



South Carolina

Construction
Trends

24YE

Key Takeaways

- In 2024, the manufacturing sector dominated construction starts in three of the four major South Carolina markets and is anticipated to see continued growth in 2025.
- The state's construction workforce is not keeping up with demand generated by rapid statewide growth, creating challenges in manpower availability, which impacts project scheduling.
- **Tip:** Monitoring changes in global political climates and understanding impacts from market dependences may prove valuable in project planning throughout 2025.

Overview

Construction Starts

Total construction starts across South Carolina rebounded from a 2023 slowdown, growing 28% in 2024 behind a booming manufacturing sector. Manufacturing starts rose across the state, nearly tripling in total value to \$3.8B in 2024 from \$1.3B in 2023 and just \$249M in 2022. The education sector also saw substantial growth of 88% over relatively consistent low levels the prior three years. Healthcare and multi-family starts decreased slightly compared to previous years' growth as the state's COVID-era migration boom began to moderate.

South Carolina Key Construction Starts	2024 YE (\$M)	2024YE vs. 2023 YE Change (\$M)
Commercial	2,477.10	382.1
Multifamily	1,455.70	-49.2
Manufacturing	3,813.80	2,515.4
Education	1,580.80	739.5
Healthcare	452.80	-37.1
Government Buildings	269.40	3.0

Source: U.S. Bureau of Labor Statistics, Dodge Data and Analytics
MY - Mid-Year (January through June) | YE - Year- End (July through December)

Construction Workforce

South Carolina's construction workforce mirrored the spike in construction starts, experiencing its largest annualized growth rate since 2019 at 6%. The state's unemployment rate rose to 3.85% from 3% in 2023, although it remains lower than the national average of 4.125%. Nationally, the Employment Cost Index for wages and salaries remained relatively flat as wages stabilized on higher unemployment, varying less than one index point as opposed to 2023's four point increase.

U.S. Material Pricing

Material pricing remained stable throughout 2024, changing 0.29% on average across the top 15 materials, further slowing to under 0.17% in the second half of 2024. Diesel fuel cost fluctuations flattened to an average of 3.8% throughout 2024

relative to the extreme month-to-month volatility of the last five years, resulting in stability in freight and trucking costs. Greater overall cost volatility is anticipated throughout 2025 due to global material dependency and rapidly changing political climates.

U.S. Construction and Development Lending

According to FDIC, nationwide construction and development loan volume growth rates decreased quarter-over-quarter throughout 2024, from 0.62% at the end of 2022 to -1.03% in the third quarter of 2024, despite declining interest rates and softening inflation. The non-current rate (loans significantly past due or in default) ticked upward to 0.72%, an increase of 0.22% over 2023 and nearly double the 7-year low of 0.38% to close 2022, indicating initial signs of distress as some regions experience office delinquencies and oversupply conditions in the industrial and multifamily sectors.

U.S. Architectural Billings

The national AIA Architectural Billings Index (ABI) largely declined throughout the year, with a brief spike to 50.3 during October, the only month in 2024 to exceed the baseline value of 50. Activity varied greatly regionally as the West region experienced increased billings in November and December, peaking at 54 after a relatively flat first three quarters of 2024. The Northeast averaged an ABI of 46.5 throughout 2024, and the Midwest remained similarly slow at an average of 46.1. The South region performed similarly to the West, rising above 50 in the third quarter.

Market Synopsis	Current 2024 YE	Projected 2025 MY
Construction Starts	↑	↑
Construction Workforce	↑	↑
Material Pricing	↔	↑
Construction & Development Lending	↓	↓
Architectural Billing	↓	↔

Sources: U.S. Bureau of Labor Statistics, Dodge Data and Analytics, U.S. Federal Reserve, Federal Deposit Insurance Corporation, American Institute of Architects

Key Market Summary

Charleston Metropolitan Area Construction Starts	24 YE (\$M)	24 YE vs. 23 YE Change (\$M)
Commercial	1,396.20	778.40
Multifamily	463.70	(170.70)
Manufacturing	1,967.10	1,938.50
Education	446.20	322.80
Healthcare	98.00	(151.10)
Government Buildings	25.80	(75.10)

Charleston's market performance accounted for 44% of statewide construction starts across the six key sectors in 2024. The manufacturing sector grew exponentially in 2024 to \$1.9B, over \$28.6M in 2023, primarily due to Redwood Materials' battery recycling facility breaking ground in the first quarter. The commercial sector also saw a boom in late 2024, with large scale project announcements including MUSC's Clements Ferry Pavilion. Healthcare, government buildings, and multi-family starts decreased drastically in 2024 after strong, stable performance in recent years.

The Charleston-North Charleston construction workforce increased by 10% to 24,700 from January to December 2024, struggling to keep pace with 150% growth across the six major sectors.

Greenville-Anderson-Mauldin Metropolitan Area Construction Starts	24 YE (\$M)	24 YE vs. 23 YE Change (\$M)
Commercial	221.00	52.60
Multifamily	252.90	147.20
Manufacturing	454.90	452.50
Education	152.90	(79.30)
Healthcare	18.00	(19.70)
Government Buildings	9.50	(49.40)

The Greenville market observed over \$1.1B in construction starts across selected sectors during 2024, an 83% and \$504M increase compared to 2023. Eclipsed by \$452M in manufacturing starts, the multi-family sector grew 139% to \$253M starts in 2024, followed by modest growth of 39% in the commercial sector. Education, healthcare, and government buildings all experienced decreases ranging from 34-83%.

The Greenville-Anderson-Mauldin construction workforce averaged 23,200 workers during 2024, increasing by roughly 900 over 2023.

Columbia Metropolitan Area Construction Starts	24 YE (\$M)	24 YE vs. 23 YE Change (\$M)
Commercial	255.40	(31.60)
Multifamily	328.30	61.40
Manufacturing	1,296.80	1,296.50
Education	332.40	144.70
Healthcare	194.10	143.80
Government Buildings	49.30	28.00

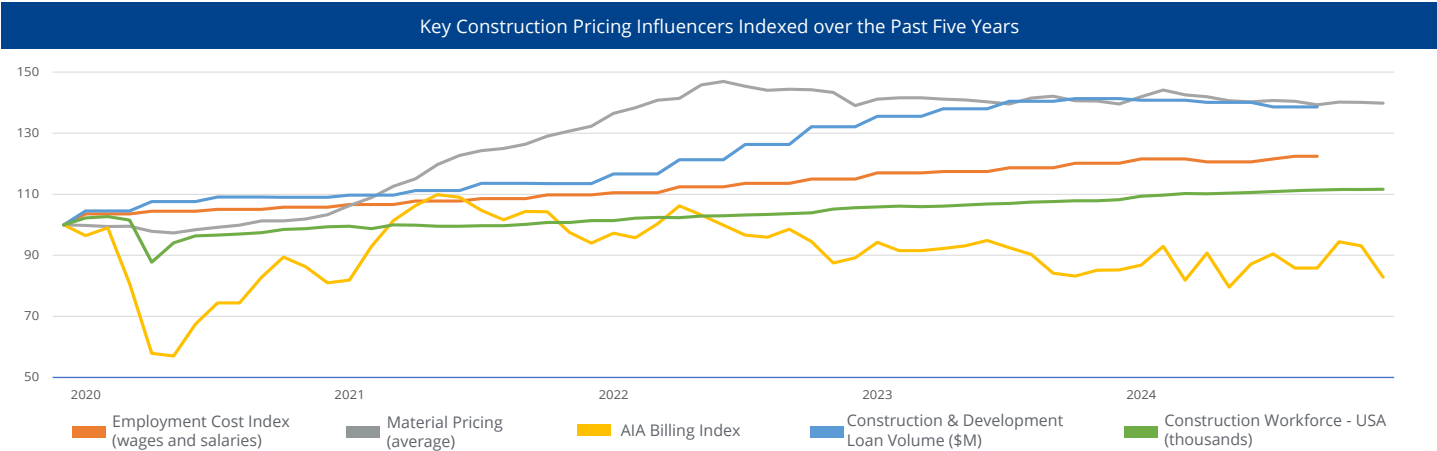
Starts in the Columbia market grew over 200% from \$813.5M in 2023 to \$2.46B in 2024, including groundbreaking on the \$1B first phase of Scout Motors' manufacturing facility in Blythewood. Further manufacturing activity is expected in 2025, including Cardiff Products' announced \$99.6M facility and pending expansions at FN America and Michelin. The healthcare sector saw \$144M in growth during 2024, a trajectory expected to slow in 2025.

The Columbia construction workforce remained relatively flat throughout 2024, despite the area's significant growth and major announcements. Columbia's unemployment rate increased substantially in the second half of 2024, peaking at 5.2% in August and remaining above 4.5% through December.

Spartanburg Metropolitan Area Construction Starts	24 YE (\$M)	24 YE vs. 23 YE Change (\$M)
Commercial	72.10	(134.40)
Multifamily	74.60	47.20
Manufacturing	1.00	(768.80)
Education	38.40	(115.80)
Healthcare	1.20	(53.80)
Government Buildings	4.80	3.10

Selected Spartanburg market sectors experienced significant declines throughout 2024, with an overall decrease of \$1B compared to 2023 growth. The multi-family sector represented the only growth in 2024, finishing 172% higher than 2023.

Spartanburg construction workforce data was not available.



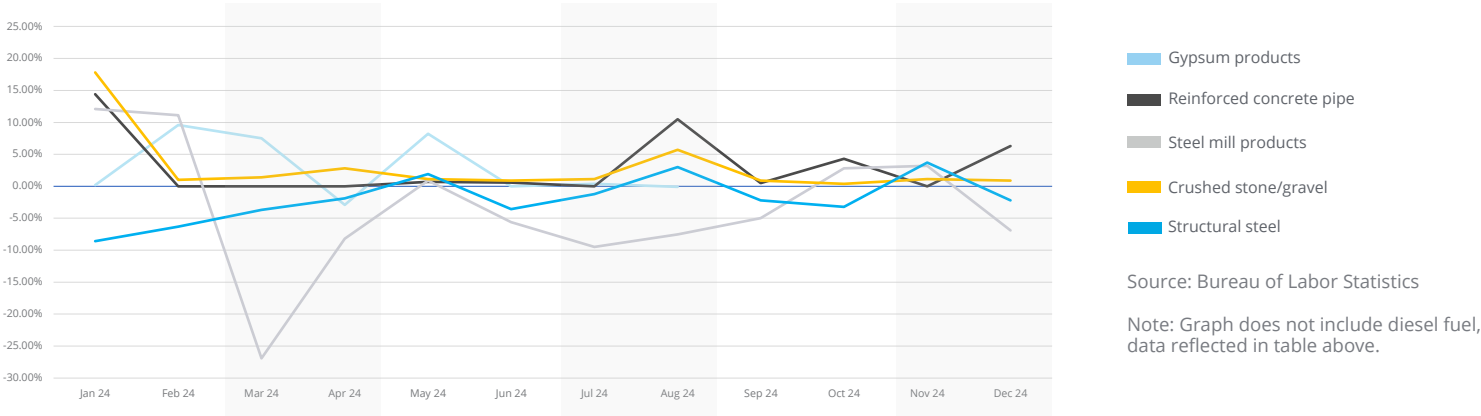
Sources: Bureau of Labor Statistics, Federal Reserve Economic Data, FDIC, AIA

12 Month Producer Price Index Percentage Change (month over month)

Key Construction Materials	01/24	02/24	03/24	04/24	05/24	06/24	07/24	08/24	09/24	10/24	11/24	12/24	Avg. Last Six Months
Diesel Fuel	-13.80%	56.60%	0.70%	12.30%	-77.20%	-11.60%	36.50%	-8.80%	-46.10%	29.70%	-5.90%	-17.90%	-2.1%
Asphalt Paving	1.10%	32.20%	-1.00%	-20.80%	-4.80%	2.70%	3.10%	-0.40%	-2.40%	-0.40%	-1.60%	1.40%	-0.1%
Asphalt Roofing Material	-2.10%	3.90%	0.40%	-7.50%	9.50%	-2.40%	1.40%	-4.60%	3.30%	9.50%	-5.60%	-0.80%	0.5%
Cement	13.20%	0.30%	2.60%	1.20%	1.30%	-0.70%	1.90%	-1.40%	-0.70%	-0.50%	0.00%	-0.40%	-0.2%
Concrete Block	4.80%	3.00%	1.90%	1.00%	0.10%	3.10%	0.10%	-2.00%	-0.10%	0.60%	0.00%	0.10%	-0.2%
Reinforced Concrete Pipe	14.40%	0.00%	0.00%	0.00%	0.70%	0.60%	0.00%	10.50%	0.50%	4.30%	0.00%	6.30%	3.6%
Precast Concrete	4.80%	2.10%	-0.10%	0.00%	-1.00%	0.70%	-0.20%	0.80%	1.20%	-0.20%	1.80%	0.10%	0.6%
Brick	2.00%	6.00%	0.80%	1.10%	0.80%	0.80%	0.10%	0.10%	0.00%	0.00%	0.00%	0.00%	0.0%
Glass	0.00%	0.20%	-0.20%	0.00%	0.50%	-0.90%	0.70%	0.30%	0.30%	0.30%	-5.90%	6.00%	0.3%
Plastic Construction Products	0.80%	-0.90%	0.00%	2.10%	-1.10%	-0.60%	0.30%	0.10%	-0.70%	-1.90%	-0.30%	-0.40%	-0.5%
Gypsum Products	0.20%	9.60%	7.50%	-2.90%	8.20%	0.00%	0.40%	-0.10%	0.70%	-0.60%	2.50%	-0.50%	0.4%
Insulation Materials	6.00%	5.00%	0.70%	-0.10%	1.60%	4.40%	0.20%	0.30%	1.80%	0.30%	-0.70%	0.70%	0.4%
Lumber & Plywood	5.70%	0.90%	2.50%	3.80%	-4.80%	-1.10%	-2.50%	1.80%	3.60%	1.70%	4.00%	1.60%	1.7%
Steel Mill Products	12.10%	11.10%	-26.90%	-8.20%	0.90%	-5.60%	-9.50%	-7.50%	-5.00%	2.80%	3.20%	-6.90%	-3.8%
Crushed Stone/Gravel	17.80%	1.00%	1.40%	2.80%	1.10%	0.90%	1.10%	5.70%	0.90%	0.40%	1.10%	0.90%	1.7%
Steel Pipe & Tube	15.30%	4.80%	-10.30%	-8.70%	-0.20%	-6.70%	-0.40%	-5.10%	-4.80%	1.40%	-0.10%	-3.20%	-2.0%
Sheet Metal	-0.30%	2.30%	1.80%	-0.10%	0.50%	0.20%	-0.70%	-1.00%	-0.60%	-0.80%	-0.90%	-1.60%	-0.9%
Structural Steel	-8.60%	-6.30%	-3.70%	-1.90%	1.90%	-3.60%	-1.20%	3.00%	-2.20%	-3.20%	3.70%	-2.20%	-0.3%
Prefabricated Metal Buildings	6.30%	1.00%	3.40%	1.10%	-1.80%	0.70%	-6.40%	-8.90%	-2.30%	0.90%	1.10%	1.70%	-2.3%

Top 5 Material Price Variations Over the Last 12 Months

Source: Bureau of Labor and Statistics, LCK



LCK is the project management partner of Colliers International of South Carolina. This document/email has been prepared by LCK and Colliers for advertising and general information only. LCK and Colliers make no guarantees, representations or warranties of any kind, expressed or implied, regarding the information including, but not limited to, warranties of content, accuracy and reliability. Any interested party should undertake their own inquiries as to the accuracy of the information. LCK and Colliers exclude unequivocally all inferred or implied terms, conditions and warranties arising out of this document and exclude all liability for loss and damages arising from them. This publication is the copyrighted property of LCK, Colliers and/or its licensor(s). © 2025 All rights reserved. This communication is not intended to cause or induce breach of an existing listing agreement. LCK, LLC and Colliers International South Carolina Inc.

Construction Forecast

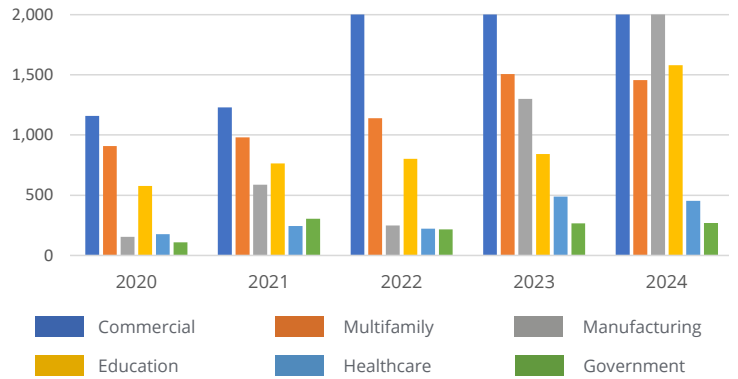
Manufacturing is poised to remain the leading driver of construction starts throughout 2025, countering the usual fluctuations of development across sectors and markets throughout South Carolina. A flurry of announced expansions and new construction is slated for the coming year in the Charleston, Columbia, Greenville and Spartanburg markets.

This continued growth in the manufacturing sector, coupled with requisite expansion of supporting sectors including residential, commercial, healthcare, infrastructure, and education, may challenge the state and region to provide expanded workforces and material resources to meet the needs of the construction and manufacturing sectors.

Compounding these growth-driven obstacles, rising uncertainty from the rapidly changing worldwide political climate and economic markets could trickle down to create local challenges with pricing and availability of many widely used construction materials.

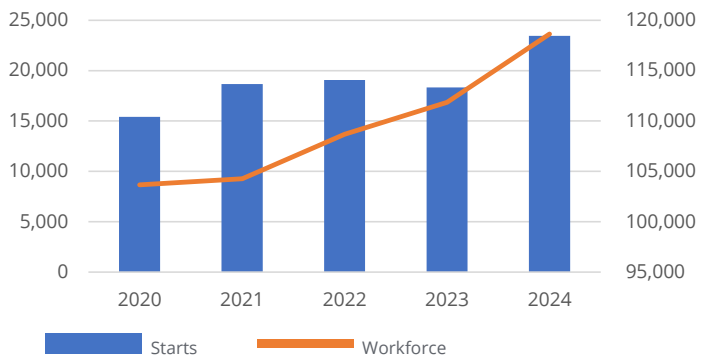
In the near term, staying abreast of local, regional, and national trends, along with leveraging relationships with key partners within the construction industry, will be critical to anticipate challenges, establish appropriate contingencies, and maintain critical paths for successful projects.

S.C. Construction Starts by Sector (Millions)



Source: Dodge Data & Analytics

S.C. Construction Starts & Workforce



Source: Dodge Data & Analytics



LCK

Who we are and what we do

LCK offers project management solutions that enable our clients to maximize the value of their development or renovation projects while remaining on schedule and within budget.

LCK's core service is project management as an owner's representative for construction projects. Whether a renovation or greenfield assignment, we bring the expertise needed to migrate a project from conception, through design and construction, to ribbon cutting. Since 1994, we have played a key role in developing first-class facilities for national corporations as well as non-profits, municipalities, school districts, religious organizations and real estate investors.

We offer an integrated approach to project management, coordinating among our subject matter experts whose combined efforts maximize the results and value of every project. We call this the LCK Advantage.

Our Advantage

- Leadership by a certified Project Management Professional (PMP®) guarantees services delivery in accordance with internationally recognized standards
- Experience totaling hundreds of industrial, retail, office, education, municipal/government, healthcare, churches/religion, non-profit and special use projects
- Systematic project management processes
- Reliable cost and schedule control
- Results-oriented risk management and contract administration
- Degreed design and construction professionals with a unique, comprehensive real estate perspective including facilities operations
- A flexible team fully capable of adapting its services to a variety of client cultures
- Unlimited South Carolina general contractor's license and construction management license

5

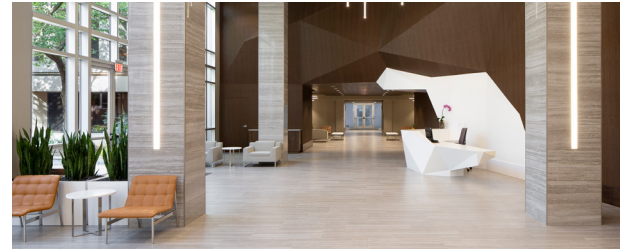
Locations in
South Carolina
and North Carolina

30+

Years of
experience

\$1B+

Total value of
construction projects
in progress



Our Services

- Project Management
- Feasibility Analysis
- Property Assessments
- Consulting Services
- Preconstruction Services
- Cost Management
- Inspection Services

Office Locations

- Charleston, SC
- Columbia, SC
- Greenville, SC
- Spartanburg, SC
- Charlotte, NC

Contact us



Mickey Layden, PMP, CPM
CEO
+1 803 401 4259
mlayden@lckcs.com



Dale Stigamier, CCIM
President
+1 803 401 4317
dstigamier@lckcs.com