

# MARCH 2017 ECONOMIC BRIEFING

A summary of the Indianapolis regional economy



## Indiana Unemployment Rate Ticks Up Slightly but Well Below National Average

Indiana's unemployment rate stands at 4.1 percent for February and remains lower than the national rate of 4.7 percent. Indiana's Labor Force increased by 7,912 over the previous month with a 6,394 increase in employment and a 1,518 increase in unemployment. "Gains in Indiana's labor force participation rate are encouraging and further growth is needed to ensure Indiana reaches its workforce potential as a state," said Steven J. Braun, Commissioner of the Indiana Department of Workforce Development (DWD).

Indianapolis and Marion County's unemployment rates are .4 and .5 lower respectively than the rates of February 2016.

## Workforce

February 2017 Unemployment Rates			
	Feb. '17	Jan. '17	Feb. '16
Marion County, IN	4.5	4.4	5.0
Indianapolis-MSA	4.2	4.2	4.6
State of Indiana (seasonally adj.)	4.1	4.0	4.7
U.S. (seasonally adj.)	4.7	4.8	4.9

Indianapolis Regional Unemployment Rate Rankings by County <i>Ranking in State (highest to lowest rate out of 92 counties)</i>		
County	Unemployment Rate Feb. '17	Rank
Madison	5.4%	23
Morgan	4.7%	51
Marion	4.5%	55
Shelby	4.4%	60
Hancock	3.9%	77
Johnson	3.9%	79
Boone	3.6%	86
Hendricks	3.6%	87
Hamilton	3.4%	90

Labor Force Estimates, February 2017			
	Labor Force	Employed	Unemployed
U.S.	159,482,000	151,594,000	7,887,000
Indiana	3,302,752	3,148,963	153,789
Marion County	482,590	460,633	21,957

Source: Indiana Department of Workforce Development

## Employment by Industry

Indianapolis MSA Employment by Industry (1,000s)				
	Feb. '17 (p)	Jan. '17	Change from Previous Month	Change from Feb. '16
Construction	49	49	0	7
Manufacturing	91	91	0	2
Trade, Transportation and Utilities	219	220	-1	1
Wholesale Trade	48	47	1	0
Retail Trade	109	111	-2	2
Transportation and Utilities	62	62	0	-1
Information	16	16	0	0
Financial Activities	67	67	0	3
Professional and Business Services	163	164	-1	-2
Education and Health Services	155	153	2	5
Leisure and Hospitality	104	103	1	2
Government	133	131	2	1

(p) = preliminary

Source: Bureau of Labor Statistics

## Recent News

### ExactTarget Alum Expanding Analytics Company

Indianapolis-based 250ok LLC is planning to add more than 50 jobs by 2021. The email marketing analytics provider, run by a former employee of ExactTarget, says it will invest nearly \$1.6 million into its expansion. 250ok currently has 15 employees, most of which are in Indiana.

[Read more](#)

### Chamber to Bring National Pitch Program for Entrepreneurs to Indy

The Indy Chamber is bringing a national program for entrepreneurs to Indianapolis, featuring weekly events with elements of pitch contests that the group hopes will be a forum for small business owners of different stripes to share stories and collaborate.

[Read more](#)

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

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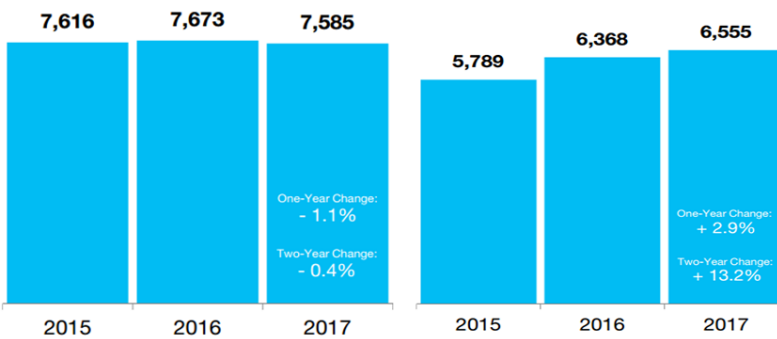


## Residential Real Estate

The start of the year ushered in a wave of good news about a hot stock market, higher wages and an active home sales environment. Just as we saw many times in 2016, buyer activity is easily outpacing seller activity in much of the country, culminating in relatively quick sales and low supply. Demand definitely remained strong this month.

Indianapolis Regional Real Estate Statistics			
	Feb. '17	Feb. '16	% Change
New Listings	3,120	3,146	-0.8%
Closed Sales	1,984	1,984	0%
Median Sales Price	\$152,000	\$135,000	+ 12.6%
Average Sales Price	\$187,893	\$170,125	+ 10.4%

### Past Three Month Average for Indianapolis Region



## New Listings

Source: MIBOR [www.mibor.com](http://www.mibor.com)

## Closed Sales

## IndyGo Fixed Route Ridership

IndyGo ridership is up 0.4% YTD over 2016 which is a positive sign to kick off 2017. IndyGo continues to monitor route performance regularly.

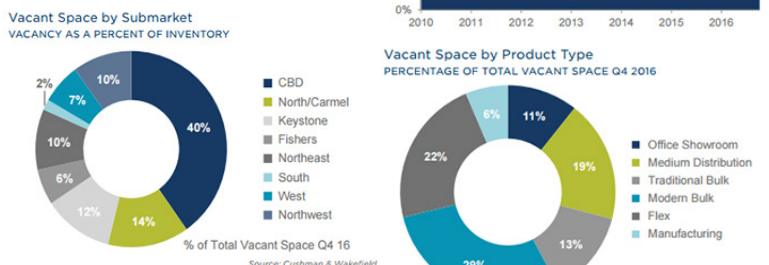
IndyGo Fixed Route Ridership		
Total Passengers (YTD)		
2016	2017	% Change
1,440,498	1,445,663	+0.4%
Total Passengers Current Month		
February '16	February '17	% Change
736,919	723,107	-1.9%

Source: IndyGo [www.indygo.net](http://www.indygo.net)

## Commercial Real Estate

INDIANAPOLIS OFFICE				INDIANAPOLIS INDUSTRIAL			
Economic Indicators				Economic Indicators			
	Q4 15	Q4 16	12-Month Forecast		Q4 15	Q4 16	12-Month Forecast
Indianapolis MSA Employment	1026.2K	1042.4K	▲	Indianapolis MSA Employment	1026.2K	1042.4K	▲
Indianapolis MSA Unemployment	4.2%	4.0%	▲	Indianapolis MSA Unemployment	4.2%	4.0%	▲
U.S. Unemployment	5.0%	4.8%	▲	U.S. Unemployment	5.0%	4.8%	▲

Market Indicators (Overall, All Classes)**				Market Indicators (Overall, All Property Types)			
	Q4 15	Q4 16	12-Month Forecast		Q4 15	Q4 16	12-Month Forecast
Vacancy	15.6%	14.8%	▲	Overall Vacancy	5.8%	3.0%	▲
Net Absorption (SF)	96,976	8,391	▲	Net Absorption (SF)	1.6M	1.8M	▲
Under Construction (SF)	211,000	603,116	▲	Under Construction (SF)	2.3M	6.4M	▲
Average Asking Rent*	\$18.32	\$18.53	▲	Average Asking Rent*	\$3.55	\$3.62	▲



Source: Cushman & Wakefield

Source: Cushman & Wakefield Research

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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 3rd Q. 2016 was \$164,100. The Midwest average was \$191,200 and the national average was \$240,900. The following metro areas were selected because they are peer cities to Indianapolis.

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

Metro Area	Composite Index	Grocery Items	Housing	Utilities	Transportation	Health Care	Miscellaneous Goods and Services
Seattle	145.1	125.3	179.7	122.9	138.7	127.7	135.6
Chicago	118.5	108.5	144.8	94.9	125.7	102.7	108.2
Baltimore	115.6	113.2	143.6	104.8	103.7	89.8	103.9
Denver	110.4	106.3	131.9	92.6	104.2	106.8	102.4
Minneapolis	105.6	106.0	107.9	95.8	101.0	105.7	107.8
Dallas	100.4	108.5	88.0	98.7	101.5	106.3	106.6
Cleveland	98.7	113.9	87.8	91.2	106.3	99.7	101.4
Atlanta	98.7	103.8	88.5	103.1	101.7	107.9	101.6
Phoenix	97.0	94.8	98.3	94.7	100.9	96.6	96.5
Austin	96.7	86.9	94.8	102.9	98.3	102.7	99.1
Nashville	95.5	95.8	86.9	89.9	101.5	83.1	103.4
Detroit	94.9	91.3	87.9	108.2	104.3	94.6	95.5
Charlotte	94.8	94.0	85.1	91.9	96.8	103.6	101.9
Raleigh	94.4	113.4	69.3	96.2	91.5	103.9	106.0
Pittsburgh	94.0	97.1	93.0	102.1	106.3	95.1	87.7
<b>Indianapolis</b>	<b>91.8</b>	<b>94.0</b>	<b>82.0</b>	<b>89.4</b>	<b>92.7</b>	<b>98.4</b>	<b>98.4</b>

Source: Council for Community and Economic Research, 2017