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NEWS NEWS NEWS NEWS NEWS

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Subject: Phillips Institute Index of Private Construction Intensity--Largest U.S. Metro Areas

THE TOP 20--2003 First Three Months

Phillips Institute Index of Private Construction Intensity Metro Orlando Remains in 5th Place

Metro Orlando's *index of private construction intensity* kept it in **5th** place in the nation based on performance covering the first three months of 2003. This is exactly where Orlando stood across all of 2002. The comparable performance for the 2002 initial quarter put Orlando in **4th** place, but for the two years prior to that, 2001 and 2000, Orlando placed **7th**. 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 2003, metro Orlando generated 6.56 authorized building permits for single and multifamily dwellings when scaled per 1000 nonfarm jobs within the local metro area. This outcome for Orlando represents no gain in the strength of the *index* from the 2002 initial quarter. By comparison, measured against the 2002 first quarter, the **TOP 20** as a group posted an average (unweighted) gain of 4.50 percent.

Still, a **5th** place ranking for Orlando reflects excellent performance among the set of 61 MSAs. In the 2001 first quarter, which is when the last official recession actually began, the **TOP 20** as a group posted an average decline in the *intensity index* of 1.49 percent. Thus, the *index* is picking up the aggregate recovery that has been on a mild upswing since November 2001. For all of 2002, metro Orlando's *index* expanded by a healthy 15.71 percent compared to 2001.

Las Vegas continued to display remarkable strength in its *index* ranking. With 11.97 permits per 1000 nonfarm jobs, Las Vegas maintained its long-term, familiar **1st** place ranking among the **TOP 20**. Riverside-San Bernardino (California) and Atlanta placed **2nd** and **3rd** as ranked by the *index*.

Florida placed four metro areas among the **TOP 20**. In addition to Orlando's **5th** place finish, Tampa-St. Petersburg occupied the **7th** slot, followed by West Palm Beach-Boca Raton in **8th**, and Jacksonville in **12th**. California and Texas were the only other states that had as many as three metro areas ranked in the **TOP 20**.

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
 March 2003

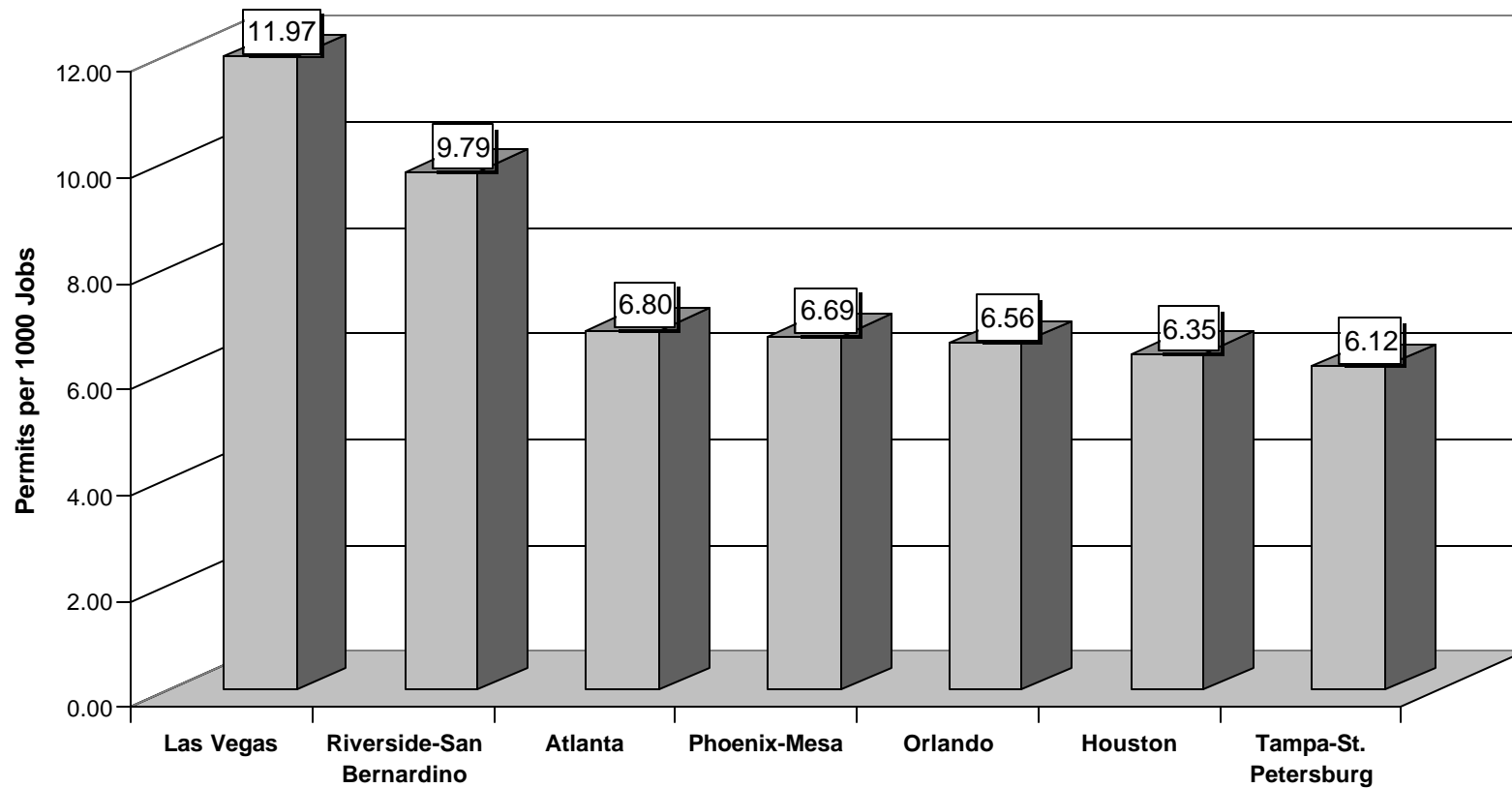
	<u>Metro Area</u>	<u>Permits per 1,000 Nonag.</u>
		<u>Jobs</u>
1	Las Vegas	11.97
2	Riverside-San Bernardino	9.79
3	Atlanta	6.80
4	Phoenix-Mesa	6.69
5	Orlando	6.56
6	Houston	6.35
7	Tampa-St. Petersburg	6.12
8	West Palm Beach-Boca Raton	6.10
9	Sacramento	5.93
10	Charlotte-Gastonia-Rock Hill	5.83
11	Raleigh-Durham-Chapel Hill	5.82
12	Jacksonville	5.40
13	Ft. Worth-Arlington	4.90
14	San Diego	4.26
15	Portland-Vancouver	4.15
16	Nashville	4.09
17	Dallas	4.02
18	Oklahoma City	3.78
19	Indianapolis	3.68
20	Salt Lake City-Ogden	3.66

MSAs with at Least 500,000 Employees - March 2003

PRIVATE CONSTRUCTION INTENSITY INDEX

March 2003

PERMITS PER 1,000 NONAGRICULTURAL JOBS



Source: Raw data from the U.S. Department 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, University of Central Florida, Orlando, (8/8/2003).