

The Northwest has invested greatly in sustainability and community-centric urban planning. In cities like Portland and Seattle, the largest projects are mixed-use neighborhoods on formerly industrial land. Both cities have committed to becoming carbon-neutral in the coming decades, and both view projects like these as key parts of this plan. To this end, light rail networks are being expanded in both and both areas are investing in green buildings. Major cities in the region – more specifically, more affordable suburbs of major cities in the region – are adding microchip and electric vehicle factories as part of the government’s efforts to bring manufacturing closer to home. The largest of these is in Boise, Idaho, but there are similar projects just outside of Portland and Seattle.

Further away, cities like Boise and Aurora have successfully presented themselves as affordable alternatives to places like Portland or Denver. Remote workers here can split the difference between Portland’s wages and Eugene’s cost of living, and make the drive up for the one or two days they need to be in the office. Likely in tandem with this, the hospitality sector in larger cities has begun its rebound. New hotels are going up in Seattle both to house remote workers and in anticipation of Seattle being a host city in the 2026 FIFA World Cup. Mixed-use spaces and redevelopments are also making inroads in the market. These are trends that we expect to continue for the foreseeable future.

NORTHWEST

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

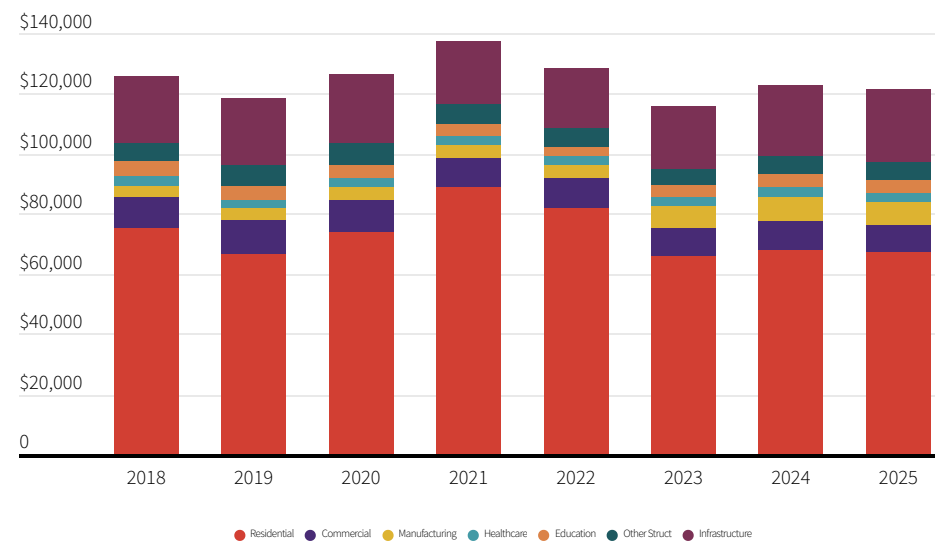
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-----------------------|-------|--------|-------|--------|--------|--------|-------|--------|
| Total | 3.9% | -5.7% | 6.4% | 9.1% | -6.9% | -9.6% | 6.0% | -1.1% |
| Residential | 4.0% | -11.1% | 10.9% | 20.2% | -7.5% | -20.0% | 3.2% | -0.7% |
| Commercial | 2.5% | 1.1% | 0.5% | -6.9% | -5.2% | 1.6% | 0.9% | -4.5% |
| Manufacturing | -1.7% | 6.6% | -9.5% | 0.5% | 13.5% | 59.5% | 12.6% | -14.5% |
| Healthcare | 0.1% | 0.0% | 3.8% | 0.4% | -7.2% | 1.6% | 8.6% | 0.5% |
| Education | 1.5% | 3.1% | -2.7% | -11.2% | -13.4% | 8.5% | 14.9% | -0.1% |
| Other Struct* | 2.3% | 2.0% | 9.2% | -11.2% | -9.8% | 1.9% | 7.4% | -0.7% |
| Infrastructure | 6.6% | 2.0% | 0.3% | -6.3% | -6.5% | 4.6% | 12.7% | 3.3% |

◀ HISTORIC FORECAST ▶

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

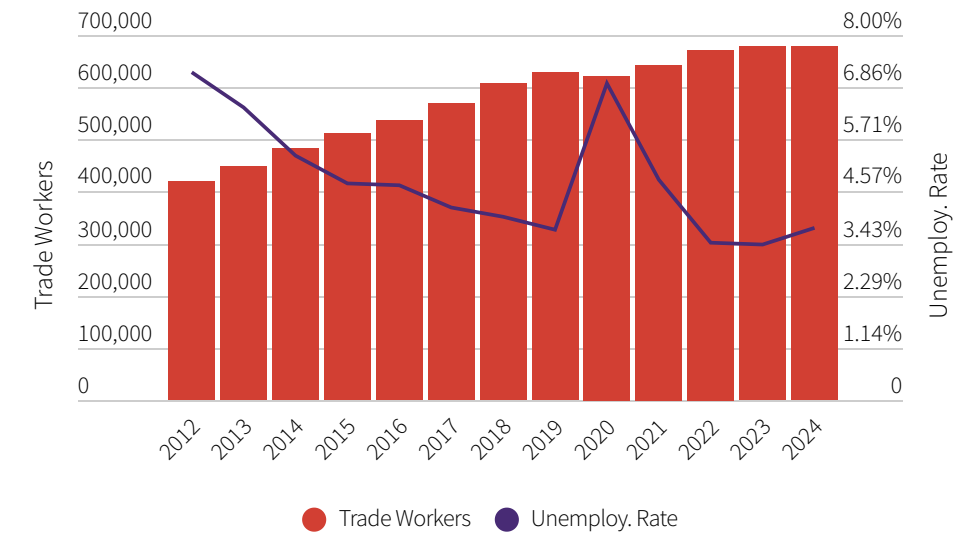
SOURCE: IHS-Markit

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

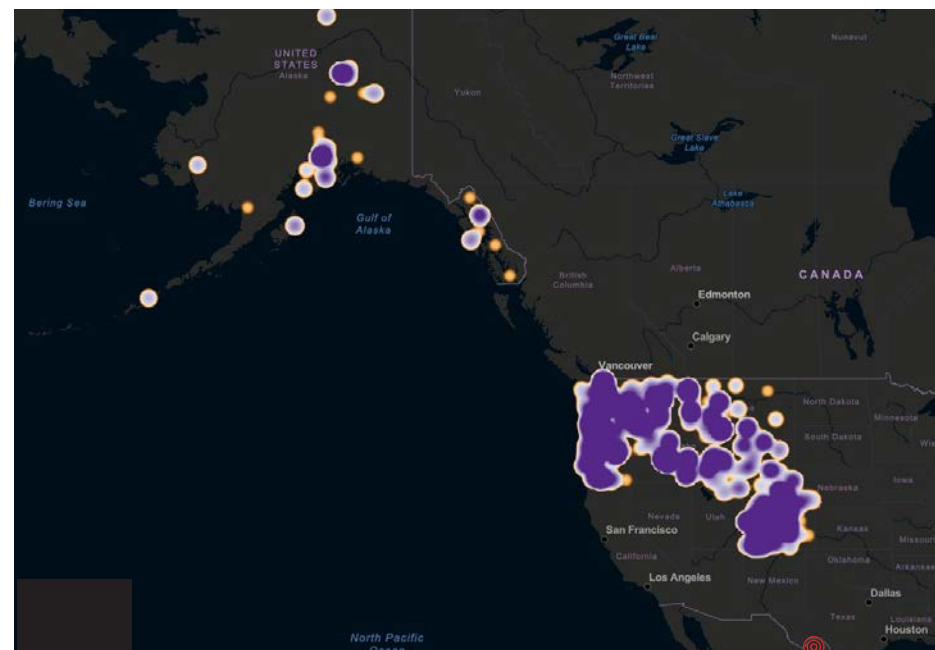


SOURCE: IHS-Markit

Regional Construction Employment

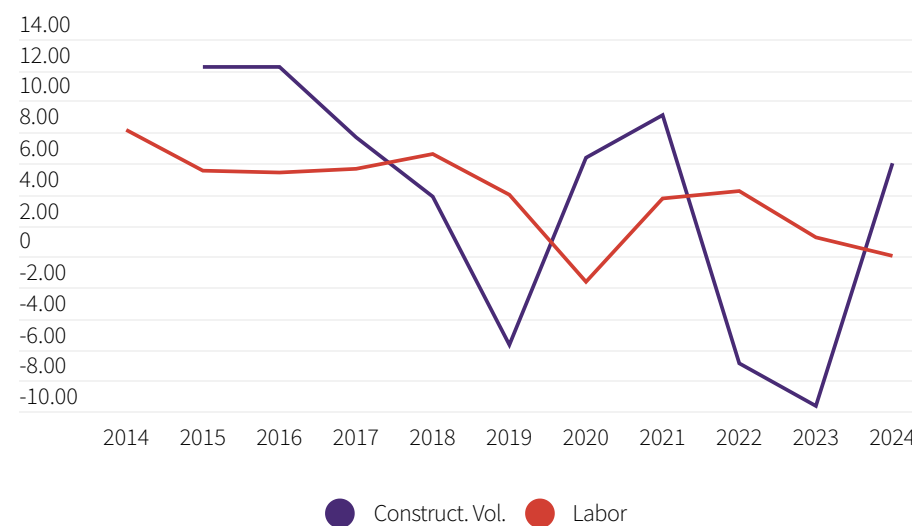


SOURCE: U.S. Bureau of Labor Statistics



SOURCE: BuildCentral

Construction Volume vs Labor - Annual Increase/Decrease



SOURCE: IHS-Markit and FRED

Top Regional Projects Sorted by Construction Value

| Project Name | Location | Value (x\$1b) |
|--|-----------------|---------------|
| Micron Technology Inc Industrial Development | Boise, ID | \$15B |
| Vancouver Waterfront | Vancouver, WA | \$1.5B |
| Seabrook Community Expansion | Seabrook, WA | \$1.5B |
| Spring District | Bellevue, WA | \$2.3B |
| Project Bison: Wyoming Regional Direct Air Capture Hub | Green River, WY | \$1.4B |
| Cherry Creek West Redevelopment | Denver, CO | \$1B |
| Bellevue Square Expansion | Bellevue, WA | \$1B |
| Harborview Medical Center New Medical Tower | Seattle, WA | \$1.74B |
| Clayworks | Golden, CO | \$900M |
| Windler - Mixed-Use Development - Commercial Portion | Aurora, CO | \$850M |
| Western State Forensic Hospital | | \$800M |

SOURCE: Build Central