RLB CRANE INDEX®

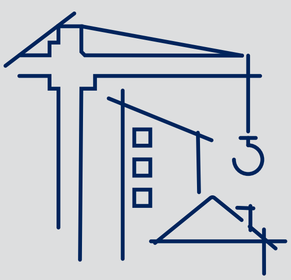
North America - Q1 2023

Rider Levett Bucknall

OVERALL STATUS

LEGEND

- Increase in number of cranes
- Decrease in number of cranes
- Crane numbers steady



The overall crane count has increased 7.04%.

Commercial cranes are down 20% (or 15 cranes) collectively, in the cities surveyed.

Only 2 of the 14 cities surveyed saw a significant decrease (of greater than 20%) from their previous count.

WHAT IS THE RLB CRANE INDEX®?

Rider Levett Bucknall's Crane Index® for North America is published biannually. It tracks the number of operating tower cranes in 14 major cities across the U.S. and Canada.

Our index was the first of its kind, and unlike other industry barometers that track cost and other financial data, the Crane Index® tracks the number of fixed cranes on construction sites and gives a simplified measure of the current state of the construction industry's workload in each location.

Q1 2023 SUMMARY:

This survey reports a nominal increase of 7.04% (34 cranes) from our Q3 2022 edition of the RLB Crane Index®. Of the fourteen cities surveyed: eight experienced an increase; two decreased; and four held steady.

Despite continued workforce challenges and economic uncertainties are still concerns for the coming year, we are continuing to see new projects break ground within our 14-key markets. This indicates that investments are continuing to be made into our cities.

Notwithstanding concerns for the housing market, residential and mixed-use projects make up 73% of the overall count. We anticipate the number of cranes to remain high into 2023. Despite uncertain market conditions, construction projects will continue to break ground, albeit at a cost.

+21%

Seattle experiences a 21% increase (9 cranes) from Q3 2022.

The three top sectors across all cities are Residential (51%), Mixed-Use (22%), and Commercial (12%).

+300%

Las Vegas experiences a significant increase (from 3 to 12 cranes).

KEY SECTORS
CIVIL
COMMERCIAL
CULTURAL
EDUCATION
FEDERAL GOVT.
HEALTHCARE
HOSPITALITY
INDUSTRIAL
MIXED-USE
PUBLIC/CIVIC
PUBLIC ASSEMBLY
RESIDENTIAL
SPORT
TRANSPORTATION
OTHER

BOSTON

The number of cranes operating in Boston has remained relatively stable since the last report; despite several cranes coming down with completed projects, there have been just as many erected. Mixed-use continues to be the focus of development, accounting for most of the city's cranes, with two new cranes in the South Boston Waterfront area having the highest number of cranes in the city.

CALGARY

In Calgary, the crane count is down by just one crane from the previous report. Even with skilled labor shortages, high material costs, and limited availability of supplies and equipment, the city continues to flourish, and considerable investments have been made in Calgary's future. While the city expects a cooler, more balanced housing market this year, it is still investing in infrastructure to make these places "development ready" for more than 190,000 people. In addition, a $500 million expansion to the BMO Centre is also underway.

CHICAGO

The crane count in Chicago is down four cranes from the last report to a current total of 14. All of the new tower buildings are residential projects except three tower cranes at the Obama Museum on Stoney Island. Speed is a common denominator in all these projects, as in the past six months, nine tower cranes have been erected and removed, varying from 8 to 30 floors. Fulton Market is the central construction hub, but River North has a sizeable quota, and Goose Island, with the Walsh development being the largest.

DENVER

As Denver continues to maintain significant construction activity, the Denver crane count has increased by four, up from its record-high level of 32 cranes reported in the Q3 count. The residential sector boasts the highest numbers accounting for approximately 58% of the total number of cranes reported this quarter. There are signs of continued development of on-grade parking lots, presumably for office towers in the downtown core, and we wait with interest to see how this may contribute to the city's construction growth later this year.

HONOLULU

The Honolulu skyline has added five new tower cranes since the last report, three of which are in Honolulu's urban core, indicative of the robust pipeline of work that remains intact. Most notable is the expansion of a municipal wastewater treatment plant that adds two new cranes in a market typically dominated by private sector projects. The pace of residential construction is unwavering, as signaled by the addition of a crane servicing a mixed-use residential project in the Ala Moana-Kakaako neighborhood, an area of Oahu where continued demand for residential construction is anticipated to sustain elevated levels of construction activity over the next 12-24 months.

LAS VEGAS

2023 will be a big year for Las Vegas as construction on various projects will be completed, such as the Fontainebleau, the newly renovated New York New York, and Circus Circus; welcoming the arrival of Formula 1 racing and the opening of Durango by Station Casino. Government stimulus dollars should hold up institutional building this year, including healthcare, education, and transportation structures.

LOS ANGELES

The number of cranes over the past six months, increases just one crane from the last report. While there has been an increase in commercial activity - cultural, healthcare, and hospitality are slightly down. The industrial sector has gained a few cranes, with mixed-use remaining the strongest at 43% of the total cranes. Residential continues to be at 21%, the same as the previous count, alongside the cranes near at LAX airport.

NEW YORK CITY

Since last fall, New York City's crane count has decreased from 14 to 10. Currently, there are three cranes in Hudson Yards and seven between 59th Street to 14th Street and 2nd Ave to 12th Ave. Although Hudson Yards and Midtown projects continue to top out, new developments are starting in both neighborhoods. In addition to one completed educational project, the decrease in cranes is mainly due to commercial projects, which accounted for six fewer cranes. However, two new residential and three new mixed-use buildings show that New York City is still steadily growing.

PHOENIX

Phoenix has seen a sharp increase in the number of cranes since the previous count, with six new cranes added (one for healthcare; three for mixed-use; and two new additions to residential). One trend to note is that most construction continues to be in the residential sector.

PORTLAND

The Portland crane count has seen a slight net decrease as several mixed-use and residential projects have been completed, with most cranes found west of the Willamette River. Mixed-use continues to be a strong market sector despite the slight decrease in cranes. It's worth noting that just outside the city, there are a significant number of cranes in the Beaverton/Hillsboro area.

SAN FRANCISCO

San Francisco's crane count increased by three in the past six months, reflecting confidence in a slowly recovering economy and willingness to move forward with building projects that were previously on hold. The increase also highlights the action being taken to address the local housing crisis, with more residential construction, including affordable housing. Of the 17 cranes, seven are dedicated to residential projects, five to the Southeast Treatment Plant project, and the remainder are commercial and education.

SEATTLE

The Seattle crane count saw an increase of nine cranes over the past six months for a total of 51 cranes, an increase of 21 percent since the last report. Most new projects are mixed-use while maintaining commercial and residential as the primary market sectors. Rainier Valley experienced the largest rise of cranes, as the numbers increased from 7 to 15 cranes, an increase of eight new cranes.

TORONTO

The overall crane count for Toronto has increased by eight cranes, although over the last six months, 31 projects have been closed out. This most recent crane count includes 37 brand-new projects. The most significant increase in cranes by project type is residential, with an increase of 13 cranes, while cranes on commercial projects dropped by six cranes.

WASHINGTON, D.C.

Construction in Washington, DC, remains stable, and the crane count remains flat at 26, while the residential and mixed-use sectors continue to dominate construction projects, making up 69% of the total number of cranes. The NoMA and Buzzard Point neighborhoods continue to be active with the rise of new development projects, as these thriving communities are vibrant and walkable for residents and tourists.

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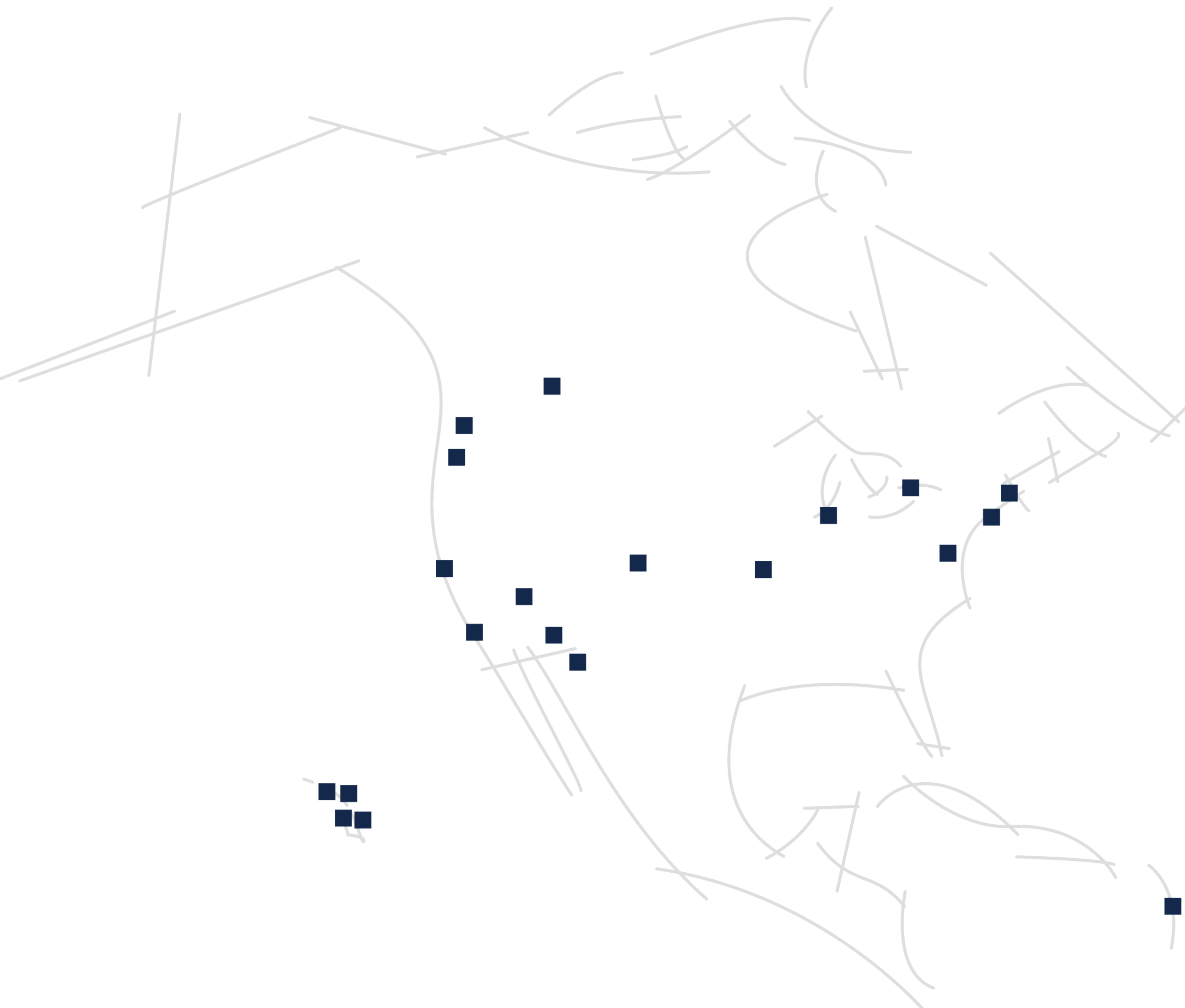
LOCATIONS



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