

JULY 2006 HIGHLIGHTS

- The estimated cost of work authorized by permits in July was \$1.294 billion. Housing made up \$698.9 million (54 percent); nonresidential construction totaled \$595.2 million (46 percent). The number of municipalities reporting for July was 547.
- East Brunswick in Middlesex County had the most work: \$59.3 million. A 235,000-square-foot expansion and alteration of a middle school accounted for \$55 million.
- Hardyston Township in Sussex County ranked second with \$30.9 million of construction. Most of this was from a new condominium/hotel complex, the Grand Cascades Lodge at Crystal Springs. Although the structures under construction were classified as multifamily buildings, the 214 units in them were not counted as dwellings and are not included in the 2,514 authorized dwellings reported for July because they are intended primarily for short term or limited stay.
- Paramus Borough in Bergen County had \$28.5 million of work. A \$12.4-million school addition and a new \$4.7-million retail development were the big projects reported.
- Construction activity in Atlantic City, Atlantic County continues with \$26.7 million for the month, the fourth highest total among municipalities. Work began on Bayport II, a new, 976,800-square-foot, 984-room addition to the Harrah's Hotel & Casino Atlantic City complex. The City's construction office anticipates another major casino expansion next month with the Trump Taj Mahal Casino Resort expansion. The new tower is expected to be 724,000 square feet and have 800 new hotel rooms.
- Bridgewater Township in Somerset County had \$25.2 million of construction. Two of the bigger projects were a new active-adult condominium development and a major renovation of the old AT&T office complex by a pharmaceutical firm.

Year to Date

- Between January and July, New Jersey had \$8.967 billion of authorized construction -- \$596.8 million more than this time last year. New homes remain a vital part of the industry's strong performance, but the pace of this development appears to be slowing. A total of 19,671 dwellings were authorized through July, 1,850 fewer and 8.6 percent below last year's pace.
- Cities are the sites of a lot of the reported construction activity. Four of the top five performers are cities. New homes accounted for most of the work in all but Atlantic City, which leads all municipalities with \$252.8 million. Major casino expansions by the Borgata Hotel, Casino, & Spa; Harrah's; and the Trump Taj Mahal mean the City will likely to be at or among the top municipalities with the most work for the year.

- Jersey City in Hudson County had \$229.1 million of construction through July. New homes, and additions and alterations to existing dwellings accounted for just under three-quarters of all the building permit activity.

Major Construction Indicators, New Jersey: Year-to-Date Trends				
Period	Estimated Cost of Construction	Authorized Housing Units	Authorized Office Space (square feet)	Authorized Retail Space (square feet)
January – July 2002	\$6,977,038,190	18,459	6,723,355	5,201,147
January – July 2003	\$6,363,928,918	18,365	5,225,932	3,487,499
January – July 2004	\$7,694,036,676	21,500	6,521,075	2,926,533
January – July 2005	\$8,370,138,760	21,521	6,654,423	4,082,247
January – July 2006	\$8,966,946,188	19,671	6,736,281	2,688,593
<i>Difference Between 2005 and 2006</i>				
2005 - 2006	\$596,807,428	-1,850	81,858	-1,393,654
Percent Change	7.1%	-8.6%	1.2%	-34.1%
Source: N.J. Department of Community Affairs, 9/7/06				

- Housing also is responsible for 63 percent of the \$205.7 million reported by the City of Newark construction office in Essex County.
- Woodbridge Township in Middlesex County reported \$176.2 million of work. While there are several big developments underway, the largest consists of building renovations and new construction development for the Rahway Valley Sewerage Authority.
- The City of Hoboken in Hudson County reported \$138.3 million of work. All but \$3.4 million of this was for new houses or house additions and alterations. Newark, Jersey City, and Hoboken lead all New Jersey municipalities with the most new houses through July with 1,459, 1,280, and 808 authorized dwellings, respectively.