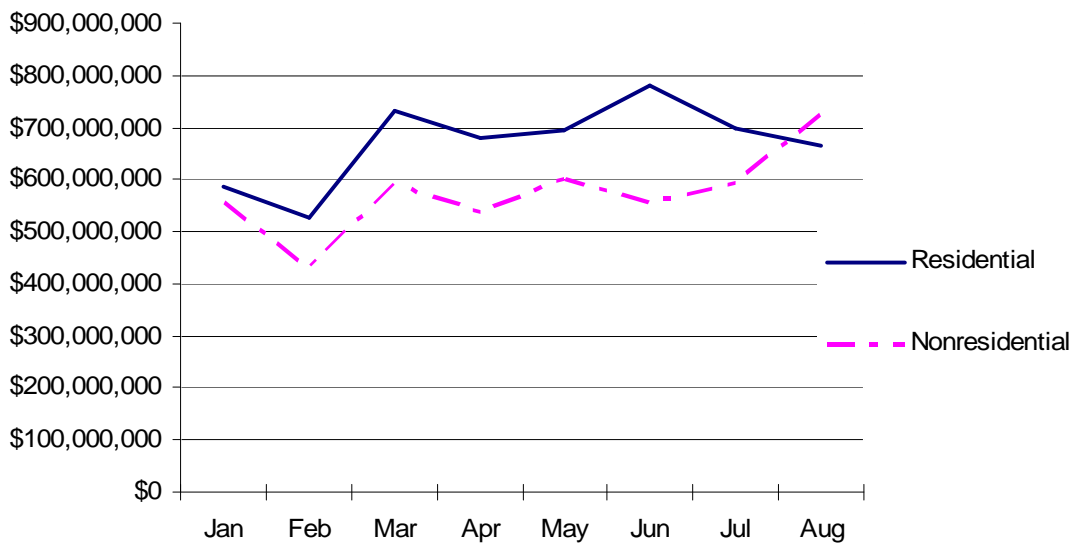


## AUGUST 2006 HIGHLIGHTS

- Nonresidential construction topped residential activity for the first time this year. The reason was a hotel expansion in Atlantic City, Atlantic County. The estimated cost of the 800-room tower that is part of the Trump Taj Mahal complex was \$149.4 million. This was the largest single permit in 2006.
- Nonresidential construction totaled \$725.7 million, 52.1 percent for all work. New home construction and repairs to existing dwellings cost \$666.4 million. The number of municipalities reporting for August was 544. Although New Jersey's construction economy continues to grow, the housing boom has slowed.

### Residential & Nonresidential Construction



- Four cities had the most work in August. Atlantic City topped the list with \$177.7 million, followed by Jersey City in Hudson County (\$34.2 million), the City of Newark in Essex County (\$32.2 million), and the City of Camden in Camden County (\$28.5 million).
- The bigger projects in Jersey City were a new Home Depot and a 224-unit, multifamily housing development. This municipality had 415 authorized dwellings in August -- top among localities. Seventeen percent of all new houses in August were in Jersey City.

- Newark also has a strong housing market. The City's construction office issued building permits for 108 new dwellings, second to Jersey City. A \$16.7-million permit update was issued for additional work on a new hockey arena.
- Most of the activity in Camden is for a new parking deck and medical buildings for Cooper University Hospital.
- "State Buildings" refers to a category of construction reviewed and reported by the State Buildings Plan Review Unit in the Department of Community Affairs. This unit issues building permits for State government agencies or instrumentalities of the State, like general- or special-purpose authorities. This month a significant increase in retail construction occurred as a result of a permit update released by this Unit for the Meadowlands Xanadu entertainment and shopping complex in East Rutherford Borough, Bergen County. The permit update reported 934,473 square feet of retail space.

#### **Year to Date**

- Since January, the estimated cost of construction authorized by permits totals \$10.45 billion. This is \$574.8 million more than last year, an increase of 5.5 percent.
- Atlantic City had the most work, \$430.5 million, between January and August. Major casino and hotel development underway include the Borgata expansion, and new hotel additions by Harrah's and the Trump Taj Mahal.
- Year-to-date figures for Jersey City total \$263.3 million. The City has authorized 1,695 new housing units, more than any other locality.
- Newark ranks third with \$237.9 million of construction and second in terms of new home construction with 1,567 authorized dwellings.
- Woodbridge Township in Middlesex County had \$186.3 million of work. Most of this was for several buildings that will make up a new wastewater treatment facility.
- The City of Hoboken in Hudson County had \$148.9 million of construction through August. Housing accounted for 95 percent of all this work. Since January, Hoboken has reported 826 new dwellings, the third highest amount among localities.

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 – August 2002	\$8,009,676,773	21,699	6,845,554	5,613,885
January – August 2003	\$7,427,669,633	21,904	6,371,865	3,676,276
January – August 2004	\$8,864,794,829	25,153	7,191,451	3,603,455
January – August 2005	\$9,875,901,592	25,615	7,349,034	4,920,026
January – August 2006	\$10,450,657,277	21,884	7,315,171	4,375,293
<i>Difference Between 2005 and 2006</i>				
2005 - 2006	\$574,755,685	-3,731	-33,863	-544,733
Percent Change	5.5%	-17.0%	-0.5%	-12.5%
Source: N.J. Department of Community Affairs, 10/10/06				

