



Dr. Phillips Institute for the Study of American Business Activity
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NEWS NEWS NEWS NEWS NEWS

Date: June 28, 2001
Release: Immediate
Subject: Phillips Institute Index of Private Construction Intensity--Largest U.S. Metro Areas

THE TOP 20--2001 First Quarter

Phillips Institute Index of Private Construction Intensity Metro Orlando Displays Reasonable Stability

Metro Orlando's *index of private construction intensity* put it in **7th** place in the nation based on performance covering the first three months of 2001. This is exactly where Orlando stood at the end of the 2000 first quarter. Two years back, however, when greater Orlando was in the midst of a hearty construction boom, Orlando stood at **2nd** in the nation for the 1999 first quarter. The *index* involves 61 metropolitan statistical areas (MSAs) having nonfarm payroll workforces of at least 500,000 jobs.

For the three-month period ended March 2001, metro Orlando generated 6.18 authorized building permits for single and multifamily dwellings when scaled per 1000 nonfarm jobs within the local metro area. This outcome for Orlando represents a moderate gain of 3.7 percent from the 2000 initial quarter, but is down by 24.8 percent from the average quarterly rate across all of 1999. Orlando held up reasonably well when compared against the average gain of the top six performing MSAs. Measured from the 2000 first quarter, the six MSAs standing above Orlando posted an average gain in the *intensity index* of 2.8 percent.

Las Vegas with 11.43 permits per 1000 nonfarm jobs led the **TOP 20** over the 2001 initial quarter. This is a familiar position for Las Vegas as it placed **1st** for the same quarter one year back and for all of 2000. Atlanta, Phoenix-Mesa, Raleigh-Durham-Chapel Hill, West Palm Beach-Boca Raton, and metro Charlotte rounded out the top 6 MSAs as ranked by the *intensity index*.

The other Florida metro areas making the **TOP 20** were Jacksonville at **8th**, Tampa-St. Petersburg at **15th**, and Ft. Lauderdale-Hollywood at **18th**. The state of Florida impressively placed five metro areas in the **TOP 20**. Next in line was Texas with three.

The *index of private construction intensity* relates the sheer number of authorized permits to the payroll jobs base in each metro area. This procedure provides both a locally-oriented measure of construction vigor and serves as a leading indicator of confidence by local building contractors in the economic strength of the region. A higher *index* suggests greater vigor and confidence.

The **TOP 20** listing for the *index* is displayed on the following page. It is followed by a chart indicating the *index* for the seven most-vigorous U.S. metro areas. The *index* was devised by and is maintained by the Dr. Phillips Institute for the Study of American Business Activity at the University of Central Florida's College of Business Administration.

The complete *index* listing for all 61 metro areas can be obtained by contacting the Dr. Phillips Institute.

Note: For more information contact Dr. David F. Scott, Jr., Executive Director, Dr. Phillips Institute for the Study of American Business Activity, and Phillips-Schenck Chairholder, University of Central Florida, Orlando, FL 32816-1400. Phone: 407-823-5903. Also, see www.bus.ucf.edu/dpi.

PRIVATE CONSTRUCTION INTENSITY INDEX
 THE TOP 20
 Major U.S. Metro Areas
 THREE MONTHS
 JANUARY 2001 - MARCH 2001

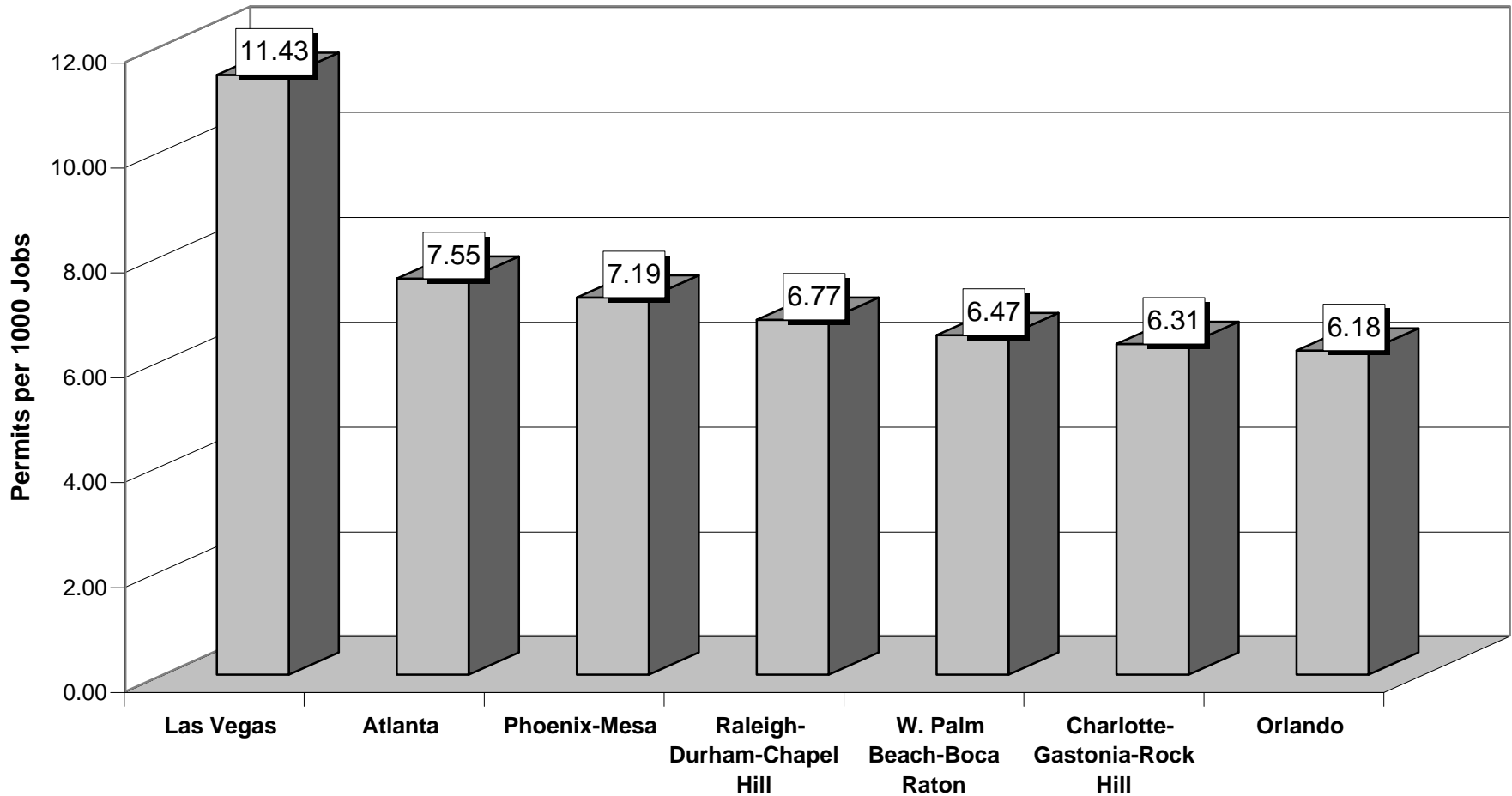
| | <u>Metro Area</u> | <u>Permits per 1,000 Nonag. Jobs</u> |
|-----------|-------------------------------------|--|
| 1 | Las Vegas | 11.43 |
| 2 | Atlanta | 7.55 |
| 3 | Phoenix-Mesa | 7.19 |
| 4 | Raleigh-Durham-Chapel Hill | 6.77 |
| 5 | W. Palm Beach-Boca Raton | 6.47 |
| 6 | Charlotte-Gastonia-Rock Hill | 6.31 |
| 7 | Orlando | 6.18 |
| 8 | Jacksonville | 6.10 |
| 9 | Sacramento | 5.50 |
| 10 | Riverside-San Bernardino | 5.43 |
| 11 | Ft Worth-Arlington | 5.27 |
| 12 | Austin-San Marcos | 4.72 |
| 13 | Kansas City | 4.50 |
| 14 | San Antonio | 4.44 |
| 15 | Tampa-St. Petersburg | 4.29 |
| 16 | Nashville | 4.28 |
| 17 | Denver | 4.21 |
| 18 | Ft Lauderdale-Hollywood | 4.16 |
| 19 | Indianapolis | 3.97 |
| 20 | Richmond-Petersburg | 3.82 |

MSAs with at Least 500,000 Employees - March 2001

Source: Raw data from the U.S. Dept. of Labor and the U.S. Bureau of the Census. Analysis and presentation by the Dr. Phillips Institute for the Study of American Business Activity, College of Business Admin., University of Central Florida, (6/26/2001).

PRIVATE CONSTRUCTION INTENSITY INDEX

Three Months thru March 2001
PERMITS PER 1,000 NONAGRICULTURAL JOBS



Source: Raw data from the U.S. Department of Labor and the U.S. Bureau of the Census. Anaysis and presentation by the Dr. Phillips Institute for the Study of American Business Activity, University of Central Florida, Orlando, (8/17/2001).