

# Chicago, IL

U.S. Construction Market | Market Snapshot Q1 - 2022

The decline in the Chicago market is deceptive. Other markets across the Midwest have been languishing as their key industries move abroad, but Chicago has one of the most diverse economies in the country and has mostly avoided this trend. Instead, Chicago's market has been slowing due to demographic trends. The city's population has not changed significantly since the 1980s, and today there are about as many residents as there were 100 years ago. In cities on the West Coast, which are seeing unprecedented growth, there is a constant need for housing, businesses, schools, and roads. This is just not the case in Chicago. Most of the city's existing facilities are still adequate, and the focus has instead turned to renovations.

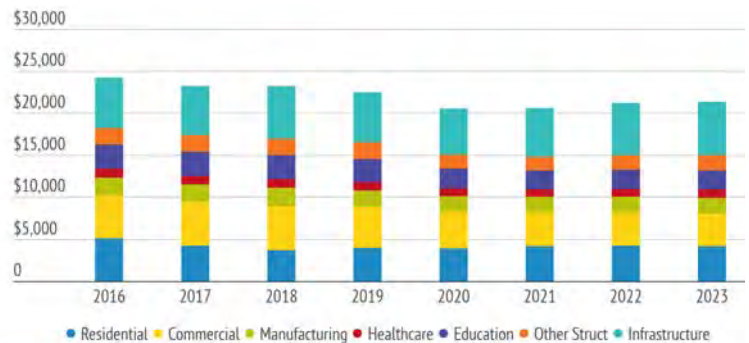
Chicago's residential sector experienced the same spike in demand in 2021 as many other markets. But because it is a small part of the overall market, this was not enough to offset downturns in other sectors. Combined with issues in the infrastructure and commercial sectors, the market declined in 2020 and 2021. Looking ahead, however, Chicago's position at the center of the nation's railroad and airline networks means that the shift to e-commerce will not be as damaging here.

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

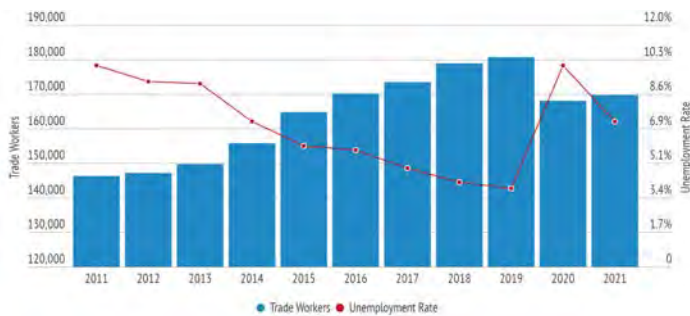
Sector	HISTORIC FORECAST								
	2016	2017	2018	2019	2020	2021	2022	2023	
<b>Total Increase</b>	Y-O-Y %	-4.0%	-0.1%	-3.1%	-8.8%	0.4%	3.0%	0.6%	
Residential	Y-O-Y %	-16.2%	-13.1%	6.3%	-1.7%	8.0%	0.7%	-1.0%	
Commercial	Y-O-Y %	1.9%	1.0%	-5.2%	-11.5%	-7.8%	-1.6%	-2.3%	
Manufacturing	Y-O-Y %	-2.8%	4.7%	-13.0%	-4.3%	-1.9%	2.8%	2.1%	
Healthcare	Y-O-Y %	-5.1%	-1.6%	-1.4%	-4.0%	-1.7%	2.7%	1.7%	
Education	Y-O-Y %	-1.2%	0.4%	-4.1%	-14.9%	-4.0%	1.4%	1.1%	
Other Struct*	Y-O-Y %	0.2%	0.3%	0.9%	-15.6%	-4.1%	4.8%	3.5%	
Infrastructure	Y-O-Y %	-1.7%	6.5%	-4.6%	-8.2%	6.1%	8.1%	2.1%	

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

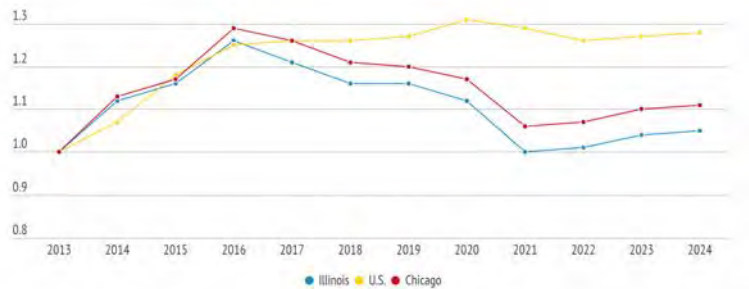
## Annual Volume (x\$1M, 2012\$)



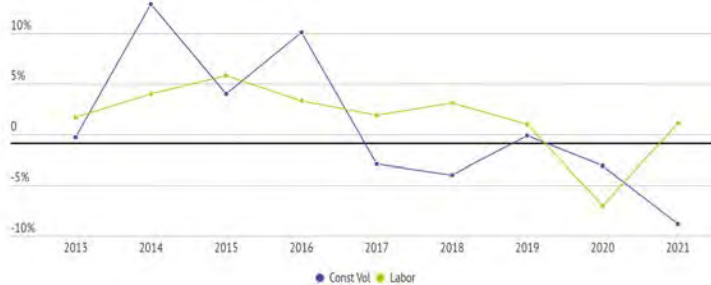
## Regional Construction Employment



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



## Construction Volume vs Labor - Annual Increase/Decrease



## Top Regional Projects Sorted by Construction Value

Project	Location	Value
One Central Project	Chicago	20.0B
O'Hare 21 Expansion Plan - City of Chicago	Chicago	8.7B
RFP: Developer - Casino in the City of Chicago	Chicago	7.5B
The 78	Chicago	7.0B
Lincoln Yards - Future Phases	Chicago	5.6B
Bronzeville Lakefront	Chicago	3.8B
I-290 Eisenhower Expressway Expansion - Illinois Department of Transportation	Chicago	2.7B
SOO Green Renewable Rail	Chicago	2.5B
Navigator CO2 Ventures Midwest Carbon Capture Sequestration	Chatham	2.0B
Eliot Logistics Park 55 Expansion	Wilmington	2.0B

SOURCE: ReedConnect