DECEMBER 2015 ECONOMIC BRIEFING

A summary of the Indianapolis regional economy

INDY CHAMBER

1.7%	15%	11.7%	17.1%
↓ Marion County Unemployment from November 2014	↑ Trade, Transportation and Utilities from November 2014	↑ New Listings from November 2014	↓ Downward Trend in 2015 Q3 Office Vacancy Rate

Indiana Unemployment Lowest in Decades

Indiana's seasonally adjusted unemployment rate remained at 4.4 percent in November, continuing the trend of the lowest unemployment levels experienced in the Hoosier State since August of 2001. Indiana has now added nearly 100,000 individuals to the labor force since January 2013, which leads the Midwest.

Both Marion County and Indianapolis unemployment rates slightly increased in November, but remain well below the unemployment rates of November 2014.

Workforce

November 2015 Unemployment Rates			
	Nov'15	Oct'15	Nov'14
Marion County, IN	4.6	4.4	6.3
Indianapolis-MSA	4.2	4.0	5.6
State of Indiana (seasonally adj.)	4.4	4.4	5.9
U.S. (seasonally adj.)	5.0	5.0	5.9

Indianapolis Regional Unemployment Rate Rankings by County *Ranking in State (highest to lowest rate out of 92 counties)*		
County	**Unemployment Rate Nov '15**	**Rank**
Madison	5.0%	19
Marion	4.6%	34
Morgan	4.3%	46
Shelby	4.0%	66
Hancock	3.9%	70
Johnson	3.8%	78
Boone	3.6%	85
Hendricks	3.6%	87
Hamilton	3.3%	92

Labor Force Estimates, November 2015			
	Labor Force	Employed	Unemployed
U.S.	157,340,000	149,766,000	7,573,000
Indiana	3,296,868	3,149,458	147,410
Marion County	477,231	456,206	21,025

Source: Indiana Department of Workforce Development

Employment by Industry

Indianapolis MSA Employment by Industry (1,000s)				
	Nov'15 (p)	Oct'15	Change from Previous Month	Change from Nov'14
Construction	45	46	-1	0
Manufacturing	91	92	-1	1
Trade, Transportation and Utilities	234	228	6	15
Wholesale Trade	48	49	-1	1
Retail Trade	115	112	3	5
Transportation and Utilities	71	67	4	8
Information	17	17	0	0
Financial Activities	60	60	0	-2
Professional and Business Services	163	161	2	3
Education and Health Services	151	151	0	5
Leisure and Hospitality	106	108	-2	5
Government	133	130	3	2

(p) = preliminary *Source: Bureau of Labor Statistics*

Recent News

Homegrown Printing Company Growing in Indy

Fineline Printing Group, a print communications and fulfillment provider, announced plans to expand its operations in Indianapolis, creating up to 25 new jobs by 2019.

Read more

Hoosier Data Solutions Provider Adding High-Wage Jobs at Central Indiana HQ

Kinney Group Inc., a data center solutions provider, announced plans to expand its operations, creating up to 89 new high-wage jobs by 2019.

Read more

Read more recent announcements on our website at IndyChamber.com

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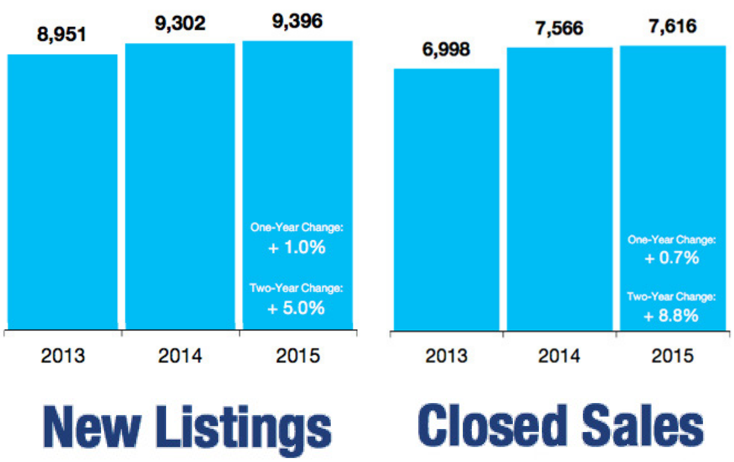
Residential Real Estate

2015 was a year of solid growth for the residential real estate market, with progress in nearly every metric month after month. Prices continue to gain traction, with increases in New Listings and strong increases in Closed Sales.

Indianapolis Regional Real Estate Statistics			
	Nov'15	Nov'14	% Change
New Listings	2,594	2,323	+ 11.7%
Closed Sales	2,157	2,085	+ 3.5%
Median Sales Price	$145,000	$137,500	+ 5.5%
Average Sales Price	$183,988	$176,603	+ 4.2%

Past Three Month Average for Indianapolis Region



Source: MIBOR www.mibor.com

Commercial Real Estate

INDIANAPOLIS OFFICE

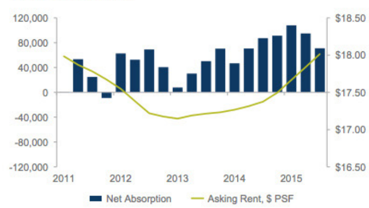
Economic Indicators

	Q3 14	Q3 15	12-Month Forecast
Indianapolis MSA Employment	1,002.1K	1,030.1K	▲
Indianapolis MSA Unemployment	5.7%	4.2%	▼
U.S. Unemployment	5.9%	5.1%	▼

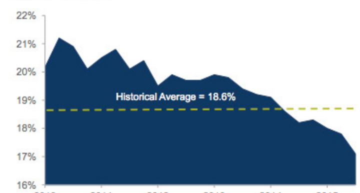
Market Indicators

	Q3 14	Q3 15	12-Month Forecast
Overall Vacancy	18.5%	17.1%	▼
Net Absorption	94,487	107,941	▲
Under Construction	0	123,036	▼
Average Asking Rent	$17.85	$18.10	▲

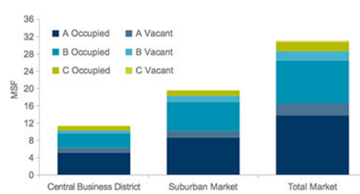
Net Absorption/Asking Rent NNN
4Q TRAILING AVERAGE



Overall Vacancy



Market Comparison
LEASING DEMAND BY CLASS OF SPACE



INDIANAPOLIS INDUSTRIAL

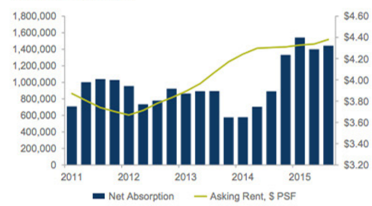
Economic Indicators

	Q3 14	Q3 15	12-Month Forecast
Indianapolis MSA Employment	1,002.1K	1,030.1K	▲
Indianapolis MSA Unemployment	5.7%	4.2%	▼
U.S. Unemployment	5.9%	5.1%	▼

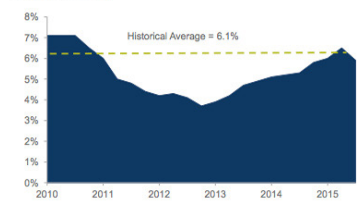
Market Indicators

	Q3 14	Q3 15	12-Month Forecast
Overall Vacancy	5.3%	5.9%	▬
Net Absorption	2.78M	1.57M	▲
Under Construction	9.69M	2.77M	▲
Average Asking Rent	$4.32	$4.49	▲

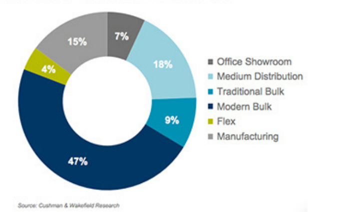
Net Absorption/Asking Rent NNN
4Q TRAILING AVERAGE



Overall Vacancy



Vacant Space by Product Type
PERCENTAGE OF TOTAL VACANT SPACE Q3 2015



Source: DTZ www.DTZ.CassidyTurley.com

IndyGo Fixed Route Ridership

Ridership is down 2.7 percent over November 2014 and 6.1 percent YTD. IndyGo will continue to monitor peers and other economic factors.

IndyGo Fixed Route Ridership		
Total Passengers (YTD)		
2014	2015	% Change
9,464,823	8,887,687	-6.1%
Total Passengers Current Month		
Nov'14	Nov'15	% Change
789,614	768,656	-2.7%

Source: IndyGo www.indygo.net

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 quarter of 2015 was $160,200. The Midwest average was $182,000 and the national average was $229,400. The following metro areas were selected because they are peer cities to Indianapolis.

Cost of Living Index: 3rd Quarter 2015 (U.S. Average = 100)

Metro Area	Composite Index	Grocery Items	Housing	Utilities	Transportation	Health Care	Miscellaneous Goods and Services
Seattle	145.5	124.0	187.3	116.8	122.0	123.4	139.5
Chicago	118.5	125.3	137.8	104.8	116.6	97.2	106.6
Baltimore	114.9	120.6	144.0	92.5	103.8	87.5	102.2
Denver	110.2	96.9	133.1	95.1	101.7	107.1	104.6
Minneapolis	105.9	108.6	108.1	93.5	102.5	105.9	108.2
Cleveland	100.5	109.1	92.3	96.6	99.5	101.3	105.4
Atlanta	100.0	107.4	96.8	98.2	103.1	101.2	98.7
Phoenix	97.6	92.5	96.3	98.7	107.7	97.0	96.8
Charlotte	97.0	99.9	80.5	96.1	96.3	107.7	109.2
Nashville	96.7	100.4	82.3	93.5	102.7	86.0	108.1
Dallas	96.1	95.5	80.0	97.8	102.4	100.8	106.8
Austin	95.5	81.6	92.1	99.8	98.9	103.3	100.8
Pittsburgh	95.2	101.0	90.9	97.3	109.5	96.7	89.9
Kansas City	93.7	98.7	89.1	85.9	101.3	92.4	95.4
St. Louis	92.7	105.9	71.5	119.4	99.9	96.7	93.7
Indianapolis	**91.3**	**93.9**	**82.1**	**90.8**	**92.6**	**98.5**	**96.8**

Source: Council for Community and Economic Research, 2015