

RLB CRANE INDEX®

North America - Q3 2021



OVERALL STATUS

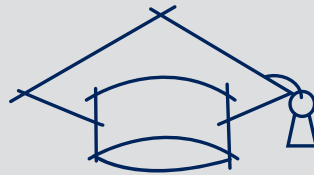


LEGEND

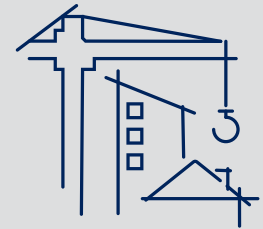
- Increase in number of cranes
- Decrease in number of cranes
- Crane numbers steady



The overall crane count is down 4.5% (down 22 cranes).



The education sector sees an increase in cranes of 40%.



5 of the 14 cities surveyed saw a significant decrease of greater than 30% 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 2021 SUMMARY:

This survey reports a 4.5% decrease in cranes from our Q1 2021 edition of the RLB Crane Index®. Of the fourteen cities surveyed: three experienced an increase; five are holding steady; and six have decreased (five of which range from 32%-78%).

The single thread that can be woven amongst all cities surveyed is uncertainty; it remains a significant factor to the construction market. We see this in cities where crane counts are holding steady, if not decreasing, in their markets.

We anticipate better times ahead with previously delayed projects being brought back online; however, this is conditional upon market conditions as the AEC industry continues to experience the effects of COVID-19.

+19%

Los Angeles sees the greatest increase in cranes since our previous count



Commercial cranes are down 36% (or 20 cranes) collectively, in the cities surveyed.

+81%

Toronto has an 81% increase from this time last year.

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

BOSTON

Despite the continued materials supply chain and schedule disruptions, the Boston market remains very active, with the crane count holding steady. Development in the Seaport remains strong, with life sciences and multifamily projects expanding. The Financial District and West End are also in full swing, with Winthrop Center, the South Station Air Rights development, and One Congress all well underway. The city has a healthy pipeline of large-scale projects in the planning stage, indicating robust future construction.

CALGARY

The slight drop in Calgary's crane number reflects the completion of key healthcare projects. The multi-family sector remains steady in the city, with several buildings recently completed and new projects initiating construction. The transportation sector keeps pace with the construction of new roads and bridges; the \$4.9 billion Green Line LRT project is the largest infrastructure project in Calgary's history.

CHICAGO

Construction in downtown Chicago has slowed down, with many buildings topped off and currently leasing; this has resulted in a five-crane decline since the last count. High-end residential remains the busiest sector; one mixed-use project combines a hotel with luxury condos. A surgical center located in the hospital district represents the healthcare sector. Looking ahead, we do not anticipate a significant change in cranes over the next six months.

DENVER

Denver experienced a significant reduction in its crane count, due to the completion of a number of offices, commercial, and residential projects in the central business district. In the near future, this trend will likely take a 180 degree turn, with ongoing interest in the River North area attracting investment by mixed-use developers. The longer-term outlook will include new apartment complexes in the Golden Triangle neighborhood, stemming from recent zoning code changes.

HONOLULU

The number of active cranes at construction sites in Honolulu has decreased by nearly half since Q1 2021, indicating several projects have been completed or are nearing completion. All current cranes service mixed-use projects in the city's core, which spans the Waikiki visitor district to the Ala Moana-Kakaako neighborhood. Top typologies include residential towers that offer luxury, market-rate, and affordable condominium units and commercial spaces with integral parking.

Residential development remains an important driver of construction. Despite continued cost escalation, funding and design for state and federal projects remains healthy—an indicator of more public-sector infrastructure and vertical construction that may be shovel-ready within the year.

LAS VEGAS

In Las Vegas, the crane count is unchanged from the last survey. Current construction projects include the UNLV Medical Education Building, the Madison Square Garden Sphere, and a number of multifamily developments. Although the city resumed full occupancy tourism in June 2021, on-going travel restrictions of foreign visitors has depressed activity in the hospitality sector.

LOS ANGELES

The number of cranes in Los Angeles has jumped, mainly due to the increase in major transportation projects, such as the LA Metro and Caltrans freeway, as well as a spike in the demand for residential development. Cranes supporting the commercial sector have slightly declined, as notable projects near completion in Downtown Los Angeles, Culver City, and Century City. Hospitality work also dipped, but is expected to bounce back in the next quarter.

NEW YORK CITY

New York City's crane count remains unchanged from the previous tally. As towers in the Hudson Yards development continue to top out, construction activity is shifting to Midtown West, with four new cranes—two at commercial projects, and one each for hospitality and mixed-use sites—studding the skyline.

Confidence has not been fully restored to the New York construction market. Uncertainty remains evident with the Delta variant being a major threat to future planning. Our prediction for the next six months is that investment in developments will continue to be placed on hold until confidence returns to the market.

PHOENIX

Since the last count, the number of cranes in Phoenix has fallen sharply. All of the current cranes are operating at luxury apartment developments in Downtown [Derby Roosevelt Row] and Midtown [Callia].

Phoenix is unique to the other markets surveyed, in that Phoenix's metropolitan area spans the entire valley. With the option to spread out rather than spread up, many developments in Phoenix are not high enough to require tower cranes. However, Tempe, home to Arizona State University (ASU) (and not included in our surveyed area) is a hive of construction activity, with numerous tower cranes in operation at mixed-use residential towers and ASU's new multi-purpose arena.

PORTLAND

As several large commercial and mixed-use projects have wrapped up, the Portland crane count has seen a substantial decrease. Large new projects that will require cranes (PDX TCORE and numerous transit projects) have not yet begun construction. The majority of new projects are mixed-use and residential properties that are located in the Northwest and Downtown.

SAN FRANCISCO

Even in the wake of several completed projects, San Francisco's crane count has increased. Ten cranes have been erected within the last six months; half of them at residential sites, followed by mixed-use, industrial, and commercial projects. The Mission, Potero Hill, and Hunters Point neighborhoods have become hotspots of residential development, recognizing

San Francisco's ongoing need for housing. Going forward, a handful of residential projects are expected to contribute to the established housing markets in the South of Market, Downtown, and Treasure Island locations.

SEATTLE

In Seattle, the crane count shrunk slightly over the past six months. Much of the reduction is based in the Capitol Hill/Central area, where projects have progressed past the point of requiring cranes. There is an increase in cranes populating the University District, primarily in the residential sector. Work in Downtown is vigorous, with new high-rise residential buildings dominating development.

TORONTO

Toronto's new crane count shows an 8% increase over Q1 2021, and an 81% increase since Q3 2020. Residential and mixed-use projects continue to dominate the market.

Ongoing projects include the United Building Condos and a hotel, condominium, and retail tower – named The One - with 85 stories.

Looking ahead, the Ontario government joins the U.S. in an effort to invest in infrastructure; announcing their investment on 38 infrastructure projects at an estimated \$60B.

WASHINGTON, D.C.

While in Washington DC, the number of cranes has contracted to the level last seen in August 2020. Since the last survey, new cranes have been erected for a utility facility, higher education residence hall, and a residential project. Work in the mixed-use and healthcare sectors stay unchanged. Although the number of residential projects has decreased, the market looks healthy as new apartment building projects emerge.

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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