Thanks to Nashville's business-friendly environment and thriving tourism industry, however, we expect it to remain a steady market for years to come.

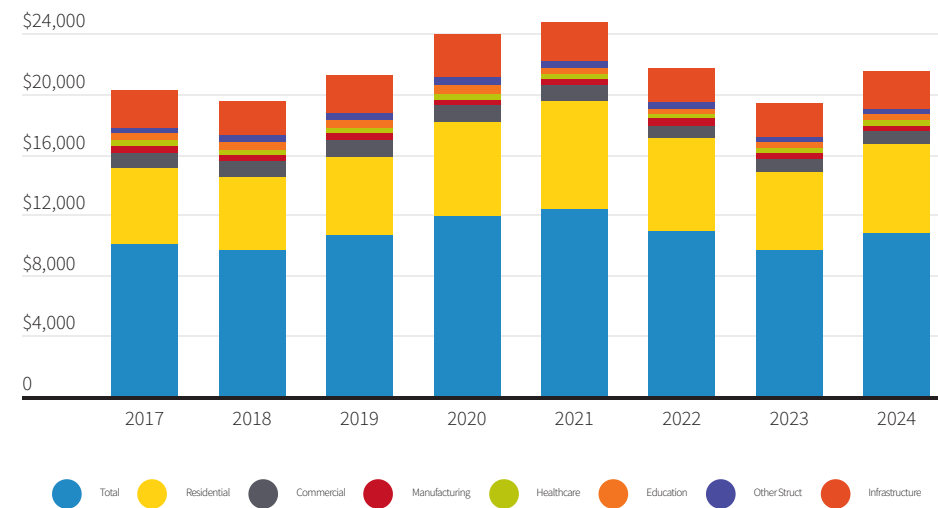
## Total Construction Market Volume by Sector (x \$1m, Nominalized 2012\$)

	2017	2018	2019	2020	2021	2022	2023	2024
Total Increase	-1.5%	-3.6%	9.3%	12.3%	3.8%	-12.3%	-11.0%	11.1%
Residential	0.2%	-5.3%	10.3%	18.9%	15.5%	-14.1%	-16.2%	16.1%
Commercial	5.5%	5.0%	3.2%	0.8%	-10.3%	-7.8%	-5.2%	-7.0%
Manufacturing	-11.7%	-3.9%	5.3%	-11.1%	1.7%	4.3%	3.2%	-5.4%
Healthcare	4.9%	-5.7%	6.0%	10.3%	-4.4%	-8.5%	-13.2%	4.2%
Education	3.0%	1.1%	2.5%	4.2%	-13.9%	-16.7%	1.5%	5.2%
Other Structure*	8.1%	2.3%	1.9%	9.6%	-9.8%	-11.0%	-3.6%	2.0%
Infrastructure	-8.8%	-5.4%	14.4%	10.2%	-9.2%	-11.6%	-5.2%	13.3%

◀ HISTORIC FORECAST ▶

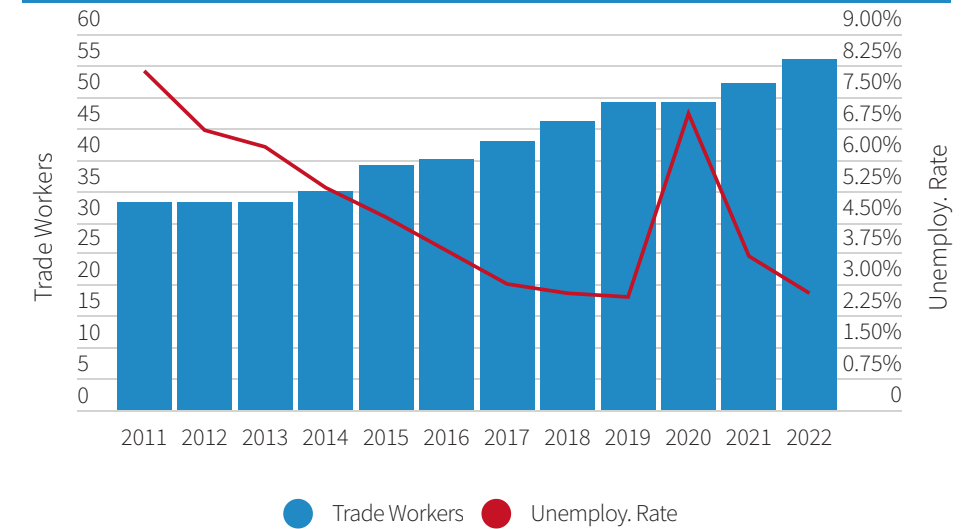
\* This includes religious buildings, amusement, government communications, and public recreation projects.

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



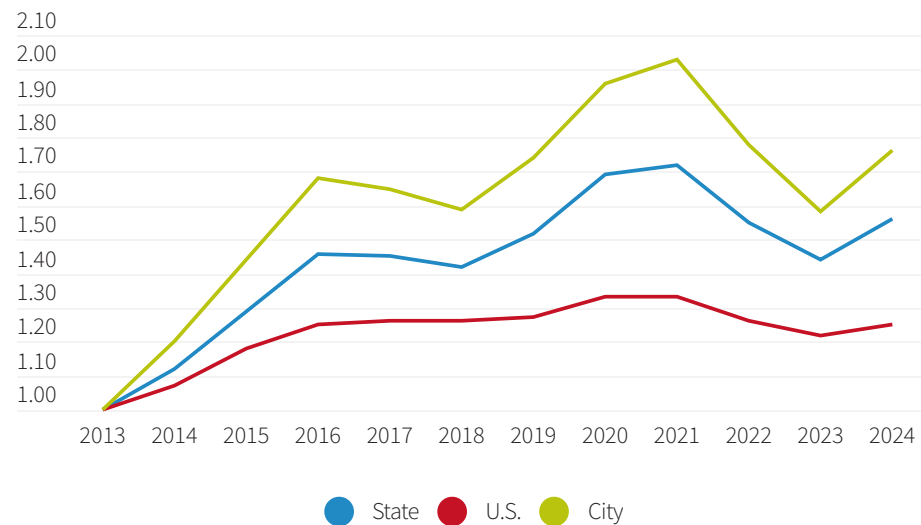
SOURCE: IHS-Market

## Regional Construction Employment



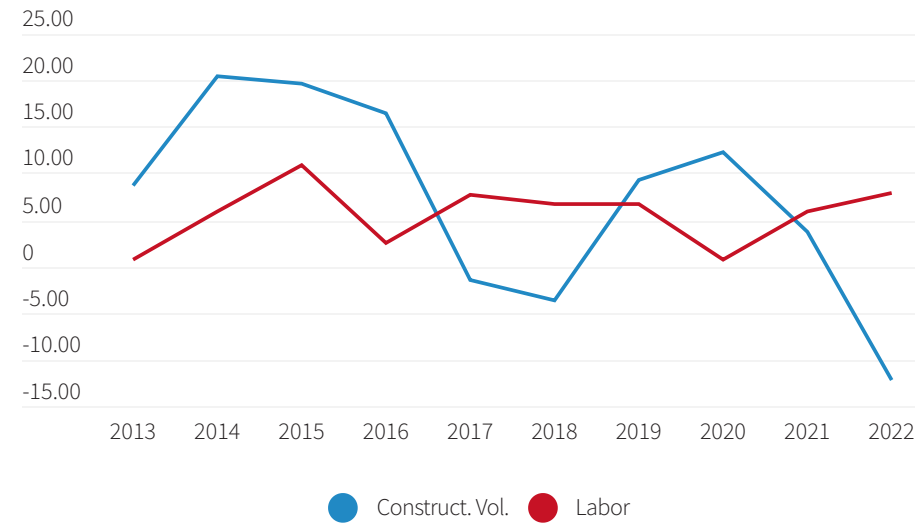
SOURCE: U.S. Bureau of Labor Statistics

## Construction Spending Index 2013-2024 (2013=1.0)



SOURCE: IHS-Market

## Construction Volume vs Labor - Annual Increase/Decrease



SOURCE: ReedConnect

## Top Regional Projects Sorted by Construction Value

Project Name	Location	Value
The Bend - Mixed-Use District	Chattanooga	4.00B
LG Chem Cathode Materials Plant	Clarksville	3.20B
Hankook Tire Phase 3 Expansion	Clarksville	0.61B
Piedmont Lithium Processing and Manufacturing Facility	Etowah	0.58B
Big Bear Bluffs	Columbia	0.54B
Microvast Manufacturing Facility	Clarksville	0.50B
The Parke at Houston Levee	Collierville	0.31B
SMS: Facilities Acquisitions for Restoration and Modernization (FARM II)	Arnold AFB	0.30B
Riverton Village Center	Chattanooga	0.30B
The Killebrew	Clarksville	0.30B

SOURCE: ReedConnect