

Miami, FL

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

After a pause in 2021, Miami's construction market should continue to rise over the next few years. The residential sector contributes heavily to this increase, as the pandemic housing boom has only accelerated an active market. New variants of COVID (and ongoing supply chain issues) have increased the cost of a typical project in Miami by about 20%. Despite these rising costs, there is still strong demand for new construction. Volatility in the market has led some contractors to buy materials earlier than they would have before the pandemic, causing more of a project's cost to be paid up-front. This trend can help explain the gentle decline in commercial construction since 2020.

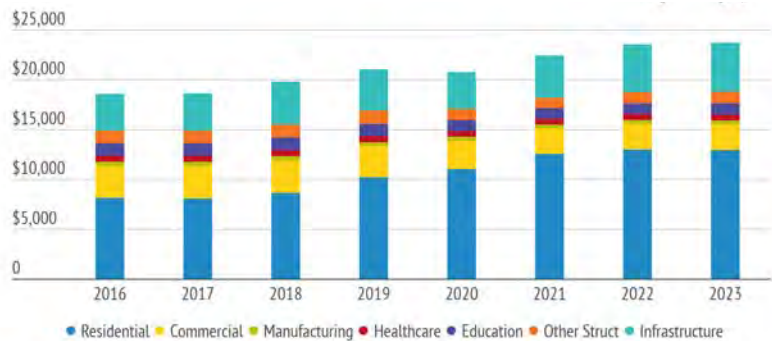
In March, Miami-Dade County officials began construction on what will eventually be North America's largest cruise terminal. It will cover almost 500,000 square feet and will be able to accommodate up to three mega-ships and move 36,000 passengers in one day. Two berths will be owned directly by MSC Cruises, while the third will be owned by the city of Miami and hopefully add some much-needed revenue to the city budget. It is on track to be completed by the end of next year.

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

Sector	HISTORIC (2016-2021) FORECAST (2022-2023)							
	2016	2017	2018	2019	2020	2021	2022	2023
Total Increase	Y-O-Y %	0.6%	6.3%	6.2%	-1.4%	8.1%	4.8%	0.9%
Residential	Y-O-Y %	-0.7%	6.5%	18.2%	8.4%	13.6%	3.7%	-0.2%
Commercial	Y-O-Y %	2.3%	0.2%	-3.7%	-9.8%	-8.0%	-1.0%	-1.7%
Manufacturing	Y-O-Y %	-2.5%	6.8%	-12.2%	-3.3%	-3.2%	2.1%	1.7%
Healthcare	Y-O-Y %	-5.0%	2.6%	-0.3%	-4.4%	1.2%	6.6%	3.4%
Education	Y-O-Y %	1.4%	3.9%	-1.3%	-10.8%	-4.5%	1.9%	1.7%
Other Struct*	Y-O-Y %	1.3%	-0.4%	1.9%	-17.4%	-4.0%	4.2%	3.3%
Infrastructure	Y-O-Y %	2.5%	14.9%	-3.7%	-10.2%	13.7%	12.5%	4.2%

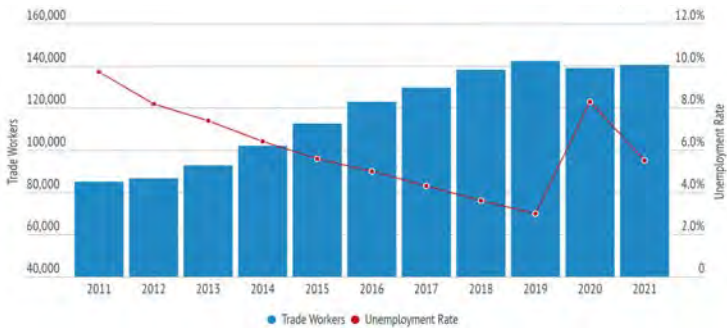
* This includes religious buildings, amusement, government communications, and public recreation projects.

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



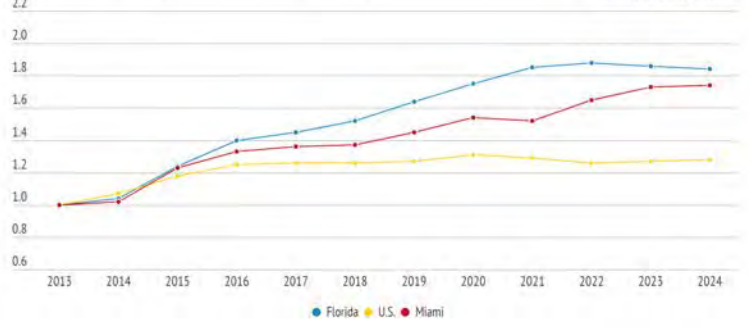
SOURCE: IHS-MARKIT

Regional Construction Employment



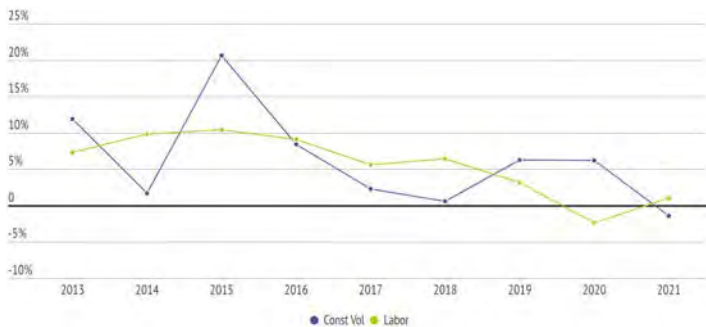
SOURCE: U.S. Bureau of Labor Statistics

Construction Spending Index 2010-2021 (2010=1.0)



SOURCE: IHS-MARKIT

Construction Volume vs Labor - Annual Increase/Decrease



SOURCE: ReedConnect

Top Regional Projects Sorted by Construction Value

Project	Location	Value
American Dream Miami Mall and Theme Park	Miami	5.0B
Tropicana Field Redevelopment / St. Petersburg	St Petersburg	3.8B
Morris Bridge Road Mixed Use Development	Zephyrhills	3.6B
Resorts World Miami	Miami	3.1B
Tyndall Air Force Base (AFB), Hurricane Michael Rebuild	Tyndall AFB	2.7B
Bus Rapid Transit - Bay Area Regional Transit Authority	Tampa	2.6B
Tampa International Airport Expansion - Phase 3	Tampa	2.5B
Rays Ballpark Tampa High-Speed Railroad / Tampa	Tampa	2.4B
SilverLeaf Expansion	Saint Augustine	2.2B
Virgin Trains (Formerly The Brightline Express) - Third Phase	Orlando	2.0B

SOURCE: ReedConnect