

# Construction Slowdown Pressures Profit Margins

The lagging residential sector dragged construction spending down 0.9% in May, to its lowest rate in over five years. The housing slump is squeezing profit margins of land subdividers, homebuilders and real estate agencies, an analysis of private firms' data shows. Nonresidential builders fare better.

Sources: Census Bureau ([www.census.gov](http://www.census.gov)), Sageworks ([sageworksinc.com](http://sageworksinc.com))

