



CONSTRUCTION OUTLOOK UPDATE

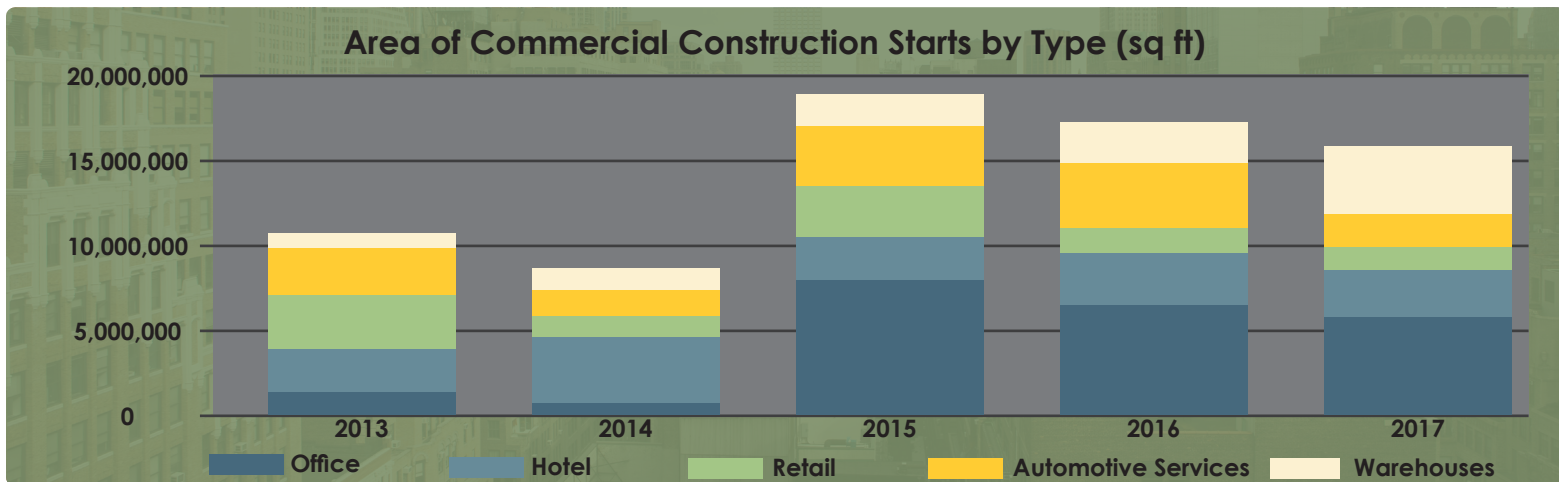
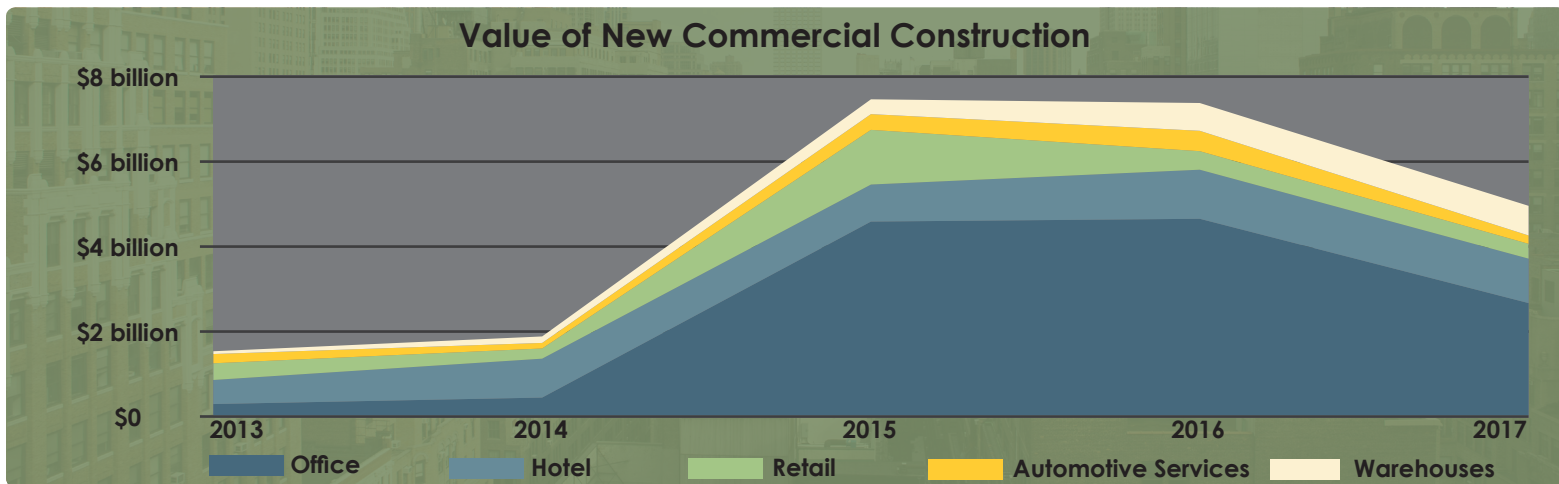
COMMERCIAL SNAPSHOT

A review of 2010-2017 new construction starts data for New York City shows commercial construction activity increasing throughout the city and diversified across sectors.

Commercial Construction Overview

A Building Congress review of construction starts data from Dodge Data & Analytics shows commercial construction starts increasing in value over the five years between 2013 and 2017, with the value and square footage of starts varied across sectors of the commercial industry.

Construction work on commercial space totaled **\$23.8 billion** between 2013 and 2017, producing a total of over **73 million new square feet** of space. The last three years showed the strongest growth, with each year topping **\$5 billion** and **16 million square feet** of new commercial construction.



Methodology

The data for this report encompass all new, ground-up commercial construction from 2013-2017. New construction is categorized as the build-out, of new commercial buildings. The analysis uses New York City construction starts permits from the New York City Department of Buildings for commercial properties.

Commercial spaces are categorized into five distinct categories including office, hotels, retail, warehouses and automotive services. The analysis of commercial space does not include residential, institutional, industrial or infrastructure construction.

Commercial Construction Highlights

Offices

Construction work on office space totaled over **\$12.9 billion** between 2013 and 2017 and accounted for over half of all commercial construction over that time (54%).

The last three years of new office construction reached a record high, each year exceeding **\$2 billion** in construction starts, buoyed by new development in Hudson Yards and the World Trade Center.

Year	Area (sq ft)	Value
2013	1,353,000	\$272,596
2014	660,000	\$409,220
2015	8,181,000	\$4,722,285
2016	6,634,000	\$4,782,093
2017	5,903,000	\$2,722,266
Total	22,731,000	\$12,908,460

Note: dollars in thousands

Hotels

Construction work on hotels totaled over **\$4.7 billion** between 2013 and 2017 and accounted for 20% of all commercial construction during that period.

The last five years of hotel construction added **15 million sf of new space** to the city. This continues the trend seen over the last decade marked by an astonishing 32% increase in hotel rooms. There are now over **115,500 hotel rooms** and **630 hotel** properties in the five boroughs.

Year	Area (sq ft)	Value
2013	2,646,000	\$574,119
2014	4,064,000	\$949,899
2015	2,655,000	\$903,802
2016	3,179,000	\$1,196,663
2017	2,896,000	\$1,083,191
Total	15,440,000	\$4,707,674

Note: dollars in thousands

Retail

Construction work on retail space, which includes stores and restaurants, totaled **\$2.8 billion** between 2013 and 2017 and accounted for 12% of all commercial construction over that time.

The sector has experienced consistent growth each year, adding over a million square feet of new retail space across the five boroughs. Manhattan retail construction remains high but work in Staten Island and Brooklyn were major drivers the market.

Year	Area (sq ft)	Value
2013	3,263,000	\$412,467
2014	1,211,000	\$269,339
2015	3,040,000	\$1,327,628
2016	1,481,000	\$459,645
2017	1,415,000	\$362,431
Total	10,410,000	\$2,831,510

Note: dollars in thousands

Warehouses

Construction work on commercial warehouses, which exclude manufacturer owned spaces, totaled **\$2 billion** between 2013 and 2017 and accounted for 8% of all commercial construction over that time.

Since 2013, the city has experienced an exponential growth in the construction of warehouse from **880,000sf in 2013 to over 4 million sf in 2017**, due to the rise of e-commerce and rapid delivery logistics.

Year	Area (sq ft)	Value
2013	880,000	\$75,311
2014	1,333,000	\$147,070
2015	1,921,000	\$370,135
2016	2,426,000	\$682,655
2017	4,100,000	\$726,794
Total	10,660,000	\$2,001,965

Note: dollars in thousands



New York Building Congress
1040 Avenue of the Americas, 21st Floor
New York, NY 10018
(212) 481-9230
www.buildingcongress.com



The data for this report is provided by Dodge Data & Analytics and encompass all new ground-up construction.
This report and all other publications issued by the New York Building Congress can be viewed at
www.buildingcongress.com/advocacy-and-reports.com