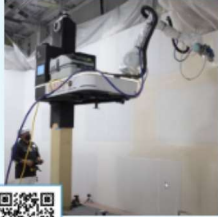




Q3 2022\_Swinerton Quarterly Market Analysis.pdf




### INNOVATION SPOTLIGHT | CANVAS



Swinerton has been working with Canvas robotics for several years to maximize value in our projects. Their drywall finishing robot can spray and sand drywall compound, leading to shorter dry cycles and consistency smooth finish. The robot tool also recently achieved a new milestone in Level 4 Targeted Spray—reaching near parity in productivity with our best finishers.


Leasing the model over subcontracting has allowed us to maximize usage across multiple projects without waiting for redlined agreements or prequalification procedures. By dispatching our certified finishers alongside Canvas' tool, we are improving quality, reducing safety risks at high wall conditions, and making this work accessible to a growing class of tech-oriented trade workers.

While Canvas is currently exploring ways to scale their offerings to the entire drywall finishing sector, Swinerton's early support and access are guaranteeing us first-mover advantages in this space. Our goal is to optimize use of this technology to attract the next generation of workers and pioneer the future of large, complex jobs.



SCAN / CLICK HERE TO SEE CANVAS IN ACTION


### PROJECT SPOTLIGHT | WEINGART 11010 SANTA MONICA



The OCLA Weingart 11010 Santa Monica Boulevard (SMB) project is the first modular project for Swinerton.

The modular portion of the building is being manufactured 80 miles east of the project in Perris, California. This type of construction was determined early in the designed phase, based on the significant schedule and cost savings.

The lessons learned in this first venture into modular construction will inform future projects to further refine Swinerton's modular expertise.



SCAN / CLICK HERE TO SEE A TIMELAPSE VIDEO

# Q3 2022 SWINERTON Quarterly Market Analysis

### Material Price Inflation through 2021 & 2022 YTD through June

SOURCES: IHS GLOBAL INSIGHTS, ENR AND BLS  
NOTE: ESCALATION ARE ANNUAL AVERAGES

|                        | 2019  | 2020  | 2021 | YTD 2022 |
|------------------------|-------|-------|------|----------|
| Asphalt Paving         | 2.9   | -3.1  | 3.8  | 1.9      |
| Aggregates             | 4.2   | 4.5   | 4.0  | 2.6      |
| Cement                 | 2.6   | 1.1   | 3.7  | 5.4      |
| Construction Machinery | 6.5   | 1.8   | 4.2  | 4.1      |
| Fabricated Pipe        | 1.3   | -0.3  | 18.3 | 3.7      |
| Open Producers         | -6.2  | 6.3   | 75.8 | 12.4     |
| Rebar, Reinforced      | -11.8 | -8.7  | 38.7 | 52.8     |
| Rebar, Unreinforced    | -11.8 | -13.8 | 43.8 | 12.9     |
| Reinforcing Bars       | -5.8  | -19.2 | 13.2 | 18.1     |
| Sheet Metal Work       | 2.9   | -4.3  | 18.8 | 2.0      |
| Structural Steel       | 2.2   | -2.3  | 26.8 | 2.4      |

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### Construction Confidence SOURCE: ENR/ENR MEDIA




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### LEAD TIMES OVER 12 WEEKS

Legend: SHELL (Green), INTERIORS (Blue), SERVICES (Orange), ELECTRICAL (Red)

- 8 SHELL
  - #10 Superstructure up to 21 weeks
  - #20 Exterior Vertical Enclosure up to 12 weeks
  - CMG up to 38 weeks
  - Window wall up to 38 weeks
  - Curtain wall up to 38 weeks
  - #10 Exterior Horiz. Enclosure up to 35 weeks
  - Cladding up to 52 weeks
- C INTERIORS
  - C10 Interior Construction up to 23 weeks
  - Acoustical Tile up to 12 weeks
  - Acoustical Grid up to 12 weeks
- D SERVICES
  - D10 General up to 36 weeks
  - Tractor Elevators up to 22 weeks
  - Hydraulic Elevators up to 22 weeks
- D30 HVAC
  - Chilled Water up to 29 weeks
  - Air-Cooled Chillers up to 52 weeks
  - Cond-Regd Chillers up to 68 weeks
  - Air Handling Units up to 64 weeks
  - Boilers up to 15 weeks
  - HR Systems up to 28 weeks
  - Humidifiers up to 22 weeks
  - Pumps up to 12 weeks
  - VAVs up to 12 weeks
  - FCMs up to 15 weeks
  - High Pressure Lab Fans up to 26 weeks
  - Utility Lab Fans up to 26 weeks
  - Lab Fans up to 18 weeks
  - WHs up to 28 weeks
  - Ford Section Pumps up to 14 weeks
  - Split Case Pumps up to 14 weeks
- D50 Electrical
  - MV = 416V and higher LV = up to 60W
  - Conductors up to 54 weeks
  - MV Switchgear up to 82 weeks
  - LV Switchboards up to 68 weeks
  - Substations up to 35 weeks
  - Power Quality Products up to 24 weeks
  - High Voltage Transformers up to 82 weeks
  - MV Liquid-filled Transformers up to 82 weeks
  - MV Dry Type Transformers up to 38 weeks
  - LV Transformers up to 34 weeks
  - Electromechanical Power Supply up to 28 weeks
- E EQUIPMENT AND FINISHING
  - E10 Equipment up to 52 weeks
- C SITEWORK
  - C20 Site Utilities up to 28 weeks
  - 28 Pipe up to 12 weeks
  - PVC Pipe up to 12 weeks
  - Valves up to 28 weeks
  - Hydrants up to 28 weeks
  - SD Closures up to 28 weeks

### Total Construction Spending SOURCE: U.S. CENSUS BUREAU, JULY 1, 2022



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### Building Cost Index SOURCE: ENR

ANNUAL INFLATION RATE: **+10.4%** AUGUST 2022

| 1913=100      | INDEX VALUE | MONTH | YEAR   |
|---------------|-------------|-------|--------|
| BUILDING COST | 7952.50     | 0.0%  | +10.4% |
| SKILLED LABOR | 11274.59    | +0.3% | +3.4%  |
| WAGE \$/HR.   | 61.90       | +0.3% | +3.4%  |

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### AIA Architectural Billings Index (ABI) SOURCE: AIA



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The Architecture Billings Index (ABI) is a leading economic indicator that leads nonresidential construction activity by approximately 9-12 months. A score of 50 equals no change from the previous month. Above 50 shows increase, below 50 shows decrease. 3 month moving average. Business conditions strengthened in terms located in the South, but remain soft in terms in the Northeast and West.

### Construction Cost Index SOURCE: ENR

ANNUAL INFLATION RATE: **+5.7%** AUGUST 2022

| 1913=100          | INDEX VALUE | MONTH | YEAR  |
|-------------------|-------------|-------|-------|
| CONSTRUCTION COST | 13171.07    | 0.0%  | +5.7% |
| COMMON LABOR      | 24585.29    | +0.1% | +1.0% |
| WAGE \$/HR.       | 47.24       | +0.1% | +1.1% |

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