

# Rio West Quarterly

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## Rio West Celebrates a Company Milestone

Back in August Rio West celebrated a milestone in its company history. Founded in 1994 Rio West has been in business serving the Southern Arizona market for 20 years. Having endured many market cycles influenced by various conditions; September 11<sup>th</sup>, Gulf War, Collapse of the residential market and the recession, we feel completely

fortunate and blessed to be celebrating our anniversary. With that we would like to thank all of our customers, Rio West staff, subcontractors, architects and engineers that have been an integral part of our success. We look forward to our next milestone here at Rio West.

## US Construction Unemployment Rate Continues to Fall

Construction's jobless rate continues to improve, dropping to 7% in September, its lowest level in more than six years, as the industry added 16,000 jobs in the month, the Bureau of Labor Statistics has reported. September's 7% rate was the lowest since November 2007, when it stood at 6.2%.

Nearly all construction sectors added jobs in September, led by specialty trade contractors, which picked up 8,800, buildings construction gained 6,200, and heavy-civil engineering construction added only 500 positions and the nonresidential building segment's total jobs were flat compared with August's level.

The BLS unemployment rates are not adjusted for

seasonal differences. Construction is highly seasonal, with the volume of work strongest in warm-weather months and weaker in the winter.

Anirban Basu, Associated Builders and Contractors chief economist, said the September numbers confirm that "nonresidential construction's expansion continues to be a moderate one." Basu said, "Most people will cheer the unemployment rate decline for good reason." But he added that "lower unemployment could make it more difficult for employers to secure skilled labor and could lead to an increase in interest rates next year." Sean McGarvey, president of North America's Building Trades Unions, welcomed the decrease in the unemployment rate.

McGarvey added, "The September jobs report is, indeed, good news. But it must be mitigated by the fact that other significant economic data indicate that the U.S. economy remains mired in a lukewarm and drawn-out economic recovery."



## Industry Executives Surveyed Anticipate Growth through 2016

*“This quarter, 58% say the current market is growing”*

The construction industry is now in a period of steady growth. While many firms are disappointed the recovery was not faster, most believe the current growth rate will continue at least through the beginning of 2016. But with the growth on the top line, many firms worry about the bottom line.

The ENR Construction Industry Confidence Index (CICI) survey for the third quarter shows that, of the 357 executives of large construction and design firms responding to the survey, the vast majority believe the market is stable or growing. The CICI index inched up another point, to

a record 77 on a scale of 100, in the third-quarter survey, an indicator of a growth market.

The CICI measures executive sentiment about the current market and reflects the respondents' views on where it will be in the next three to six months and over a 12- to 18-month period. The index is based on responses to surveys sent out to more than 6,000 U.S. firms on ENR's lists of leading contractors, subcontractors and design firms. The latest results are based on a survey conducted from Sept. 4-22.

While survey respondents

generally believe the overall market will continue to pick up steam over the next 18 months, many believe the market will begin to level off in three years. This quarter, 58% say the current market is growing. When asked their opinion on what the market will look like in three years' time, only 45% of the execs polled thought the market would still be growing.

## Roof Coatings; Preventative Maintenance Critical to the Long Term Performance.

**“Experience the power of integrity”.**

A well selected, properly applied roof coating can provide many years of added roof life. These coatings can make existing roofs last much longer, postponing the investment of time and money to tear off and replace them. Joe Mellott, Director of Business Development with Garland Industries, describes coatings as a tool to extend the life of a roof. The Garland Company, a leading manufacturer of high performance roof and

building envelop solutions.

White or light colored roof coatings can offer additional benefits. By lowering the temperature of the roof surface, they can reduce the energy consumed by the building. In fact, the white or light colored roof coatings can bring the temperature of the roof to within six degrees of the ambient temperature, according to Scott Gayle, National Sales Manager with American WeatherStar. American WeatherStar

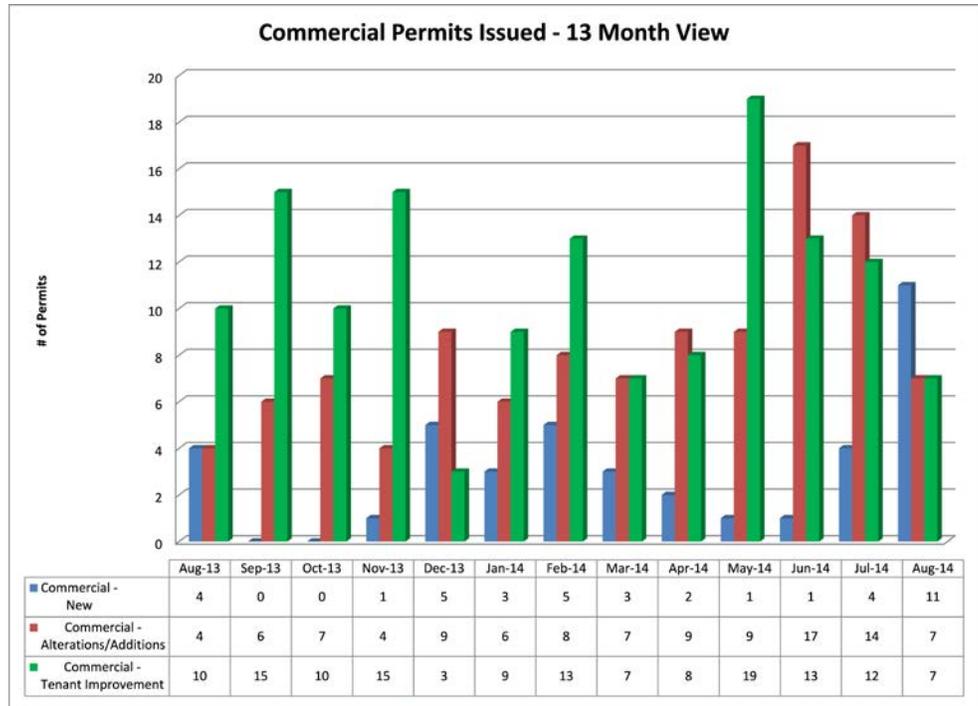
is a national supplier of roof coatings. The temperature drop can also extend the life of the roof itself. Many materials age in direct relation to how hot they get, says Steve Heinje, Technical Service Manager with Quest Construction Products. Quest is the nation's largest manufacturer of acrylic roof coatings. The drop in temperature also reduces the load on the mechanical systems, extending their lives as well.



## Just the Facts!

This chart reflects the commercial building permit activity within Pima County over the last 13 months ending August 30, 2014. During this period 40 new commercial building permits were issued. By comparison

the 13 months ending August 30, 2013, 77 commercial permits were issued. The balance of the chart reflects additions & tenant improvement activity.



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We're on the Web!  
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Founded in August 1994 by brothers Brad & Walter Hoge, Rio West will be celebrating its 20 year anniversary this year. Over the course of the last 20 years we have constructed or developed projects in all jurisdictions in Pima County that include; medical buildings, office buildings, retail centers, industrial buildings, schools, assisted living facilities and other specialty type buildings. Our work experience includes:

- Pre-Construction Services
- Design Build
- CM@ Risk
- Building Inspection Services
- Development
- Solar Installations

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