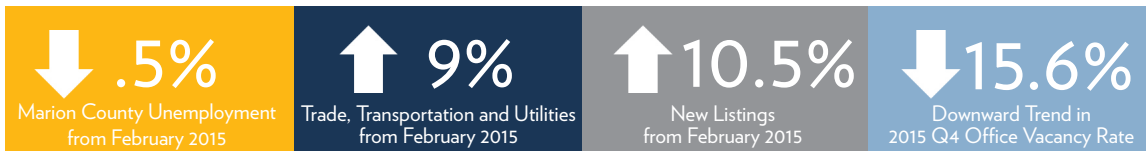


MARCH 2016 ECONOMIC BRIEFING

A summary of the Indianapolis regional economy



Indiana's Workforce Increasing

More than 20,000 Hoosiers entered the labor force in February for a second consecutive month, resulting in a sharp increase in Indiana's labor force participation rate. The percentage of the working-age population that is employed or looking for work in Indiana continues to outpace the national average by nearly two percent.

Indianapolis and Marion County's unemployment rates are up slightly from January 2016, but remain below the unemployment rates of February 2015.

Workforce

February 2016 Unemployment Rates			
	Feb'16	Jan'16	Feb'15
Marion County, IN	5.3	4.9	5.8
Indianapolis-MSA	4.9	4.6	5.3
State of Indiana (seasonally adj.)	4.7	4.6	5.2
U.S. (seasonally adj.)	4.9	4.9	5.5

Indianapolis Regional Unemployment Rate Rankings by County Ranking in State (highest to lowest rate out of 92 counties)		
County	Unemployment Rate Feb '16	Rank
Madison	6.5%	22
Morgan	5.5%	46
Shelby	5.4%	49
Marion	5.3%	51
Hancock	4.8%	68
Johnson	4.5%	81
Boone	4.2%	86
Hendricks	4.2%	88
Hamilton	3.7%	92

Labor Force Estimates, February 2016			
	Labor Force	Employed	Unemployed
U.S.	158,279,000	150,060,000	8,219,000
Indiana	3,312,468	3,132,454	180,014
Marion County	480,142	454,775	25,367

Source: Indiana Department of Workforce Development

Employment by Industry

Indianapolis MSA Employment by Industry (1,000s)				
	Feb'16 (p)	Jan'16	Change from Previous Month	Change from Feb'15
Construction	42	42	0	2
Manufacturing	90	89	1	0
Trade, Transportation and Utilities	217	218	-1	9
Wholesale Trade	46	46	0	-1
Retail Trade	106	107	-1	4
Transportation and Utilities	64	66	-2	5
Information	16	16	0	-1
Financial Activities	65	64	1	3
Professional and Business Services	155	156	-1	1
Education and Health Services	152	149	3	6
Leisure and Hospitality	102	100	2	3
Government	133	130	3	3

(p) = preliminary

Source: Bureau of Labor Statistics

Recent News

Leading Agriculture Equipment Company Relocating Tennessee Headquarters to Indiana

Krone North America plans to relocate its headquarters from Memphis, Tennessee, to Shelbyville, Indiana. The project is expected to create up to 101 new high-wage jobs by 2021.

[Read more](#)

Tech Companies Adding High-Wage Jobs in Central Indiana

Innolance and Matchbook Creative plans to expand their operations in Central Indiana, creating more than 50 new high-wage jobs over the next few years and continuing a trend of tech growth in the Hoosier state.

[Read more](#)

[Read more recent announcements on our website at IndyChamber.com](#)

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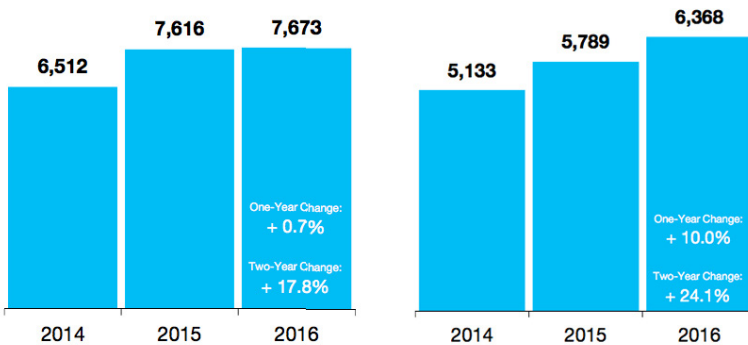


Residential Real Estate

New Listings in Central Indiana increased to 10.5 percent in February 2016 compared to February 2015. Prices continue to gain traction with the Median Sales Price increasing 2.7 percent to \$135,000 and the Average Sales Price increasing 2.7 percent to \$170,000.

Indianapolis Regional Real Estate Statistics			
	Feb'16	Feb'15	% Change
New Listings	3,146	2,846	+ 10.5%
Closed Sales	1,984	1,810	+ 9.6%
Median Sales Price	\$135,000	\$131,500	+ 2.7%
Average Sales Price	\$170,125	\$166,384	+ 2.2%

Past Three Month Average for Indianapolis Region



New Listings

Closed Sales

Source: MIBOR www.mibor.com

Commercial Real Estate

INDIANAPOLIS OFFICE

Economic Indicators	Q4 14	Q4 15	12-Month Forecast
Indianapolis MSA Employment	1,007.8K	1,036.1K	▲
Indianapolis MSA Unemployment	5.40%	4.00%	▼
U.S. Unemployment	5.50%	4.80%	▼

Market Indicators

	Q4 14	Q4 15	12-Month Forecast
Overall Vacancy	18.2%	15.6%	■
Net Absorption	328,698	96,976	▲
Under Construction	0	211,000	▼
Average Asking Rent	\$18.01	\$17.57	▲

Net Absorption/Asking Rent 4Q TRAILING AVERAGE



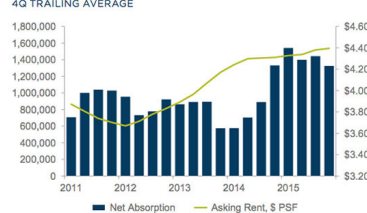
INDIANAPOLIS INDUSTRIAL

Economic Indicators	Q4 14	Q4 15	12-Month Forecast
Indianapolis MSA Employment	1,007.8K	1,036.1K	▲
Indianapolis MSA Unemployment	5.4%	4.0%	▼
U.S. Unemployment	5.5%	4.8%	▼

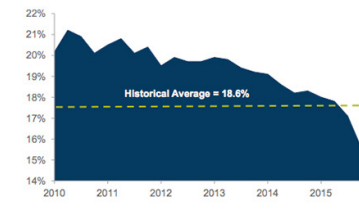
Market Indicators

	Q4 14	Q4 15	12-Month Forecast
Overall Vacancy	6.0%	5.8%	■
Net Absorption	1.65M	1.62M	▲
Under Construction	9.69M	2.28M	■
Average Asking Rent	\$4.34	\$4.45	▲

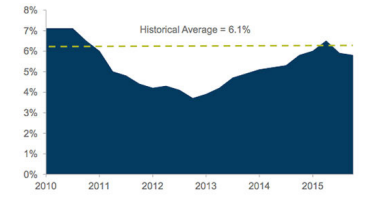
Net Absorption/Asking Rent NNN 4Q TRAILING AVERAGE



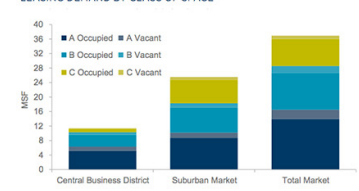
Overall Vacancy



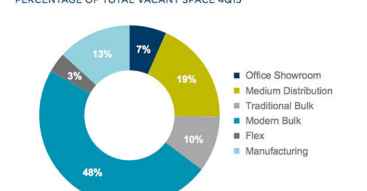
Overall Vacancy



Market Comparison LEASING DEMAND BY CLASS OF SPACE



Vacant Space by Product Type PERCENTAGE OF TOTAL VACANT SPACE 4QIS



Source: Cushman & Wakefield www.DTZ.CassidyTurley.com

IndyGo Fixed Route Ridership

IndyGo ridership is up February 2016 over February 2015 by 6.4 percent. Year to date, ridership is down 0.5 percent.

IndyGo Fixed Route Ridership		
Total Passengers (YTD)		
2015	2016	% Change
1,448,222	1,440,297	-0.5%
Total Passengers Current Month		
Feb'15	Feb'16	% Change
692,761	736,919	6.4%

Source: IndyGo www.indygo.net

MARCH 2016 ECONOMIC BRIEFING

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Indianapolis Region Cost of Living

The Indianapolis Region consistently ranks as one of the most affordable places to live and do business in the U.S. According to the National Association of Realtors, the median price of an existing single-family home in the Indianapolis MSA was \$157,300. The Midwest average was \$181,100 and the national average was \$229,000. The following metro areas were selected because they are peer cities to Indianapolis.

Cost of Living Index: 2015 Annual Averages (U.S. Average = 100)

Metro Area	Composite Index	Grocery Items	Housing	Utilities	Transportation	Health Care	Miscellaneous Goods and Services
Seattle	140.3	124.6	183.9	107.7	121.1	120.5	128.9
Chicago	116.2	116.7	135.7	104.2	114.5	99.1	106.0
Baltimore	112.8	119.0	144.0	93.9	104.2	89.0	95.6
Denver	109.6	99.2	130.2	94.5	98.4	107.7	105.0
Minneapolis	108.2	108.0	111.8	93.0	112.1	105.5	108.9
Cleveland	101.2	108.8	93.4	100.2	99.4	108.6	104.7
Atlanta	99.9	103.7	97.4	93.5	105.0	101.4	100.5
Pittsburgh	98.6	99.6	95.8	101.1	113.4	96.3	95.1
Charlotte	96.4	101.6	81.9	105.4	96.7	102.8	103.0
Dallas	96.1	100.9	76.1	99.4	99.2	101.9	108.4
Austin	96.0	84.2	90.3	101.5	97.7	103.5	102.2
Phoenix	95.9	98.5	94.8	96.6	100.0	97.2	94.0
Nashville	95.2	95.7	82.1	97.5	98.1	86.6	105.7
Kansas City	94.1	91.1	91.3	90.4	93.6	95.4	98.9
St. Louis	92.5	104.6	72.0	116.5	98.7	99.8	94.4
Indianapolis	91.1	92.9	82.1	90.8	92.0	99.3	96.8

Source: Council for Community and Economic Research, 2016