

## Annual Report 2017

TO: Board of Directors – STAFDA

FM: Sean Baird

RE: Region 2 Mid-Atlantic Report (DC, DE, MD, NJ, PA, VA, WV)

Date: 06/23/17

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The Mid-Atlantic region has continued the same business trend from 2016 into 2017. The year ended with good results in all areas of business. Single family homes, multi-family housing, and nonresidential construction were trending upward. The first quarter of 2017 was very busy with a definite upswing in the business tempo. The winter season again was very mild, allowing all trades to work continuously. In addition, there seemed to be a very distinct and quite noticeable, positive attitude after the election.

April and May showed signs of simmering down to a normal but steady pace. This was evident with the rise of unemployment in construction related jobs. This may not necessarily be an indicator of declining business but possibly a difficulty filling these open positions.

June began to show signs of improving activity. Unemployment, however, was flat to a slight improvement to prior year in MD, PA, and VA, while DC, NJ, and WV showed some significant declines. The metro areas such as Richmond VA, Northern VA, Baltimore MD, and Camden NJ were showing very strong business activity and good employment figures.

As mentioned above, Northern VA, Baltimore MD, and down to Richmond VA were driving much of the region's positive activity. Major renovations and restorations are helping the area also. Northern VA is promoting a "live, work, play" at home theme. A 42 million square foot office, residential and commercial project is under way near four Metro stops. One of the larger projects mentioned from the Dodge Data & Analytics is located in Camden NJ. This will be a \$245 million Camden Partners Tower Project.

Overall, the outlook for the region in 2017 will be steady with slow growth in nonresidential, single family homes, and multi-family projects. The metro and suburbs will continue to do well while the outlying and rural areas will decline. The business outlook in Public Works, Electric Utilities and Gas Plants will continue their downward trend with no positive outlook for the near future.

