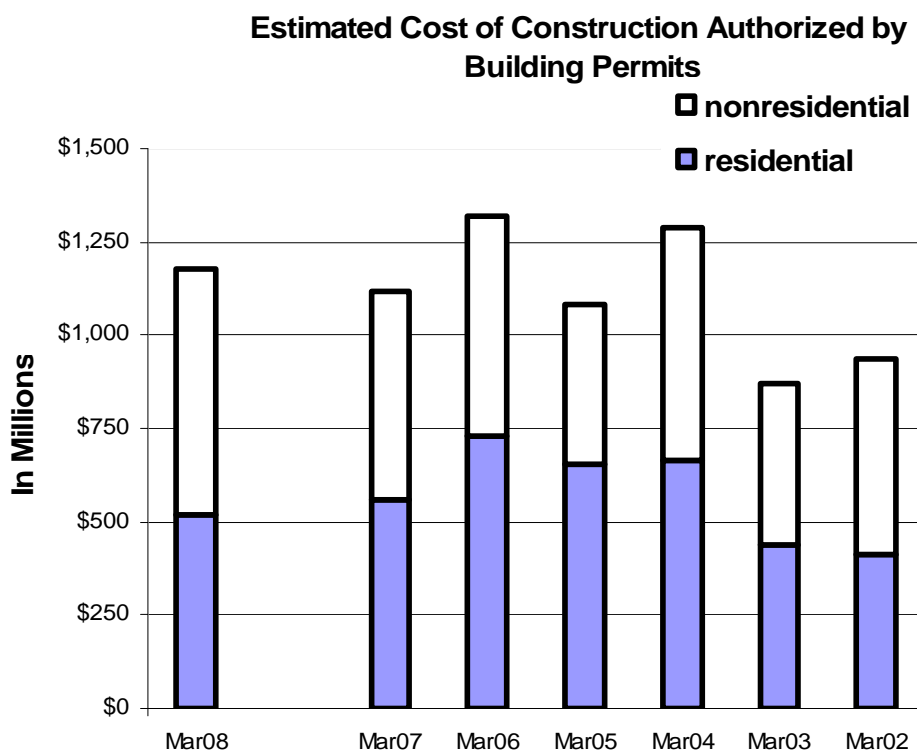


## MARCH 2008 HIGHLIGHTS

- The estimated cost of construction authorized by building permits in March was \$1.178 billion. New houses, and repairs and additions to existing homes, amounted to \$519.1 million, 44.1 percent of all work. Nonresidential activity was \$658.5 million, 55.9 percent of total activity. The number of municipalities that reported in March was 556.



- New home construction was up compared to last month, but authorized housing only amounted to 1,962 new units.
- The City of New Brunswick in Middlesex County had the most work: \$135.9 million. Most of this was for a new high school.
- The City of Bayonne in Hudson County and Atlantic City in Atlantic County also had big projects underway. Most of the \$81.1 million in Bayonne was for a condominium development, Peninsula at Bayonne Harbor. Nearly \$80 million was authorized for two buildings that are part of the luxury housing development, one with 220 dwellings, the other with 324 units.

- Atlantic City had \$72.1 million of construction. A new hotel for Revel Entertainment accounted for \$60 million of this total. The floor area reported was more than 1.5 million square feet.

### Year to Date

- For the first three months of 2008, housing was down by 459 dwellings compared to this time last year. Overall construction, however, was up by \$359.4 million, or 11.1 percent.
- Princeton Township in Mercer County led all municipalities with \$268.5 million of work. A new 250,000 square-foot office building for Princeton University's chemistry department accounted for \$250 million.
- New Brunswick ranks second with \$138.7 million of construction. The 400,000 square-foot high school that broke ground in March accounted for \$134.2 million.
- Bridgewater Township in Somerset County had \$132.6 million of activity through March. An office renovation-addition by the Goldman Sachs investment firm accounted for \$115 million.

Major Construction Indicators, New Jersey				
Period	Estimated Cost of Construction	Authorized Housing Units	Authorized Office Space (square feet)	Authorized Retail Space (square feet)
January through March 2001	\$2,693,697,622	7,649	1,599,036	1,520,020
January through March 2002	\$2,527,798,171	6,948	1,755,610	879,075
January through March 2003	\$2,290,325,619	6,448	1,607,895	1,688,879
January through March 2004	\$2,794,204,925	8,068	3,227,919	407,238
January through March 2005	\$3,084,919,710	7,877	1,909,144	1,174,320
January through March 2006	\$3,544,459,009	7,980	3,314,345	1,015,428
January through March 2007	\$3,245,111,665	5,210	2,069,794	787,396
January through March 2008	\$3,604,531,622	4,751	1,888,540	834,456
<b><i>Difference between 2007 and 2008</i></b>				
2007 – 2008	\$359,419,957	-459	-181,254	47,060
Percent Change	11.1%	-8.8%	-8.8%	6.0%
Source: N.J. Department of Community Affairs, 5/7/08				

- Atlantic City had \$95.8 million through March. The new casino-hotel by Revel Entertainment accounts for \$60 million of this total.

- Bayonne ranks fourth among municipalities with \$88.4 million. Most of this development is from a luxury condominium development along the waterfront. Bayonne leads New Jersey with the most new dwelling units under construction in the first quarter: 558 authorized dwellings.
- “State Buildings” is a category of construction reported by plan reviewers in the Department of Community Affairs. Many of these facilities are built on behalf of New Jersey State Government agencies or their instrumentalities. They include college dormitories and other academic buildings for State colleges and universities, and train stations for New Jersey Transit. The estimated cost of all work reported for State buildings was \$139.9 million. Some of the bigger developments were new dormitories at Kean University in Union Township, Union County and The College of New Jersey in Ewing Township, Mercer County. Other big developments were the South Amboy Train Station in Middlesex County for New Jersey Transit, and Giants Stadium in East Rutherford Borough, Bergen County for the New Jersey Sports & Exposition Authority.

#### **New Home Prices**

- Only 3,195 houses began enrollment in a new home warranty program in the first quarter of 2008. The median sale price of these houses was \$435,000, 6.1 percent more than for the previous quarter. Morris, Somerset, Bergen, and Hunterdon Counties had the most expensive new homes. Half of the 125 new homes in Morris County that began enrollment in the first quarter of 2008 cost more than \$700,000.
- Hudson County accounted for nearly one-fourth of all the new homes that began enrollment in a new home warranty program in the first quarter. Nearly 80 percent of the 775 Hudson County dwellings were in Jersey City. New Jersey’s second largest city had over 19 percent of all the new homes built in this period.

New House Prices			
Period	Number of New Houses	Median Sale Price	Percent Change in Sale Price
1996	20,903	\$183,300	
1997	21,640	\$190,000	3.7%
1998	23,884	\$209,980	10.5%
1999	24,479	\$224,496	6.9%
2000	25,058	\$231,728	3.2%
2001	23,372	\$253,670	9.5%
2002	23,647	\$274,705	8.3%
2003	22,226	\$307,168	11.8%
2004	23,844	\$349,900	13.9%
2005	24,571	\$378,992	8.3%
2006	22,697	\$413,825	9.2%
1 <sup>st</sup> Quarter 2006	5,220	\$409,365	
2 <sup>nd</sup> Quarter 2006	6,319	\$425,000	3.8%
3 <sup>rd</sup> Quarter 2006	6,207	\$405,150	-4.7%
4 <sup>th</sup> Quarter 2006	6,595	\$413,500	2.1%
1 <sup>st</sup> Quarter 2007	4,362	\$439,000	6.2%
2 <sup>nd</sup> Quarter 2007	5,270	\$430,000	-2.1%
3 <sup>rd</sup> Quarter 2007	4,610	\$411,480	-4.3%
4 <sup>th</sup> Quarter 2007	4,155	\$410,000	-0.4%
1 <sup>st</sup> Quarter 2008	3,195	\$435,000	6.1%
Source: N.J. Department of Community Affairs, 5/7/08			