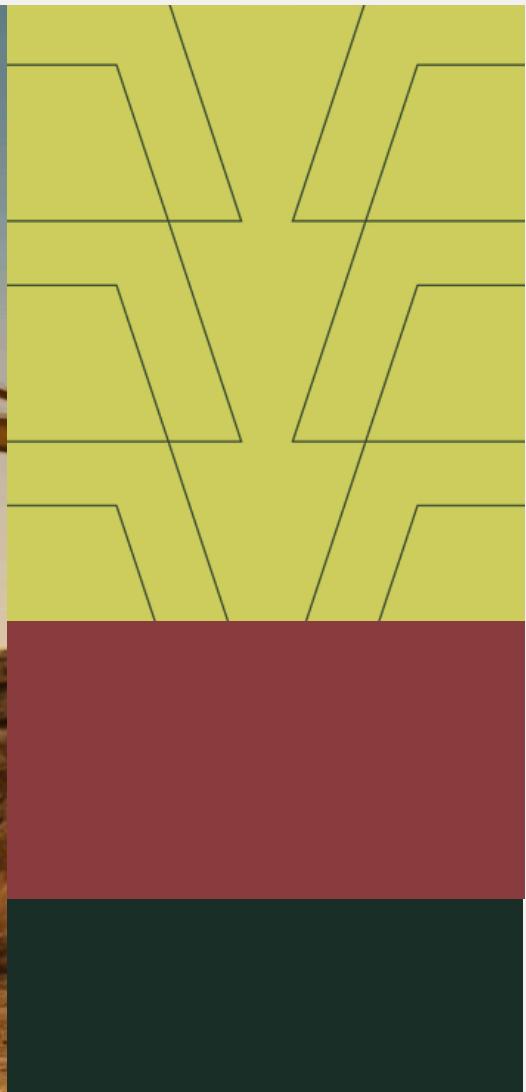


State of the Construction Equipment Economy

Every year, Fusable asks contractors to share what's really happening in the field—not the polished version, but the day-to-day realities of running equipment in a market that never sits still. And every year, we listen.



About this report

The 2025 State of the Construction Equipment Economy reflects the grounded experience of construction professionals nationwide: what they're renting, what they're buying, what they're holding off on, and how they're adapting in real time. This isn't theory. It's a snapshot of decisions being made on job sites, in equipment yards, and around procurement tables today.

For more than 60 years, EquipmentWatch—part of the Fusable family—has helped the industry answer one core question: Is this a good decision? Whether it's evaluating the cost of owning versus renting, assessing the value of a trade-in, or finding ways to stretch a fleet without sacrificing productivity, we believe good data drives better outcomes.

Bottom line: This report is built on that belief. It's designed to give contractors and industry leaders sharper tools, deeper insights, and more connected systems to navigate uncertainty with confidence. If it helps you make the next decision smarter—or ask the next question better—then it has served its purpose.



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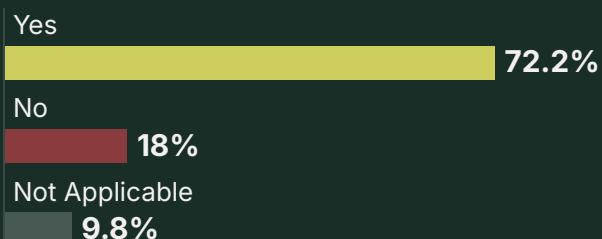
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Buying and Selling Equipment

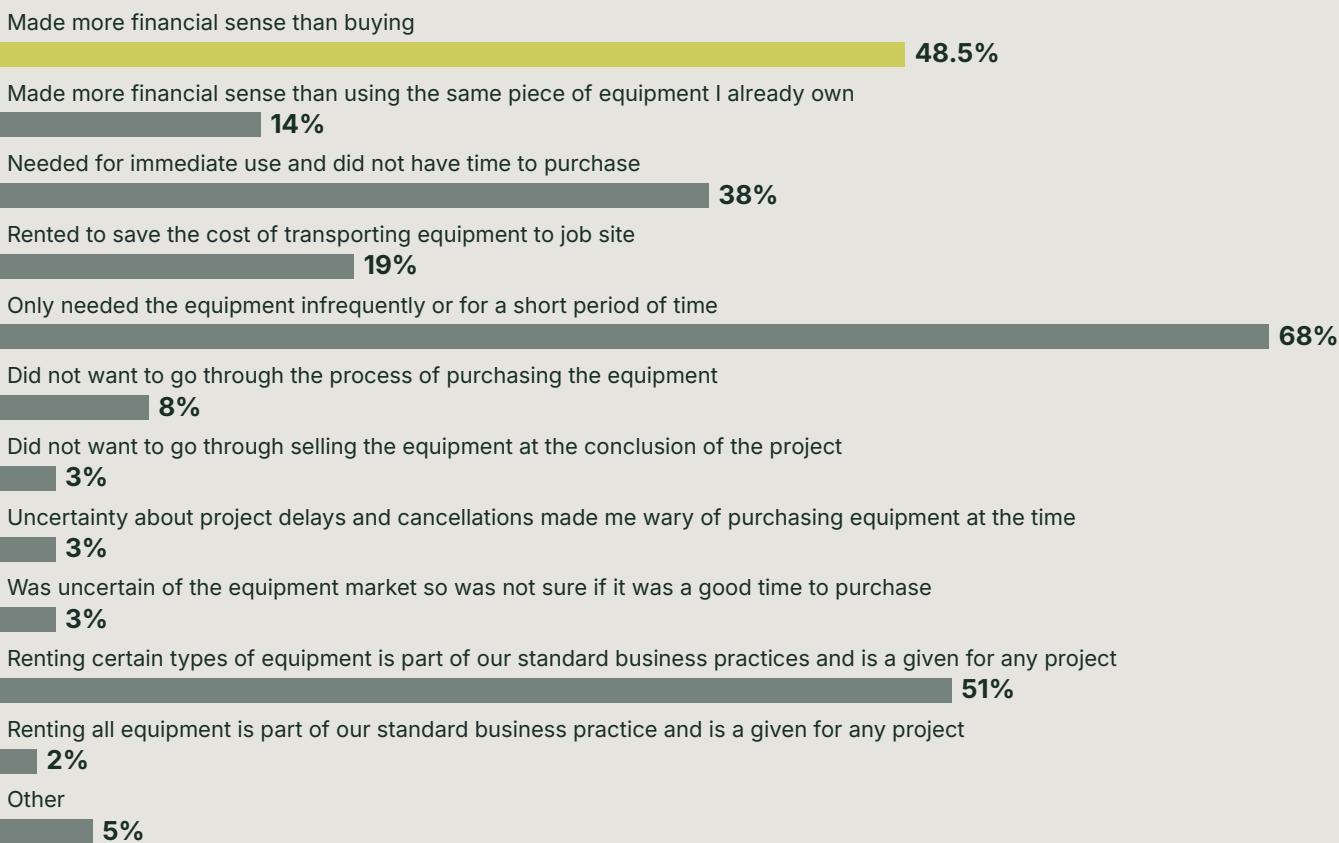
Looking Back

72% of survey respondents reported renting equipment in the past 12 months—a slight uptick from last year's 69%, suggesting a continued reliance on short-term access strategies. This year's top reasons reflect practical decision-making under economic pressure: financial sense and infrequent need remain the primary drivers, while immediate project demands and market uncertainty also stand out. Compared to 2024, more respondents noted uncertainty about delays and resale hassles as reasons to rent. This shift suggests that while rental remains a tactical move for many, renting is increasingly a hedge against both budget constraints and operational unpredictability.

Have you rented equipment during the past 12 months?



Why did you rent the equipment?



Rental Routines Hold Steady, but Flexibility Grows in 2025

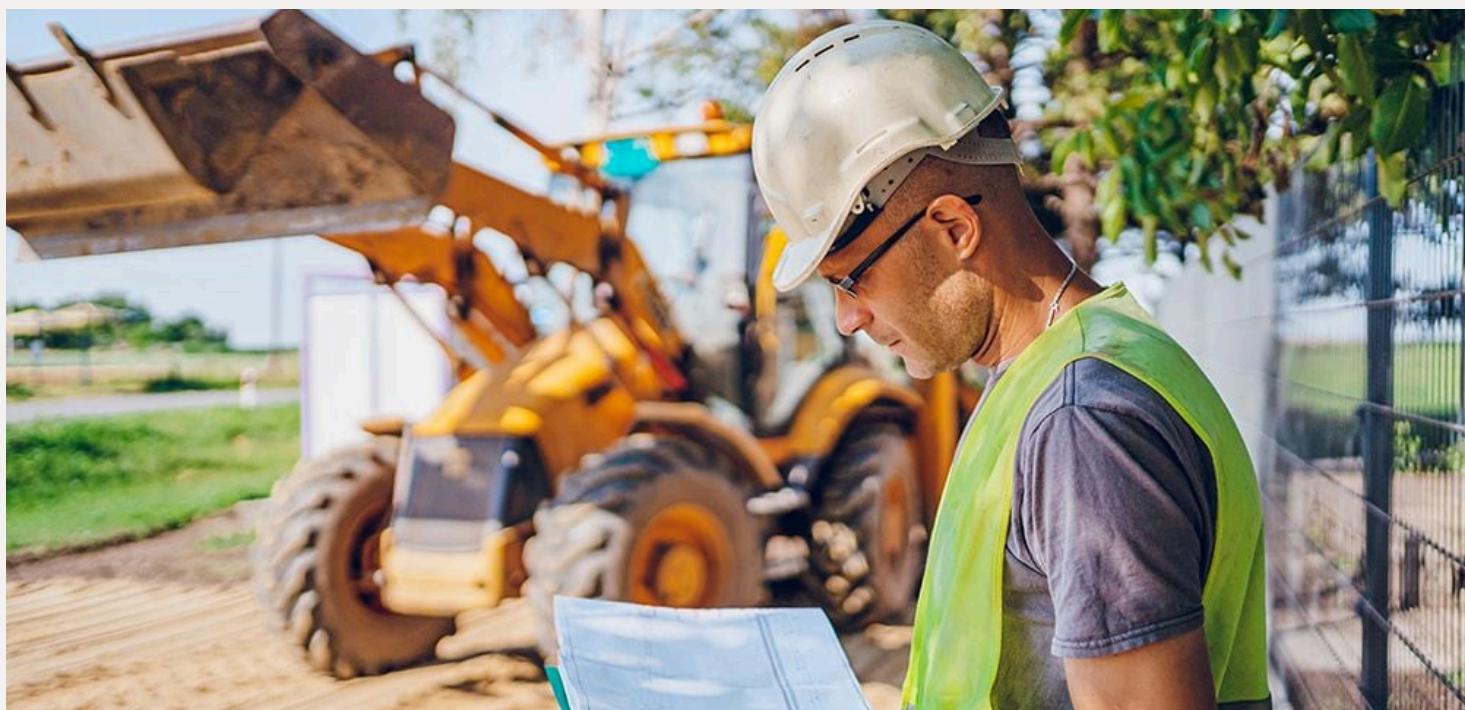
Looking ahead, most respondents indicated rental activity will remain steady, with 69% planning to rent about the same amount of equipment over the next 12 months—on par with last year's 56%. However, there's a noticeable shift in plans for the year ahead: 14% say they plan to rent more frequently, a decrease from 24% last year. Fewer respondents (15%) expect to rent less, down from 19% in 2024. These subtle changes suggest a continued interest in rentals as a flexible solution amid ongoing economic unpredictability, with more contractors viewing it not just as a fallback, but as a core part of their equipment strategy.

Over the next 12 months do you plan to rent equipment more or less frequently than you have over the past 12 months?

Same frequency **69.4%**

Less frequently **15.7%**

More frequently **14.9%**



Buying Intentions: A Tapering Appetite for Ownership Persists in 2025

Contractors continue to tread cautiously with capital investments, and this year's data confirms current trends. In 2025, 38% of respondents say they plan to purchase new equipment in the coming year—virtually unchanged from last year's 39%, signaling stability but no surge in appetite. Meanwhile, used equipment buying plans saw a notable uptick: 32% now plan to purchase used machines, up from 27% in 2024. This suggests an ongoing shift toward affordability and availability, especially amid fluctuating project pipelines and rising costs.

Notably, the preference for flexibility continues to rise. This year, 36% of respondents say they plan to "flex between renting and buying" depending on project demands—a sharp increase from 23% last year. This adaptability reflects a broader sentiment: in today's uncertain economic landscape, contractors are prioritizing responsiveness over ownership.

Stable New Equipment Demand: 38% of contractors say they plan to buy new equipment in the coming year—essentially flat from 2024, signaling consistent but conservative investment behavior.

Used Equipment Edges Up: The percentage of respondents planning to purchase used equipment rose to 32%, up 5 points from last year. Lower upfront costs and greater availability continue to drive this choice.

Flexible First: Flexibility is on the rise. More than 1 in 3 contractors say they'll decide between renting and buying based on project-specific needs—up from 1 in 4 in 2024.



Why do you plan to rent equipment **more frequently**?

Plan to have more projects and will need more equipment overall

66.7%

Plan to take on more quick-turnaround projects so will need the equipment on short notice

33.3%

Do not want to commit funding to equipment purchases

22.2%

Plan to start renting equipment types I don't currently use

11.1%

The financials seem to be in favor of renting more and more

11.1%

Other

5.6%

Why do you plan to rent equipment **less frequently**?

Plan to invest in owning equipment instead of renting

57.1%

The financials seem to be in favor of owning instead of renting more

33.3%

Will likely have fewer projects overall

23.8%

Plan to rent fewer of the same types of equipment I currently rent

9.5%

Plan to stop renting equipment completely

9.5%

The equipment I need seems to always be out of stock

4.8%

Plan to take on fewer quick-turnaround projects so will need less equipment

0.0%

Do not feel comfortable with the process of renting equipment

0.0%

Owning Doesn't Mean Excluding Rentals

Once again, the 2025 data confirms what last year only hinted at: ownership and rental now go hand in hand. A full 74% of respondents who own equipment reported renting in the past 12 months—a 3-point increase over 2024. This growing overlap underscores a strategic shift in fleet management, where even well-equipped contractors turn to rental to bridge gaps, scale quickly, or tackle specialized projects without the long-term commitment of ownership.

Rentals remain a vital tool for adapting to fluctuating project demands, labor shortages, and supply chain unpredictability. For most contractors, the decision isn't to rent or own—it's both, depending on what the job requires and when. Flexibility is the new baseline.

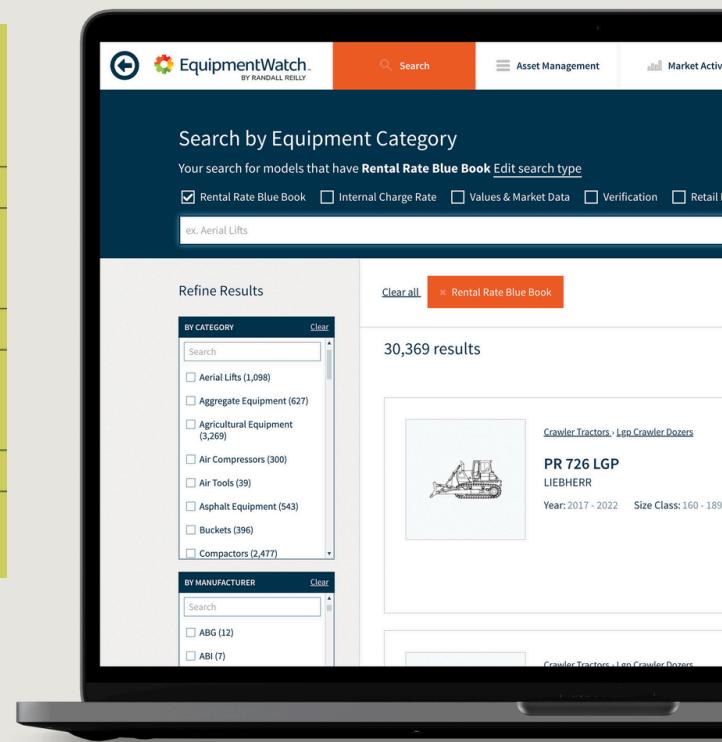
Turning Rentals into a Competitive Edge

In 2025, 66% of contractors rented equipment, and more than half say they'll rent as much or more over the next year. Rental is no longer a stopgap—it's a strategy for growth.

Strategic rental allows firms to take on specialized work without long-term commitments. It reduces capital risk, accelerates project starts, and gives contractors the agility to pivot when timelines shift.

How EquipmentWatch helps you maximize rental value:

- Rental Rate Blue Book: Benchmark costs and negotiate smarter agreements.
- Ownership & operating cost data: Compare the true cost of renting vs. buying.
- Usage insights: Understand which machines are most often rented, and why.



EquipmentWatch
BY RANDALL REILLY

Search by Equipment Category

Your search for models that have **Rental Rate Blue Book** [Edit search type](#)

Rental Rate Blue Book Internal Charge Rate Values & Market Data Verification Retail

ex. Aerial Lifts

Refine Results

BY CATEGORY

- Aerial Lifts (1,098)
- Aggregate Equipment (627)
- Agricultural Equipment (3,269)
- Air Compressors (300)
- Air Tools (39)
- Asphalt Equipment (543)
- Buckets (396)
- Compactors (2,477)

BY MANUFACTURER

- ABG (12)
- ABI (7)

30,369 results

Crawler Tractors - Lg Crawler Dozers

PR 726 LGP
LIEBHERR

Year: 2017 - 2022 | Size Class: 160 - 189

With EquipmentWatch, rental decisions become clear, calculated moves—not gambles.

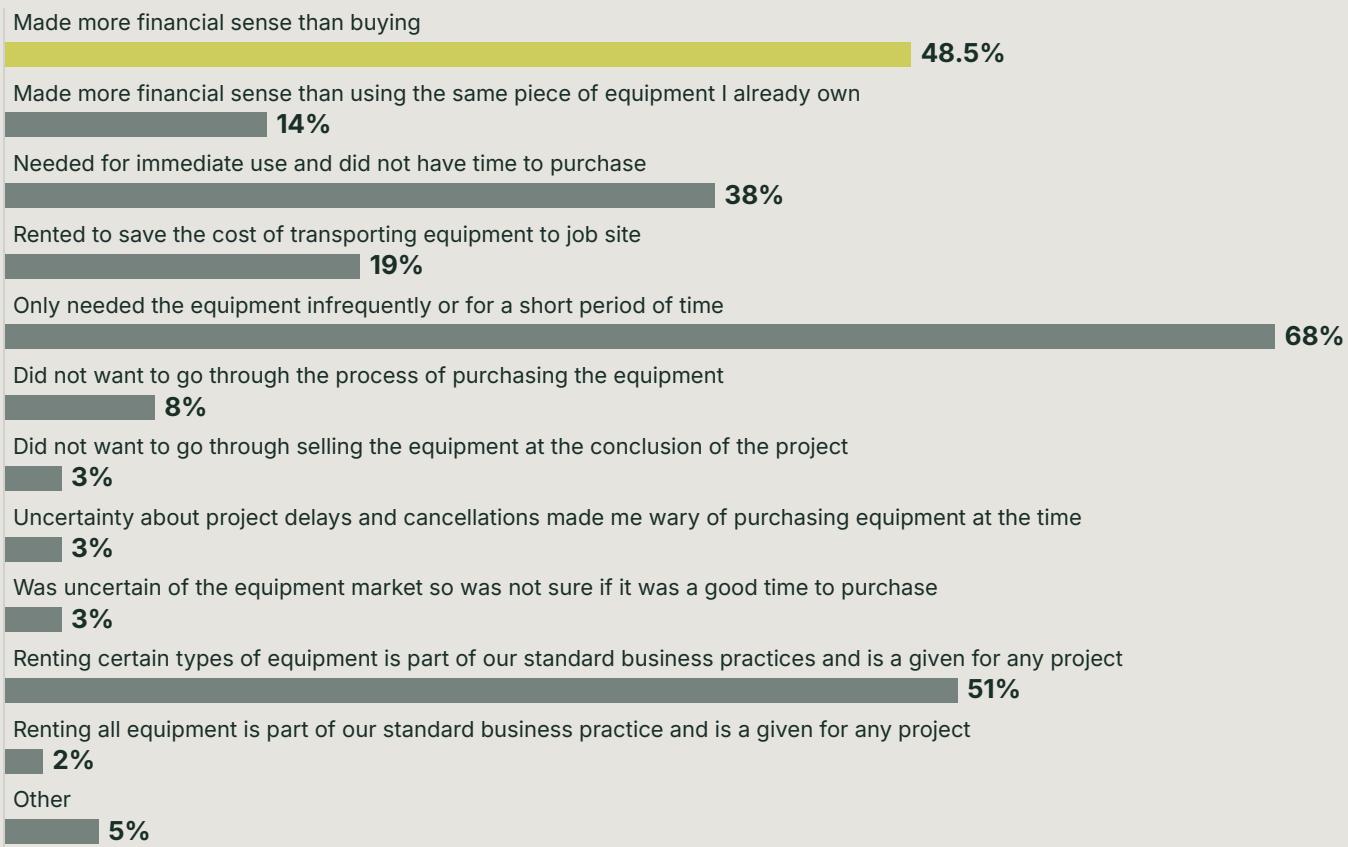
Rental Intentions for the Year to Come

Renting for Agility, Planning for More

Contractors continue to treat renting as a strategic tool—not just a stopgap. In 2025, 46% of respondents said they rented to meet unexpected demand, up from 43% last year and the highest share we've seen in three years. That jump signals how critical flexibility has become amid tight schedules, workforce gaps, and shifting project scopes. Meanwhile, 37% rented because they didn't own the right equipment—holding steady with last year—and 30% cited rentals as a way to 'test drive' a model before committing to a purchase.

Timing remains consistent: summer is still the busiest rental window, but nearly a third of contractors reported winter or shoulder-season rentals driven by site-specific timelines and project type. And looking ahead? A full 64% plan to rent as much or more over the next 12 months. That's not reactionary—that's strategy.

Why did you rent the equipment?



Rent vs. Buy: What the Equipment Tells Us

To understand how contractors weigh rent-versus-own decisions, we asked what contractors do if they needed equipment they didn't already own. In 2025, the top three equipment types most likely to be rented are aerial lifts, compact track loaders, and mini excavators—nudging trenchers out of the top spot from last year. This shift highlights how rental preferences flex with jobsite realities and market conditions.

What these categories have in common:

- They're specialized
- They're task-specific
- They're not used consistently across every project

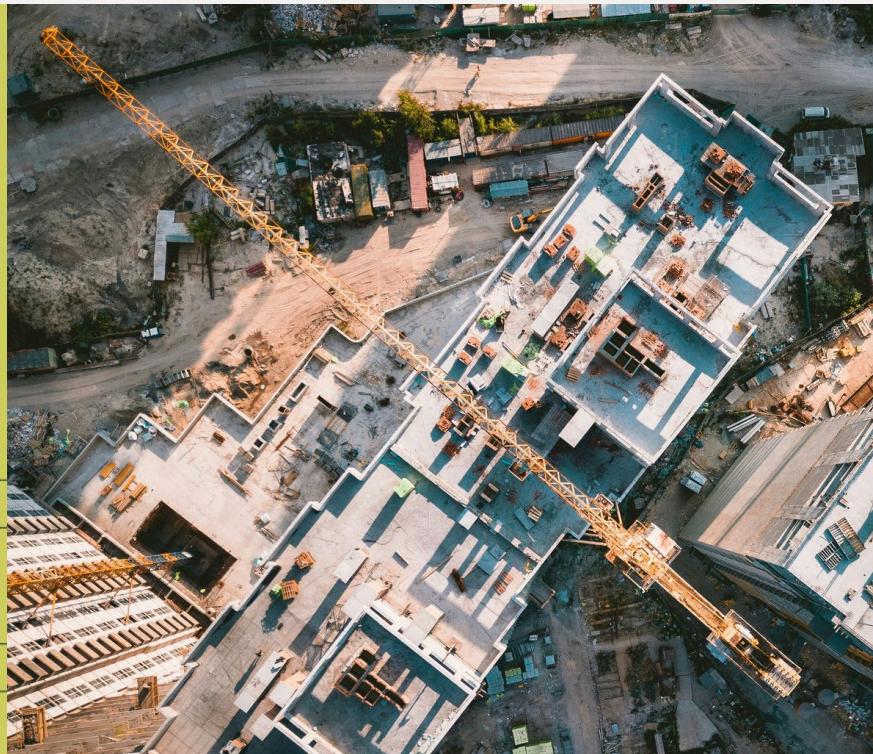
These are machines that make sense to rent—not own. Aerial lifts remain rental staples for height-specific tasks. Compact track loaders offer site versatility without long-term investment. Mini excavators—versatile but often project-based—have climbed in rental popularity, especially for urban or tight-space jobs.

Other notable trends:

- Excavators continue to split the room—roughly equal numbers say they'd rent or buy, underscoring excavators essential status and high cost.
- Skid steers continue to lean toward ownership, especially for firms with consistent site-prep or earthmoving demands.
- Generators and light towers stay firmly in rental territory—seen as necessary, but not worth permanent fleet space.

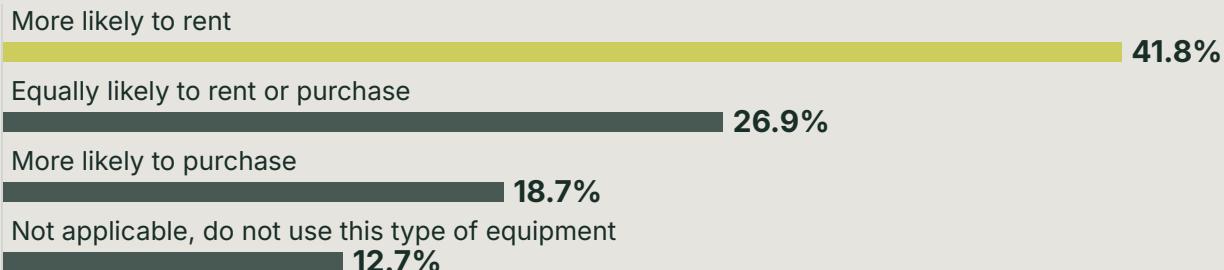
The Takeaway

Contractors are getting more precise—and more pragmatic—about where rental fits into the big picture.



Rental Decisions by Equipment Type

If you needed a **compactor** to complete a project over the next 12 months, would you be more likely to rent or purchase it?



If you needed a **crane** to complete a project over the next 12 months, would you be more likely to rent or purchase it?

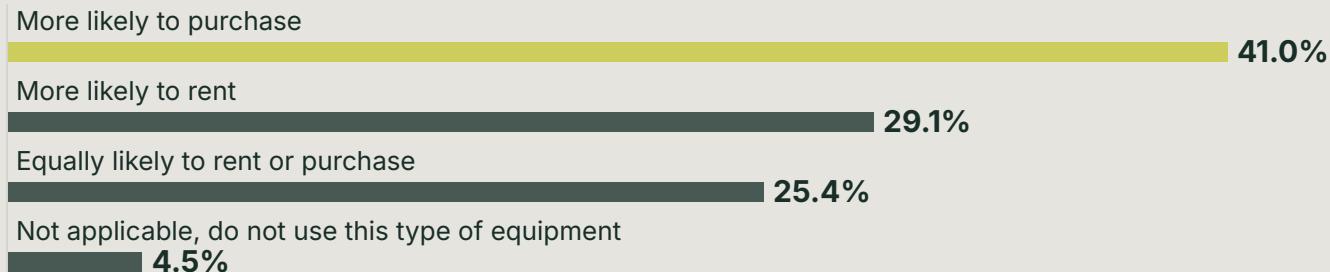


If you needed drilling equipment to complete a project over the next 12 months, would you be more likely to rent or purchase it?

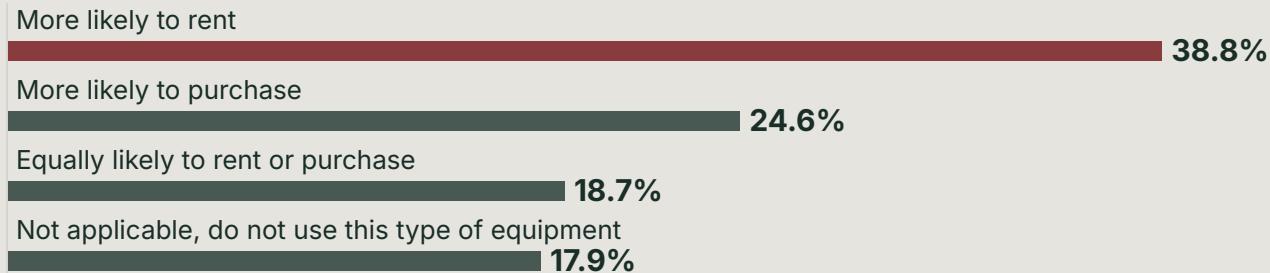


Rental Decisions by Equipment Type, continued

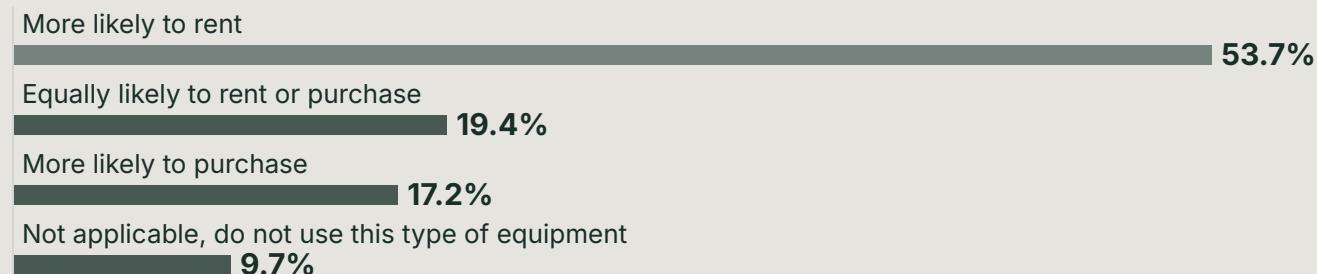
If you needed a **excavator** to complete a project over the next 12 months, would you be more likely to rent or purchase it?



If you needed a **grader** to complete a project over the next 12 months, would you be more likely to rent or purchase it?

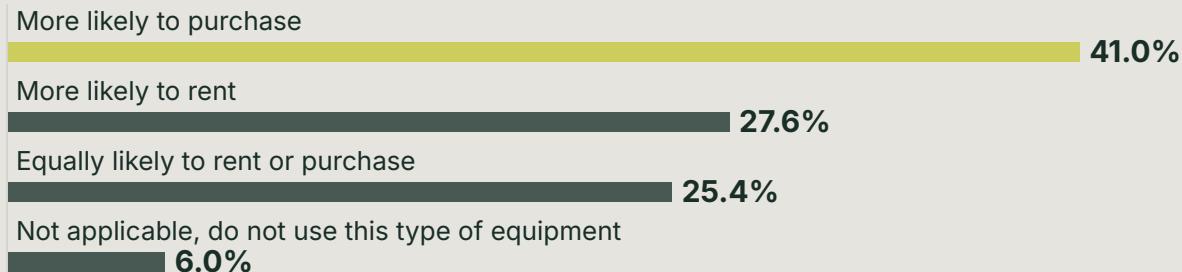


If you needed lift equipment to complete a project over the next 12 months, would you be more likely to rent or purchase it?

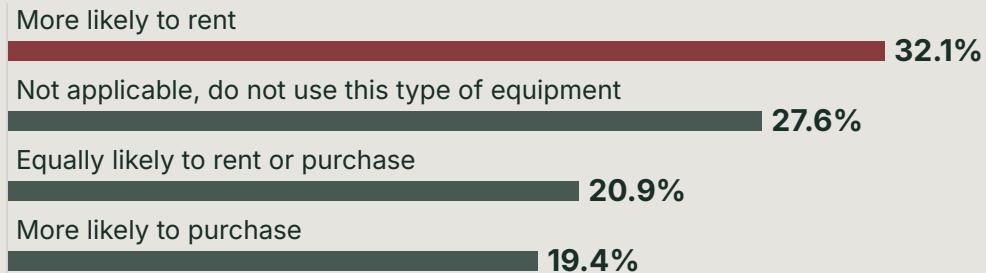


Rental Decisions by Equipment Type, continued

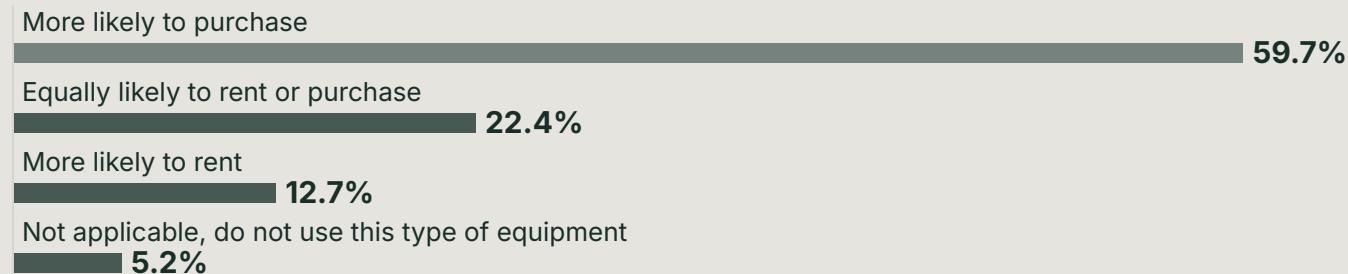
If you needed a **loader** to complete a project over the next 12 months, would you be more likely to rent or purchase it?



If you needed a **road maintenance equipment** to complete a project over the next 12 months, would you be more likely to rent or purchase it?



If you needed **truck** to complete a project over the next 12 months, would you be more likely to rent or purchase it?



Buying, Selling, and Rental Trends: A Market in Motion

Contractors in 2025 are dialing in their equipment strategies with precision. Purchases of new equipment held steady, with 62% of contractors planning to buy the same amount as last year, underscoring baseline confidence even amid economic turmoil. But it's the used equipment market that's heating up—27% of respondents said they plan to buy more used machines this year, a five-point jump from 2024. That signals a growing preference for value and availability as contractors seek to preserve capital while expanding capabilities.

Used equipment remains an attractive purchasing option, especially for those looking to avoid the high financing costs of new machines. However, supply-side dynamics are shifting. Inventories of late-model machines are higher, prompting sellers to recalibrate. Mid-life machines with clean service records and add-ons are moving fastest—buyers are choosy, and quality matters.

Own Less, Achieve More

Ownership no longer locks contractors in. With 36% planning to "flex between renting and buying" depending on the project, adaptability has become the rule, not the exception.

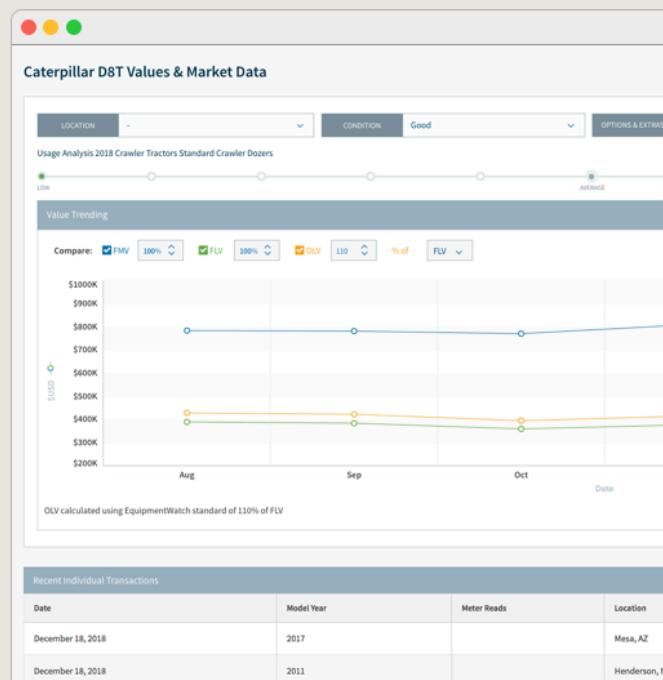
Contractors who right-size fleets can shed idle iron, preserve cash flow, and still scale quickly when demand spikes. This blended model makes it possible to maintain essential assets while filling project gaps through short-term access.

How EquipmentWatch helps you decide:

- FMV/FLV benchmarks: Know when it's time to hold, sell, or rent.
- Market Activity tracking: Spot trends across dealer listings, auctions, and final sales.
- Depreciation patterns: See where your machines stand in the lifecycle.



With EquipmentWatch, fleet flexibility isn't guesswork — it's backed by data.



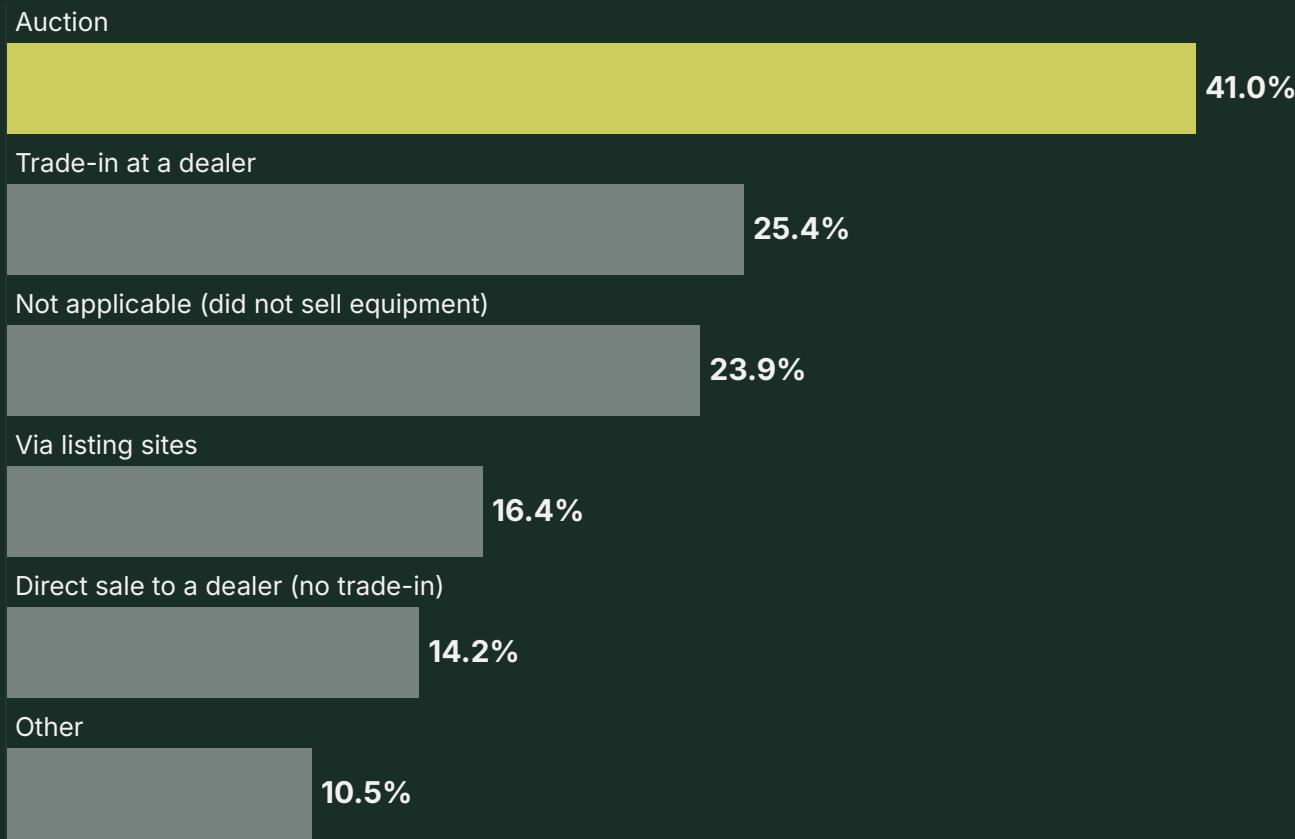
Buying, Selling, and Rental Trends, continued

Meanwhile, **rental is no longer just a stopgap—it's a strategy**. **Nearly 1 in 2 contractors (48%) say they'll rent as much or more in the coming year**, holding steady with 2024's results. This sustained interest confirms that rental is a go-to for navigating uncertain timelines, sudden workload spikes, or specialized needs without long-term commitment.

On the selling front, the frenzy of the post-COVID boom has cooled, but fleet reshaping is still very much in motion. Contractors are leaning into data-driven divestment—offloading underutilized or aging machines while keeping high-performing, multi-use assets that can flex across job types.

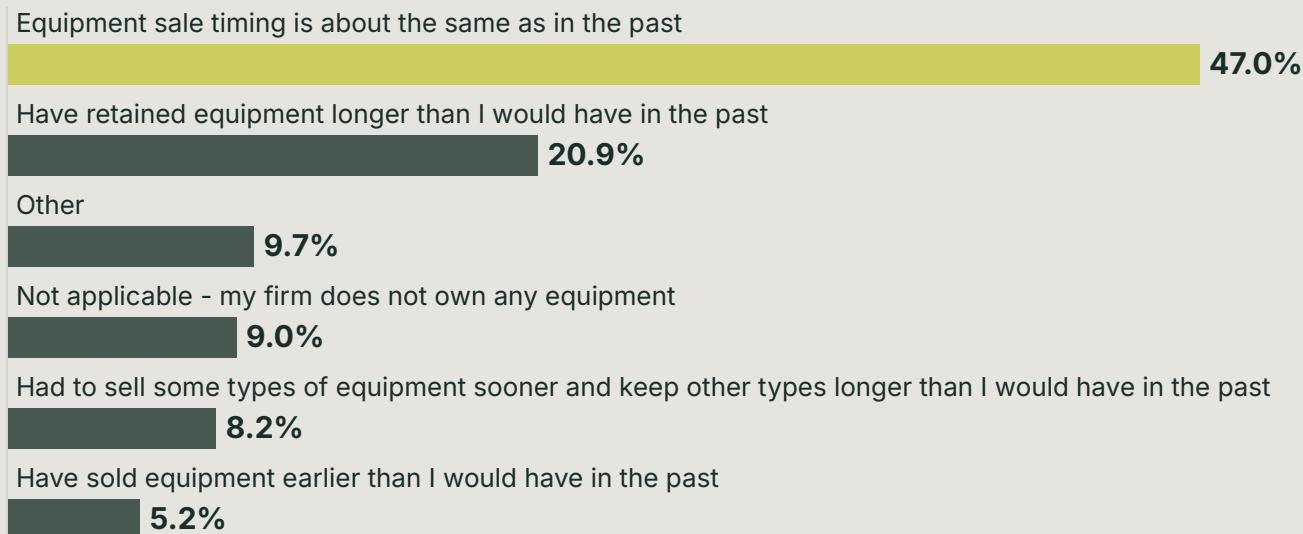
Together, these trends point to a clear reality: contractors aren't passively responding to market conditions. They're actively optimizing their fleets—balancing ownership, rental, and resale—to stay sharp, nimble, and competitive in a market that refuses to sit still.

Over the last 12 months, where did you most often sell equipment? (Check all that apply)

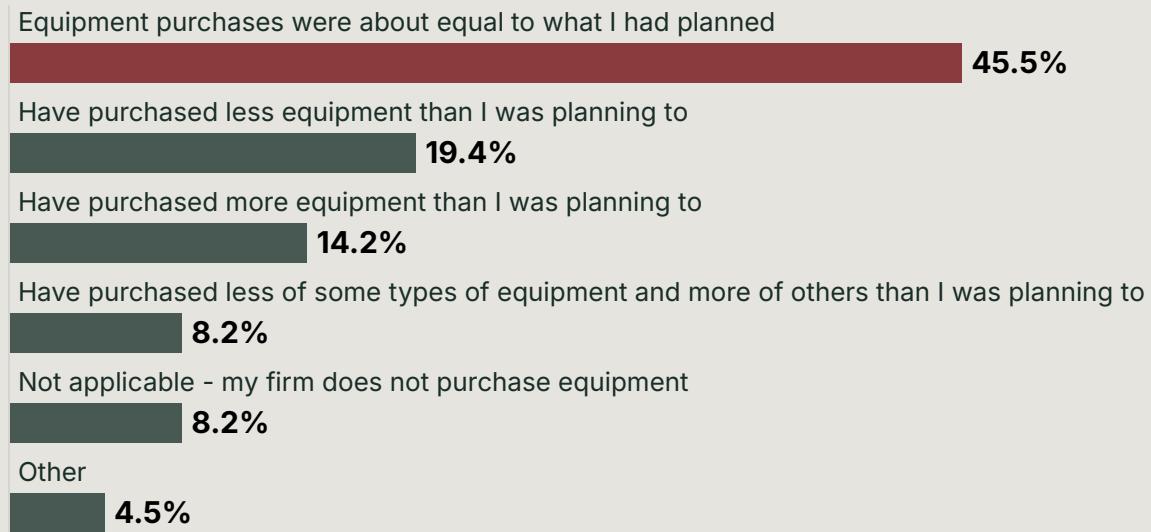


Buying, Selling, and Rental Trends, continued

Over the last 12 months, have you changed when you sell equipment?



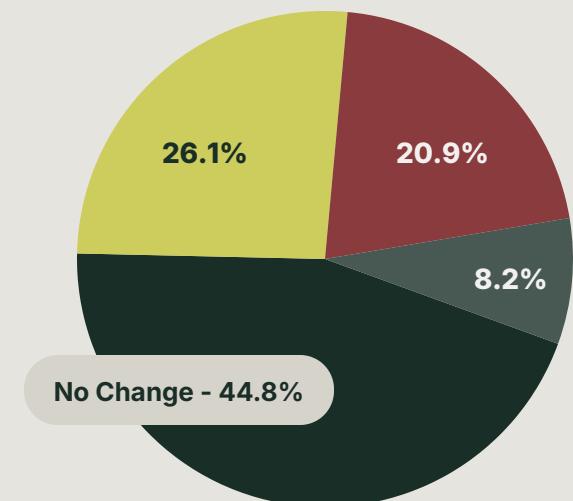
Over the last 12 months, have you adjusted how much equipment you have purchased?



Buying, Selling, and Rental Trends, continued

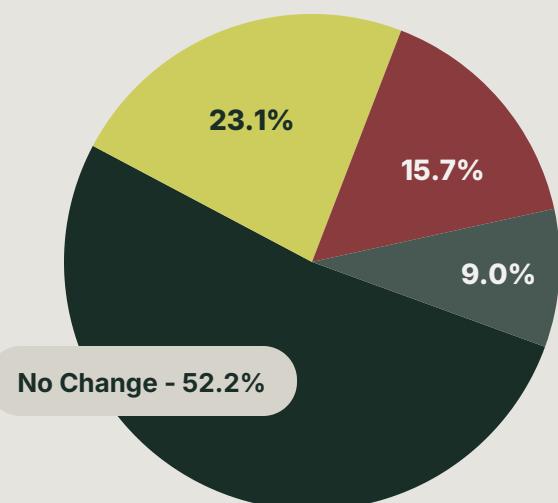
Over the next 12 months, how frequently do you anticipate you will **purchase new equipment** (in comparison to the last 12 months)?

- No change
- Increase
- Decrease
- Not applicable



Over the next 12 months, how frequently do you anticipate you will **purchase used equipment** (in comparison to the last 12 months)?

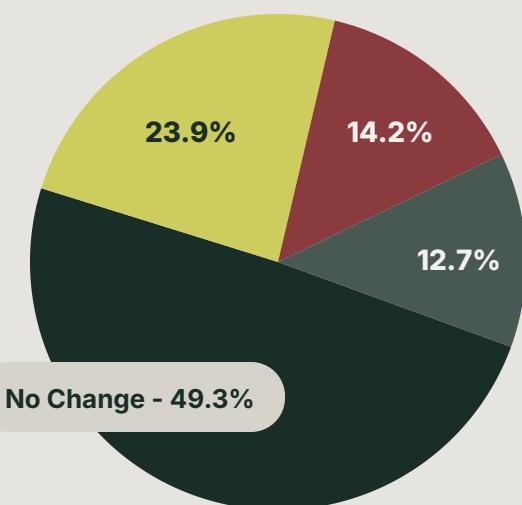
- No change
- Increase
- Decrease
- Not applicable



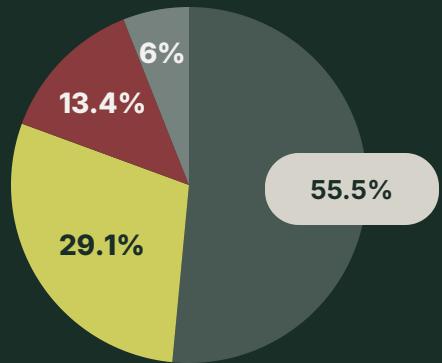
Buying, Selling, and Rental Trends, continued

Over the next 12 months, how frequently do you anticipate you will sell used equipment (in comparison to the last 12 months)?

- █ No change
- █ Increase
- █ Decrease
- █ Not applicable

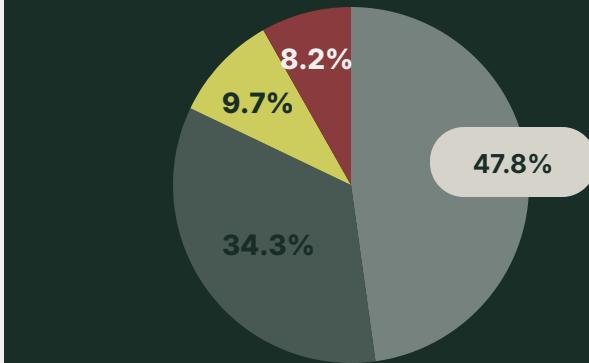


Over the next 12 months, how frequently do you anticipate you will **rent equipment for your firm to use** (in comparison to the last 12 months)?



- █ No change
- █ Increase
- █ Decrease
- █ Not applicable

Over the next 12 months, how frequently do you anticipate you will **rent equipment out for someone else to use** (in comparison to the last 12 months)?



- █ Not applicable
- █ Increase
- █ Decrease
- █ No change

Contractor Business Model

Cost of Doing Business: Ownership vs. Rental

Contractors in 2025 are approaching equipment strategy with practicality, flexibility, and a clear focus on operational needs—not just financial formulas. While cost still matters, the decision to rent over buying is less about calculating long-term savings and more about adaptability, speed, and simplicity in an unpredictable market.

Rental for Access, Not Just Affordability

This year, contractors are more likely to cite immediate availability and ease of access as key reasons for renting, rather than financial necessity or infrequent use. In fact, no respondents explicitly mentioned cost-effectiveness or short-term need as their top rationale for rental—marking a distinct departure from 2024, when 44% said they rented because it made more financial sense than buying, and 75% pointed to short-term or infrequent use.

Avoiding Red Tape and Delays

Nearly 1 in 5 contractors rented because they didn't want to deal with the logistics of purchasing and maintaining equipment—up from last year. And 16% said it was simply easier to rent than to own, underscoring a growing preference for low-friction, high-agility procurement options in a market where lead times, approvals, and budget constraints can slow progress.

A New Strategic Norm

Rather than treating rental as a workaround or last resort, many contractors now see it as a streamlined path to execution. Testing a model before purchasing and standardizing rentals for certain projects also emerged as common responses, suggesting that renting is embedded in strategic planning—not just deployed as a temporary measure.

The Bottom Line Shift

In 2025, the real value of renting appears to be in time savings, operational ease, and the ability to pivot swiftly—not just saving dollars. With high interest rates and continued caution around large capital investments, contractors are looking for ways to stay productive without overextending—making rental not only a smart tactical decision but a preferred way of doing business.

Fleet Composition: A Leaner, More Flexible Mix

Contractors in 2025 are continuing to fine-tune the makeup of their fleets, balancing ownership with access—and leaning into hybrid models that maximize flexibility without overcommitting capital. While ownership still makes up the lion's share of most fleets, a slow-but-steady pivot toward renting and leasing signals how risk tolerance and financial discipline are shaping real-world decisions.

Ownership Holds Ground, But Softens at the Edges

Contractors report an average of 63% of their fleet as owned—down slightly from 65% in 2024. The shift may not seem dramatic, but it's part of a three-year trend toward leaner core fleets and more on-demand support. Notably, 23% of respondents say they've reduced the percentage of owned equipment this year, up from 18% last year—highlighting a growing intent to stay light, nimble, and financially fluid.

Rental Gains Momentum

Rented equipment now comprises 22% of the average fleet, up two points from last year. This growth is especially visible among midsize and large firms managing fluctuating workloads or high-specialty projects. For these contractors, rental isn't a stopgap—it's a strategic lever to right-size operations and minimize idle assets.



Fleet Composition: A Leaner, More Flexible Mix, continued

Leasing Levels Off

Leased equipment remains a consistent 15% of the average fleet, showing no significant movement year over year. Contractors using leases say they value the access to newer models, warranty coverage, and lower upfront costs—all without the full burden of ownership.

2025 Fleet Composition Snapshot

| Equipment Type | % of Fleet Composition (Avg) | Change vs. 2024 |
|----------------|------------------------------|--------------------|
| Owned | 63% | ⬇️ Slight decrease |
| Rented | 22% | ⬆️ Slight increase |
| Leased | 15% | ➡️ No change |

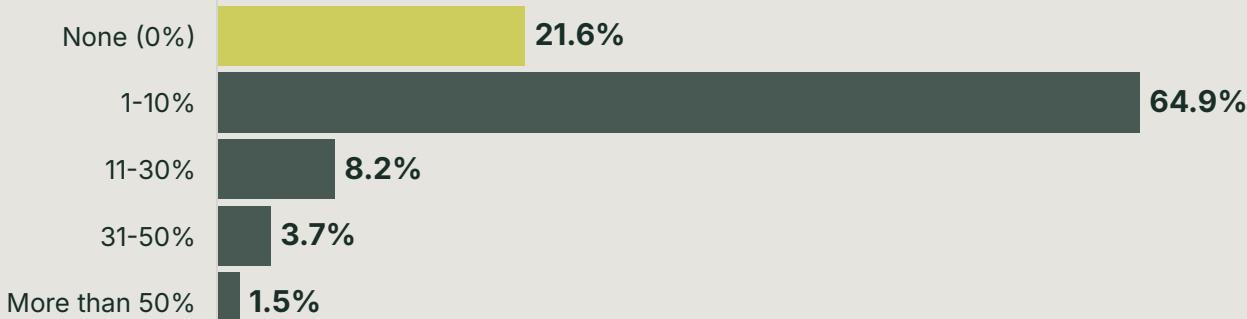
The Takeaway

This year's data reinforces what contractors have told us year after year: fleet strategy is not one-size-fits-all. It's shaped by market conditions, project velocity, and financial outlook. But one thing is clear—contractors are seeking fleet compositions that give them room to maneuver, with fewer long-term commitments and greater operational agility built in.

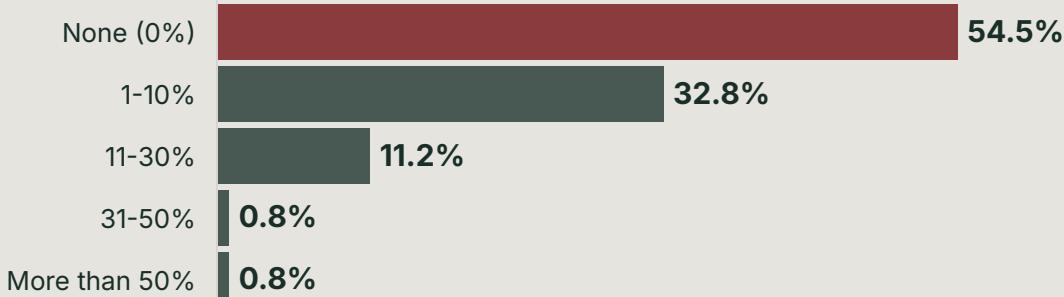


Fleet Composition: A Leaner, More Flexible Mix, continued

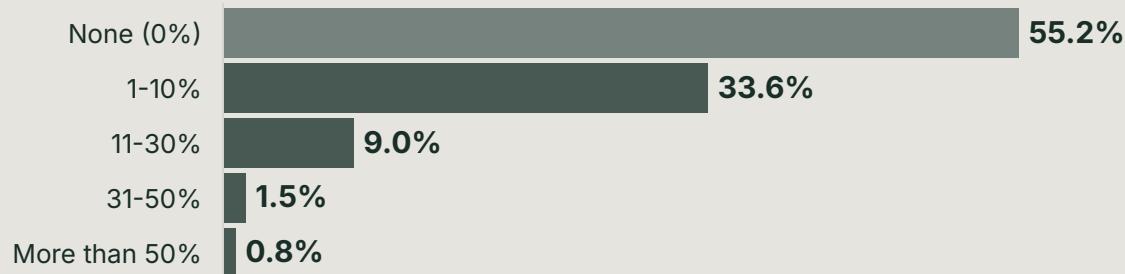
In terms of equipment that your firm currently owns, how much do **compactors** account for?



In terms of pieces of equipment that your firm currently owns, how much do **cranes** account for?

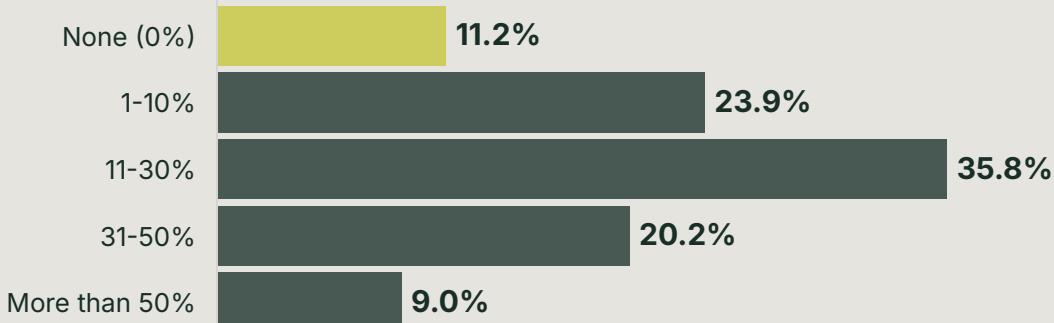


In terms of pieces of equipment that your firm currently owns, how much does drilling equipment account for?

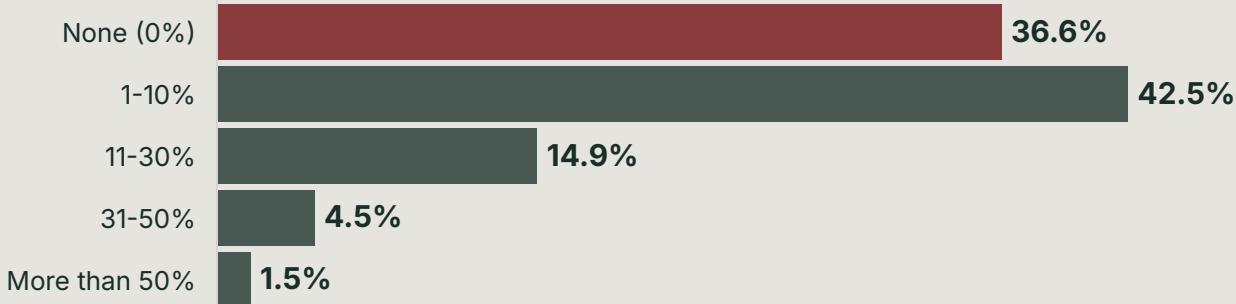


Fleet Composition: A Leaner, More Flexible Mix, continued

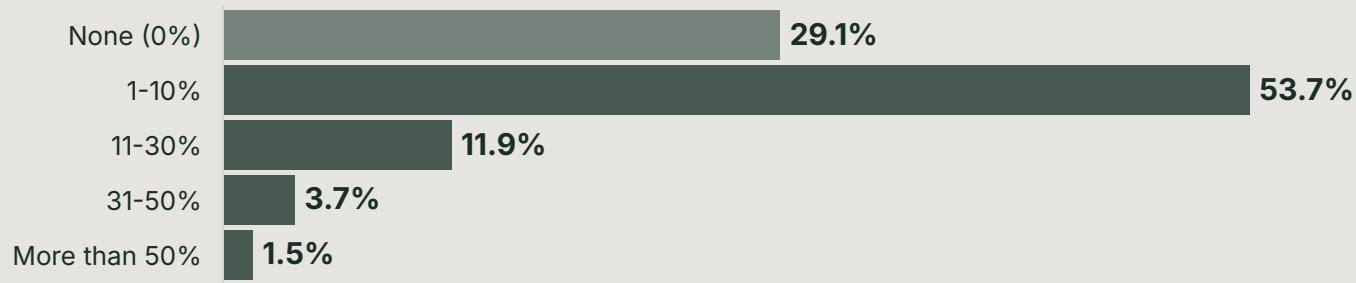
In terms of equipment that your firm currently owns, how much do **excavators** account for?



In terms of pieces of equipment that your firm currently owns, how much do **graders** account for?

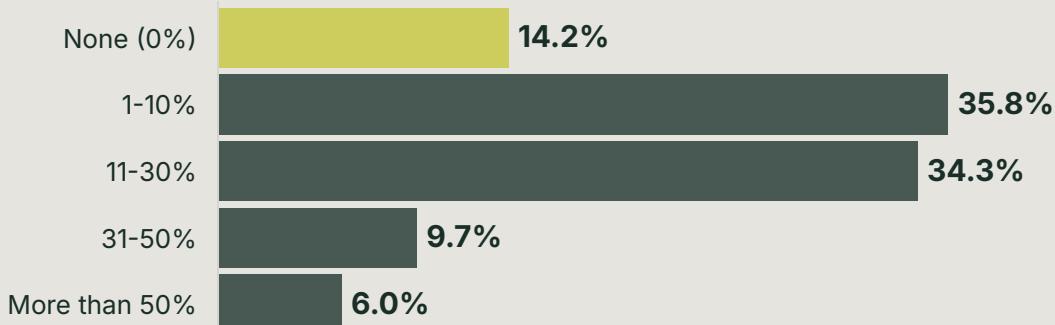


In terms of pieces of equipment that your firm currently owns, how much does lift equipment account for?

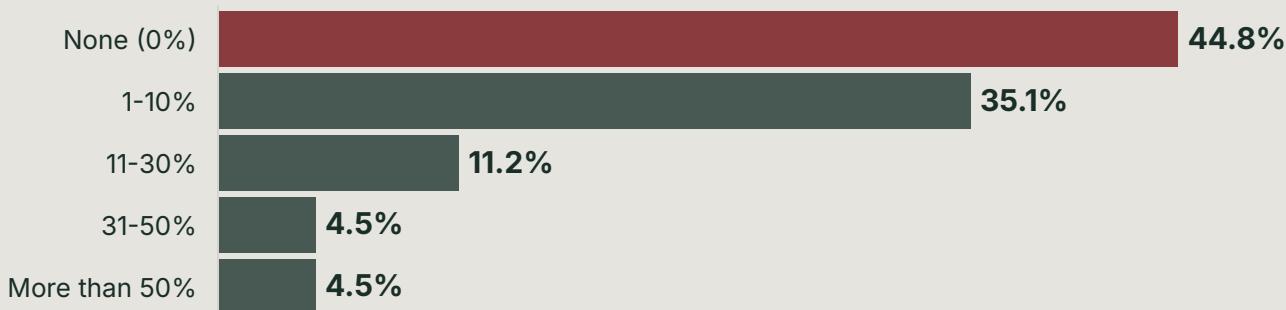


Fleet Composition: A Leaner, More Flexible Mix, continued

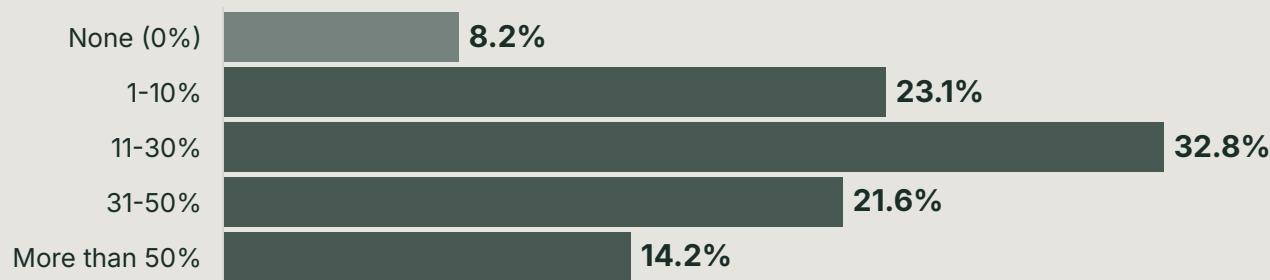
In terms of equipment that your firm currently owns, how much do **loaders account for?**



In terms of pieces of equipment that your firm currently owns, how much do **road maintenance equipment account for?**



In terms of pieces of equipment that your firm currently owns, how much does **trucks account for?**



Adaptive Fleet Management Trends

Smarter, Leaner, More Agile

In 2025, contractors aren't just managing fleets — they're engineering them for adaptability. Whether it's navigating unpredictable bid calendars, volatile fuel costs, or ongoing labor constraints, contractors this year described their fleet strategy as "responsive," "intentional," and "built to pivot."

Gone is the era of build-it-big fleets. Instead, we're seeing a shift to a "just enough, just in time" philosophy. Contractors are blending owned assets with rentals, leases, and on-demand equipment to reduce overhead and boost responsiveness. The goal? Be prepared — without being overbuilt.



52%

of contractors said they changed their fleet strategy in the last year — most to become more flexible.

Key Shifts We're Seeing

Seasonal Swaps Are Now Strategic

Contractors are proactively rotating equipment with the seasons — renting specialized machines during peak construction windows and shedding them in slower months. This isn't reactive trimming. It's planned precision.

Data-Driven Right-Sizing

Usage insights are shaping fleets. Telematics and equipment tracking tools are helping contractors identify idle machines, redeploy assets, and prevent bloated inventory.

Flexibility as Risk Management

Long-term ownership comes with long-term exposure. Leasing and short-term rentals offer agility without locking up capital. Contractors are increasingly viewing flexibility not as a perk, but as protection — especially amid uncertain market conditions.

The New Mentality

Adaptive fleet management is no longer a side strategy — it's becoming the core of operational planning. The contractors who are winning bids and staying profitable in 2025 are the ones who can scale up, scale down, and pivot between quickly. This year's data is clear: flexibility evolves from a competitive edge to a business essential.

Market Conditions

Backlogs Rising, but Confidence Uneven

In 2025, the construction equipment economy is defined by a paradox of opportunity and pressure. Demand is holding strong, but execution remains uneven — and backlog is both a blessing and a burden, depending on where you sit.

According to the Associated Builders and Contractors (ABC), the Construction Backlog Indicator rose to 8.7 months in June, based on member surveys. That's a 0.3-month increase over June 2024 and a clear sign that project demand continues to outpace capacity in key sectors.¹

But this growth isn't universal. ABC data shows:

- The **largest contractors** are thriving, with nearly two months more backlog than a year ago.
- **Smaller contractors** (less than \$30M in annual revenue) are seeing slightly longer backlog, but gains are modest.
- **Mid-sized contractors** (\$30–\$100M) have actually seen declining backlog year-over-year, pointing to potential strain in this tier.

What This Means for Equipment Strategy

More work in the pipeline typically signals greater demand for machines — but this year, respondents told us they're proceeding cautiously. Rising material costs, labor shortages, and project delays are still dampening aggressive equipment investments.

Instead, many are re-evaluating capital spending, choosing to lease, rent, or reallocate existing machines rather than commit to major new purchases. Project backlog may be up, but confidence isn't uniformly high.



¹ ABC: Contractor Optimism Grows as ABC's Backlog Indicator Rebounds in June

2025 Economic Outlook & What's Ahead into 2026

The construction equipment market is entering a pivotal phase, where optimism and caution sit side by side. Here's a clear snapshot of the macroeconomic and policy forces shaping what comes next:

Federal Tax Policy Moves

Bonus Depreciation Reinstated: Under the "One Big Beautiful Bill," 100% bonus depreciation returns effective January 19, 2025, greatly favoring upfront deductions for new equipment purchases.²

Section 179 Expansion: The purchase-expensing threshold has doubled to \$2.5M in 2025, with phase-out now starting at \$4M.³ Together, these tax tools unlock major cash-flow opportunities—particularly for medium-sized firms that can afford to accelerate investments now.

Cost Pressures & Trade Risks

Tariffs on steel, aluminum, and machinery remain a wildcard. A new 25% duty could elevate input costs and squeeze margins, particularly among smaller regional fleets.⁴

Supply chain and labor volatility persist, as firms respond to rising material prices and workforce issues.⁵

Policy & Project Outlook

Despite a review of IIJA and IRA funds, **infrastructure spending is expected to continue through 2026**, with two-thirds of IIJA funds still available and projects in the pipeline.⁶

A focus on **reshoring and factory-focused stimulus** under Trump's administration may boost industrial and power-construction demand—but **tariff unpredictability and policy rollbacks** may dampen momentum.⁷



² The One Big Beautiful Bill Breakdown: Bonus Depreciation ³ One Big Beautiful Bill Summary: Notable Tax Code Changes

⁴ Construction MMI: New 50% Aluminum and Steel Tariffs Squeeze U.S. Construction ⁵ One Big Beautiful Bill Summary: Notable Tax Code Changes

⁶ Trump's Spending Plans Target Huge Programs That Favored U.S. Industries. The Upshot For Chip Stocks, Energy And Construction.

⁷ Construction MMI: New 50% Aluminum and Steel Tariffs Squeeze U.S. Construction

Outlook Summary

| Factor | Direction | Contractor Takeaway |
|----------------------------------|-----------|--|
| Backlog | ↑ Growing | Confidence remains—but mid-sized firms lag |
| Tax Benefits | ↑ Rising | 2025 is a golden window for capex planning |
| Tariffs & Input Costs | ↓ Risk | Emergency buffers are essential |
| Infrastructure Spending | → Stable | IIJA still fueling demand into 2026 |
| Policy Volatility | ↔ Mixed | Be ready to pivot based on how energy & tariff policy shakes out |

Strategic Implications

Buy Now or Wait?

The reinstated tax incentives make early 2025 an ideal time for large equipment purchases. But rising material costs and tariff risk suggest cautious targeting of only essential assets.

Adopt Flexibility

For smaller to mid-sized contractors, rental and leasing become key tools to stay nimble in the face of uncertain costs and shifting project pipelines.

Right-Size for the Long Term

With backlog unevenly distributed and policy flux ahead, maintaining a lean, adaptable fleet—augmented via rental when needed—offers the best hedge against volatility.

2025 may be the most tax-advantageous year for contractors in recent memory. But with tariffs, labor gaps, and funding reviews on the horizon, success will go to those who **marry financial smarts with fleet flexibility**. Plan big—but hedge better.

Conclusion

Fusable's 2025 *State of the Construction Equipment Economy* report offers a clear view into the equipment strategies, economic pressures, and shifting mindsets shaping the construction industry today. Drawing from firsthand contractor responses nationwide, we've tracked how rental, purchase, and fleet decisions are adapting to a complex mix of cost, policy, and performance demands—and how contractors are positioning themselves for what's next.

Rental Activity Holds Strong

- **72%** of contractors reported renting in the past 12 months—almost identical to 2024, signaling sustained integration of renting into core fleet strategy.
- Renting remains the go-to tool for managing project variability, accessing specialty machines, and avoiding long-term capital commitments.
- **More than half (54%)** of respondents say they plan to rent as much or more in the next 12 months, citing **cost control, equipment availability, and project timing** as key drivers.

Purchase Trends Reflect Strategic Flexibility

- Intentions to purchase new equipment **remained stable**, with **62%** planning to buy at the same level as last year.
- **Used equipment purchases rose to 27%**, up from 22% in 2024—reflecting cost-conscious efforts to modernize fleets without overextending.
- Ownership doesn't mean exclusivity: **71%** of equipment owners still rented this year, showing rental's key role in flexible fleet operations.

Fleet Composition Signals Nimble Thinking

- Most fleets are now a **blend of owned (65%), rented (20%), and leased (15%)** assets.
- **18%** of contractors have reduced their owned fleet share to stay nimble, especially midsize firms handling large, fast-turn projects.
- This shift reflects a broader move toward **utilization over possession**—owning only what's essential and supplementing owning with access-based options.

Cost Pressures Are Real—But Navigable

- Total cost of ownership remains a top concern. Rising **maintenance, insurance, and financing costs** continue to steer contractors toward rental and lease models.
- **New 2025 tax incentives**, including reinstated bonus depreciation and expanded Section 179 expensing, may encourage qualified purchases—especially in Q4.
- **44%** of contractors said they rented because it made more financial sense than buying.

Equipment Decisions Vary by Type

- **Compact track loaders, aerial lifts, and trenchers** topped the list of equipment most likely to be rented.
- Purchase decisions continue to hinge on **frequency of use, jobsite needs, and price sensitivity**.
- **Excavators** remain a 50/50 split between renting and owning, while skid steers leaned toward ownership, particularly among earthwork-focused firms.

Market Conditions Show Resilience with Caution

- ABC's Construction Backlog Indicator climbed to **8.7 months** in June 2025, but growth was uneven across revenue tiers.
- Larger firms reported stronger backlog growth year-over-year, while mid-tier contractors (\$30–100M) saw declines.
- Contractors remain optimistic but alert—especially considering **new tariffs, infrastructure delays, and fuel cost fluctuations**.

Looking Ahead to 2026

- Expect continued movement toward **fleet rightsizing**, with leaner ownership models and smarter use of rental and leasing.
- **Federal policy shifts**, especially around tax and infrastructure funding, could drive short-term spikes in both hiring and equipment acquisition.
- Firms that embrace **data-driven decisions, adaptive planning, and scalable fleet strategies** will be best positioned to thrive amid continued market variability.

Final Takeaway

The construction equipment economy in 2025 is defined by stability in behavior, adaptability in strategy, and pragmatism in execution. Contractors are renting with intention, buying with precision, and managing fleets with an eye on the future.

This year's data paints a picture of a market that is steady, strategic, and prepared—not reactive. It's a story of realism over risk—a mindset that may very well define success in 2026 and beyond.



Methodology and Glossary

Survey Results

EquipmentWatch conducted surveys to help us better understand what issues equipment owners and operators are facing today, their habits over the past year, and what they intend to do over the next 12 months. Surveys were conducted in July 2025 with more than 125 participants providing feedback.

About EquipmentWatch

EquipmentWatch, part of the Fusable family of products, is the trusted source for heavy equipment data and intelligence. As the world leader in independent, third-party heavy equipment research, EquipmentWatch empowers professionals to accurately explore data-driven outcomes for Construction, Agricultural and/or Lift/Access equipment, leading to efficient fleet asset management using the most comprehensive data available on the market. The company's products support the purchase, valuation, operation, and disposal of equipment.

For more than 60 years, contractors, equipment manufacturers, dealers, rental companies, lenders, insurers, and government agencies have leveraged EquipmentWatch in heavy civil construction. EquipmentWatch owns The Rental Rate Blue Book. For more information, visit equipmentwatch.com or call 888.307.1713.

About Fusable

Fusable is a leading provider of data-driven solutions for the agriculture, construction, and transportation markets and the financial ecosystem that supports them. Fusable combines specialized data with decades of industry expertise and the reach of its long-standing media brands to help clients drive sales, strengthen their brand, and manage risks. Fusable is known for its flagship products, including EDA, Iron Solutions, Central Analysis Bureau, RigDig, Price Digests, and EquipmentWatch. Discover more at Fusable.com.

Terminology

Fair Market Value (FMV): the value of an asset sold to a single buyer under no compulsion.

Forced Liquidation Value (FLV): the value of an asset sold at a properly advertised and conducted auction in which the seller is under compulsion to sell on an as-is, where-is basis as of a specific date.

Market Activity: A measure of the total number of observations collected by EquipmentWatch, including publicly available dealer listings, auction results, and final sales data.

Age: the age of an asset, based on model year and the year of observation

EquipmentWatch

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