FEBRUARY 2016 ECONOMIC BRIEFING

A summary of the Indianapolis regional economy

INDY CHAMBER

1.4%	9%	8.2%	17.1%
Marion County Unemployment from January 2015	Trade, Transportation and Utilities from January 2015	Closed Sales from January 2015	Downward Trend in 2015 Q3 Office Vacancy Rate

Workforce Maintaining a Positive Trend

The Hoosier labor force maintained a positive trend, gaining more than 20,000 individuals in January 2016. Indiana's labor force growth in 2015 now stands at more than 51,000, with a total of 116,700 added since January 2013. In January, the Hoosier labor force participation rate again exceed the national rate.

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

Workforce

January 2016 Unemployment Rates

	Jan'16	Dec'15	Jan'15
Marion County, IN	4.9	4.6	6.3
Indianapolis-MSA	4.6	4.1	5.7
State of Indiana (seasonally adj.)	4.6	4.6	5.4
U.S. (seasonally adj.)	4.9	5.0	5.7

Indianapolis Regional Unemployment Rate Rankings by County
Ranking in State (highest to lowest rate out of 92 counties)

County	Unemployment Rate Jan '16	Rank
Madison	6.0%	22
Morgan	5.1%	45
Marion	4.9%	53
Shelby	4.7%	60
Hancock	4.4%	73
Johnson	4.2%	80
Boone	4.0%	86
Hendricks	3.9%	89
Hamilton	3.5%	92

Labor Force Estimates, January 2016

	Labor Force	Employed	Unemployed
U.S.	157,347,000	149,037,000	8,309,000
Indiana	3,295,595	3,128,229	167,366
Marion County	477,231	453,609	23,622

Source: Indiana Department of Workforce Development

Employment by Industry

Indianapolis MSA Employment by Industry (1,000s)

	Jan'16 (p)	Dec'15	Change from Previous Month	Change from Jan'15
Construction	42	45	-2	2
Manufacturing	89	90	-1	-1
Trade, Transportation and Utilities	218	227	-9	9
Wholesale Trade	46	46	0	-1
Retail Trade	107	112	-5	4
Transportation and Utilities	66	68	-2	7
Information	16	16	0	-1
Financial Activities	64	63	-1	2
Professional and Business Services	155	165	-10	0
Education and Health Services	149	150	-1	6
Leisure and Hospitality	99	104	-5	0
Government	131	132	-1	2

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

Recent News

Republic Services Picks Indiana for Customer Resource Center, 450+ New Jobs

Republic Services Inc., an industry leader in U.S. recycling and non-hazardous solid waste, plans to establish a shared services center in Fishers, which will create up to 469 new jobs by 2025.

Read more

Homegrown Tech Systems Provider Building Headquarters in Downtown Fishers

Braden Business Systems, a provider of comprehensive technology solutions, announced plans today to build a new headquarters here, creating up to 120 new high-wage jobs by 2020.

Read more

Read more recent announcements on our website at IndyChamber.com

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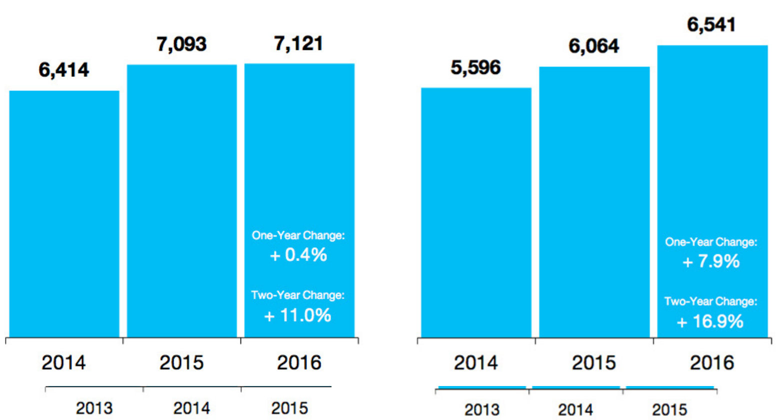
Residential Real Estate

After experiencing steady growth in housing prices and sales activity throughout 2015, indications point toward continued growth and activity as we head into 2016. January's decrease in New Listings means a benefit for sellers because of the low inventory.

Indianapolis Regional Real Estate Statistics			
	Jan'16	Jan'15	% Change
New Listings	2,552	2,796	- 8.7%
Closed Sales	1,730	1,599	+ 8.2%
Median Sales Price	$137,500	$127,250	+ 8.1%
Average Sales Price	$172,016	$166,116	+ 3.6%

Past Three Month Average for Indianapolis Region



Source: MIBOR www.mibor.com

Commercial Real Estate

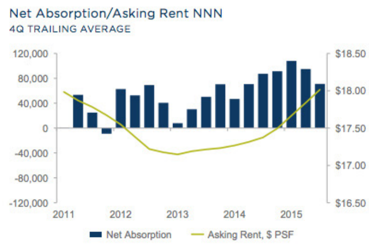
INDIANAPOLIS OFFICE

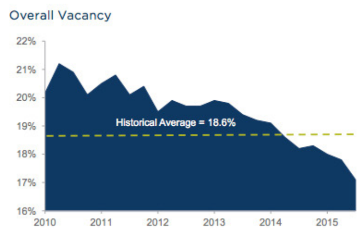
Economic Indicators

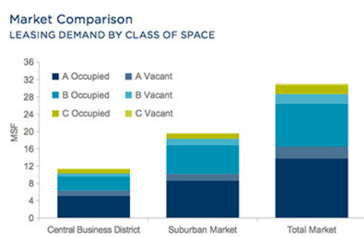
	Q3 14	Q3 15	12-Month Forecast
Indianapolis MSA Employment	1,002.1K	1,030.1K	▲
Indianapolis MSA Unemployment	5.7%	4.2%	▼
U.S. Unemployment	5.9%	5.1%	▼

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	▲







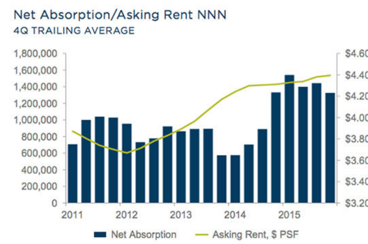
INDIANAPOLIS INDUSTRIAL

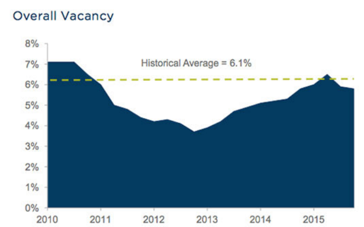
Economic Indicators

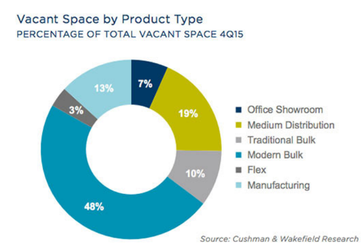
	Q4 14	Q4 15	12-Month Forecast
Indianapolis MSA Employment	1,007.8K	1,036.1K	▲
Indianapolis MSA Unemployment	5.4%	4.0%	▼
U.S. Unemployment	5.5%	4.8%	▼

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	▲







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

IndyGo Fixed Route Ridership

IndyGo ridership is down 6.9 percent over January 2015.

IndyGo Fixed Route Ridership		
Total Passengers (YTD)		
2015	2016	% Change
755,461	703,378	-6.9%
Total Passengers Current Month		
Jan'15	Jan'16	% Change
755,461	703,378	-6.9%

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 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