FMI's Construction Outlook

2nd Quarter 2012 Report

"A pithy saying from Ben Franklin's "Poor Richard" seems appropriate wisdom for these challenging times: "Industry pays debts while despair increases them." What we need is more industry and less despair."

The economy is improving. Just kidding. No, it is not improving. But it is improving a little, right? There you have it in a nutty shell. Right now, the state of the economy depends on what one wants to believe, or what agenda one is pushing. As you may have heard, it is a presidential election year, and it isn't just the candidates who are working to take advantage or spin the facts of economic news. For instance, one of the biggest opponents of both Dodd-Frank and the Volcker Rule, JPMorgan Chase as represented by chief executive Jamie Dimon, is looking more like the poster child for the bill after losing yet untallied billions of dollars in a bad investment gamble and lost stock value—the latest estimate is a $9 billion loss. If those same billions were paid in taxes to build roads, bridges and schools, oh the fury from the major bankers, but when lost in a bad investment, it's, "Darn, I wish we didn't do that, but we still have billions more where that came from." The spin can make one dizzy, so take your motion sickness pills and fasten your seat belts. We are expecting a little economic turbulence in the months to come.

If you think everyone seems to be increasingly in a state of the blues or seeing red, a report released June 4, 2012, "Trends in American Values: 1987-2012," from the Pew Research Center for the People and the Press, confirms this. Monitoring the country's mood since 1987, Pew Research's latest report describes the divide between republicans and democrats as greatly increasing during the presidencies of George Bush and Barack Obama. According to the report, "During this period, both parties' bases have often been critical of their parties for not standing up for their traditional positions. Currently, 71% of Republicans and 58% of Democrats say their parties have not done a good job in this regard." Interestingly, the gaps that still exist between men/women, black/white, etc., have not changed much since the surveys began. Perhaps we are witnessing the onset of human speciation between radical republicans and democrats. We will know this is the case if, in time, republican/democrat intermarriages produce fewer progeny and more divorces. Until then, it is survival of the fittest. The question now is which factors or characteristics of our economy or the construction industry will determine fitness in the next few years.

On one hand, the economic headlines and political sound bites are usually too simplistic and can only offer emotional responses, not reasoned solutions. On the other hand, we cannot ignore the cacophony of headlines telling us to be afraid, very afraid of whatever Armageddon we might fear. Emotional responses are real and can change economic decisions, sometimes drastically. However, what we really need are more sages, true diplomats, and fewer self-serving politicians. For instance, a pithy saying from Ben Franklin's "Poor Richard" seems appropriate wisdom for these challenging times: "Industry pays debts while despair increases them." What we need is more industry and less despair. We could also use a few more Ben Franklins, that is, one-hundred dollar bills, as well as leaders who understand diplomacy, compromise, inventiveness, science, industry and the needs of everyday people.

Despair and Industry

The following is a short list of issues causing despair. However, in most cases, there is some progress being made in addressing the issues by way of "industry," which, in Franklin's sense, meant taking action and getting down to work to solve problems. There is also a good deal of room for much more industry in each of these areas, if we can get over the paralysis of despair and focus on industry.

- Unemployment rate
- GDP
- Retail sales
- Manufacturing capacity
- U.S. national debt
- Wars and terrorism
- Housing reports and foreclosures
- Infrastructure
- Eurozone debt crisis
- Rise of China as global economic power
- Global warming

The unemployment rate rose 0.1% in May to 8.2%. A small percentage move, but employers added only 66,000 jobs when we need more than 200,000 each month to begin to make real progress to keep up with new entrants into the job market and bring down the unemployment rate. The bigger problem is the number of long-term unemployed, which is estimated at around 5.4 million. For construction workers, the employment market has improved year-over-year from 17.8% in 2011 to 14.5% in April 2012 but is backtracking in May. Although the list above is not in order of importance or ranked by highest risk, unemployment has to be number one on anybody's list. No president has been re-elected with numbers like this. No economy will flourish when large percentages of its people are out of work.

We put GDP on the list, but it is really an amalgam indicating what is happening in most of the other areas listed. Nonetheless, it is tracked as though it is a separate animal. First quarter GDP was only 1.9%, but that is a positive amount and much improved over the devastating negative numbers in 2008 and 2009. The largest drop in GDP components came from government expenditures. Since budget cutting has been a large goal ranging from the federal government to local townships, many will consider that a good sign. However, even more cuts are expected in government payrolls as we approach the "fiscal cliff" at the end of the year. The effect will be even larger if private businesses do not pick up some slack in spending and hiring. However, the passage of a new transportation bill will help capital spending for at least the next two years. Infrastructure construction could become one of the keys to improving the employment picture as well as modernizing what was once a key to America's wealth, if legislators could get together to make a workable plan that favors industry over despair. Even though a number of agencies studying infrastructure, such as the ASCE Annual Report Card, have identified billions of dollars in needs and benefits to commerce, living conditions and jobs, the problem is that seriously tackling infrastructure requires long-term thinking in a short-term world. We are making some headway now in forward-thinking communities and cities around the country, but that is only the tip of the iceberg. Billions are risked in the financial markets every day on questionable investments, while infrastructure requires years of investment and planning before the payoff is realized.

Retail sales are up 5.1% over last year, but down 0.2% in May. Consumer spending, prices and savings were all down a fraction or flat. All but the highest income families lost nearly 39% of their wealth since the recession began, according to a recent report by the Federal Reserve. Most of that loss occurred in the value of their homes and stock portfolios, but they also lost good paying jobs. Do not expect consumers to come roaring back into the marketplace until they reduce their debt and regain some certainty in their earnings power again. Housing affordability has reached record highs in the first quarter — 205.9 according to the Housing Affordability Index from the National Association of Realtors, and builder confidence is edging up along with housing starts. That good news is tempered by the report that foreclosures have risen sharply as banks finally start to move to clear their backlogs of overdue mortgage payments. Commercial lenders have the same problems on a large scale, too. It takes time to deleverage after the boom and bust of the recession. Working to settle debts is industrious, but it is like building a subterranean foundation and does not add much visible progress to the economy yet, and that is a major reason for continuous waves of mixed economic signals.

In other news, China has been taking advantage of its newfound trading wealth and making huge investments, not just in U.S. Treasuries, but also in natural resources and mining concerns in South America and around the world. China, Inc. is de facto the largest company/country in the world. It is a multi-national conglomerate, with monopoly powers that is increasingly looking offshore for resources, labor and new markets. As we have seen with the attempts to increase solar energy manufacturing, China can dominate markets and crowd out even U.S. domestic initiatives with cheaper products. Those cheaper products are not always as good as or better than U.S. products. Take so-called Chinese drywall, for instance, where there is a class-action suit against the inferior products.

Global warming is another piece of other news that takes the back burner in times of economic troubles, but believe in global warming or not, it's hot! Maybe that is just the onset of summer, but the subject of global warming is reflective of sustainability and "greening" of everything. It is sometimes hard to see why so many resist it; living greener, cleaner and leaner offers a wealth of benefits. We have made great strides in the last 30 years or so cleaning up dead lakes and rivers and making the air in the city more breathable. Nonetheless, when we have to make new laws in order to assure that greener building methods are used, it is bound to cause dissent. There are still too few companies that realize that it is good business and stewardship to be environmentally responsible. It would be better if the consumer demands it than to have to make laws that are expensive and cause more delays and red tape in order to achieve sustainability goals.

Despair and fear is the goal of the terrorists. It may also be the strongest recruiting factor for terrorist groups. The more we can overcome despair with industry, jobs and an improving quality of life in the U.S. and globally, the more we will overcome this 21st century scourge. Bringing more troops home will reduce the tremendous cost of war, but we must be able to continue to support our troops and our friends abroad even after hostilities abate. That also means helping our returning troops to find jobs and housing in a tough economy.

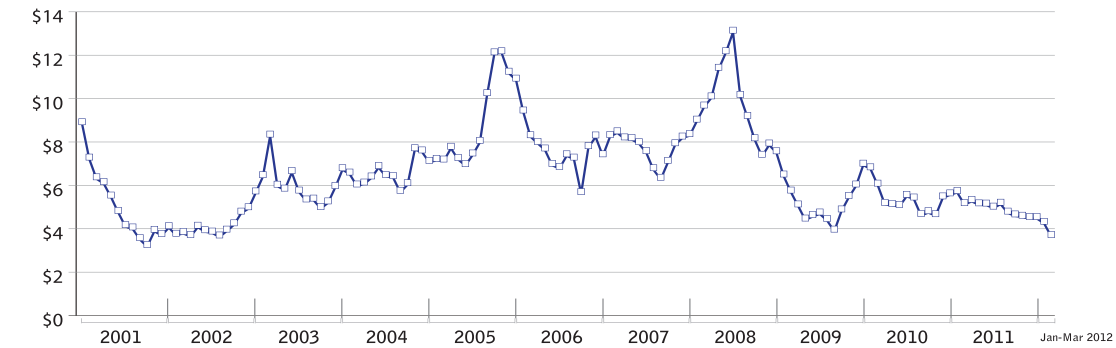
Bottom Line

From the above comments, it looks like there is much more to say on the despair side of the list, but there is much industry going on, as well. As you will see in the forecast below, there are some brighter spots in construction, and, overall, we expect there will be 5% more construction put in place than in 2011, or around $826 billion. Yes, that is only around the levels reached in 2000-2001, but CPIP will again be more than a trillion dollars by 2014. That figure could grow much faster if we stop investing in despair by way of wars and risky business decisions and spend more time in industry and long-term investing such as infrastructure and innovation.

We are slowly seeing signs of improvement in some fundamentals with housing and even manufacturing scratching out a comeback. Power construction is also a very active area and not just in shale gas production. Gasoline prices are down for the moment, helping businesses and consumers alike. Automotive production and sales have been improving slowly and electronic sales are steady, mostly due to Apple, it seems. Natural gas production presents both good news and some challenges as more production helps keep the cost to the consumer down. However, if the price continues to decline, natural gas use will affect the growth of alternative fuels and slow down new natural gas mining projects.

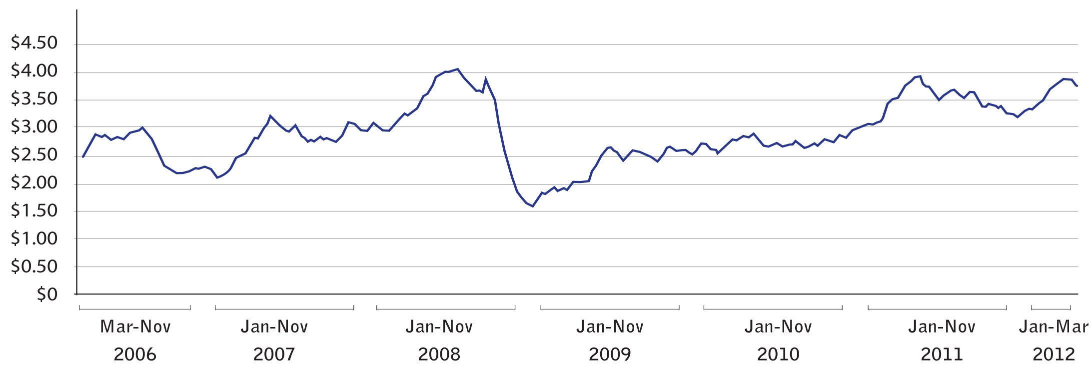
The bottom line is that we seem to have risen from the bottom of the Great Recession. Now all we need is more Ben Franklins to become the next leaders for the Great Recovery. However, recovery is maybe not the way we should look at it. Rather, we should think of the new economy more like the Great Discovery with forward-looking leaders and diplomats able to find common ground and common sense.

United States Natural Gas Industrial Price (Dollars per Thousand cubic Feet)



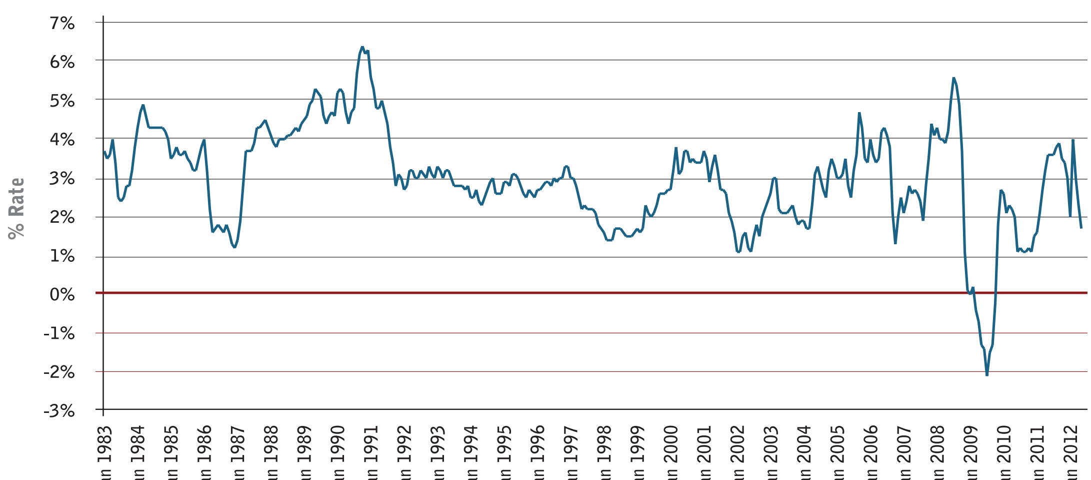
Source: U.S. Energy Information Administration

Weekly U.S. Regular Conventional Retail Gasoline Prices (Dollars per Gallon)

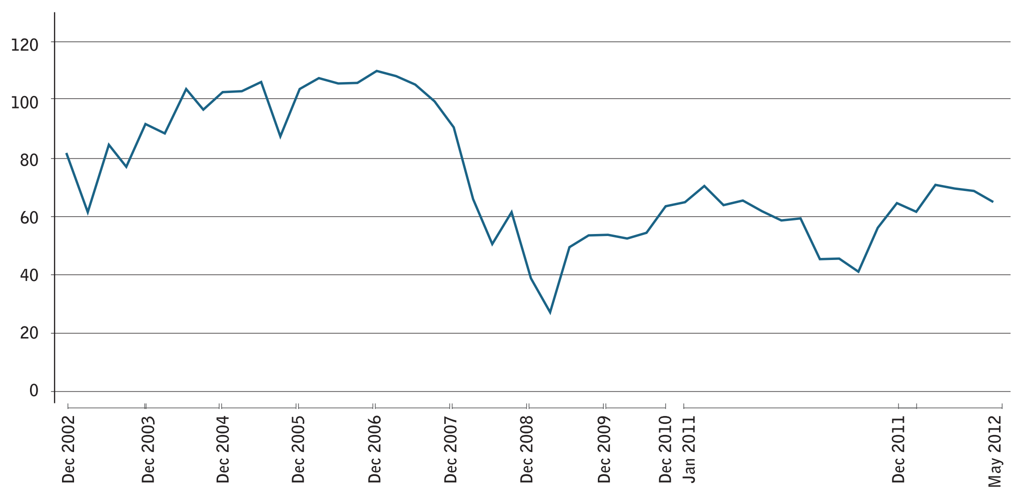


Source: http://www.eia.gov/oil_gas/petroleum/data_publications/wrgp/mogas_history.html

Consumer Price Index — Inflation Remains Under Control

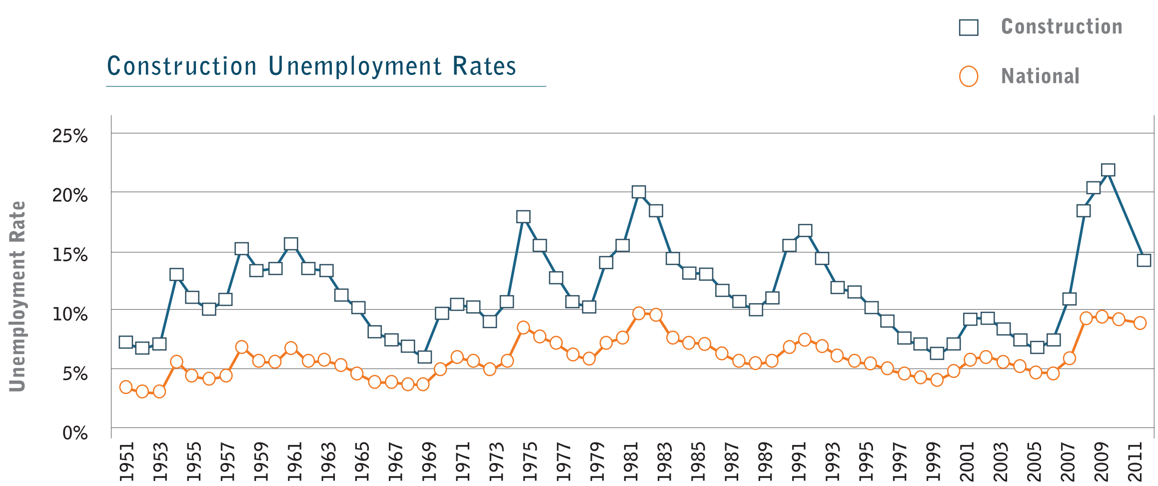


Consumer Confidence Index



Source: The Conference Board

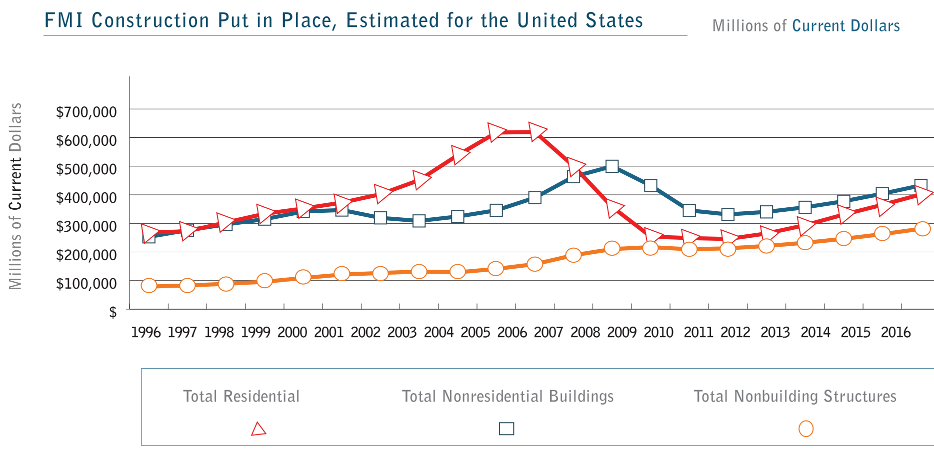
Construction Unemployment Rates

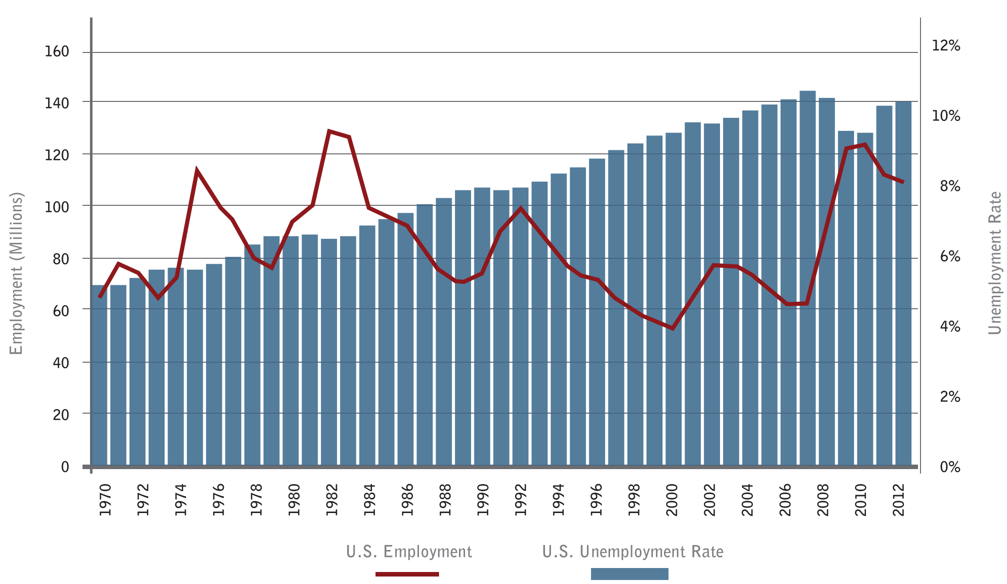


"Construction employment declined by 28,000 in May." (BLS)

Construction Forecast

If 2012 does turn out to be the turning point for construction, it will be a long, slow turn. That may prove to be a safer road to recovery than a sharp V or U curve. At this point, we expect construction put in place to grow 5% (to $826 billion) and as high as 7% in 2013 (to $882.4 billion).That improving growth rate includes a solid recovery in housing, especially multi-family units, and strong growth in power construction. Other areas, like commercial construction, will awaken from a long slumber to resume slower than traditional growth rates but somewhat ahead of national GDP growth. This is more reflective of population demographics than a rapid recovery. Health care, after slowing to near zero in 2011, will resume growth to 3% in 2012 and 7% in 2013. Again, this is a factor of baby boomer demographics more than an economic boom, and the national health care law, reafirmed by the Supreme Court, will continue to be the elephant in the room that could add millions of new insured needing health care depending on what the next Congress will do after the elections.





RESIDENTIAL

Residential construction is coming back lead by a strong move of 32% growth in multi-family housing. Still, multi-family housing is just 19% of single-family housing, but in the height of the boom in 2006, it was only 13%. We expect that ratio to continue to increase to reach the mid-20s. Even though, as we noted earlier, housing affordability has reached record highs in the first quarter, and builder confidence is edging up along with housing starts. There may be other reasons than lack of bank loans that drive multi-family housing. Unemployment, transportation costs and lifestyle choices are making big cities more attractive again. Nonetheless, single-family housing signs are improving. For instance, April building permits were at a 715,000 annual rate, seasonally adjusted, and the U.S. Census Bureau reported that, although down 1% from March, that figure is 23.7% (±1.9%) above the revised April 2011 estimate of 578,000 units. (U.S. Census Bureau release May 16, 2012) Housing starts were at a 717,000 unit annual rate and 29.9% above the same time last year.

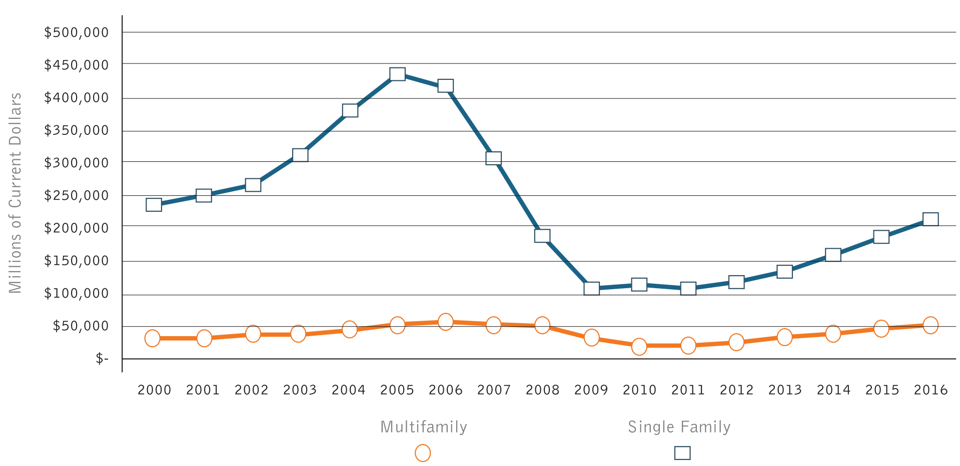
New and existing homes are selling better, too. According to the U.S. Commerce Department, new home sales increased 3.3% to a 369,000 annual rate (seasonally adjusted). The inventory of new homes for sale at the end of May was 145,000, according to the report released June, 2012, a supply of 4.7 months at the current sales rate. However, the inventory of unsold homes is expect to increase due to a new rash of foreclosures after banks reached a settlement with states and started to clear their books of unsettled foreclosures. Repossessions were up 7% to 54,844 in May. The rate of new foreclosures increased by 12%, reminding us again how bad the housing situation has been. As the housing inventory begins to clear, home improvements will continue strong, due not only to those deciding not to move, but also from the new owners of long uninhabited housing.

According to remarks made in February by Ben Bernanke, chairman of the Federal Reserve, in "Housing Markets in Transition:"

> *"Problems in the housing market have also restrained the broader economic recovery. For example, by some estimates, declines in house prices have reduced homeowners' equity by more than 50% in the aggregate since the peak of the housing boom, resulting in more than a $7 trillion loss of household wealth. Indeed, about 12 million homeowners—more than 1 out of 5 with a mortgage—are underwater, meaning they owe more on their mortgages than their homes are worth. One of the effects of declines in housing wealth is to reduce the ability and willingness of households to spend. While estimates vary, homeowners are believed to spend somewhere between $3 and $5 per year less for every $100 of housing value lost."*

The good news here is that our economy is progressively beginning to shake out all of the bad news. There are signs that we are at least five or six years into our "lost decade." Nonetheless, we may see reverberations in the collective memory that alter the American dream of home ownership for a whole generation.

Residential Construction Put in Place



RESIDENTIAL continued

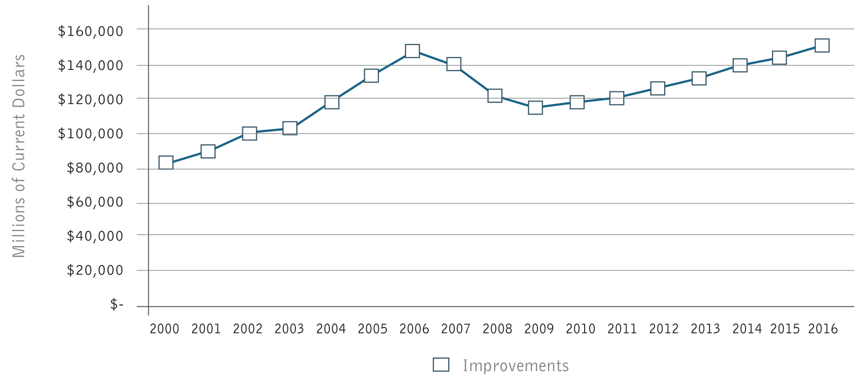
Trends:

- New home sales were up in May to a 369,000 annual rate.
- Housing starts were down 4.8% in May.
- According to the National Association of Home Builders, new homes inventory was at a 4.7-month supply at the current sales pace.
- Total supply of existing and new home sales represented only 6.6 months in April compared with 9.3 months in March 2011.
- NAHB's Multifamily Index rose to 51 in the first quarter 2012 compared with 42 for the same period 2011.

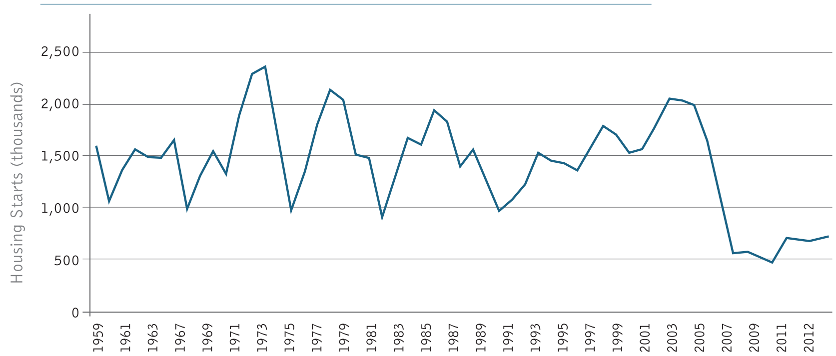
Drivers:

- ↑ Unemployment rate
- — Core CPI
- — Income
- ↑ Mortgage rates
- ↑ Home prices
- ↑ Housing starts
- ↑ Housing permits

Residential Construction Improvements Put in Place | Forecast as of Q1 2012



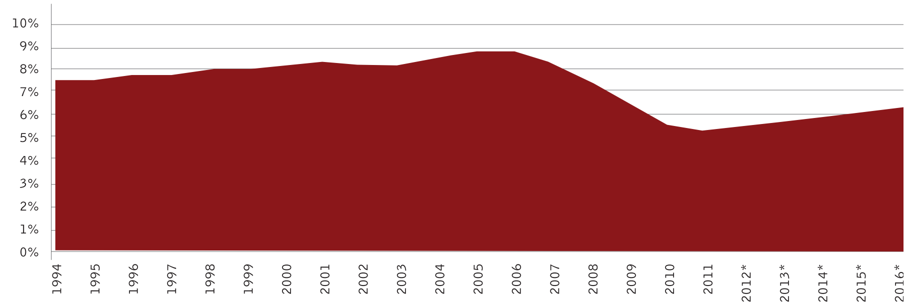
Housing Starts



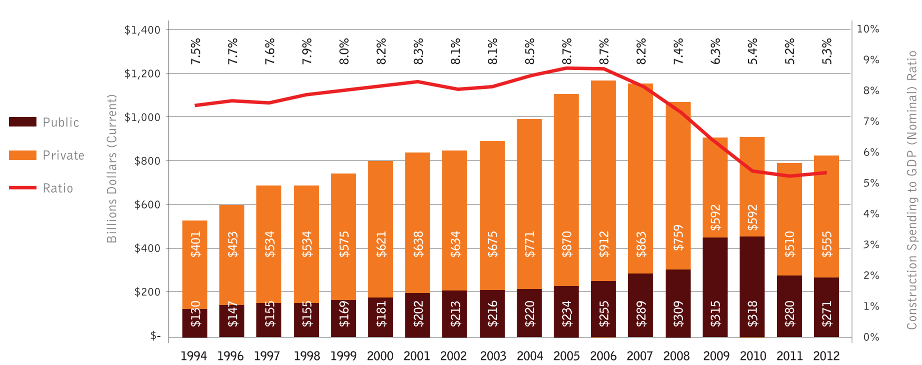
NONRESIDENTIAL BUILDINGS

FMI's Nonresidential Construction Index (NRCI) reached 59.8 in the second quarter. That is the highest reading the NRCI has achieved since it began in 2007; however, the scale is based on 100 where 50 represents no growth from the previous quarter. Overall, the forecast for nonresidential buildings is mixed with healthcare and manufacturing showing the most positive signs of growth. Our forecast for nonresidential buildings is for 3% growth in 2012 and 5% in 2013. The slow return of housing and jobs will help, but expect setbacks as well as growth to continue as it is difficult to sustain a continued improvement in any of these sectors. For instance, it is uncertain how the confirmation of the health care bill will affect new hospital growth; however, the new transportation bill should give some stability to transportation construction. As one panelist for the NRCI noted, "We need a recovery from the recovery." This is not a recovery that feels like a recovery even if there are pockets of improvement in the markets.

Construction as a Percentage of GDP



U.S. Total Construction Spending vs. GDP



Value of Public Construction Put in Place (Seasonally Adjusted Annual Rate)
Millions of dollars. Details may not add up to totals due to rounding.

Value of Construction Put in Place — Seasonally Adjusted Annual Rate (Millions of Dollars) as of January 2012	Total Construction Put in Place (April 2012)	% of Total Construction Put in Place (Q1 2012)	Total Construction Put in Place (April 2011)	% of Total Construction Put in Place (Q1 2012)
*Public Construction	$270,993	33%	$279,828	35%
*State and Local	$244,607	30%	$250,597	32%
* Federal	$26,385	3%	$29,230	4%
FMI Forecast: Private Construction Put in Place	$554,989	67%	$509,958	65%
FMI Forecast Construction Put in Place	$825,982	100%	$789,786	100%

* Source: U.S. Census Bureau Construction Spending

Lodging

Lodging construction was growing at record rates before the recession hit and even after the recession was official, the momentum carried lodging construction put in place right into 2009 before it seemingly ground to a halt by the end of 2010. We are a nation of travelers, and it has been painful to businesses, traditional tourists, traveling sports fans and all those who just want to visit friends and relatives to have to reign in their travel budgets. Nevertheless, as business travel picks up and people rebuild their disposable incomes, travel is coming back, but, like all other parts of the economy, it is a slow change. We expect 2012 CPIP to grow 4% for lodging and rebound somewhat to 7% and 8% in 2013 and 2014. We do not expect another large boom in the forecast period. Slow, careful growth will better match improving revenue per available room (RevPAR), which was up 6.5% in May with occupancy rates coming back to historical average levels and helping to raise the average daily rate to $107.5, a 5.1% increase.
(Calculated Risk, June 14, 2012)

The importance of travel and lodging for the nation has been noted by a new report released by the Obama administration entitled, "National Travel & Tourism Strategy Task Force on Travel & Competitiveness 2012." The report notes, "In 2011, the travel and tourism industry generated $1.2 trillion and supported 7.6 million jobs. Real travel and tourism spending grew 3.5% in 2011, outpacing the 1.7% growth rate for the economy as a whole." Lodging and convention sites will be one of the few markets actually helped during an election year as candidates and their supporters roam across the countryside stumping for votes.

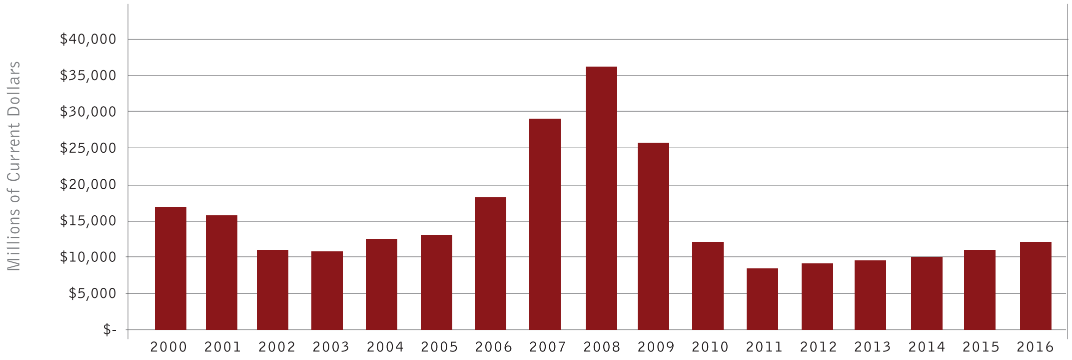
Trends:

- Hotel developers will renovate before building new properties.
- As the economy continues to improve, business and vacation travelers are taking to the roads and airways, but this will be a slow transition.
- International travel is still steady due to the weak dollar.
- Occupancy rates are on the rise.
- Green building is more commonplace in remodels and retrofits.
- With some exceptions for major venues, room starts will continue to be at historical lows with hotel owners in no hurry to start up new properties. Bank loans will be hard to justify until occupancy and room rates remain consistently high.
- Lower gas prices should improve summer vacation travel plans.

Drivers:

- ↑ Occupancy rate
- ↑ RevPar
- ↑ Average daily rate
- ↓ Room starts

Lodging Construction Put in Place | Forecast as of Q1 2012



Office

After falling for three years, growth in office construction should be 4% by the end of 2012 and improve to around 6% for 2013 through 2014. Still, these levels, at around $35.7 billion to $40.1 billion in 2014, are just returning to levels last seen in the late '90s. The office vacancy rate has improved since its lows in 2009, but the vacancy rate was still 17.2% in March 2012, a number that has changed little since 2011. Reflective of the general insecurity in the economy and new hiring, the national outlook for office construction is continued slow growth. Selected major cities like New York, Boston and Chicago will be ahead of the curve for new office construction, but building in the suburbs will remain slow.

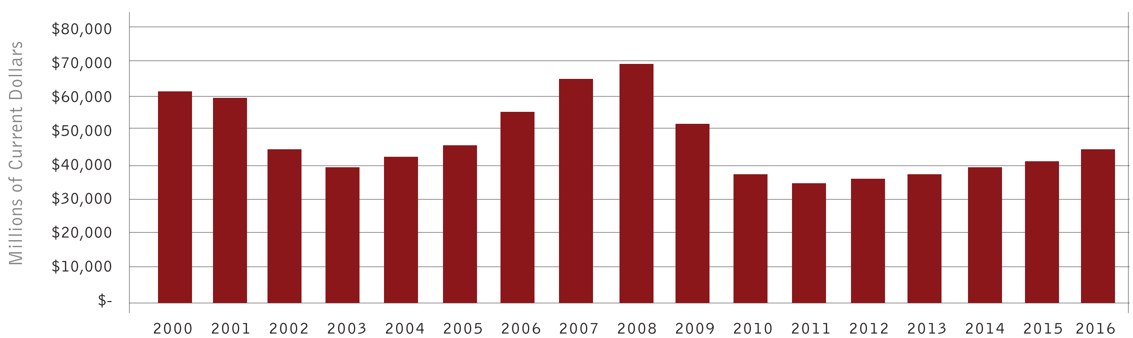
Trends:

- Net absorption of office space declined 802,000 square feet in the second quarter.
- Completion levels of new office space remain at cyclical lows.
- Vacancy rates changed little, with the expected release of shadow inventory to keep them high as companies holding onto office space now look to downsize.
- Slow, uneven improvement in the employment situation will keep office construction subdued.
- Sustained low growth in rents make it difficult to justify or finance new office space.
- Green construction and energy savings will be the focus of renovation and new buildings.
- More home offices and new startups of small businesses by the long unemployed or disaffected office workers will not necessitate the need for new office buildings.
- Tenants will continue to "trade up" in the near term by relocating or upgrading.

Drivers:

- ↓ Office vacancy rate
- ↑ Unemployment rate

Office Construction Put in Place | Forecast as of Q1 2012



Commercial

A slow recovery in commercial/retail construction has helped to keep vacancy rates from rising, which is good for building owners collecting rent. According to the CoStar Group, “Net absorption slowed slightly compared to the last half of 2011, rent trends generally improved from prior quarters, with the supply-demand balance supported by a lack of new space being added to the market.” Retail sales fell slightly by 0.2% in May, taking back some of the gains earlier in the year. However, the drop in sales was in part due to reduced gasoline prices and slower building product sales. Despite a number of ongoing challenges, commercial construction is beginning to grow again, as we expect 5% growth in CPIP this year, followed by 8% growth in 2013 to around $49 billion. Growth will be marred by setbacks as currently some big-box retailers like Sears, JC Penney and Best Buy are rethinking strategies and closing money-losing stores. Online retail continues to grow as traditional stores move online. Even in areas ready to grow again, credit may be hard to find as around $1.73 trillion in commercial real estate loans mature in the next five years. (DSNews.com, March 26, 2012)

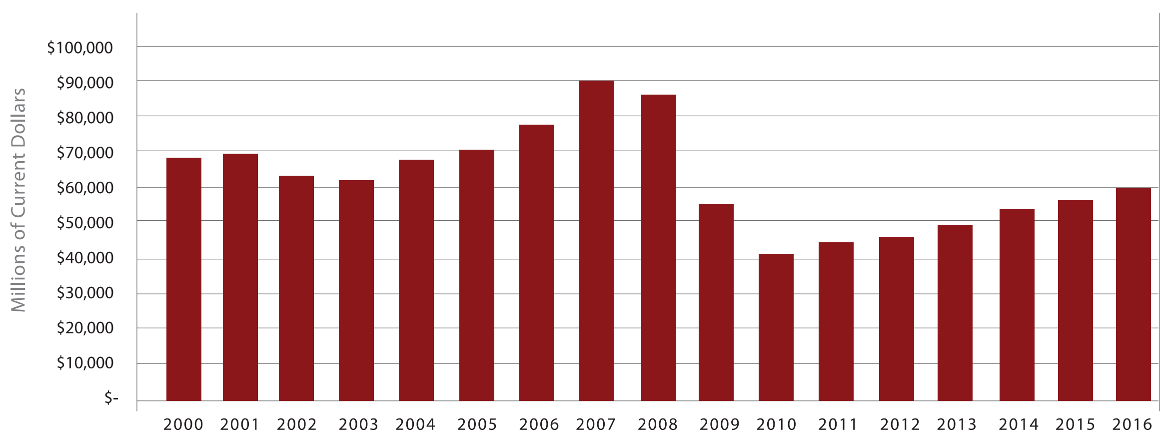
Trends:

- Lower gasoline prices will help raise discretionary spending.
- Upscale urban power centers with name-brand anchor stores show continued strength.
- Grocery-anchored malls become competitive.
- Continued slow growth in residential construction will help retail stores.
- Online retail sales are increasing. According to the U.S. Census Bureau in May, “Nonstore retailers’ sales were up 12.4% (±3.1%) from May 2011.”

Drivers:

- ↓ Retail sales
- — CPI
- ↑ Unemployment rate
- — Employment
- ↑ Income
- ↑ Housing starts
- ↑ Building permits

Commercial Construction Put in Place | Forecast as of Q1 2012



Health Care

Health care construction growth has taken a bit of a breather in the last two years, but the market will recover, thanks mostly to the growing needs of aging baby boomers. While we expect only 3% growth in 2012, that will strengthen to double digits by 2015, achieving record highs around $52.6 billion. Uncertainty and conservatism in financial markets as well as political decisions concerning the Health care bill's future have put a chill on new construction, but renovation continues strong. Much new construction will focus on ambulatory facilities and consolidation of small physician-owned facilities, in large part due to reduced payments for Medicare. Increasing health insurance costs or lack of insurance will also make it more difficult for some to get affordable care. Now that the Affordable Care Act is upheld by the Supreme Court—and not yet dismantled by the expected republican majority after the election—around 2.5 million Americans ranging from the age of 19 to 25 could continue to be covered by their parents' insurance policies under the new law. Still, a large number of unemployed, especially young adults, are going without health insurance until they can find good jobs with heal care benefits.

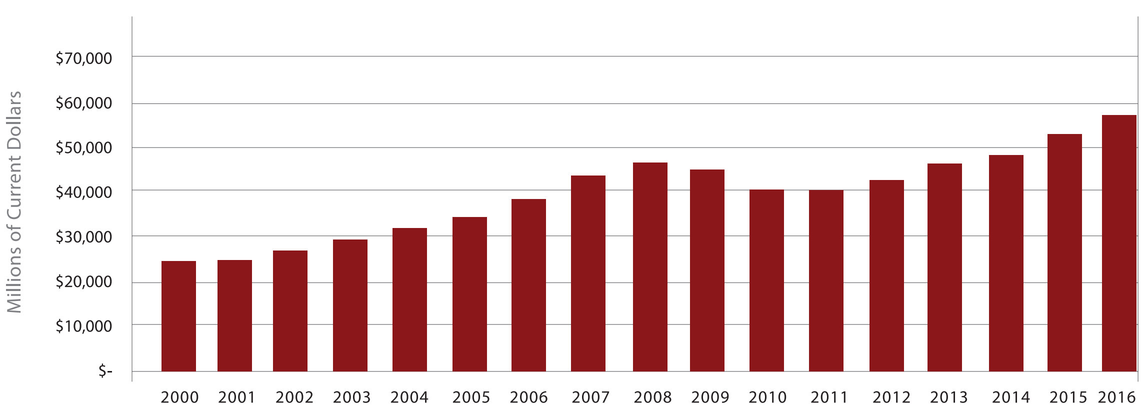
Trends:

- According to the U.S. Department of Health and Human Services: "Between 1999 and 2009, total personal health care expenditures grew from $1.1 trillion to $2.1 trillion. During this period, the average annual growth in Medicare expenditures was 9%, for Medicaid and private insurance 7%, and for out-of-pocket spending 5%."
- "Among adults 18 to 44 years of age, the percentage with private coverage declined from 71% in 2000 to 60% in 2010 while Medicaid coverage increased from 6% to 11%. The percentage of persons 18–44 years of age who were uninsured increased from 22% to 27% during the same period." (ibid.)
- Health care construction dropped 10% in 2010 and was flat in 2011. The forecast for 2012 has been revised to just 3% over 2011 levels. Stronger growth will return from 2014 on.
- Aging U.S. population, new technologies, increased single-bed-room demand and increased health care consumerism are shaping decisions about new hospital design and location.
- Seventy-three percent of construction is currently for facility renovation and modernization to be greener and more patient friendly and to update IT infrastructure. (American Society for Healthcare Engineering (ASHE))
- Health care construction will use more modern construction techniques such as prefabrication, BIM and IPD (integrated project delivery).

Drivers:

- ↑ Population change younger than age 18
- ↑ Population change ages 18-24
- ↑ Stock market
- ↓ Government spending
- ↑ Nonresidential structure investment

Health Care Construction Put in Place | Forecast as of Q1 2012



Educational

State tax revenues are again on the rise. According to the National Governors Association and the National Association of State Budget Officers Survey, "Total state tax revenue is forecast to rise 4.1% to $690.3 billion in the 2013 budget year." ("States forecast highest tax revenue in 5 years," USA Today June 12, 2012.) That news bodes well for embattled school budgets but doesn't mean education construction will be revived right away. FMI's forecast calls for just a 1% increase in CPIP in 2012 and a slight rise of 2% in 2013. At this point, improving budgets may help to keep school construction from declining even more, but states also have a number of other "hungry mouths" to feed, including medical bills, pensions, roads and bridges to repair and high unemployment.

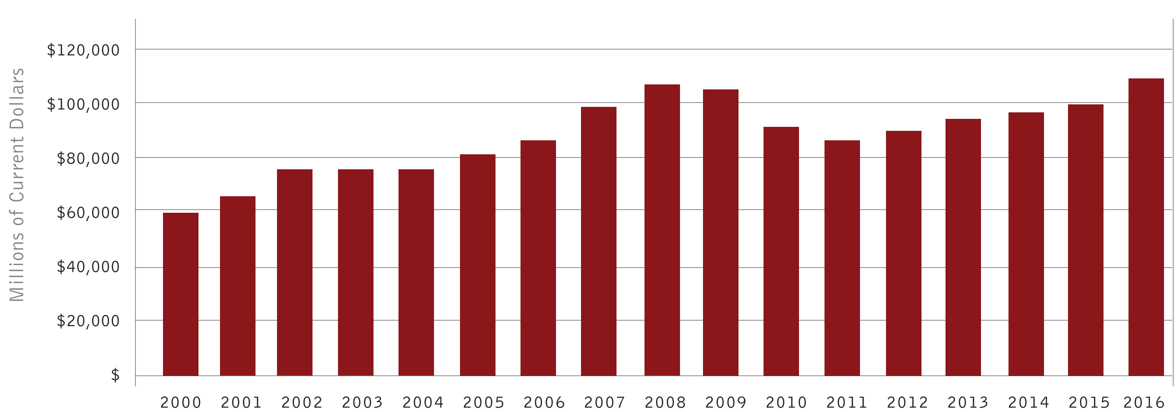
Trends:

- Funding is increasingly a local responsibility as states cut support and local government budgets will need to increase property taxes.
- Greener schools or renovating existing schools for improved energy use will continue to be a strong trend in education construction.
- Many major universities have announced they will only build LEED-certified facilities.
- Use of prefabricated/modular school construction will increase. Not to be confused with the "temporary" classroom units filling playgrounds and parking spaces in growing communities, manufactured modular school construction has gained in acceptance for school systems looking to save time and money and maybe even improve their green footprints.
- Distance learning and online courses are on the rise. Online degrees from universities specializing in distance learning are becoming more accepted, especially in a world where knowledge workers spend most of their time working in the online world.
- It will be hard to justify new schools for states that have laid off large numbers of teachers.

Drivers:

- ↑ Population change younger than age 18
- ↑ Population change ages 18-24
- ↑ Stock market
- ↓ Government spending
- ↑ Nonresidential structure investment

Educational Construction Put in Place | Forecast as of Q1 2012



Religious

Construction for religious buildings will be flat in 2012, with some revival in 2013 to 6% growth at $4.3 billion. The slowdown in new building construction largely reflects slow economic growth, fewer new housing developments and less mobility for those having difficulty selling their homes and relocating. Construction of new Mormon temples and Islamic mosques have been the most active building programs in recent years. A growing trend for new churches is to convert existing buildings in vacant malls or individual storefronts to serve local needs for church growth. New religious construction is likely to become a multipurpose project, including retail and social activities more like a mall than a traditional church.

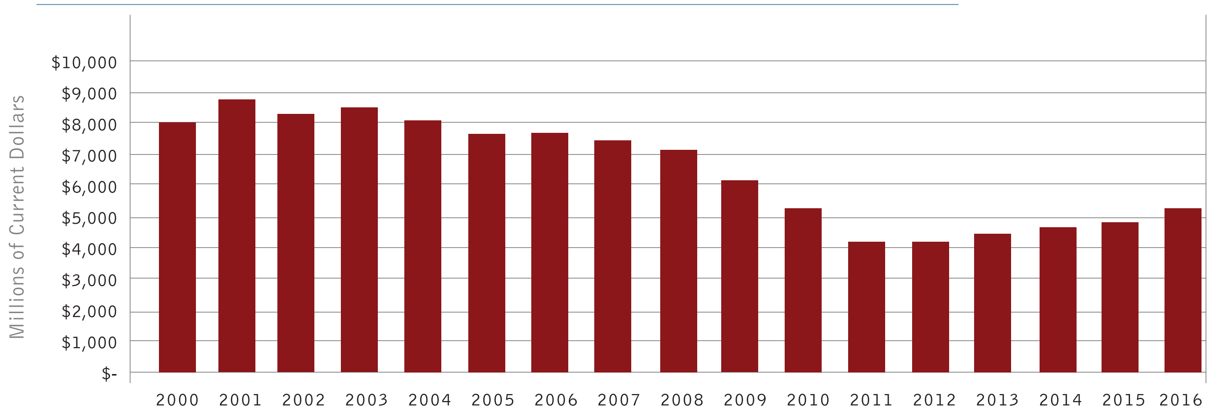
Trends:

- The lending environment continues to be a challenge for many congregations.
- Establishing a capital campaign is becoming increasingly common.
- Many churches are seeing tremendous declines in contributions and tithes.
- More parishioners are relying on their houses of worship to provide guidance and assistance, further stretching thin resources.
- New methods for charitable giving, including online giving and donation collections, are empowering religious organizations.
- Improved space utilization and additions are taking the forefront, as new construction is increasingly not an option.
- Churches are becoming smarter about attracting parishioners who are drawn in by facilities and the church building itself.
- Energy efficiency, green sustainability and long-lasting quality are becoming top features many congregations want in worship houses.

Drivers:

- ↑ GDP
- ↑ Population
- ↑ Income
- ↑ Personal savings rate

Religious Construction Put in Place | Forecast as of Q1 2012



Public Safety

Public safety construction will be flat in 2012 but then will grow 6% in 2013 to $4.3 billion. One in every 100 adults in the U.S. is incarcerated. While there are some state prisons with declining populations, a recent budget report by the U S. Department of Justice says that Bureau of Prison (BOP) facilities are 42% overcrowded. As states continue to be under budget pressure, the private prison industry is seeking to buy state prisons and contract the work back to the state. The Department of Justice reports that prisons under contract will grow to 18% in 2012 from just 2% in 1980.

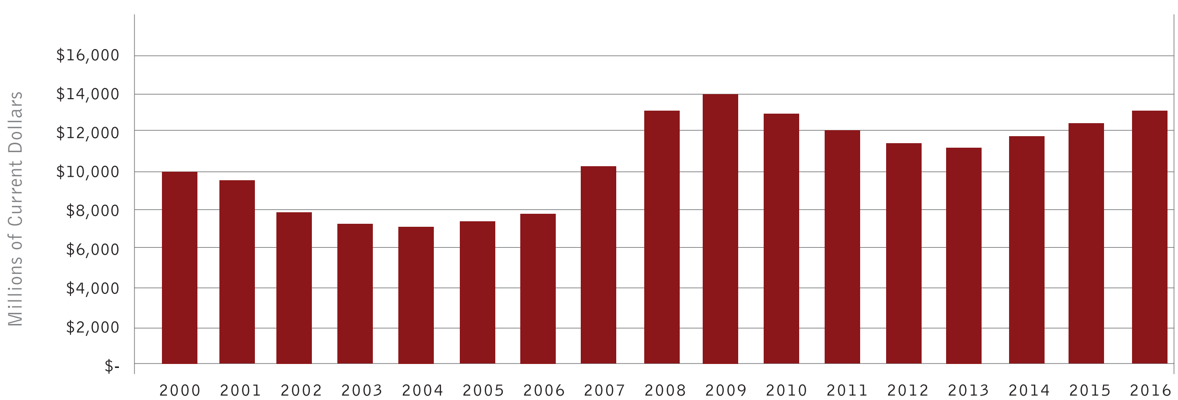
Trends:

- Overcrowding in jails and prisons leads to new and renovated facilities.
- California's AB 900 authorizes $7.7 billion to fund 53,000 additional state prison and local jail beds.
- Federal prison population grew by 3.4% in 2009.
- Adult correctional facilities population decreased 1.3% in 2010.
- Privately managed secure facilities are increasing.
- Private corporations now operate 5% of the 5,000 prisons and jails in the U.S. The private prison industry is growing at a rate of 30% per year.
- Government appointed its first chief greening officer (under GSA) to oversee aggressive pursuit of sustainable practices in government buildings.
- CM-at-risk or design-build arrangements will increase.
- P3s overcome shortfalls in public financing.

Drivers:

- ↑ Population
- — Government spending
- ↑ Incarceration rate
- ↑ Nonresidential structure investment

Public Safety Construction Put in Place | Forecast as of Q1 2012



Amusement and Recreation

Amusement and recreation construction will climb 8% to $17.4 billion in 2013, largely due to several new large stadiums in process or expected to break ground soon. The gaming industry also continues to prosper and grow during economic hard times, but new facilities around the country are threatening growth in traditional centers like Las Vegas. States are looking for new revenue anywhere they can find it, and casinos and other sources of "sin taxes" are under consideration or breaking ground.

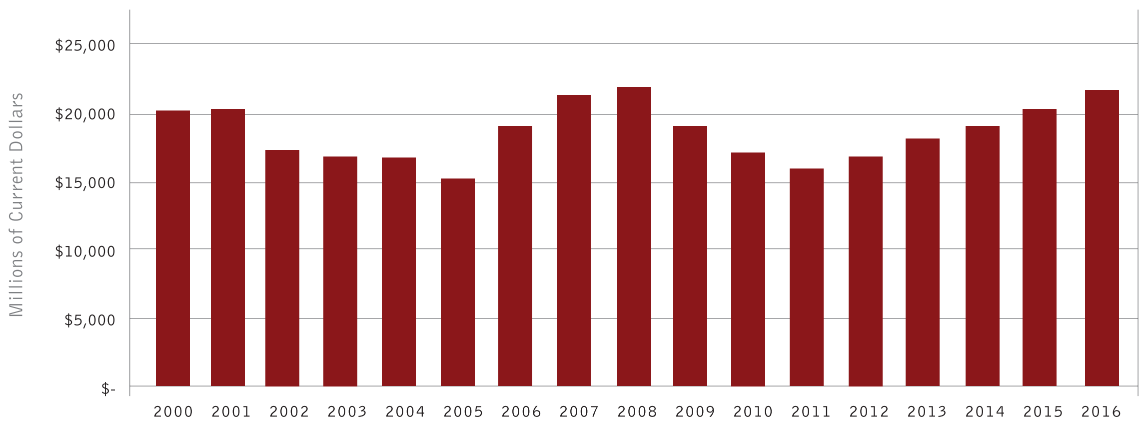
Trends:

- San Francisco 49ers have recently broken ground on its new $850 million stadium.
- Minnesota Vikings $1.1 billion project has been approved by the state senate.
- Casino plans are under way in a number of states, including New York, Pennsylvania, Maryland, Florida and Ohio, with some investors coming from offshore.
- Competition in the gaming sector will draw business away from some existing gambling centers, such as Atlantic City, as well as other public arenas.

Drivers:

- ↑ Income
- ↑ Personal savings rate
- ↑ Unemployment rate
- — Employment

Amusement and Recreation Construction Put in Place | Forecast as of Q1 2012



Transportation

As of June 29, the last minute, we finally know the status of a new transportation bill. The $109 billion, two-year bill has passed both the senate and the house and now goes to the President for his signature, which is expected. The bipartisan agreement drops the Keystone XL project portion of the bill and keeps environmental oversight while adding means to streamline project approvals. The importance of the bill may run deeper than just re-establishing funding for transportation, as it represents at least a temporary break from the constant standoff in Congress. We forecast that transportation construction will grow 3% in 2012 and to 5% through 2015. State revenues are returning to more normal levels; next, they will need a clear picture of funding from the federal government. Private investment may also play a bigger role as institutional investors look for a steady revenue stream.

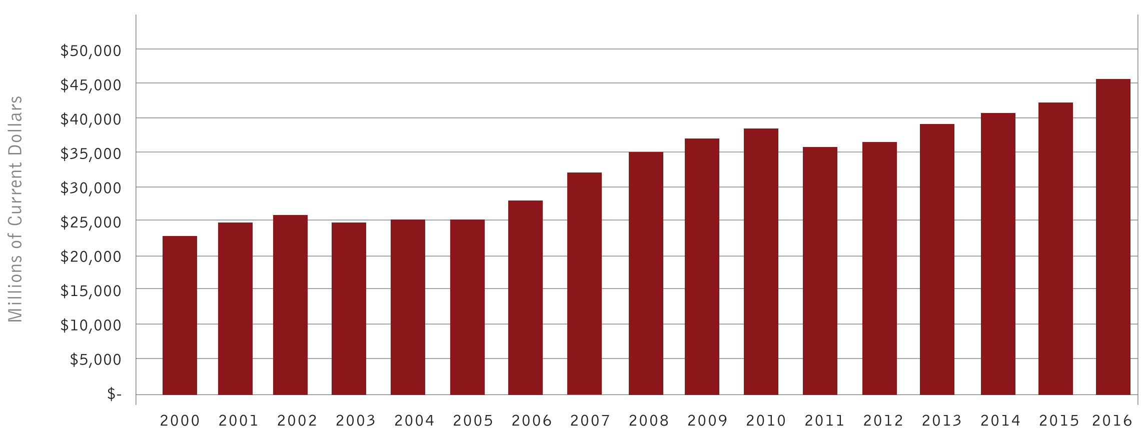
Trends:

- The passage of a new transportation bill will add some stability as well as funds to the transportation sector.
- FAA authorization passes after 23 extensions over a 5-year period, but flat Airport Improvement Funding may ground hopes for significant reinvestment.
- The FAA projects passenger growth will increase 3.7% a year over the next five years. System capacity is expected to grow 3.6% annually until 2031.
- By 2021, more than one billion people a year will take to the air.
- High-speed rail is slow to get projects off the ground due to state funding and political resistance.
- Growth in container ports is recovering from the recession.
- Intermodal transportation will be the focus of new projects.
- Railcar loadings are down from 2011, largely due to reductions in coal transportation. Areas that are up include petroleum, motor vehicles and metal products.

Drivers:

- ↑ Population
- ↓ Government spending
- ↓ Transportation funding

Transportation Construction Put in Place | Forecast as of Q1 2012



Communication

We expect steady growth in communications construction of 4% to 6% through 2015 with 2012 ending up around $18.5 billion. Communications is one of the fastest areas of innovation and growth around the world and the number of new devices requiring more bandwidth and faster connections is rapidly surpassing existing infrastructure. Demand for new devices has forced the industry to adopt a new addressing scheme, IPv6 (Internet Protocol version 6), which will allow a huge increase in available addresses. That will not answer bandwidth issues that will also need building, as more companies go to the clouds.

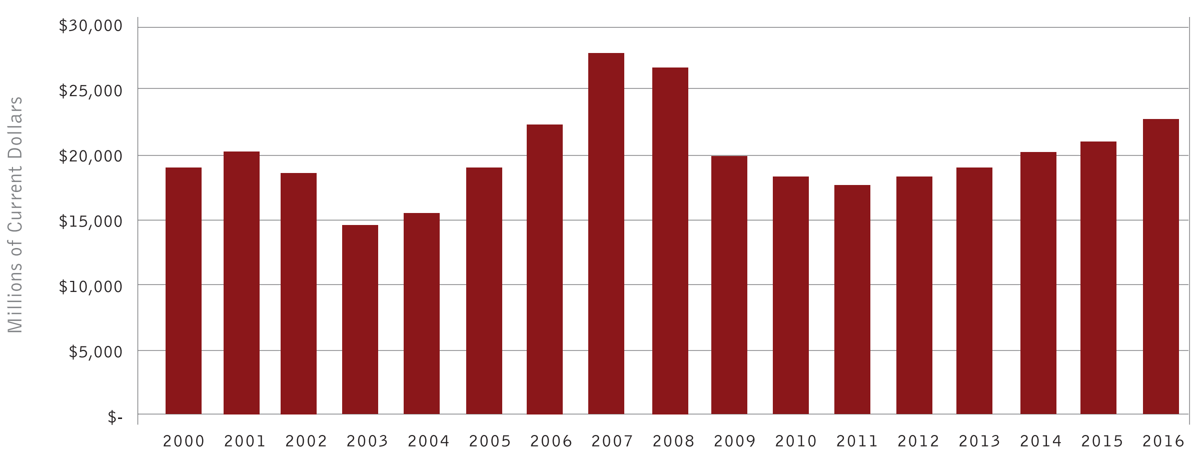
Trends:

- Moving computer storage and retrieval to the cloud will enable greater use of "thin-client" terminals.
- Devices such as cell phones and laptops are consolidating and requiring greater bandwidth and interconnectivity.
- Consolidation of ownership and shift away from print media will continue into 2012.

Drivers:

- Innovation/technology
- Global mobility
- Population
- Security/regulatory standards
- Private investment

Communication Construction Put in Place | Forecast as of Q1 2012



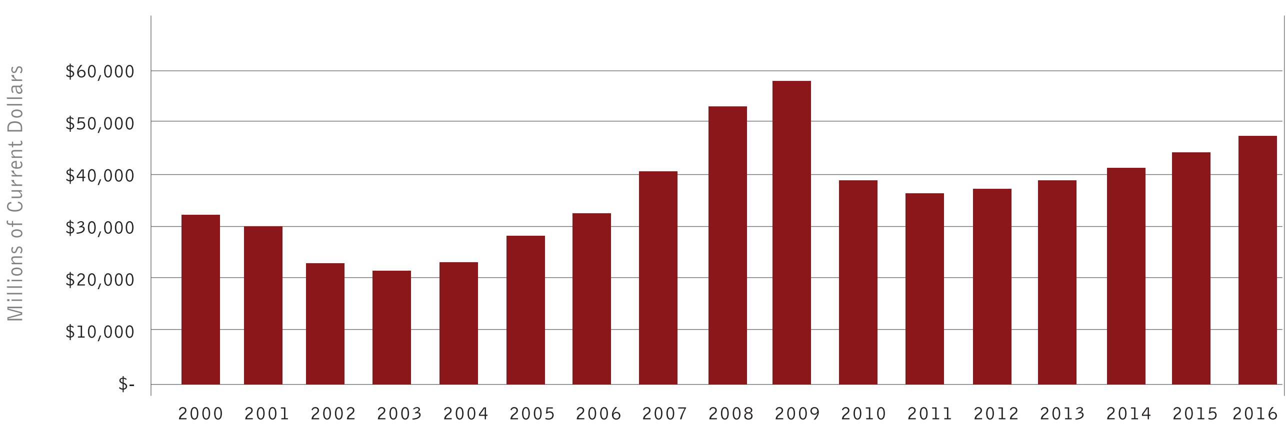
Manufacturing

Manufacturing construction is demonstrating sound growth after a sharp drop of 33% in 2010 and a weak 2011. The forecast is for manufacturing construction to rise 3% in 2012 and show steady increases to 2015. Although growth has been uneven, manufacturing production, led by automotive production, has been on the rise. At 79.2% in April, capacity utilization is returning to normal levels. Production for utilities has also seen positive gains, especially for natural gas. Lower natural gas prices will also help manufacturing energy inputs. The ISM manufacturing activity index rose to 53.5% in May but fell 3.8% to 49.7% in June. Growth spurts have been difficult to sustain, so manufacturers will be cautious before adding capacity and employees.

Drivers:

- ↓ PMI
- ↑ Industrial Production
- ↑ Capacity utilization
- ↓ Factory orders
- — Durable goods orders
- ↓ Manufacturing inventories

Value of Manufacturing Construction | Forecast as of Q1 2012



NONBUILDING STRUCTURES

Power

Power construction has been one of the stronger areas throughout the recession and will continue to grow faster than all but residential construction over the next five years. In part, that growth will be because of an anticipated gain in residential construction due partly to population growth and a growing need for power. Even though homes and industrial needs are becoming more power efficient, we are increasing the number of devices, such as the potential for more electric vehicles that will need electric power generation. Our forecast is for a 10% rise in construction for 2012 and another 10% in 2013 to $108 billion. Power-related construction is also in flux as to the type of fuel plants will use, with the rise in shale gas mining and the demise of outdated coal plants. Nuclear energy is slow to make a comeback due to regulatory concerns for safety as well as cost. Alternative energy growth will slow as subsidies are removed.

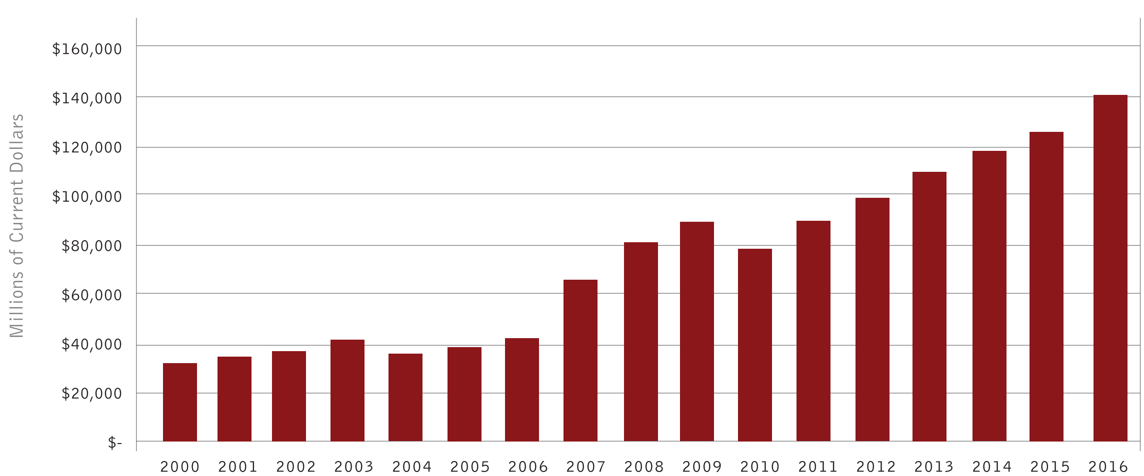
Trends:

- Emergence of shale gas supply fundamentally alters the U.S. energy landscape.
- U.S. Environmental Protection Agency regulations are expected to halt new coal construction, drive premature retirement of existing coal-generating capacity and support the shift to natural gas power generation.
- The U.S. nuclear renaissance is on hold outside of regulated markets, as the low price of natural gas redirects investment. The once foreseen renaissance is now limited to two new reactors each at Southern Company's Vogtle plant in Georgia and South Carolina Electric & Gas Company's Summer plant in near Jenkinsville, S.C. Industry experts anticipate nuclear to retain its near 20% share of generation going forward, which will spur future investment.
- The power transmission and distribution market remains robust.
- Renewable energy is likely to stall, as incentives are set to disappear. Extension of the Federal Production Tax Credit (PTC), which makes economics of renewable energy favorable for producers, is uncertain. The credit is set to expire at the end of the year. As of April 3, 2012, the Senate voted not to extend the PTC on four separate occasions in 2012

Drivers:

- ↑ Industrial Production
- ↑ Population
- ↑ Nonresidential Structure Investment

Power Construction Put in Place | Forecast as of Q1 2012



Highway and Street

The new $109 billion transportation bill will finally help states again fund badly needed construction projects. One project was going ahead anyway, the new Tappan Zee Bridge project in New York, where Governor Cuomo just struck a deal in the PLA agreement with the unions to save $452 million over the course of the project. Currently, we project that CPIP for highway construction will drop 2% in 2012 and grow just 1% in 2013 to reach $77.7 billion or near 2007 levels. The new bill may help to raise our forecast next quarter after the details start to work their way down to the state level.

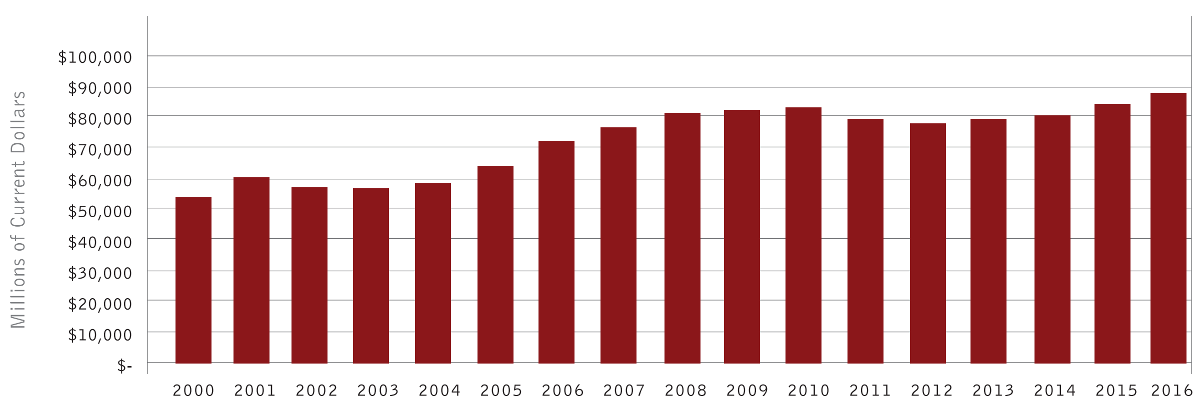
Trends:

- Funding uncertainty persists as ARRA money dries up and the new transportation bill goes into effect. Highway investment from ARRA peaked in FY2010 at $11.5 billion. The disappearance of this source of funding creates a significant head wind for new projects.
- Many state and local governments are not in a position to advance transportation programs without federal support and funding certainty.
- Public-private partnerships continue to generate more talk than action, although six projects totaling $8.6 billion appear ready to reach financial close in 2012.
- Request for TIFIA (Transportation Infrastructure Finance and Innovation Act) program loans has greatly exceeded the dollars available, according to the U.S. Department of Transportation.
- National Surface Transportation Policy and Revenue Study Commission report calls for more than $225,000,000,000 annually "for the next 50 years to upgrade our surface transportation system to a state of good repair and create a more advanced system." (Bill H. R. 402)
- Funding—not need—will continue to be the big question for highway and street construction.

Drivers:

- ↑ Population
- ↓ Government spending
- ↑ Nonresidential structure investment

Highway and Street Construction Put in Place | Forecast as of Q1 2012



Sewage and Waste Disposal

Construction for sewage and waste disposal dropped sharply in 2011 and will not return to the 2010 rate of growth until 2015. While we expect 2012 CPIP to be around $23.9 billion, according to many reports, the need to replace aging infrastructure is much greater than the current construction growth implies. Over the last decade, a number of municipalities have operated their water and waste systems under court-order consent decrees, requiring large investments to repair and update their systems to assure safe drinking water supplies.

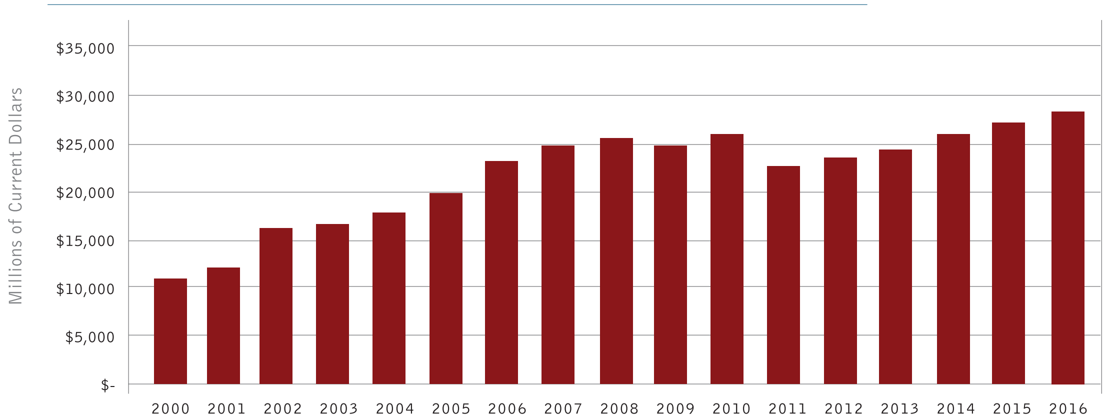
Trends

- Growth, driven by aging infrastructure and regulation, is on the horizon, but the length of the horizon is still unknown. Slow water infrastructure markets in the aftermath of the recession continue to build the backlog of necessary work as existing infrastructure ages.
- In need of replacement and upgrades, the 16,000 wastewater systems nationwide discharge more than 850 billion gallons of untreated sewage into surface waters each year.
- Combined sewer systems (storm water and sewage) serve roughly 950 communities with about 40 million people. Most communities with CSOs are located in the Northeast and Great Lakes regions.
- The EPA's Storm Water Phase II Final Rule, published on December 8, 1999, expands the Phase I storm water runoff regulations program by requiring programs and practices to control polluted storm water runoffs.
- The American Society of Civil Engineers (ASCE) gave drinking water and wastewater "D" grades in its 2009 American Infrastructure Report Card.
- The Clean Water State Revolving Fund (CWSRF) programs have provided more than $5 billion annually in recent years to fund water quality protection projects.
- The March 2010 U.S. Conference of Mayors Water Council report forecasts that future spending for public water and wastewater systems will range between $2.5 trillion and $4.8 trillion over the next 20-year period, 2009 to 2028.

Drivers:

- ↑ Population
- ↑ Industrial production
- ↓ Government spending

Sewage and Waste Disposal Construction Put in Place | Forecast as of Q1 2012



Water Supply

Construction related to our water supply is beginning to grow but will gain only 2% in 2012 and 3% in 2013 to reach $14.7 billion. Federal funding for water projects was cut in FY2012, with further cuts likely in FY2013. The EPA's State Revolving Loan Funds were both down in FY2012, compared to FY2011 levels. The Safe Water SRF is at $1.469 billion in FY2012 compared to $1.525 billion in FY2011, while the Drinking Water SRF is down to $919 million from $965 million. The President's FY2013 budget calls for a 20% reduction in the Safe Water SRF to $1.2 billion and a 7.7% reduction in the Drinking Water SRF down to $850 million.

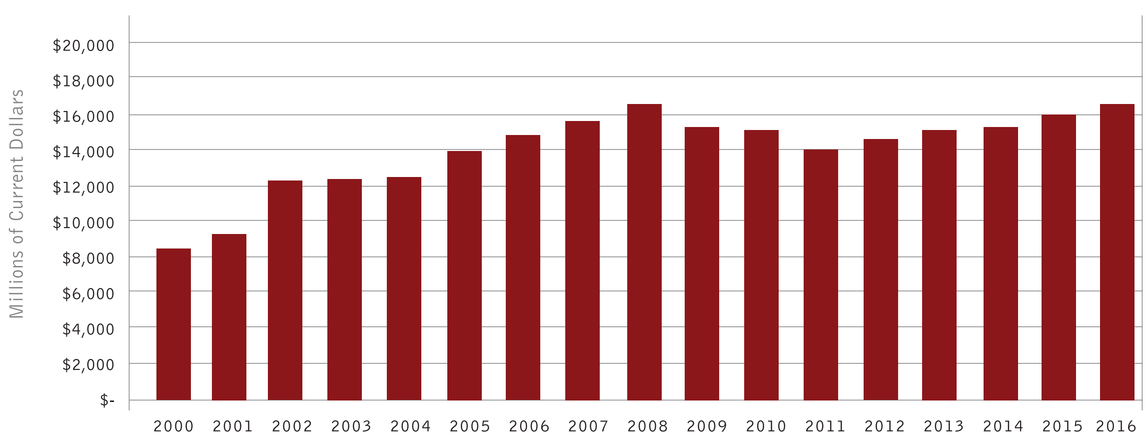
Trends:

- Strength in the mining sector creates a tremendous amount of water infrastructure work throughout North America and abroad. Strength in commodity markets continues to drive increased levels of mining activity through the development of new mines and redevelopment of existing mining assets. Heightened mining activity leads to increased demand for related infrastructure, including water.
- Seven-billion gallons of clean drinking water are lost to leaking pipes each day, owing to an annual investment shortfall of $11 billion (EPA) to replace old systems.
- Approximately 17 million people in the U.S. are served by substandard water facilities.
- The EPA is in the process of improving numerous drinking water standards for various impurities. The agency is considering further revisions to the lead and copper rule.
- Federal assistance for the safe drinking water State Revolving Fund (SRF) in the 11-year period between 1997 and 2008 totaled $9.5 billion, just slightly more than the investment gap for each of those years.
- Green construction practices, such as controlling runoff to help increase groundwater, will become the norm for improvements and new construction.
- Water for shale oil and gas mining will increase demand in selected areas of the country.

Drivers:

- ↑ Population
- ↑ Industrial Production
- ↓ Government Spending

Water Supply Construction Put in Place | Forecast as of Q1 2012



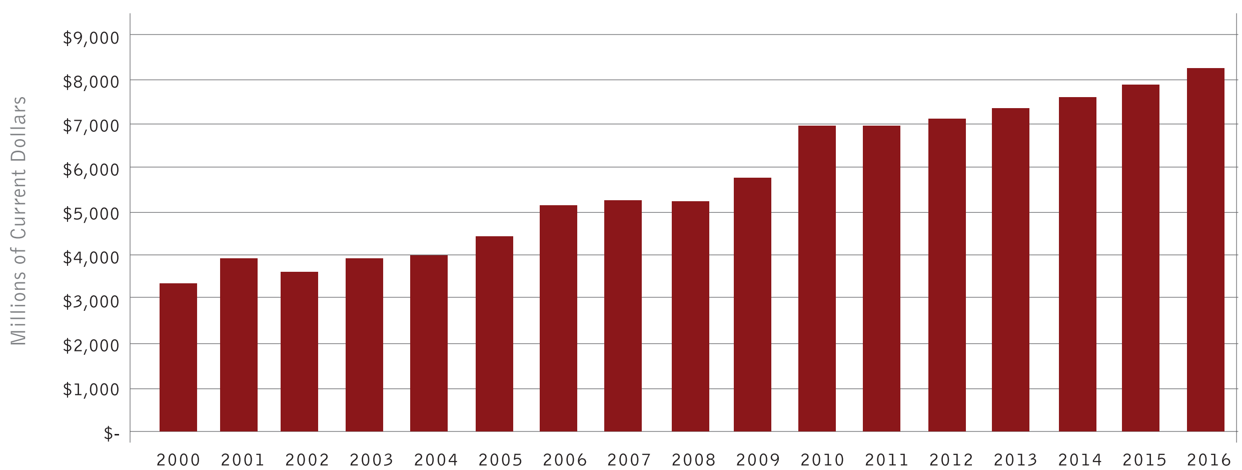
Conservation and Development

After becoming flat in 2011, we expect growth to return to 2% in 2012 and demonstrate slow, steady progress through 2015. Government spending for environmental remediation and conservation work will slow due to significant cuts in the President's 2013 budget. Private sector and state level growth in conservation and development construction will be due mostly to meeting regulations for new projects. The EPA estimates that there are more than 290,000 hazardous waste sites in the United States. Industry experts anticipate that the nation's expanding demand for energy and fuel will result in greater opportunities for environmental consulting and remediation (e.g., shale gas). With the contraction of funding/spending available for remediation activities, stakeholders note that pent-up demand will drive a good portion of future activity.

Drivers:

- ↑ Population
- ↓ Government spending

Conservation and Development Construction Put in Place | Forecast as of Q1 2012



Construction Put in Place

Millions of Current Dollars

1st Quarter 2012

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
RESIDENTIAL BUILDINGS													
Single Family	378,934	434,912	417,518	306,990	187,648	106,960	112,479	106,872	116,171	131,505	153,558	177,298	202,775
Multi Family	41,321	48,699	54,324	52,570	48,083	32,231	17,481	17,042	22,492	29,550	38,256	43,162	48,332
Improvements*	118,153	133,896	147,973	140,909	122,016	114,738	118,747	121,573	126,069	132,735	139,071	144,539	150,331
Total Residential	**538,408**	**617,507**	**619,814**	**500,468**	**357,747**	**253,928**	**248,706**	**245,487**	**264,732**	**293,790**	**330,884**	**364,998**	**401,439**
NONRESIDENTIAL BUILDINGS													
Lodging	12,363	12,840	18,139	28,706	35,806	25,499	11,329	8,538	8,916	9,506	10,271	10,957	11,464
Office	42,404	45,763	54,187	65,259	68,563	51,908	37,573	34,478	35,780	37,771	40,170	41,775	43,873
Commercial	67,057	70,242	76,713	89,684	86,212	54,069	40,522	43,590	45,573	49,098	52,377	55,993	60,053
Health Care	32,184	34,430	38,472	43,766	46,902	44,845	39,879	39,966	41,290	43,980	47,293	52,632	57,746
Educational	74,250	79,687	84,928	96,758	104,890	103,202	88,227	84,679	85,827	87,642	91,883	98,726	106,541
Religious	8,159	7,735	7,749	7,540	7,225	6,192	5,208	4,136	4,118	4,349	4,591	4,841	5,087
Public Safety	7,019	7,314	7,768	10,201	13,083	13,787	11,118	9,995	9,473	9,347	9,680	10,138	10,692
Amusement and Recreation	16,695	15,236	19,033	21,212	21,829	19,404	16,959	15,544	16,158	17,392	18,731	20,115	21,505
Transportation	25,059	25,052	27,964	31,877	35,471	36,701	38,232	35,543	36,469	38,442	40,515	42,794	45,461
Communication	15,546	18,906	22,219	27,580	26,487	19,753	18,261	17,818	18,471	19,262	20,307	21,550	22,929
Manufacturing	23,360	28,568	32,677	40,633	53,234	56,836	38,106	37,189	38,124	39,511	41,542	44,325	47,516
Total Nonresidential Buildings	**324,096**	**345,773**	**389,849**	**463,216**	**499,702**	**432,196**	**345,414**	**331,476**	**340,198**	**356,301**	**377,359**	**403,845**	**432,869**
NONBUILDING STRUCTURES													
Power	35,638	38,371	42,244	66,055	81,075	88,861	78,540	89,884	98,628	108,089	117,605	128,133	140,741
Highway and Street	58,623	64,139	72,040	76,682	81,361	82,166	82,657	78,771	77,157	77,657	79,985	83,304	86,918
Sewage and Waste Disposal	17,929	19,867	23,186	24,872	25,696	24,830	26,063	23,225	23,941	24,629	25,733	27,140	28,561
Water Supply	12,620	14,028	14,960	15,798	16,752	15,471	15,305	14,015	14,258	14,740	15,301	16,020	16,788
Conservation and Development	4,044	4,453	5,130	5,260	5,234	5,750	6,937	6,928	7,068	7,208	7,502	7,795	8,089
Total Nonbuilding Structures	**128,854**	**140,858**	**157,560**	**188,667**	**210,118**	**217,078**	**209,502**	**212,823**	**221,052**	**232,323**	**246,127**	**262,392**	**281,098**
Total Put in Place	**991,358**	**1,104,138**	**1,167,223**	**1,152,351**	**1,067,567**	**903,202**	**803,622**	**789,786**	**825,982**	**882,413**	**954,370**	**1,031,236**	**1,115,405**

*Improvements include additions, alterations and major replacements. It does not include maintenance and repairs.

Change From Prior Year - Current Dollar Basis

1st Quarter 2012

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
RESIDENTIAL BUILDINGS													
Single Family	22%	15%	-4%	-26%	-39%	-43%	5%	-5%	9%	13%	17%	15%	14%
Multi Family	13%	18%	12%	-3%	-9%	-33%	-46%	-3%	32%	31%	29%	13%	12%
Improvements*	15%	13%	11%	-5%	-13%	-6%	3%	2%	4%	5%	5%	4%	4%
Total Residential	**19%**	**15%**	**0%**	**-19%**	**-29%**	**-29%**	**-2%**	**-1%**	**8%**	**11%**	**13%**	**10%**	**10%**
NONRESIDENTIAL BUILDINGS													
Lodging	15%	4%	41%	58%	25%	-29%	-56%	-25%	4%	7%	8%	7%	5%
Office	8%	8%	18%	20%	5%	-24%	-28%	-8%	4%	6%	6%	4%	5%
Commercial	9%	5%	9%	17%	-4%	-37%	-25%	8%	5%	8%	7%	7%	7%
Health Care	10%	7%	12%	14%	7%	-4%	-11%	0%	3%	7%	8%	11%	10%
Educational	0%	7%	7%	14%	8%	-2%	-15%	-4%	1%	2%	5%	7%	8%
Religious	-5%	-5%	0%	-3%	-4%	-14%	-16%	-21%	0%	6%	6%	5%	5%
Public Safety	-2%	4%	6%	31%	28%	5%	-19%	-10%	-5%	-1%	4%	5%	5%
Amusement and Recreation	-1%	-9%	25%	11%	3%	-11%	-13%	-8%	4%	8%	8%	7%	7%
Transportation	1%	0%	12%	14%	11%	3%	4%	-7%	3%	5%	5%	6%	6%
Communication	7%	22%	18%	24%	-4%	-25%	-8%	-2%	4%	4%	5%	6%	6%
Manufacturing	9%	22%	14%	24%	31%	7%	-33%	-2%	3%	4%	5%	7%	7%
Total Nonresidential Buildings	**5%**	**7%**	**13%**	**19%**	**8%**	**-14%**	**-20%**	**-4%**	**3%**	**5%**	**6%**	**7%**	**7%**
NONBUILDING STRUCTURES													
Power	-14%	8%	10%	56%	23%	10%	-12%	14%	10%	10%	9%	9%	10%
Highway and Street	3%	9%	12%	6%	6%	1%	1%	-5%	-2%	1%	3%	4%	4%
Sewage and Waste Disposal	8%	11%	17%	7%	3%	-3%	5%	-11%	3%	3%	4%	5%	5%
Water Supply	1%	11%	7%	6%	6%	-8%	-1%	-8%	2%	3%	4%	5%	5%
Conservation and Development	3%	10%	15%	3%	0%	10%	21%	0%	2%	2%	4%	4%	4%
Total Nonbuilding Structures	-2%	9%	12%	20%	11%	3%	-3%	2%	4%	5%	6%	7%	7%
Total Put in Place	**11%**	**11%**	**6%**	**-1%**	**-7%**	**-15%**	**-11%**	**-2%**	**5%**	**7%**	**8%**	**8%**	**8%**

Benefits

A Construction Market Forecast from FMI's Research Services Group can:

- Supply the market-oriented, economy-driven dimension essential for preparing, implementing and monitoring strategic plans.
- Be a significant aid in defining, targeting, implementing and monitoring other critical corporate decisions, such as long- and short-term sales goals, or redirecting resources (i.e., on a geographic or a product-line basis).
- Provide the basis for estimating submarkets.
- Provide the basis for comparing performance among markets.
- Provide the basis for identifying activities that are beneficial or detrimental to performance.

Features

Each Standard Construction Market Forecast:

- Details construction put in place in three residential building, 11 nonresidential building and five nonbuilding structure categories. It covers the current year, eight previous years and five forecast years. It is available for any county in the U.S. or any combination of counties, metropolitan statistical areas, states, regions, etc.
- Includes both construction values and annual percentage changes. Delivery time depends on the size of the request but is usually only a few days. It can be delivered in printed or electronic form and in most major text or spreadsheet formats. Graphs can be provided at additional cost.

Basis

- Historical information in FMI's standard Construction Market Forecast is based on building permits and construction-put-in-place data as provided by the U.S. Commerce Department. Forecasts are based on econometric and demographic relationships developed by FMI, on information from specific projects gathered from trade sources, and on FMI's analysis and interpretation of current and expected social and economic conditions.

Other Reports

- Reports on state and federally financed highway construction are available for most counties or combinations of counties.
- Custom reports on a wide variety of constructionrelated topics can be prepared by FMI.
- Reports are based on multiple sources and are appropriate for preliminary analytical and planning purposes but contain little or no direct observation of the area described and are not guaranteed by FMI to be accurate.

For more information, call 919.785.9268

About FMI's Research Services Group

As the construction industry becomes increasingly competitive, market intelligence becomes an important tool for the building industry. A more complete understanding of the market, market trends, customer perceptions, buying practices, competitor profiles and other market influencers will enhance craft labor studies.

Since 1953 FMI has provided consulting and training services specialized for the construction industry. FMI's market research includes both secondary and primary research designed to meet clients' specific needs. Both types of research are used to provide accurate assessments in a timely, efficient and concise manner for clients.

Typical project work performed includes customer buying practices, competitive analyses, market-size modeling, market forecasts and trends, channel performance analyses, customer satisfaction surveys and sales performance evaluations.

J. Randall (Randy) Giggard
Managing Director
Research Services

Randy Giggard is responsible for design, management and performance of primary and secondary market research projects and related research activities, including economic analysis and modeling, construction market forecasting and database management. Randy's particular expertise is in the areas of market sizing and modeling, competitive analysis, sales and market performance evaluations, buying practices and trends analysis.

Randy holds undergraduate degrees in mechanical engineering from Southern Illinois University and English from Illinois State University and a master of marketing and management policy degree from Northwestern University.

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ABOUT FMI

FMI is the largest provider of management consulting, investment banking and research to the engineering and construction industry. We work in all segments of the industry providing clients with value-added business solutions, including:

- Strategy Development
- Market Research and Business Development
- Leadership and Talent Development
- Project and Process Improvement
- Mergers, Acquisitions and Financial Consulting
- Compensation Data and Consulting

Founded by Dr. Emol A. Fails in 1953, FMI has professionals in offices across the U.S. FMI delivers innovative, customized solutions to contractors; construction materials producers, manufacturers and suppliers of building materials and equipment, owners and developers, engineers and architects, utilities, and construction industry trade associations. FMI is an advisor you can count on to build and maintain a successful business, from your leadership to your site managers.

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