

**PORTLAND, OR**

As expected, the construction market is seeing the start of a slowdown in Q1 2020. Portland's construction will continue to cycle between decline and growth in the years ahead. It is yet to be seen if Oregon's new legislation on rent controls will have an effect on this predicted cycling. Portland is blazing new trails technologically with the eight-story Carbon-12 building,

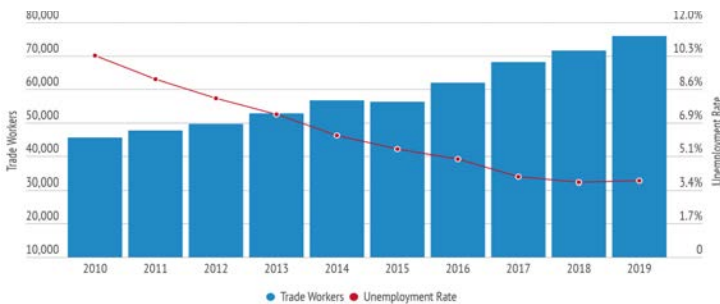
reported to be the tallest timber structure in the United States. Meanwhile, transportation remains the most active sector in Portland. Unemployment continues to run at 2.8% month-on-month and a shortage of labor remains. Unlike its nearby neighbor, Seattle, Portland has yet to see any dramatic affects from COVID-19, although that could change quickly.

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

Sector	2015	2016	2017	2018	2019	2020	2021	2022
<b>Total (x \$1m)</b>	<b>10,671</b>	<b>11,986</b>	<b>11,520</b>	<b>11,705</b>	<b>11,459</b>	<b>11,249</b>	<b>11,209</b>	<b>11,171</b>
Residential	5,406	6,408	6,200	6,414	6,133	5,962	6,002	6,035
Commercial	929	1,144	1,206	1,253	1,165	1,133	1,097	1,040
Manufacturing	759	724	627	610	613	603	585	583
Healthcare	300	311	321	315	322	329	338	343
Education	493	519	533	510	497	522	551	575
Other Struct*	504	536	571	559	540	522	500	486
Infrastructure	2,280	2,343	2,062	2,043	2,190	2,178	2,136	2,108
<b>Total Increase</b>	<b>Y-O-Y %</b>	<b>12.3%</b>	<b>-3.9%</b>	<b>1.6%</b>	<b>-2.1%</b>	<b>-1.8%</b>	<b>-0.4%</b>	<b>-0.3%</b>
Residential	Y-O-Y %	18.6%	-3.3%	3.5%	-4.4%	-2.8%	0.7%	0.6%
Commercial	Y-O-Y %	23.1%	5.4%	3.9%	-7.1%	-2.8%	-3.1%	-5.2%
Manufacturing	Y-O-Y %	-4.5%	-13.4%	-2.7%	0.5%	-1.6%	-3.1%	-0.2%
Healthcare	Y-O-Y %	3.7%	3.3%	-1.8%	2.1%	2.2%	2.7%	1.4%
Education	Y-O-Y %	5.1%	2.8%	-4.3%	-2.7%	5.2%	5.4%	4.5%
Other Struct*	Y-O-Y %	6.5%	6.4%	-2.0%	-3.3%	-3.4%	-4.1%	-2.9%
Infrastructure	Y-O-Y %	2.8%	-12.0%	-0.9%	7.2%	-0.5%	-1.9%	-1.3%

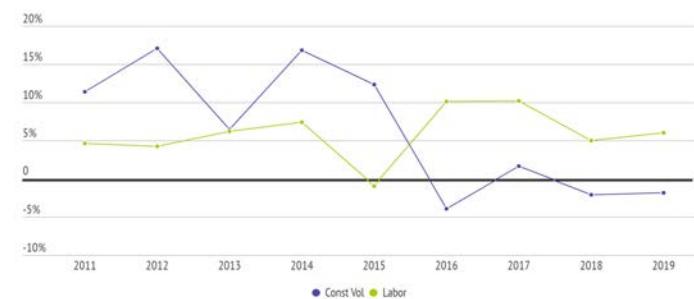
\* This includes religious buildings, amusement, government communications and public recreation projects.

**Regional Construction Employment**



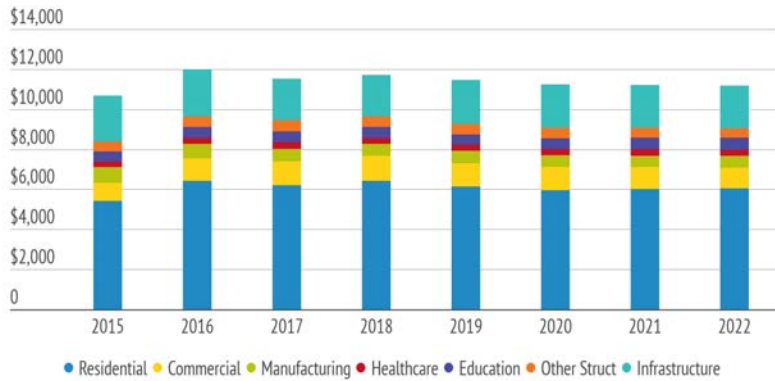
SOURCE: U.S. Bureau of Labor Statistics

**Construction Volume vs Labor - Annual Increase/Decrease**



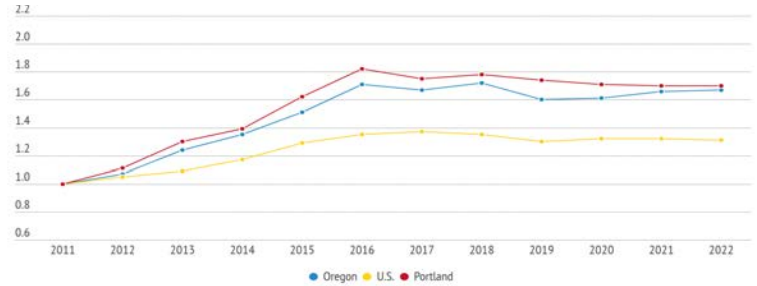
SOURCE: ReedConnect

**Annual Volume (x\$1m, 2012\$)**



SOURCE: IHS-Markit

**Construction Spending Index 2010-2021 (2010=1.0)**



SOURCE: IHS-Markit

**Top Regional Projects Sorted by Construction Value**

Project	Location	Value
Southwest Corridor Project	Portland	\$1.9B
(MAX) Rail	Portland	\$1.9B
Ankeny Blocks Urban Campuses	Portland	\$1.5B
USPS Broadway Corridor	Portland	\$1.2B
2020 Bond - Portland Public Schools	Portland	\$1.0B
PDX Concourse B	Portland	\$950.0B
Burnside Bridge - Multnomah County	Portland	\$850.0B
Interstate 5 Expansion	Portland	\$795m
2018 Affordable Housing Bond	Portland	\$655m
VA Medical Facility Requirements	Portland	\$650m

SOURCE: ReedConnect