

The Bay Area saw a slowdown over the past few months as major tech firms restructured in the wake of earnings misses and the pandemic. In turn, a wave of layoffs has swept the area. The slowdown in the demand to accommodate quickly growing tech needs is resulting in a drop in residential new starts.

Looking beyond residential, there is strong activity in the public sector, particularly education, and also the in the life sciences sector, which continues to see steady demand.

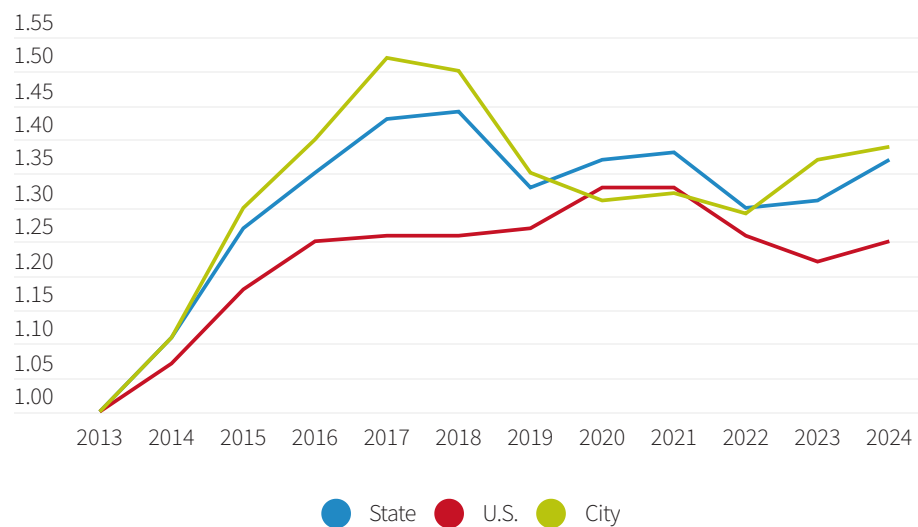
## Total Construction Market Volume by Sector (x \$1m, Nominalized 2012\$)

	2017	2018	2019	2020	2021	2022	2023	2024
Total Increase	8.2%	-0.9%	-10.5%	-2.7%	0.7%	-1.8%	5.8%	1.8%
Residential	15.5%	-2.5%	-17.9%	-3.0%	9.0%	3.5%	7.4%	3.1%
Commercial	2.2%	2.1%	1.9%	-4.5%	-14.2%	-11.0%	-6.8%	-6.4%
Manufacturing	-12.2%	-0.6%	4.9%	-7.2%	-0.3%	6.2%	6.0%	-4.3%
Healthcare	4.3%	-3.6%	-1.8%	-1.1%	-3.9%	-9.5%	-3.0%	1.3%
Education	2.9%	0.6%	3.2%	-4.2%	-15.6%	-14.0%	-2.7%	3.1%
Other Structure*	12.2%	5.7%	-0.3%	10.3%	-8.6%	-11.1%	-2.7%	2.1%
Infrastructure	-12.1%	1.1%	-1.0%	-6.4%	-9.1%	-13.9%	20.2%	1.9%

◀ HISTORIC FORECAST ▶

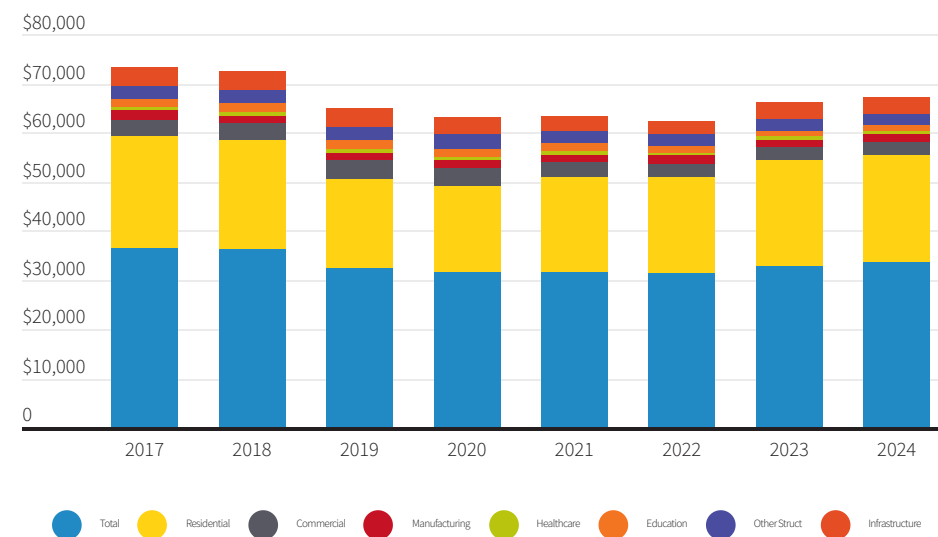
\* This includes religious buildings, amusement, government communications, and public recreation projects.

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



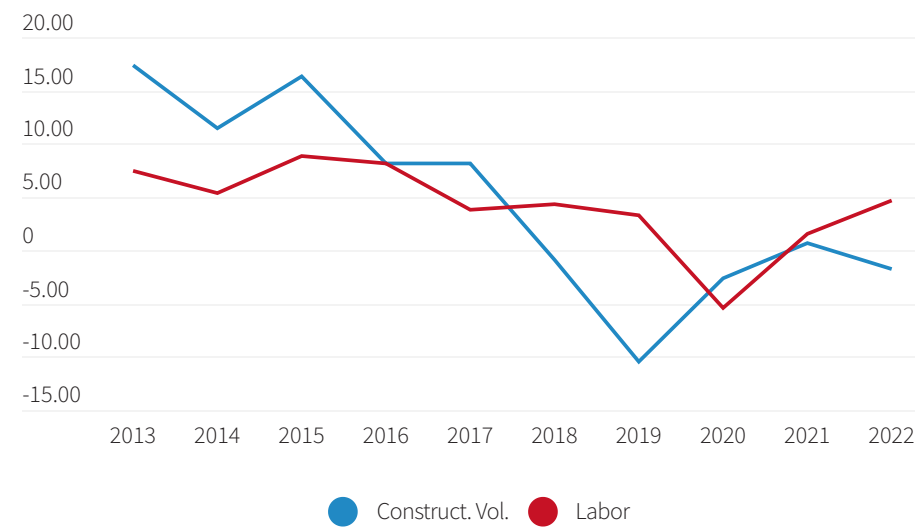
SOURCE: IHS-Market

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



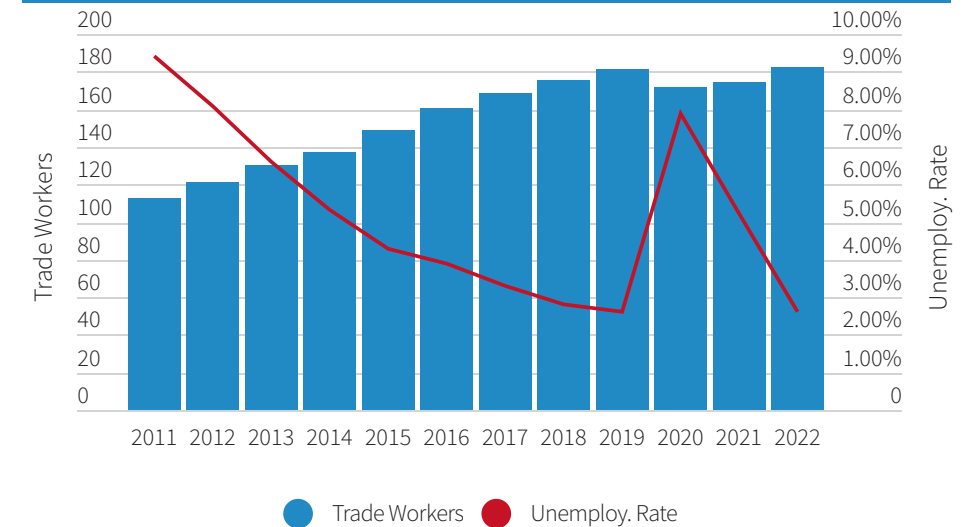
SOURCE: IHS-Market

## Construction Volume vs Labor - Annual Increase/Decrease



SOURCE: ReedConnect

## Regional Construction Employment



SOURCE: U.S. Bureau of Labor Statistics

## Top Regional Projects Sorted by Construction Value

Project Name	Location	Value
Potrero Power Plant Site Redevelopment	San Francisco	2.00B
Freedom West 2.0	San Francisco	2.00B
Stonestown Galleria Multi-family Development	San Francisco	2.00B
San Francisco Flower Mart Redevelopment	San Francisco	1.50B
Pier and Seawall Lot 330 Mixed Use Development	San Francisco	1.20B
India Basin Mixed-Use Development	San Francisco	1.00B
Biosolids Digester Facilities Project	San Francisco	0.94B
Biosolids Digester Facilities - T- 40.03 Process Mechanical	San Francisco	0.94B
Balboa Park Reservoir Mixed-income Development	San Francisco	0.60B
Fourth and Townsend Street Residential Towers - San Francisco	San Francisco	0.54B

SOURCE: ReedConnect