

JULY 2008 HIGHLIGHTS

- For the ninth straight month, the number of new houses authorized by building permits was below 2,000. Only 1,111 authorized dwellings were reported in July. This was one of the lowest monthly totals in more than ten years.
- Despite the housing industry's slump, the estimated cost of all work authorized by permits was \$1.07 billion. Residential construction accounted for \$505.5 million or 47.3 percent of all reported activity. Nonresidential work totaled \$564.1 million, 52.7 percent.
- Atlantic City in Atlantic County had the most construction in July. The estimated cost of work reported on building permits issued in July was \$75.5 million. Most of this was for the new casino, hotel, and parking structures underway for Revel Entertainment.
- Jersey City in Hudson County had \$45.7 million of construction. A new 175-unit condominium development broke ground. A new construction permit issued in July authorized \$16.1 million of construction. The City had 188 authorized housing units. No other locality had more new housing in July.
- Sayreville Borough in Middlesex County had \$26.6 million of work. Most of this was for renovation of the Lifelong Learning Center for children with autism and multiple disabilities.
- Mount Laurel Township in Burlington County had \$20.4 million of activity. Work on a new hotel and conference center accounted for \$16.9 million.

Year to Date

- The estimated cost of work authorized between January and July 2008 was \$8.485 billion. Residential construction amounted to \$3.645 billion. This was 43 percent of all activity. Office, retail, and other nonresidential construction totaled \$4.84 billion, 57 percent.
- Compared to the same period last year, the amount of work authorized was down by 2 percent (\$174.6 million).
- The decline in the number of authorized dwellings was significantly more. The total number of new houses authorized by permits between January and July 2008 was 10,617. This was 4,094 units less than last year, a decline of 27.8 percent. Compared to two years ago (January through July 2006), authorized dwellings are down by 9,054 units, or 46 percent.

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
January – July 2007	\$8,659,333,482	14,711	5,394,208	2,466,516
January – July 2008	\$8,484,741,794	10,617	4,895,294	4,302,348
<i>Difference Between 2007 and 2008</i>				
2007 - 2008	-\$174,591,688	-4,094	-498,914	1,835,832
Percent Change	-2.0%	-27.8%	-9.2%	74.4%
Source: N.J. Department of Community Affairs, 9/8/08				

- Between January and July 2008, the municipality with the most work was Piscataway Township. This Middlesex County locality had \$298.1 million of construction. Most of this was for a new warehouse to store computer data. The high-tech facility is expected to have a total floor area of 308,000 square feet and an estimated construction cost of \$254 million.
- Atlantic City had \$297.8 million of construction through July. The new casino development underway for Revel Entertainment has two twin towers, each over 1.5-million square feet, and a 2.9-million square-foot structured parking deck. The City also issued demolition permits for the removal of 266 housing units. Two demolition permits issued in July were for public housing developments that had 80 and 86 apartments.
- Princeton Township in Mercer County had \$290 million of work. The biggest development was a new office building for the Department of Chemistry at Princeton University. The estimated construction cost of the 250,000-square-foot facility was \$250 million.
- Jersey City reported \$221.5 million of construction through July. The housing boom, evident in the municipality through most of the decade, continues in 2008. The City had 1,353 authorized dwellings through July, accounting for 12.7 percent of all the new houses in the State.
- Jersey City and three other Hudson County communities are at the top of the list of municipalities with the most new dwellings. The City of Bayonne reported 581 authorized housing units, the City of Hoboken had 418, and Weehawken Township had 273. These four communities account for nearly one-fourth of the new houses in New Jersey between January and July 2008. The housing boom along the gold

coast of the Hudson waterfront masks the dire condition of the housing industry occurring in most other New Jersey communities.

- “State Buildings” is a category of permits issued by plan reviewers at the Department of Community Affairs. These developments occur in different municipalities throughout the State and include many large, public works projects. Many, but not all, of these permits are issued to State Government agencies or their instrumentalities. Examples include dormitories for State universities, train stations or other facilities for transit authorities, or facilities for special-purpose authorities. The estimated cost of construction authorized for State buildings through July was \$433.7 million. Much of the development is the result of expansion or new construction at State universities. Rutgers, the State University of New Jersey; The College of New Jersey; Kean University; The Richard Stockton College of New Jersey; and Rowan University all received building permits for new construction or renovations.

