

# 2011 Outlook for Construction

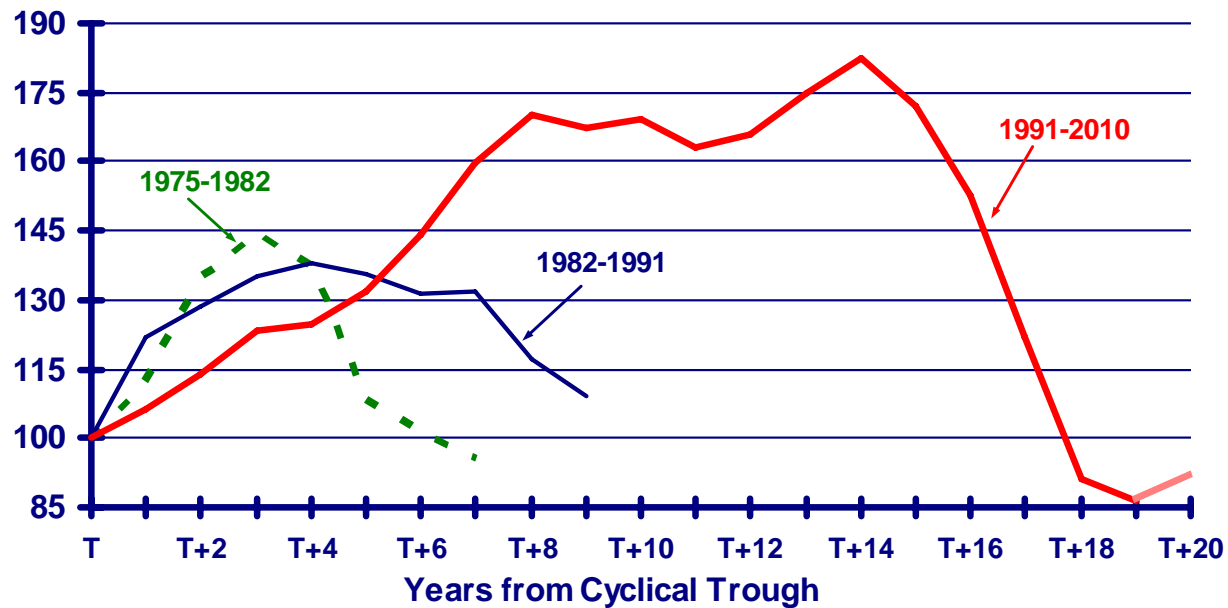
**Cliff Brewis**

**Senior Director Editorial Operations  
McGraw-Hill Construction**

# Where Have We Been?

## Total Construction Activity by Cycle

Cyclical Trough (T) = 100, Based on Constant 2000 Dollars



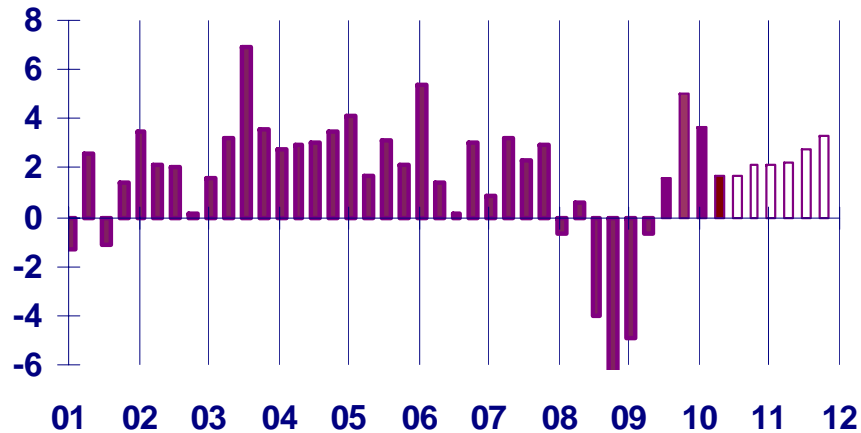
# What Do We Expect?

*The U.S. recession – began Dec. 2007, ended June 2009.*

## Real GDP Growth - Quarterly

Annualized Percent Change

'10 Q2  
+1.7%



## GDP Pattern:

### History

### Forecast

2008

2009

2010

2011

0.0%

-2.6%

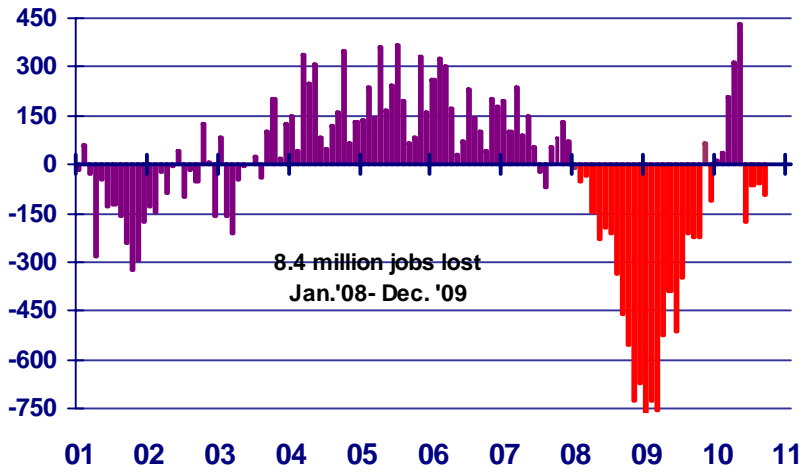
+2.6%

+3.0%

# What is the Biggest Concern?

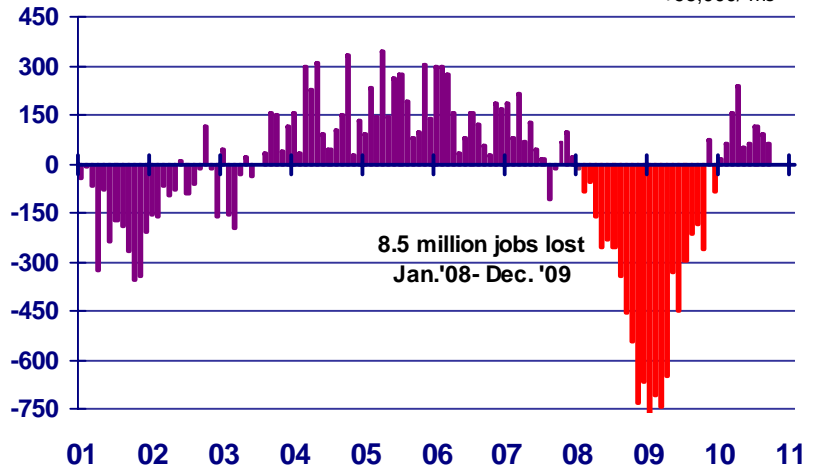
### Change in Total Employment Thousands of Workers

Jan-Sept '10  
+68,000/ mo



### Change in Private Employment Thousands of Workers

Jan-Sept.'10  
+96,000/ mo



# Differentiating Markets

Source: Wall Street Journal

## Widespread Slump

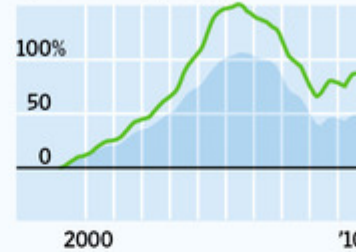
Cumulative change since January 2000 in home prices and change from January 2010 levels for select U.S. metropolitan areas, based on the S&P/Case-Shiller Home Price Indexes

■ Composite for 20 metro areas — Metropolitan area

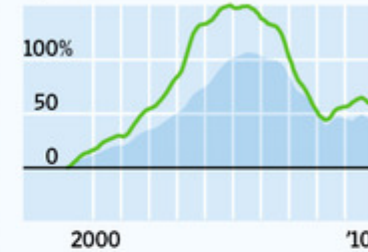
Sources: Standard & Poor's; Fiserv

### Higher than in January 2010

WASHINGTON, D.C.  
Up 3.6% vs. a year ago

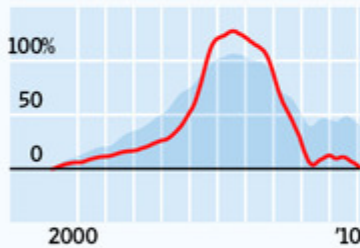


SAN DIEGO  
Up 0.1%

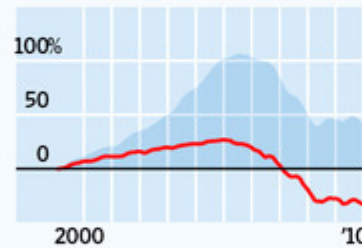


### Lower than in January 2010

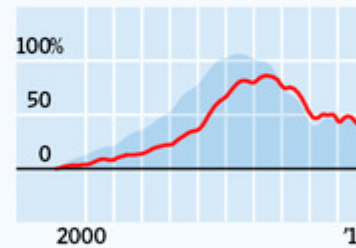
PHOENIX  
Down 9.1% vs. a year ago



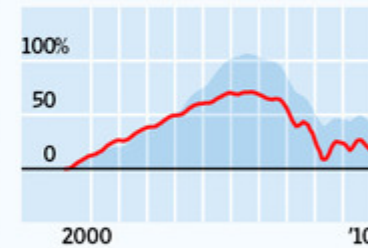
DETROIT  
Down 8.1%



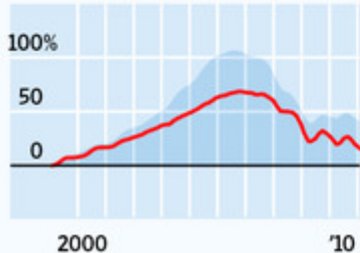
PORTLAND, ORE.  
Down 7.8%



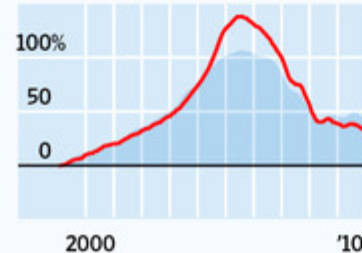
MINNEAPOLIS  
Down 7.6%



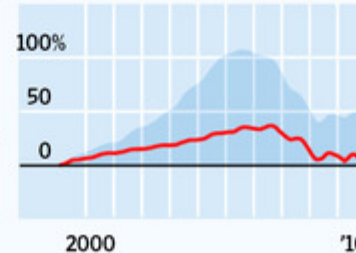
CHICAGO  
Down 7.5% vs. a year ago



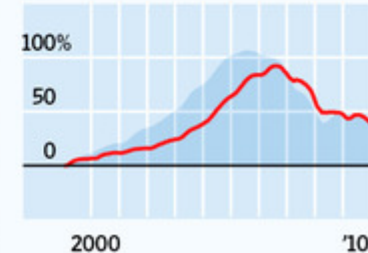
TAMPA, FLA.  
Down 7.0%



ATLANTA  
Down 7.0%



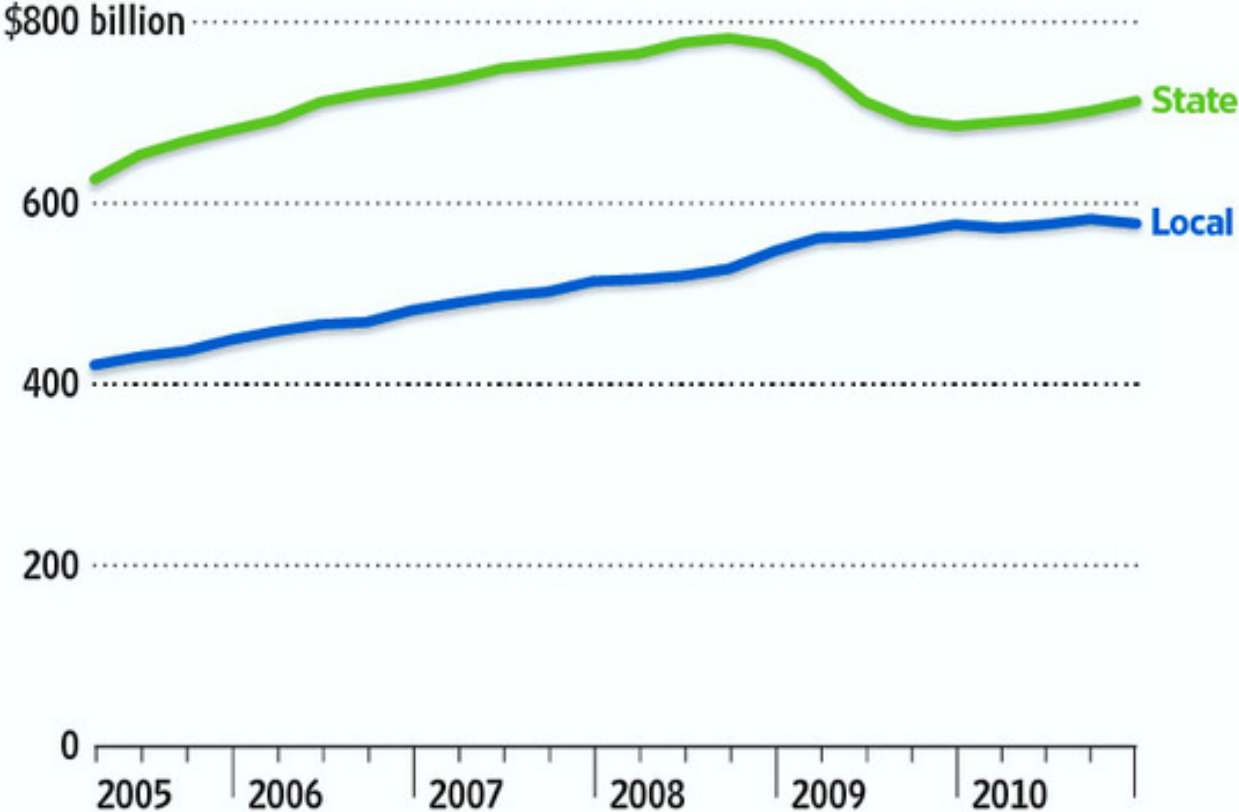
SEATTLE  
Down 6.7%



# State and Local Concerns

## Tax Tally

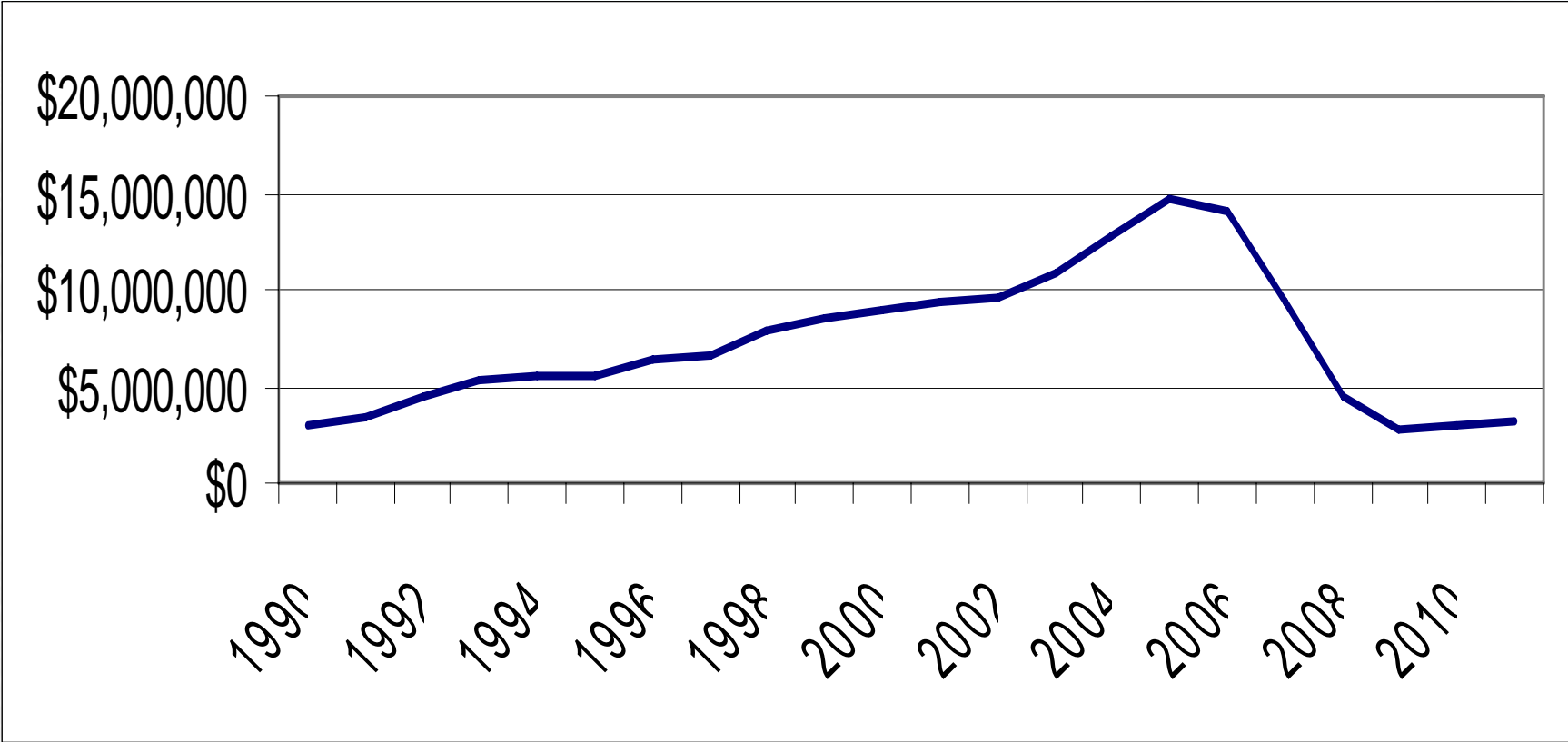
State and local tax revenue, 12-month rolling total



Source: Rockefeller Institute

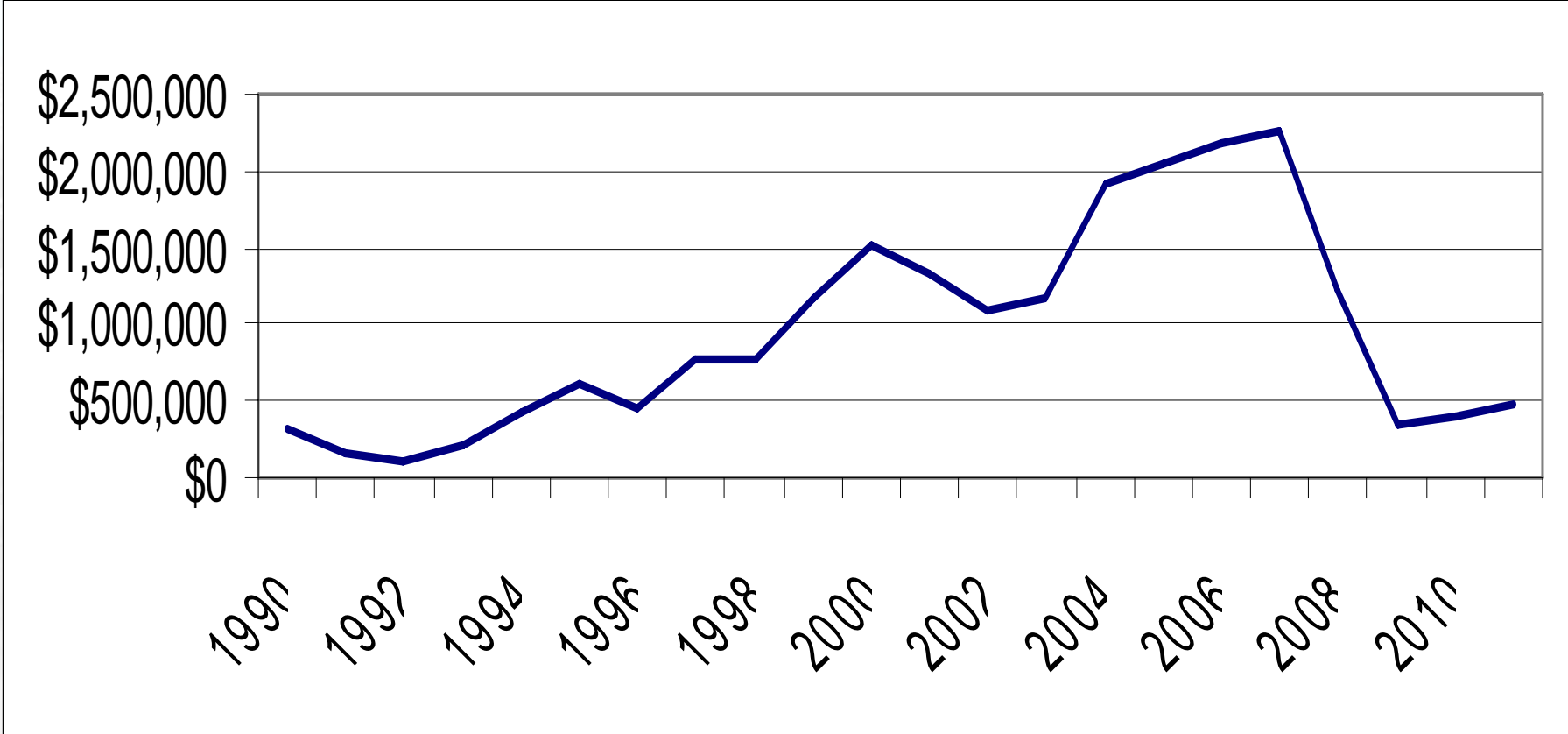
Source: U.S. Census Bureau

# Georgia: Single Family



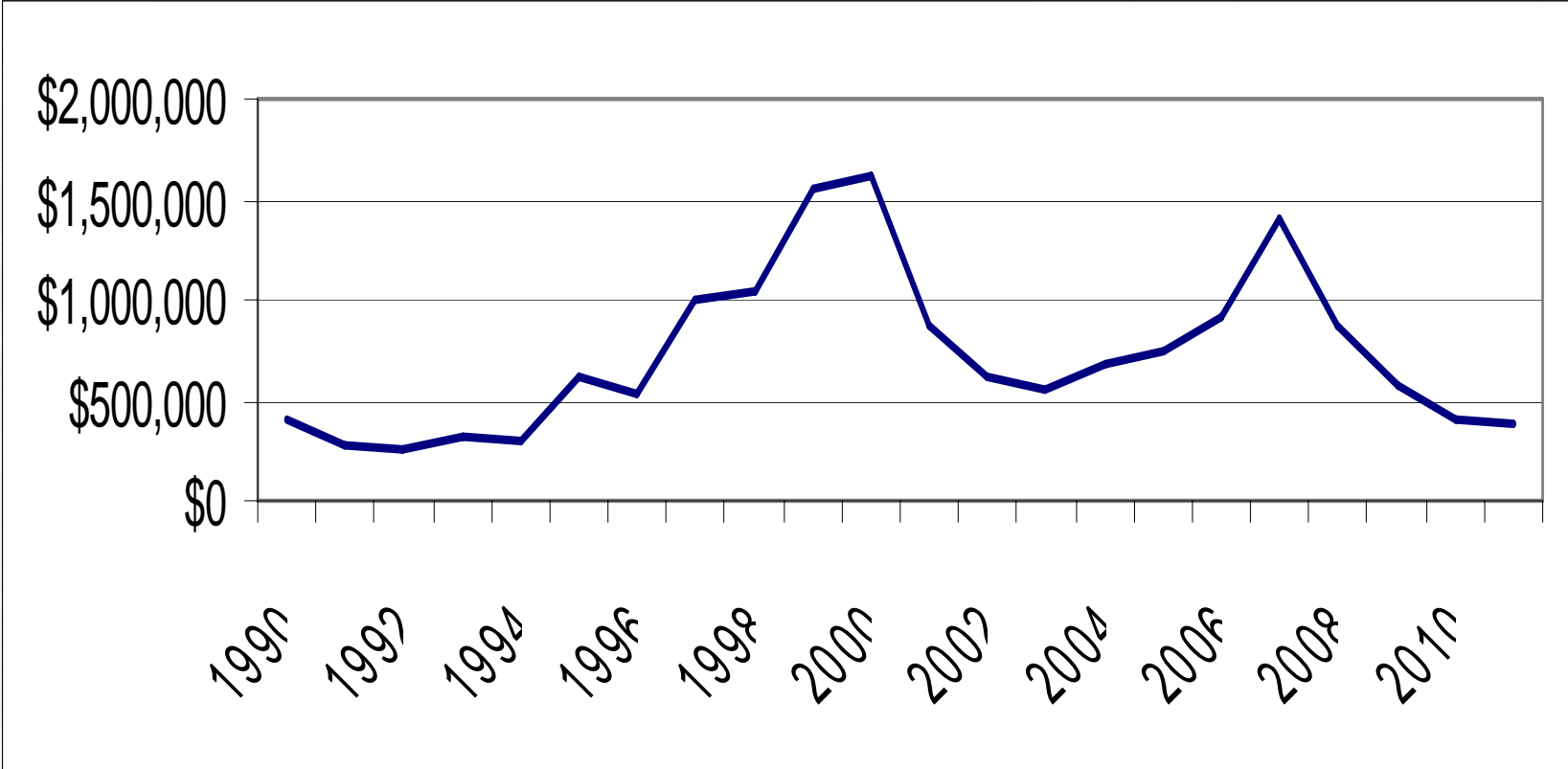
'\$000.00

# Georgia: Multi Family



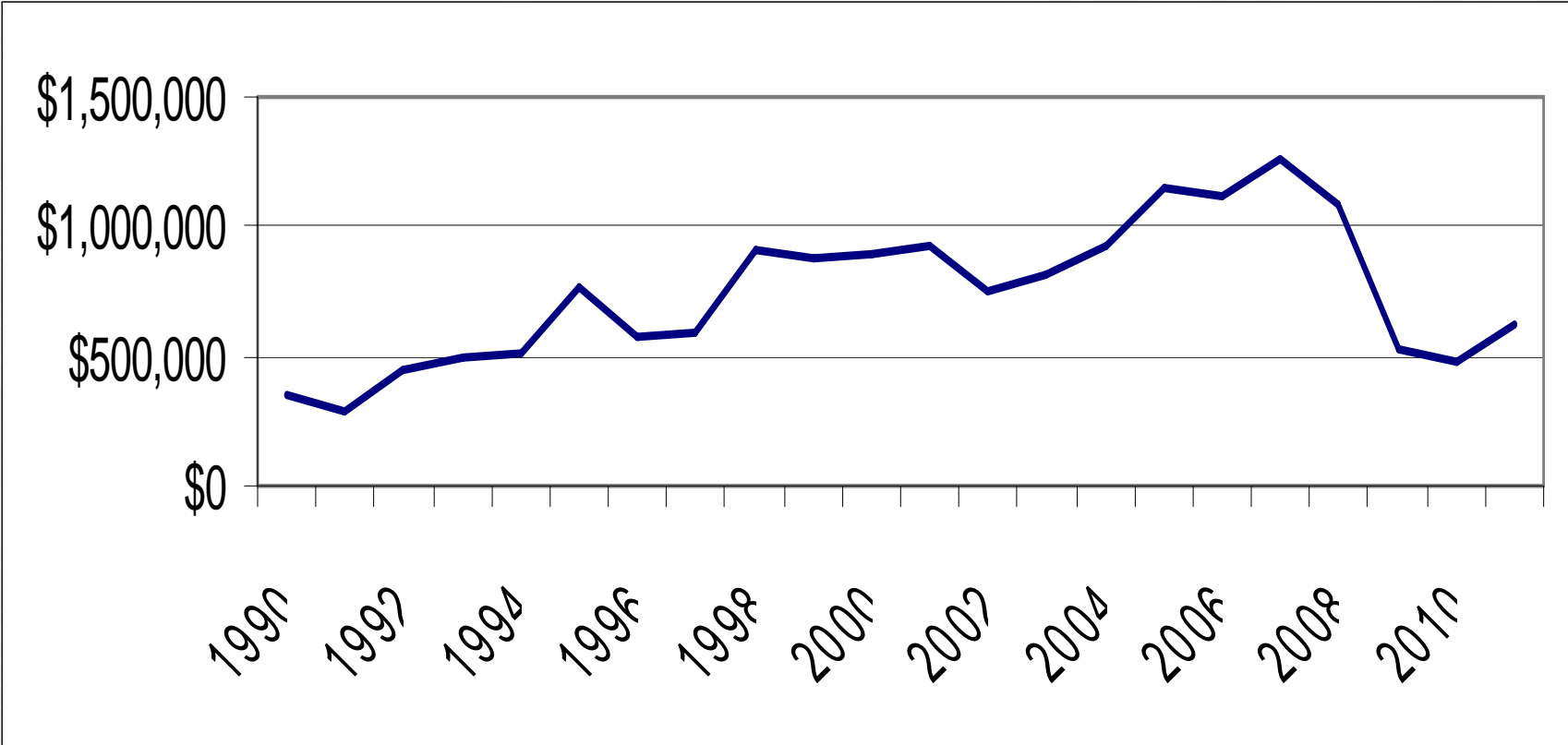
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# Georgia: Office



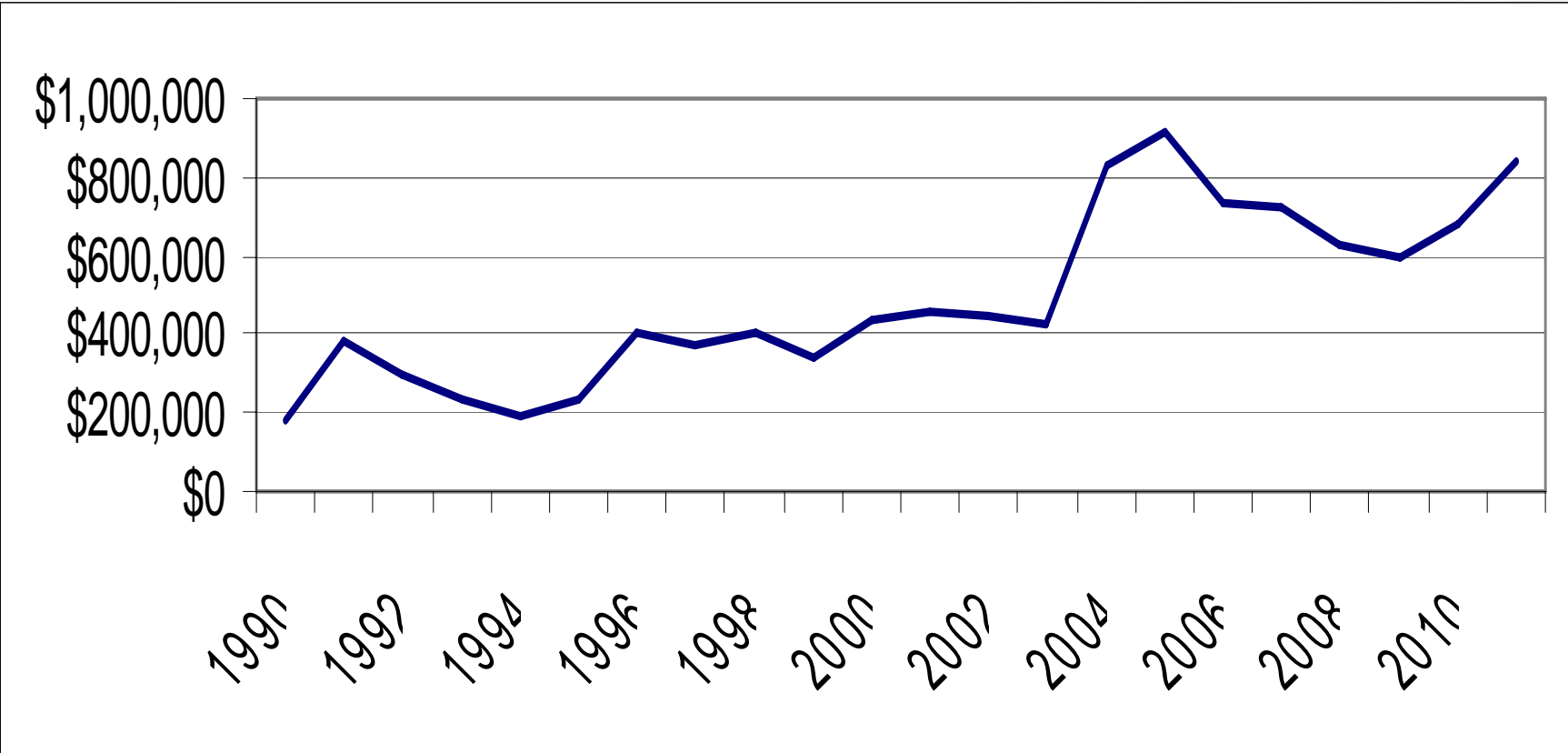
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# Georgia: Retail



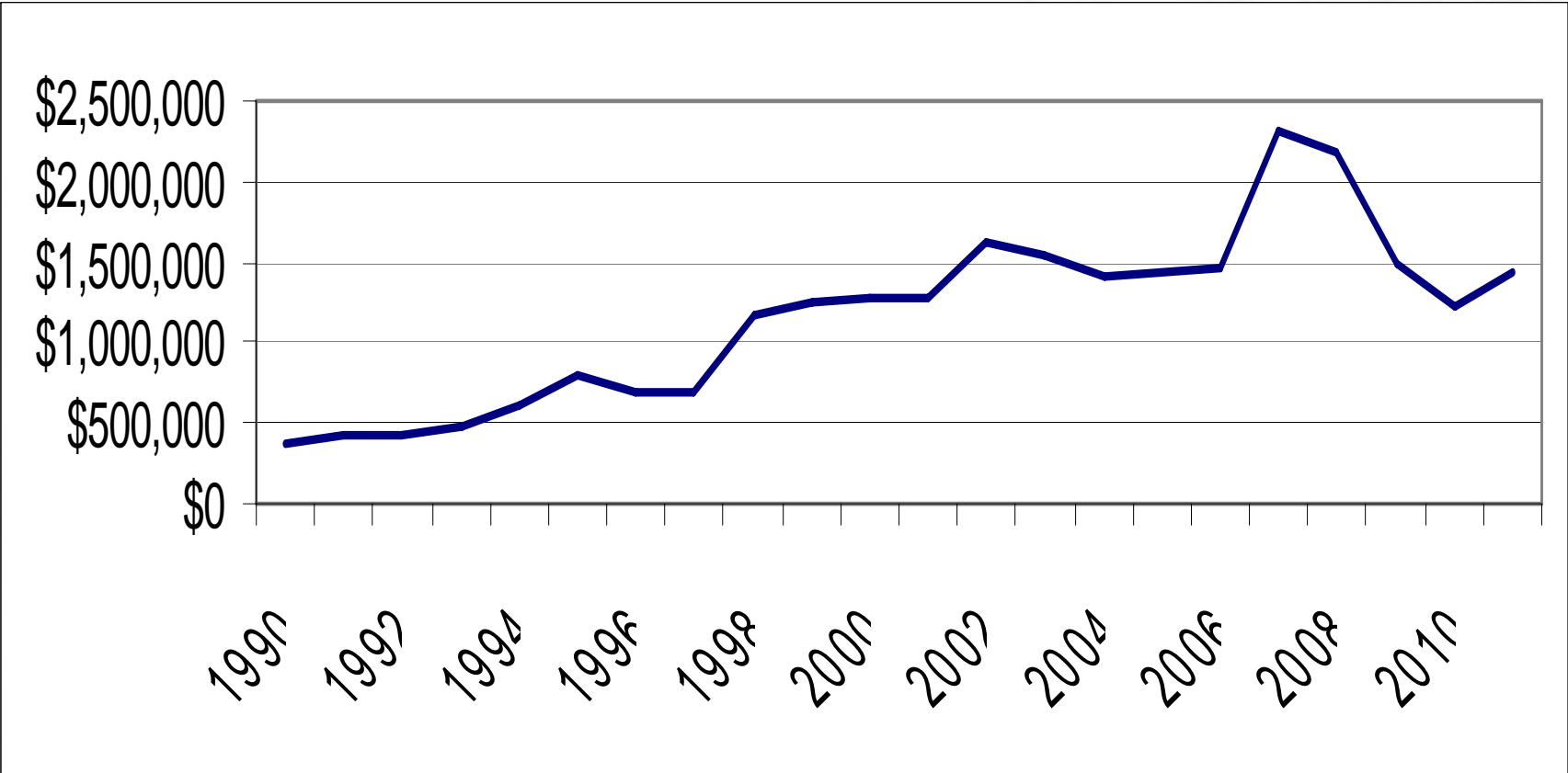
'\$000.00

# Georgia: Health



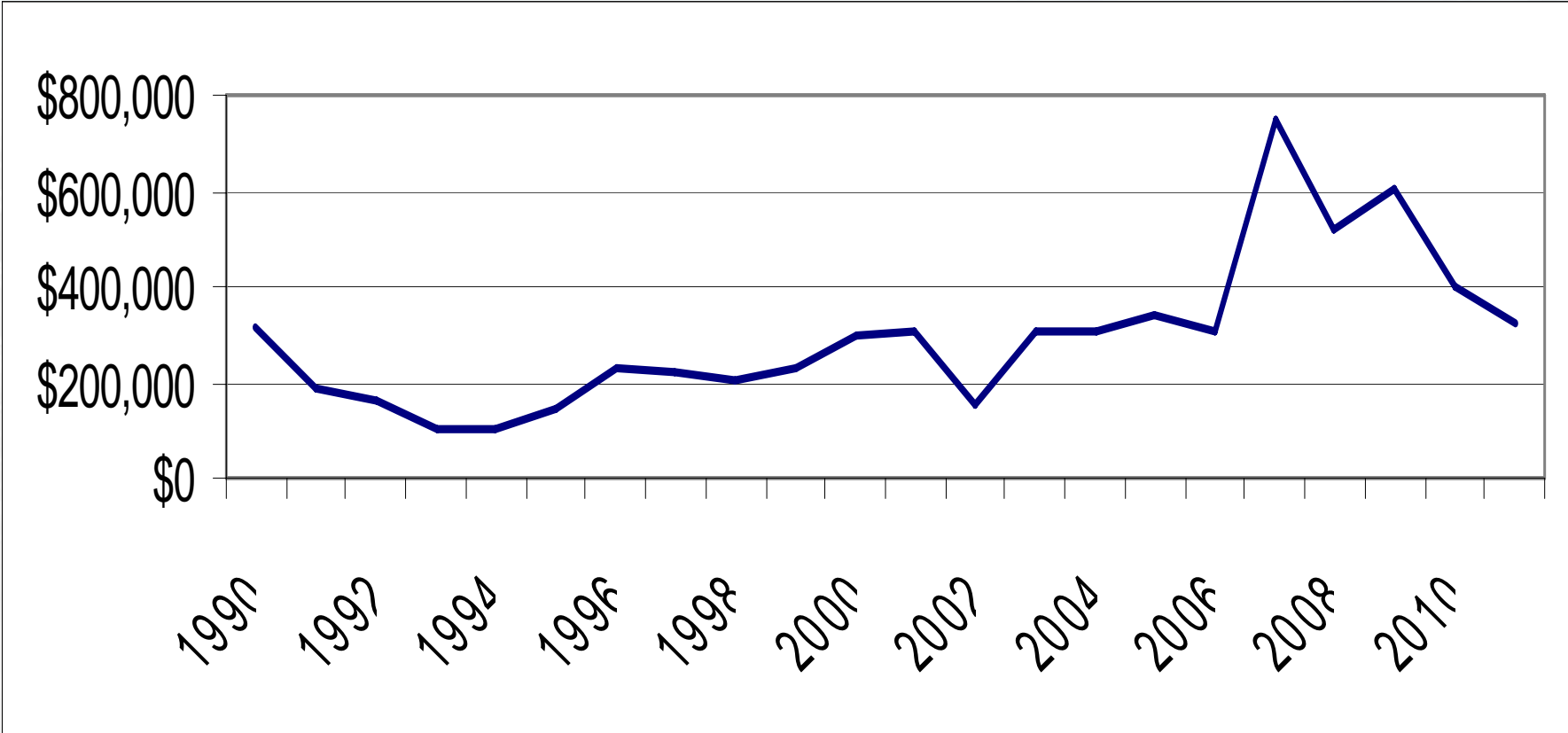
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# Georgia: Education



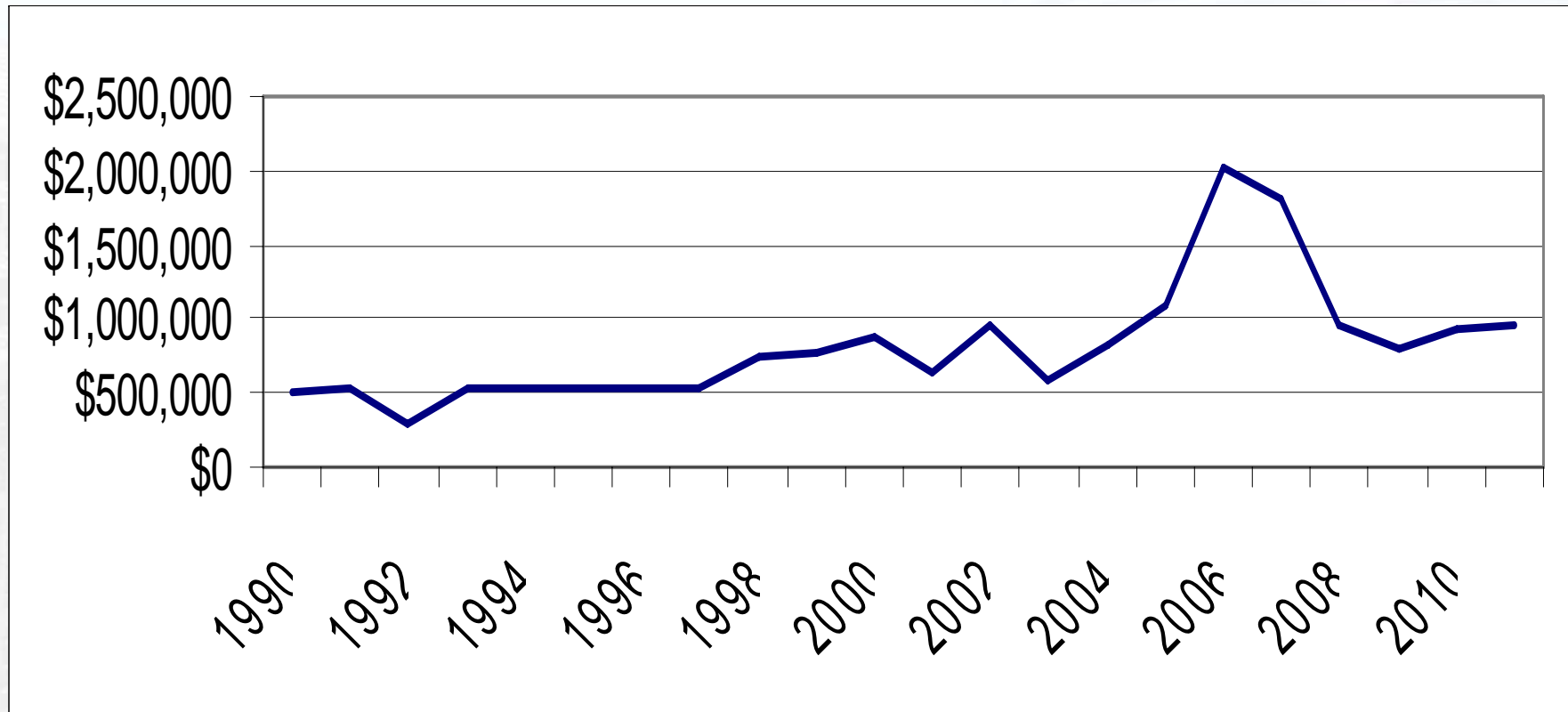
'\$000.00

# Georgia: Public



'\$000.00

# Georgia: Highway



'\$000.00

# GEORGIA

(\$000.00)	2006	2007	2008	2009	2010	2011
<b>EDUC</b>	\$1,471,035	\$2,326,005	\$2,184,743	\$1,495,120	\$1,225,327	\$1,426,974
		<b>158.1%</b>	<b>93.9%</b>	<b>68.4%</b>	<b>82.0%</b>	<b>116.5%</b>
<b>HEALTH</b>	\$732,598	\$719,127	\$622,989	\$595,664	\$677,635	\$835,193
		<b>98.2%</b>	<b>86.6%</b>	<b>95.6%</b>	<b>113.8%</b>	<b>123.3%</b>
<b>HIGHWAY</b>	\$2,020,234	\$1,820,150	\$952,067	\$810,879	\$937,359	\$958,350
		<b>90.1%</b>	<b>52.3%</b>	<b>85.2%</b>	<b>115.6%</b>	<b>102.2%</b>
<b>HOTEL</b>	\$429,165	\$397,935	\$509,593	\$86,241	\$106,624	\$112,119
		<b>92.7%</b>	<b>128.1%</b>	<b>16.9%</b>	<b>123.6%</b>	<b>105.2%</b>
<b>MULTI FAM</b>	\$2,171,144	\$2,248,309	\$1,232,915	\$356,958	\$406,771	\$477,655
		<b>103.6%</b>	<b>54.8%</b>	<b>29.0%</b>	<b>114.0%</b>	<b>117.4%</b>
<b>OFFICE</b>	\$904,578	\$1,399,271	\$866,330	\$568,877	\$395,509	\$389,614
		<b>154.7%</b>	<b>61.9%</b>	<b>65.7%</b>	<b>69.5%</b>	<b>98.5%</b>
<b>ONEFAM</b>	\$14,086,813	\$9,390,098	\$4,371,876	\$2,775,264	\$3,019,549	\$3,246,947
		<b>66.7%</b>	<b>46.6%</b>	<b>63.5%</b>	<b>108.8%</b>	<b>107.5%</b>
<b>PUB</b>	\$307,367	\$745,934	\$517,832	\$605,676	\$403,359	\$322,887
		<b>242.7%</b>	<b>69.4%</b>	<b>117.0%</b>	<b>66.6%</b>	<b>80.0%</b>
<b>REL</b>	\$263,078	\$196,984	\$135,774	\$128,055	\$107,070	\$137,095
		<b>74.9%</b>	<b>68.9%</b>	<b>94.3%</b>	<b>83.6%</b>	<b>128.0%</b>
<b>RETAIL</b>	\$1,117,541	\$1,258,264	\$1,078,974	\$526,736	\$481,820	\$627,978
		<b>112.6%</b>	<b>85.8%</b>	<b>48.8%</b>	<b>91.5%</b>	<b>130.3%</b>
<b>SEWERS</b>	\$380,163	\$767,228	\$881,653	\$373,873	\$128,734	\$170,320
		<b>201.8%</b>	<b>114.9%</b>	<b>42.4%</b>	<b>34.4%</b>	<b>132.3%</b>
<b>WATER</b>	\$292,149	\$356,107	\$325,720	\$302,289	\$257,778	\$303,219
		<b>121.9%</b>	<b>91.5%</b>	<b>92.8%</b>	<b>85.3%</b>	<b>117.6%</b>
<b>TOTAL</b>	\$28,859,522	\$26,111,912	\$18,567,873	\$11,332,510	\$10,760,638	\$11,115,791
		<b>90.5%</b>	<b>71.1%</b>	<b>61.0%</b>	<b>95.0%</b>	<b>103.3%</b>

# QUESTIONS?

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**Abraham Lincoln**

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