



News

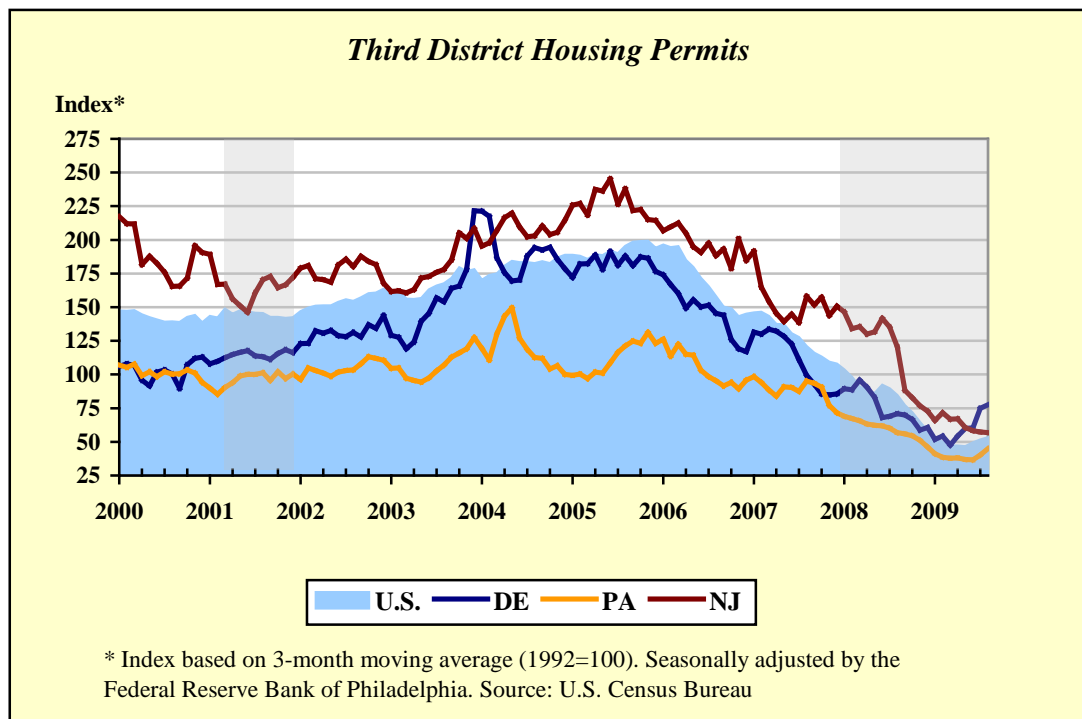
STATE HOUSING PERMITS: AUGUST 2009

From July to August, issuance of residential building permits increased in New Jersey and Pennsylvania but decreased in Delaware. Permits were below August 2008 levels in New Jersey and Pennsylvania but above the year-ago level in Delaware.

The number of residential units authorized by building permits increased from July to August in New Jersey (14.9 percent) and in Pennsylvania (2.7 percent) but decreased in Delaware (38.4 percent), according to the latest Census Bureau release. Total permits in the nation decreased 4.2 percent month to month. (All data are not seasonally adjusted.) Delaware permits tend to be very variable on a monthly basis, and the July-to-August drop was an instance of this. The decline was largely the result of a decrease in multifamily permits in August from a very large number in July.

Total residential permits year-to-date through August 2009 declined from the same eight-month period in 2008 for Delaware (15.2 percent), New Jersey (45.7 percent), and Pennsylvania (32.7 percent). Nationally, the year-to-date decline in August was 43.6 percent. The year-to-date decrease in total permits has been easing since the beginning of the year both in the region and in the nation. This trend suggests that the steep fall in residential construction that began in 2005 might now be bottoming out.

To remove the seasonality and monthly volatility in permits, we apply a seasonal adjustment and a three-month moving average to total permits (see chart below). According to our seasonally adjusted moving average series, total permits increased in Delaware and Pennsylvania but decreased slightly in New Jersey from July to August.



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