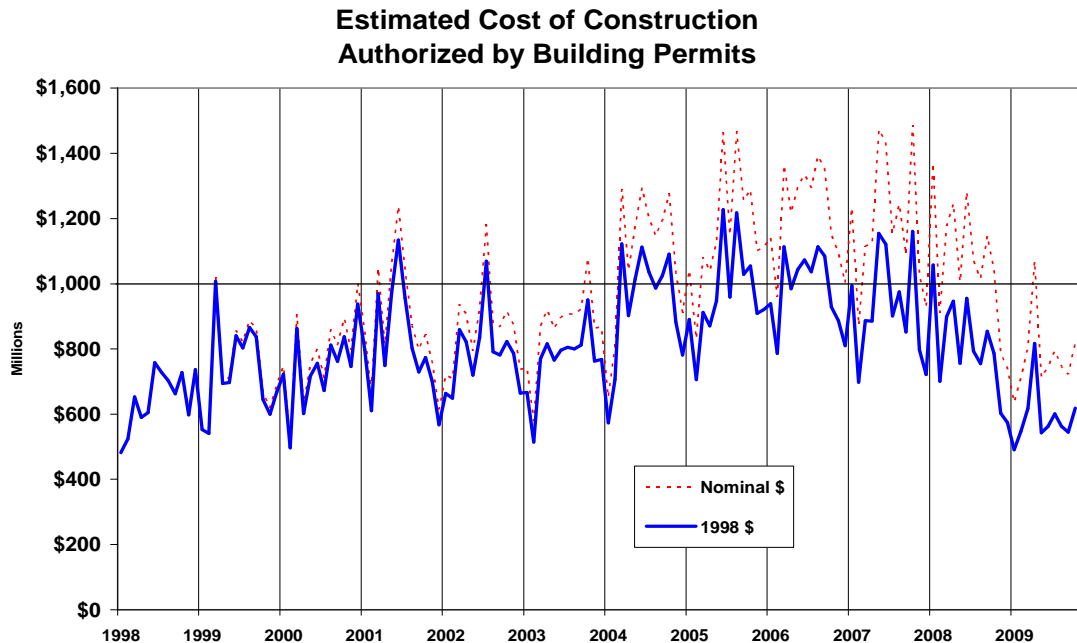


OCTOBER 2009 HIGHLIGHTS

- The dollar amount of construction authorized by building permits was \$819.6 million in October. Residential work amounted to \$401.0 million, or 48.9 percent of all activity. Office, retail, and other nonresidential construction total \$418.7 million (51.9 percent). The number of municipalities reporting was 537.
- New houses accounted for only \$180.9 million, or about 22 cents of every dollar authorized by permits in October. About 27 cents of every dollar was for housing renovations. New, nonresidential work comprised 21 cents, and tenant fit-ups and commercial renovations made up the remaining 30 cents.



- Franklin Township, Somerset County led all municipalities with \$67.6 million in October. Most of this was for a new office building for financial services company, Morgan Stanley.
- “State Buildings” refers to permits issued on behalf of State institutions, like New Jersey universities, or special-purpose authorities, like New Jersey Transit. The estimated cost of construction authorized in October was nearly \$54 million. Some of the bigger projects were a new dormitory at Montclair State University (\$19.4 million), a new health institute in Piscataway for Rutgers University (\$15.5 million), and a light rail station in Bayonne for New Jersey Transit (\$10.9 million).

- Union City in Hudson County ranked second among localities with \$24.9 million of work authorized in October. Nearly all of this (\$22.8 million) was for a new office building for Hudson County Community College.
- Hopewell Township, Mercer County, Jersey City, Hudson County, and Bridgewater Township, Somerset County each had over \$16 million of construction. The new Capital Health Center accounted for most of the work in Hopewell. Jersey City had several, small scale nonresidential additions and alterations, and a new tire warehouse distribution center accounted for most of the work in Bridgewater.

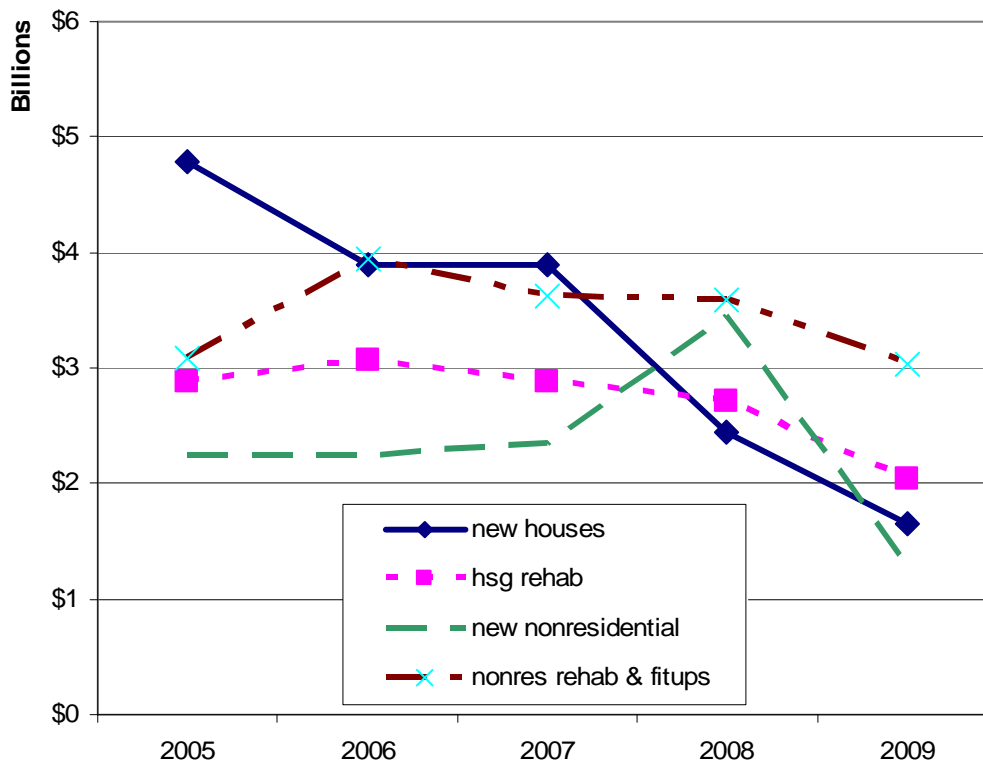
Year to Date

- With ten months of data reported, all signs show that construction activity in 2009 will be significantly lower than last year. Major indicators are down. The dollar amount of work authorized through October totaled only \$8 billion. This is \$4.2 billion less than the same ten-month period in 2008, a decline of 34.1 percent.
- Only 8,721 dwelling units were authorized by permits between January and October 2009. This is 38.8 percent less than the same period last year, a decline of over 5,500 new houses. Compared to the same ten-month period in 2007, new home construction is down by nearly 13,300 units, or 60.4 percent.

Major Construction Indicators, New Jersey: Ten-Month Comparison				
Period	Estimated Cost of Construction	Authorized Housing Units	Authorized Office Space (square feet)	Authorized Retail Space (square feet)
January – October 2009	\$8,022,938,061	8,721	3,247,260	1,940,791
January – October 2008	\$12,177,829,064	14,260	6,884,966	5,144,205
January – October 2007	\$12,748,923,589	22,004	7,397,004	3,711,951
January – October 2006	\$13,144,183,527	26,681	9,574,824	4,595,944
January – October 2005	\$12,985,138,148	33,712	10,027,755	5,379,544
January – October 2004	\$11,459,646,185	32,344	9,713,290	4,492,364
Difference Between 2008 and 2009				
2008 – 2009	-\$4,154,891,003	-5,539	-3,637,706	-3,203,414
Percent Change	-34.1%	-38.8%	-52.8%	-62.3%
Difference Between 2007 and 2009				
2007 – 2009	-\$4,725,985,528	-13,283	-4,149,744	-1,771,160
Percent Change	-37.1%	-60.4%	-56.1%	-47.7%
Difference Between 2006 and 2009				
2006 – 2009	-\$5,121,245,466	-17,960	-6,327,564	-2,655,153
Percent Change	-39.0%	-67.3%	-66.1%	-57.8%
Source: N.J. Department of Community Affairs, 12/7/09				

- Office and retail work declined by even greater percentages in 2009 compared to last year. New office space is down by 3.6 million square feet, or 52.8 percent. New retail space is 3.2 million square feet below last year, a decline of 62.3 percent.

Estimated Dollar of Construction, Jan-Oct, 2005-9



- Jersey City leads all municipalities with \$408.2 million of work through October. New houses accounted for \$281.6 million. Jersey City has 1,093 authorized dwellings thus far in 2009, top among localities. Jersey City had 12.5 percent of all the new houses built in the State.
- Franklin Township, Somerset County ranks second with \$254.4 million thus far in 2009. Most of this work is for the Morgan Stanley office building. When completed, the facility will have a total floor area of over 370,000 square feet.
- Woodbury City reported \$163.2 million through October. The big development was the Gloucester County justice complex.
- Newark ranks fourth amount localities with \$154.7 million of construction between January and October 2009. New Jersey's largest city issued building permits for

269 new dwellings, ranking second among municipalities along with Lakewood Township in Ocean County.

- Paterson in Passaic County has \$144.6 million of work. Most of this was for an addition to St. Joseph's Hospital.