AUGUST 2015 ECONOMIC BRIEFING

A summary of the Indianapolis regional economy

INDY CHAMBER

↓ 1.6%	↑ 13%	↑ 14.1%	↓ 17.6%
Marion County Unemployment from July 2014	Trade, Transportation and Utilities from July 2014	Closed Sales from June 2014	Downward Trend in 2015 Q2 Office Vacancy Rate

Indiana Surpasses Historic Peak Employment Levels

Private sector employment in Indiana grew by 4,800 in July, pushing the Hoosier State above historical peak employment levels experienced in March of 2000. Indiana's labor force growth of 76,000 since January 2013 continues to be a Midwest leader. Indiana's labor force participation rate also increased in July by 0.2 percent to 63.5 percent, or nearly one full percentage point above the national average.

The Indianapolis MSA unemployement rate continues to be below the state average. Both Marion County and Indianapolis MSA are well under the unemployment rate of a year ago.

Workforce

July 2015 Unemployment Rates			
	July'15	June'15	July'14
Marion County, IN	4.9	4.9	6.5
Indianapolis-MSA	4.4	4.5	5.8
State of Indiana (seasonally adj.)	4.7	4.9	5.8
U.S. (seasonally adj.)	5.3	5.3	6.2

Indianapolis Regional Unemployment Rate Rankings by County *Ranking in State (highest to lowest rate out of 92 counties)*		
County	**Unemployment Rate July '15**	**Rank**
Madison	5.3%	23
Marion	4.9%	37
Morgan	4.4%	54
Shelby	4.2%	62
Hancock	4.1%	66
Johnson	4.0%	72
Hendricks	3.9%	82
Boone	3.8%	86
Hamilton	3.4%	91

Labor Force Estimates, July 2015			
	Labor Force	Employed	Unemployed
U.S.	158,527,000	149,722,000	8,805,000
Indiana	3,304,331	3,146,590	157,741
Marion County	483,236	459,572	23,664

Source: Indiana Department of Workforce Development

Employment by Industry

Indianapolis MSA Employment by Industry (1,000s)				
	July'15 (p)	June'15	Change from Previous Month	Change from July'14
Construction	45	46	-1	-1
Manufacturing	92	93	-1	2
Trade, Transportation and Utilities	224	224	0	13
Wholesale Trade	49	48	1	1
Retail Trade	109	109	0	5
Transportation and Utilities	66	66	0	7
Information	17	17	0	0
Financial Activities	63	62	1	1
Professional and Business Services	160	159	1	8
Education and Health Services	143	144	-1	3
Leisure and Hospitality	108	111	-3	3
Government	119	124	-5	2

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

Recent News

Hoosier State Achieves Historic Employment Record

More Hoosiers are working than at any time in our state's 200-year history. Indiana has set a new record employment level of 2,614,800 private sector jobs, according to the latest Bureau of Labor Statistics data released today by the Indiana Department of Workforce Development.

Read more

Auto Financing Firm Adding 200 Jobs at Hamilton County Headquarters

NextGear Capital, an automotive financial services provider for auto dealers, announced plans to add up to 200 new jobs and make substantial investments exceeding $50.88 million by 2018.

Read more

Read more recent announcements on our website at IndyChamber.com

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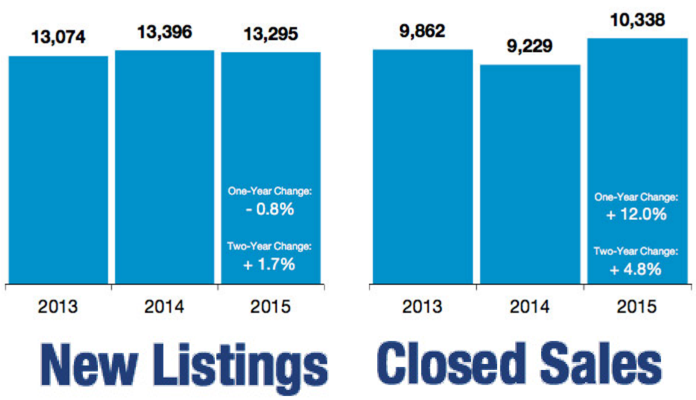
Residential Real Estate

The late summer housing market in central Indiana remains strong, continuing the trends seen all year in healthy price increases coupled with rising Pending and Closed Sales. Closed Sales increased 14.1 percent in July and 12.0 percent in the three months ending in July – the highest number of Closed Sales since 2006.

Indianapolis Regional Real Estate Statistics			
	July'15	July'14	% Change
New Listings	4,106	4,324	- 5.0%
Closed Sales	3,479	3,050	+ 14.1%
Median Sales Price	$155,000	$145,000	+ 6.9%
Average Sales Price	$195,481	$183,449	+ 6.6%

Past Three Month Average for Indianapolis Region



Source: MIBOR www.mibor.com

Commercial Real Estate

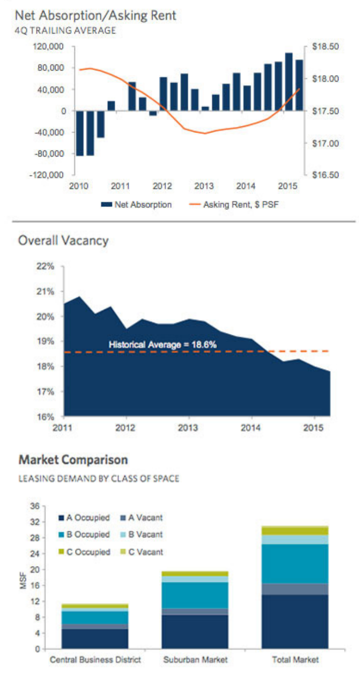
INDIANAPOLIS OFFICE

Economic Indicators

	2Q 14	2Q 15	12-Month Forecast
Indianapolis MSA Employment	993.2K	1,008.6K	▲
Indianapolis MSA Unemployment	5.7%	4.5%	▼
U.S. Unemployment	6.1%	5.3%	▼

Market Indicators

	2Q 14	2Q 15	12-Month Forecast
Overall Vacancy	18.6%	17.6%	▼
Net Absorption	121,000	62,088	▲
Under Construction	132,991	143,256	▬
Average Asking Rent	$17.79	$18.08	▲



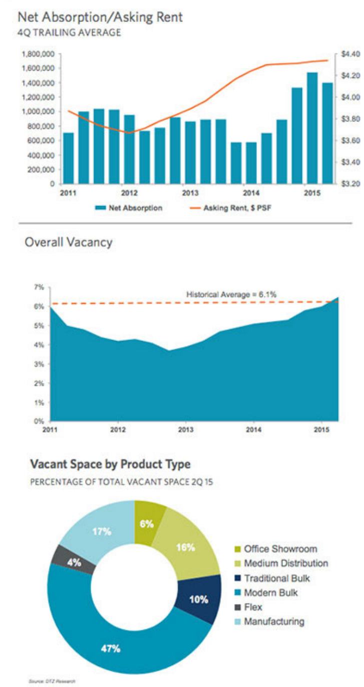
INDIANAPOLIS INDUSTRIAL

Economic Indicators

	2Q 14	2Q 15	12-Month Forecast
Indianapolis MSA Employment	993.2K	1,008.6K	▲
Indianapolis MSA Unemployment	5.7%	4.5%	▼
U.S. Unemployment	6.1%	5.3%	▼

Market Indicators

	2Q 14	2Q 15	12-Month Forecast
Overall Vacancy	5.0%	6.5%	▬
Net Absorption	1.2M	607.5K	▲
Under Construction	8.6M	4.1M	▼
Average Asking Rent	$4.29	$4.36	▲



Source: DTZ www.DTZ.CassidyTurley.com

IndyGo Fixed Route Ridership

Ridership is down 7.5 percent over last July and down 5.2 percent YTD. With the continued low fuel prices and unemployment, this is a trend that other agencies in the US are currently experiencing as well.

IndyGo Fixed Route Ridership		
Total Passengers (YTD)		
2014	2015	% Change
5,820,178	5,519,242	-4.8%
Total Passengers Current Month		
July'14	July'15	% Change
893,743	826,840	-7.5%

Source: IndyGo www.indygo.net

For more information, contact Ashley Elrod at aelrod@indychamber.com or visit the Indy Chamber website at www.IndyChamber.com.

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 1st Q. 2015 was $139,200. The Midwest average was $156,600 and the national average was $205,200. The following metro areas were selected because they are peer cities to Indianapolis.

Cost of Living Index: 1st Quarter 2015 (U.S. Average = 100)

Metro Area	Composite Index	Grocery Items	Housing	Utilities	Transportation	Health Care	Miscellaneous Goods and Services
Seattle	133.1	119.5	182.1	99.3	118.9	118.6	114.3
Chicago	114.6	107.5	135.8	103.7	111.6	100.0	105.9
Baltimore	111.4	110.7	145.1	96.7	108.7	89.5	90.7
Denver	107.7	99.5	127.3	93.1	97.7	106.0	102.8
Minneapolis	107.1	105.3	113.8	92.6	100.8	102.9	109.8
Atlanta	101.6	106.8	98.7	91.2	109.2	103.3	102.2
Cleveland	101.5	107.4	95.7	100.2	96.5	114.1	104.5
Pittsburgh	100.8	100.3	95.4	107.5	120.1	95.3	97.0
Dallas	97.1	107.2	72.9	103.5	89.6	104.4	113.7
Kansas City	94.8	88.8	91.7	92.5	87.3	98.8	103.3
Louisville	93.7	96.2	80.8	87.8	105.0	90.1	102.2
Nashville	93.7	93.9	80.8	102.0	97.2	85.5	102.1
Phoenix	93.6	100.5	92.0	92.5	93.5	97.2	91.9
St. Louis	91.8	101.3	71.7	114.3	91.6	101.1	96.7
Indianapolis	**91.5**	**93.9**	**81.8**	**91.4**	**91.9**	**98.8**	**97.7**

Source: Council for Community and Economic Research, 2015