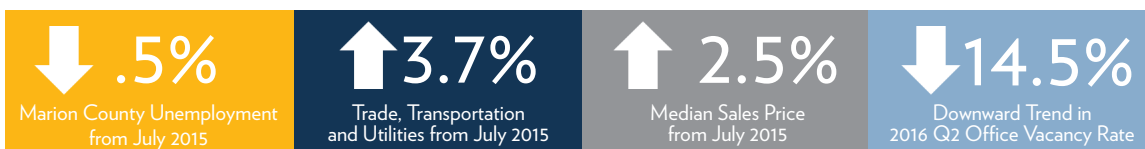


AUGUST 2016 ECONOMIC BRIEFING

A summary of the Indianapolis regional economy



Hoosier Labor Force Trends Positive

Indiana's seasonally-adjusted unemployment rate dropped 0.2 percent for a second-consecutive month and now stands at 4.6 percent for the month of July. A primary cause for this drop is a third-straight month of significant gains in Hoosiers finding employment (11,276 in July). Indiana's labor force has experienced total labor growth of more than 192,000 since January 2013. This has led to all-time highs in the state's total labor force (3,375,563) and total number of employed (3,220,007).

Indianapolis and Marion County's unemployment rates decreased slightly from June 2016 and remain consistently lower than that of 2015.

Workforce

July 2016 Unemployment Rates			
	July'16	June'16	July'15
Marion County, IN	4.3	4.6	4.8
Indianapolis-MSA	3.9	4.2	4.4
State of Indiana (seasonally adj.)	4.6	4.8	4.6
U.S. (seasonally adj.)	4.9	4.9	5.3

Indianapolis Regional Unemployment Rate Rankings by County <i>Ranking in State (highest to lowest rate out of 92 counties)</i>		
County	Unemployment Rate July '16	Rank
Madison	4.7%	29
Marion	4.3%	48
Morgan	4.0%	60
Shelby	3.7%	74
Hancock	3.6%	77
Johnson	3.5%	84
Hendricks	3.4%	88
Boone	3.3%	90
Hamilton	3.2%	91

Labor Force Estimates, July 2016			
	Labor Force	Employed	Unemployed
U.S.	160,705,000	152,437,000	8,267,000
Indiana	3,417,100	3,268,118	148,982
Marion County	500,448	478,782	21,666

Source: Indiana Department of Workforce Development

Employment by Industry

Indianapolis MSA Employment by Industry (1,000s)				
	July'16 (p)	June'16	Change from Previous Month	Change from July'15
Construction	51	49	2	3
Manufacturing	91	91	0	0
Trade, Transportation and Utilities	223	225	-2	8
Wholesale Trade	46	47	-1	-2
Retail Trade	112	112	0	5
Transportation and Utilities	65	66	-1	5
Information	16	16	0	-1
Financial Activities	68	67	1	4
Professional and Business Services	160	158	2	-3
Education and Health Services	148	148	0	4
Leisure and Hospitality	111	113	-2	3
Government	119	122	-3	1

(p) = preliminary

Source: Bureau of Labor Statistics

Recent News

Nebraska-Based E-Commerce Firm Picks Hendricks County for New Fulfillment Center

VM Innovations announced plans to locate a new distribution center in Indiana, which will be the company's fourth center nationally. As part of its growth, the company plans to add 75 new jobs by 2021.

[Read more](#)

JPMorgan Chase Foundation Awards \$100K to Indy Chamber's Business Ownership Initiative to Support Entrepreneurship on Near West Side

Free business coaching, microlending and other programs will support economic revitalization in River West neighborhood, part of Great Places 2020 initiative.

[Read more](#)

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

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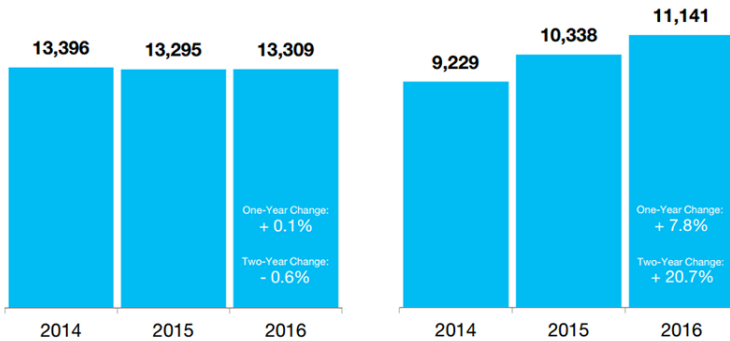


Residential Real Estate

The pace of Closed Sales has slowed as inventory concerns persist in the Indianapolis region but homes continue to sell faster than they have in the past several years. Closed Sales were up 0.4 percent in July over last July and up 7.8 percent in the three months ending in July compared to same time last year.

Indianapolis Regional Real Estate Statistics			
	July'16	July'15	% Change
New Listings	4,253	4,106	+ 3.6%
Closed Sales	3,493	3,479	+ 0.4%
Median Sales Price	\$158,900	\$155,000	+ 2.5%
Average Sales Price	\$193,845	\$195,480	- 0.8%

Past Three Month Average for Indianapolis Region



New Listings

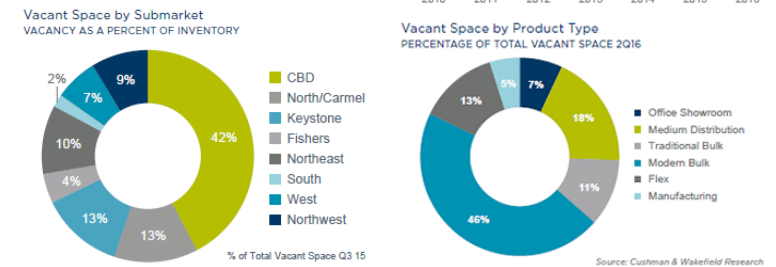
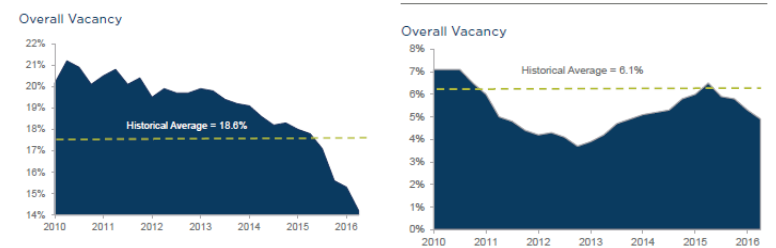
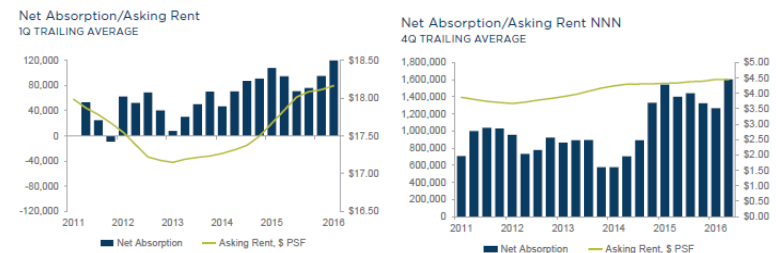
Closed Sales

Source: MIBOR www.mibor.com

Commercial Real Estate

INDIANAPOLIS OFFICE				INDIANAPOLIS INDUSTRIAL			
Economic Indicators				Economic Indicators			
	2Q 15	2Q 16	12-Month Forecast		2Q 15	2Q 16	12-Month Forecast
Indianapolis MSA Employment	1014.7K	1029.6K	▲	Indianapolis MSA Employment	1014.7K	1029.6K	▲
Indianapolis MSA Unemployment	4.5%	4.8%	▼	Indianapolis MSA Unemployment	4.5%	4.8%	▼
U.S. Unemployment	5.4%	4.9%	▼	U.S. Unemployment	5.4%	4.9%	▼

INDIANAPOLIS OFFICE				INDIANAPOLIS INDUSTRIAL			
Market Indicators				Market Indicators			
	2Q 15	2Q 16	12-Month Forecast		2Q 15	2Q 16	12-Month Forecast
Overall Vacancy	17.8%	14.5%	▼	Overall Vacancy	6.5%	4.9%	▼
Net Absorption	69,437	264,622	▲	Net Absorption	607.5K	1.9M	▲
Under Construction	100,000	393,500	▲	Under Construction	4.1M	1.2M	▲
Average Asking Rent	\$18.08	\$18.29	▲	Average Asking Rent	\$4.36	\$4.33	▲



Source: Cushman & Wakefield

IndyGo Fixed Route Ridership

IndyGo ridership is down 9.3 percent over last July and 4.6 percent YTD. A small decline is expected after major service changes as riders adjust to their new trip patterns. IndyGo continues to monitor route performance regularly.

IndyGo Fixed Route Ridership			
Total Passengers (YTD)			
	2015	2016	% Change
	5,519,453	5,264,889	-4.6%
Total Passengers Current Month			
	July'15	July'16	% Change
	826,831	750,220	-9.3%

Source: IndyGo www.indygo.net

AUGUST 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 in Q1 2016 was \$146,900. The Midwest average was \$167,900 and the national average was \$217,600. The following metro areas were selected because they are peer cities to Indianapolis.

Cost of Living Index: Q1 2016 (U.S. Average = 100)

Metro Area	Composite Index	Grocery Items	Housing	Utilities	Transportation	Health Care	Miscellaneous Goods and Services
Seattle	149.9	128.3	181.4	121.0	162.7	126.7	138.0
Chicago	118.9	111.5	148.2	101.6	114.2	100.8	106.4
Baltimore	114.8	113.8	143.7	102.8	103.5	88.9	101.5
Denver	109.3	106.4	130.7	91.7	99.6	106.5	101.5
Minneapolis	104.4	104.8	106.1	97.1	94.9	105.4	108.1
Milwaukee	99.7	105.9	96.6	111.1	97.7	115.9	94.7
Atlanta	99.6	104.3	92.3	98.2	102.2	105.4	102.8
Cleveland	99.4	113.1	88.1	93.1	107.8	100.3	102.4
Austin	98.6	87.4	95.8	107.6	97.9	103.7	102.2
Dallas	97.9	104.7	78.4	98.8	100.4	105.5	105.8
Phoenix	96.8	94.1	98.2	95.3	102.6	96.0	95.2
Nashville	96.1	97.5	86.8	91.8	103.5	83.9	103.8
Raleigh	93.8	116.8	68.5	96.8	89.9	107.8	104.6
Pittsburgh	93.3	94.7	94.0	99.4	106.6	95.6	85.5
Charlotte	92.7	91.1	85.1	92.6	96.3	103.1	97.4
Indianapolis	92.4	94.7	85.0	87.3	95.9	100.3	98.7

Source: Council for Community and Economic Research, 2016