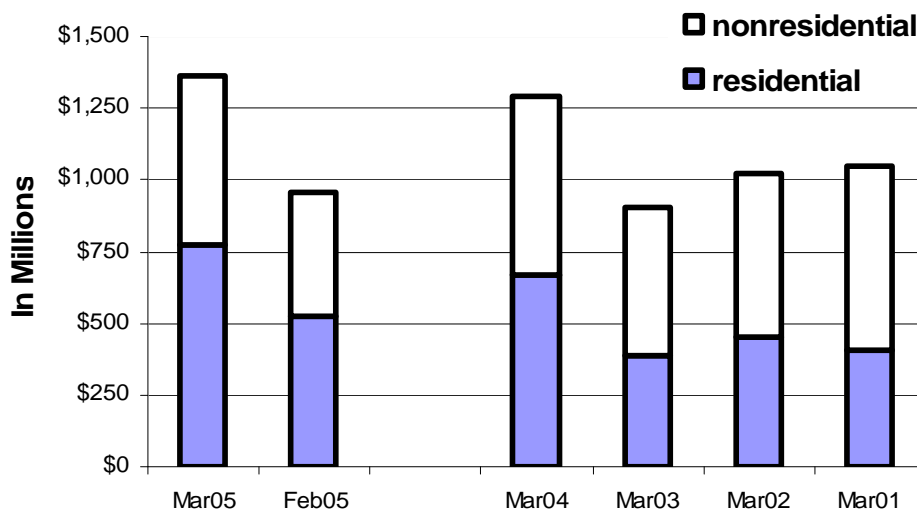


MARCH 2006 HIGHLIGHTS

- March is a rebound month for New Jersey's construction industry. Snow thaws, flowers bloom, and builders get permits for new houses and commercial buildings. Construction activity this March totaled \$1.321 billion. This was the third highest monthly total in the more than ten years the Department of Community Affairs has published construction statistics.
- Residential activity amounted to \$731.6 million, 55.4 percent of all authorized work. New houses accounted for \$413.8 million. A total of 3,215 new dwellings were authorized for construction.

Estimated Cost of Construction Authorized by Building Permits



- Atlantic City in Atlantic County had the most activity, with \$56.7 million authorized by building permits in March. Most of the work was to expand or revamp casinos, hotels, or parking areas, or for retail development along the City's pier and boardwalk. Atlantic City also reported a new 179-unit condominium project.
- Jersey City in Hudson County had \$53.5 million authorized by building permits. Over 80 percent of the residential work in Jersey City was for houses. The City had 400 authorized dwellings in March, more than any other locality. Included in this were alterations to convert two buildings that were once part of the Jersey City Medical Center into 315 condominium units.

- The City of Newark in Essex County was third among localities with \$40.3 million of construction in March. The City had 333 authorized housing units, second only to Jersey City.
- Vineland in Cumberland County had \$34.1 million of construction. Over \$30 million was for a private school and day-care facility.
- Nearly all of the \$34.1 million of work in the City of Linden was for a new juvenile detention facility for Union County.
- Year-to-date figures suggest that 2006 is off to a strong start. A total of \$3.544 billion of construction was authorized for first quarter 2006. This is \$459.5 million more than this time last year, a 14.9-percent increase.
- Atlantic City had the most work for the first three months of 2006: \$132.4 million. Newark ranked second with \$95.8 million and Jersey City was third with \$76.7 million. While over 88 percent of the work reported in Atlantic City was for casino, hotel, parking, retail, or other commercial uses, over 70 percent of the work in Newark and Jersey City was to build new houses or refurbish existing dwellings.

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
<i>Difference Between 2005 and 2006</i>				
2005 – 2006	\$459,539,299	103	1,405,201	-158,892
Percent Change	14.9%	1.3%	73.6%	-13.5%
Source: N.J. Department of Community Affairs, 5/8/06				

- Wayne Township in Passaic County had \$76.6 million of construction in the first quarter of 2006. The Preakness Healthcare Center nursing facility accounted for \$60 million.
- “State buildings” refers to a category of buildings built or refurbished for New Jersey State Government agencies or their instrumentalities. Between January and March 2006, the estimated cost of work authorized for these facilities amounted to \$120.3

million. Three of the bigger projects reported thus far were the Liberty Science Center in Jersey City (\$46.9 million), Greystone Park Psychiatric Hospital in Parsippany-Troy Hills Township, Morris County (\$33.7 million), and a student recreation center for Montclair State University in Montclair Township, Essex County (\$21.7 million).

- The median sales price of a new house in New Jersey reached \$400,000 for the first quarter of 2006. This was more than \$12,000 higher than the median sales price for the last quarter of 2005.
- Morris, Hunterdon, and Bergen Counties had the highest priced homes. Half of the 133 homes that were completed in the first quarter of 2006 and began enrollment in a new home warranty program cost more than \$603,089. The median sales price of new homes in Hunterdon and Bergen Counties was \$567,287 and \$559,000, respectively.

New House Prices			
Period	Number of New Houses	Median Sales Price	Percent Change in Sales 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%
1 st Quarter 2004	4,924	\$326,652	
2 nd Quarter 2004	6,350	\$350,000	7.1%
3 rd Quarter 2004	6,219	\$350,539	0.2%
4 th Quarter 2004	6,351	\$365,000	4.1%
1 st Quarter 2005	5,205	\$367,900	0.8%
2 nd Quarter 2005	6,564	\$379,954	3.3%
3 rd Quarter 2005	6,207	\$378,554	-0.4%
4 th Quarter 2005	6,595	\$387,709	2.4%
1 st Quarter 2006	4,363	\$400,000	3.2%

Source: N.J. Department of Community Affairs, 5/8/06