

RLB CRANE INDEX®

North America - Q3 2022

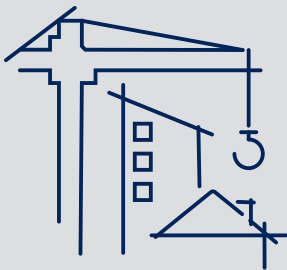


OVERALL STATUS

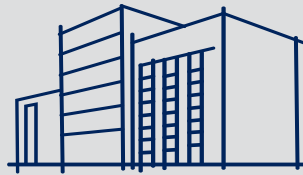


LEGEND

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



The overall crane count is up holding steady (down only 3 cranes; -0.62%).



Commercial cranes are up 53% (or 26 cranes) collectively, in the cities surveyed.



Only 1 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.

Q3 2022 SUMMARY:

This survey reports a nominal decrease 0.62% (3 cranes) from our Q1 2022 edition of the RLB Crane Index®. Of the fourteen cities surveyed: nine experienced an increase; four are holding steady; and one has decreased.

Key market indicators are returning to pre-pandemic levels, demonstrating that the industry appears to be recovering from the impacts of COVID-19. However, drivers in the market - including inflation, labor shortage, and supply chain issues - continue to impact construction, whether it be through cost or schedule.

We anticipate the number of cranes to increase going into 2023. Despite volatile market conditions, construction projects will continue to break ground, only at a cost.

+52%

Denver sees a 52% increase from Q1 2022.



The three top sectors across all cities are residential (50%), Mixed-Use (20%), and Commercial (15%).

+80%

Chicago nearly doubles their crane count from the previous survey.

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 increased. Despite a few projects nearing completion, just as many new cranes have gone up. Mixed-use continues to be the focus of development, accounting for 73 percent of the city’s cranes. The South Station Air Rights development accounts for two of the newly erected cranes this quarter, and there are others in the South Boston, Seaport, and Chinatown neighborhoods.

CALGARY

In Calgary the number of cranes decreased with the completion of many residential and offices building projects in the downtown area, although that number should quickly rise with a variety of new construction projects underway exceeding \$7.4 billion. With continued population growth, the city is investing in infrastructure, including highway interchanges, flood mitigation projects, community improvements, bridge work, and transit improvements, which includes the new Green Line light-rail transit project, the city’s largest infrastructure investment in its history.

CHICAGO

Residential projects dominate the Chicago construction market with more than 75 percent of the current 18 cranes reflecting residential properties, totaling nearly 4,000 rental units. The primary focus is the Fulton Market area, where construction is booming. Projects in River North and east of Goose Island are popular. A significant major construction project is the Obama Presidential Library which has three tower cranes erected.

DENVER

The Denver crane count has exploded this quarter and increased 52 percent from the last report to a total of 32 cranes. The most significant increases were seen in the Cole/Elyria-Swansea and Civil Center-Golder Triangle neighborhoods, servicing both residential and office developments. Despite being classified as residential, these new investments are providing a very exciting mix of smaller programs including entertainment, cultural, and retail spaces with restaurants and bars being very common.

HONOLULU

Since the last report, one major construction project has been completed, while four new projects have come online, contributing to an overall increase of tower cranes in Honolulu to nine. The addition of new tower cranes to the Honolulu skyline is indicative of the robust pipeline of work that will sustain elevated levels of construction activity over the next 12-24 months if positive economic conditions continue. The new cranes spread beyond the Ala Moana-Kakaako area, where construction activity has largely been concentrated over the last two years. New tower cranes are springing up in neighborhoods throughout Honolulu’s urban core, including commercial projects and new senior and student housing, in addition to the multi-use projects dominating the area. Market-rate and affordable housing developments are anticipated to maintain pace in the Honolulu market due to the public and private sectors’ mutual interests in increasing inventory of local housing options.

LAS VEGAS

The Las Vegas construction market is doing better than expected as the impact of the COVID-19 pandemic continues, now including growing inflation and rising interest rates. Resorts, casinos and convention centers are still the key drivers of the Las Vegas economy with three tower cranes being used. New projects include the new Station Casinos' \$750 million neighborhood casino project, which will start later this year, and the new Dream Hotel at the south edge of the Strip, which broke ground in July.

LOS ANGELES

The number of cranes in Los Angeles has dropped since the 1st half of 2022 by ten percent. Although the count decreased, cranes for residential multi-family and mixed-use projects remain strong at 65 percent and the commercial sector has slightly increased to 11 percent. Cultural and civic projects are still strong in the Los Angeles area and while not every project may need to facilitate a tower crane, the count has slightly decreased. Healthcare cranes have also been reduced from the last report, while infrastructure projects are some of the largest in value in the Los Angeles area, including LAX showing 7 percent of the total number of cranes.

NEW YORK CITY

New York City's total crane count has increased by two since Q1 2022. Four out of the fourteen cranes are in the Hudson Yards area with a further ten cranes located between the parameters of 59th Street to 14th Street and 2nd Ave to 12th Ave. While there is just one crane being used for mixed-use projects, there has been one crane added for each

an educational and residential project this quarter. There are no cranes being used for hospitality projects this quarter, down from two in the last report.

PHOENIX

This quarter's crane count is up one from last report in the Phoenix area. A new crane has been added downtown on PALMtower, a new 28-story residential high rise that broke ground at the corner of 5th St and Van Buren. The two tower cranes from the previous count remained in place and both Moontower Phoenix and Skye on Sixth are scheduled for completion in 2023.

PORTLAND

The Portland crane count has seen a small increase to 15 tower cranes, as several new mixed-use projects have begun construction. The highest concentration of cranes is in Northwest Portland. Most projects are mixed-use residential with two new projects featuring affordable housing.

SAN FRANCISCO

Down one crane to a count of 14 in this report, the decrease in the San Francisco crane count reflects a high turnover of recently completed projects and the start of new projects. There are six completed residential and commercial projects, located near the Market St corridor within the South of Market (SOMA) neighborhood. During the same period, the Southeast Treatment Plant project in Hunter's Point added two more cranes and another Mission Rock building started construction as well.

SEATTLE

The Seattle crane count experienced an increase of five cranes over the past six months, for a total of 42. Sectors adding cranes to the count include commercial, healthcare, public/civic, and residential. These additions were offset with the completion of numerous education and healthcare projects, among others.

TORONTO

The Greater Toronto Area (GTA) saw a decrease in the number of cranes to 230, dropping 8.7 percent since last report. There has been a significant decline in new condo sales and mixed-use projects, as well as staffing challenges related to a strike by Ontario construction workers. The industrial market continues to be a hub of activity as the GTA's demand is centered on logistics and distribution, manufacturing, consumer goods and services, and retail/e-commerce businesses. The Ontario Government Budget promises significant investments in transportation infrastructure, which will benefit the province's economy.

WASHINGTON, D.C.

Construction in Washington DC has remained stable and the crane count remains flat at 26, with the completion of residential complexes, and the start-up of office buildings, and mixed-use facilities in the NoMA and Downtown neighborhoods. Active construction sites are Union Market, NoMA, and Buzzard Point neighborhoods. Be on the watch for up-and-coming mixed-use facilities in these areas.

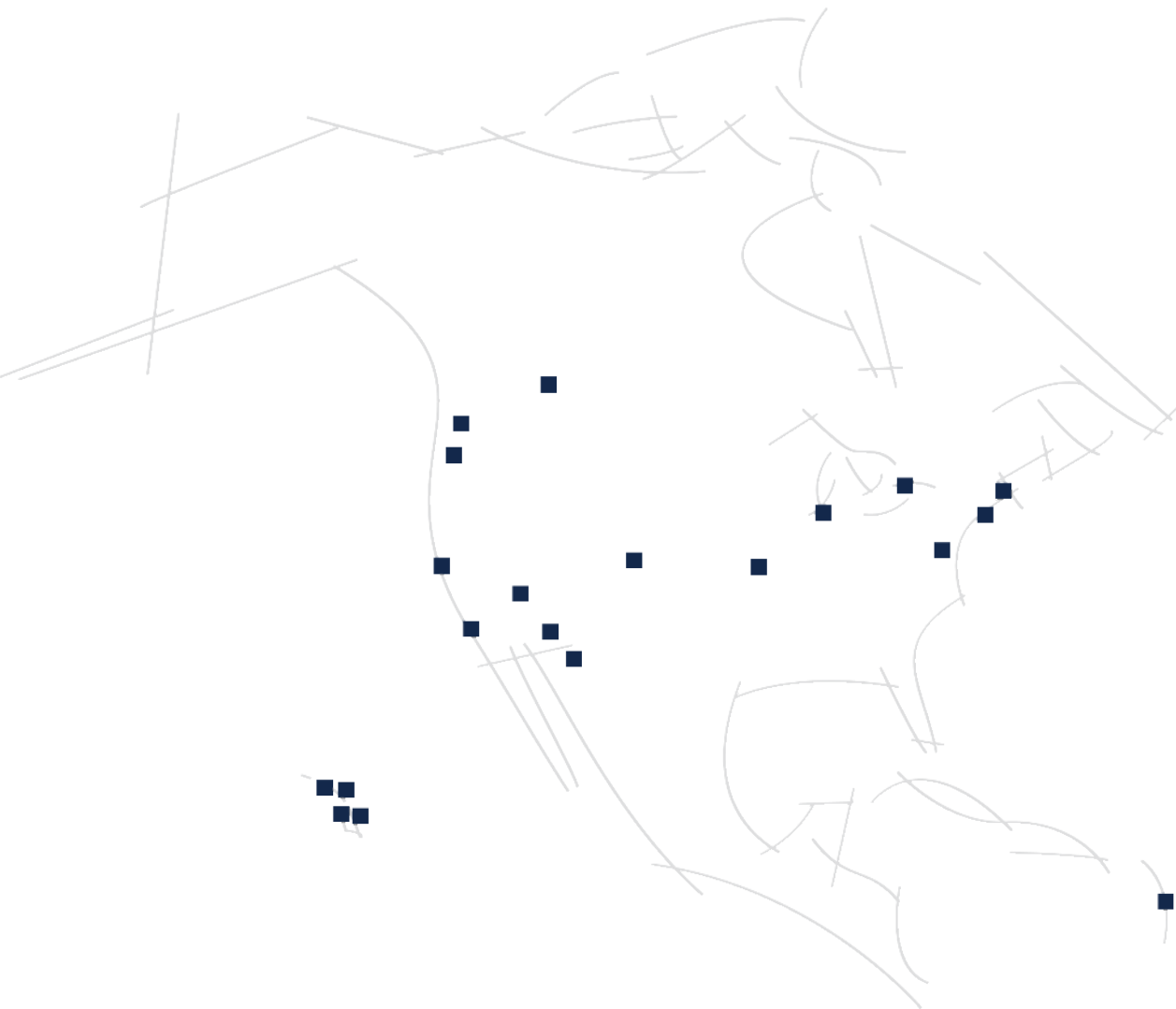
LOCATIONS

NORTH AMERICA

Boston
Calgary
Chicago
Denver
Hilo
Honolulu
Kansas City
Las Vegas
Los Angeles
Maui
New York
Phoenix
Portland
San Francisco
San Jose
Seattle
Toronto
Tucson
Waikoloa
Washington, DC

CARIBBEAN

St. Lucia



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