

August '09 Economic Briefing

A Summary of the Indianapolis/Marion County Economy



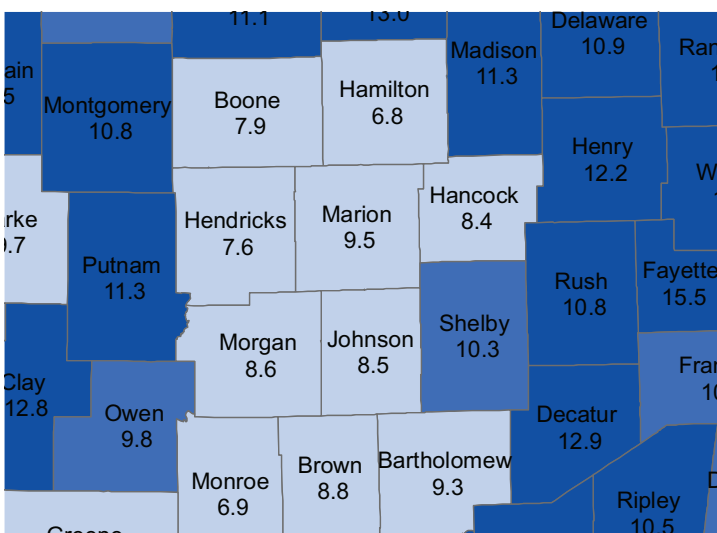
July Unemployment Rate Stabilizes for Marion County

Marion County's unemployment rate was basically unchanged (-0.1 percent) in the month of July, according to the Indiana Department of Workforce Development (DWD). The preliminary seasonally-adjusted unemployment rate in July was 9.5, an insignificant increase from June's rate of 9.4

Indiana's preliminary seasonally-adjusted unemployment rate in July was 10.6 percent. The national unemployment rate decreased in July by the same 0.1 percent to 9.4 percent.

The unemployment rates of Indiana's neighboring states remained basically unchanged from June as well. Michigan dipped 0.2 percent to 15.0 percent. Ohio increased 0.1 to 11.2. Kentucky increased 0.1 percent to 11.0 percent. Illinois increased 0.1 percent to 10.4 percent.

Unemployment Rates Seasonally Adjusted			
	July '09	June '09	July '08
Indianapolis/Marion County, IN	9.5	9.4	5.6
State of Indiana	10.6	10.7	6.0
U.S.	9.4	9.5	5.8



Central Indiana Non-Seasonally Adjusted Unemployment Rates

- Lower than U.S. - 9.7
- Higher than U.S. - Lower than State
- Higher than State - 10.4

The Indiana seasonally adjusted rate is 10.6

Source: Indiana Department of Workforce Development

Employment by Industry

With the exception of financial services and government, major industry sectors increased employment or remained stable from May to June 2009.

Employment by Industry (1,000s)				
	June '09	May '09	Change from Previous Month	Change from June '08
Construction	43	41	+2	-9
Manufacturing	89	88	+4	-8
Trade, Transportation and Utilities	189	189	0	-8
Wholesale trade	46	46	0	-3
Retail Trade	94	94	0	-5
Transportation and Utilities	50	50	0	-3
Information	16	16	0	-1
Financial Activities	60	58	-2	-1
Professional and Business Services	119	115	+3	-12
Education and Health Services	124	124	0	+7
Leisure and Hospitality	93	92	+1	-3
Government	119	127	-8	-1

Source: Bureau of Labor Statistics

Recent Job Announcements

Executives from **Comlux Completion USA**, an international aviation company that refurbishes and completes interiors for corporate aircraft, have announced the company's plans to expand its Indianapolis operations, a move that is expected to create 480 new jobs over the next five years.

Dow AgroSciences announced it will expand its biotechnology research operations in Indianapolis with a new facility providing research space for 100 new biotechnology scientists. The agriculture-based company has signed a 15-year lease on an 80,000 square-foot building which will accommodate laboratories and offices and will be constructed adjacent to Dow AgroSciences' global headquarters in northwest Indianapolis.

For more information on these and other job announcements visit www.indianapoliseconomicdevelopment.com.

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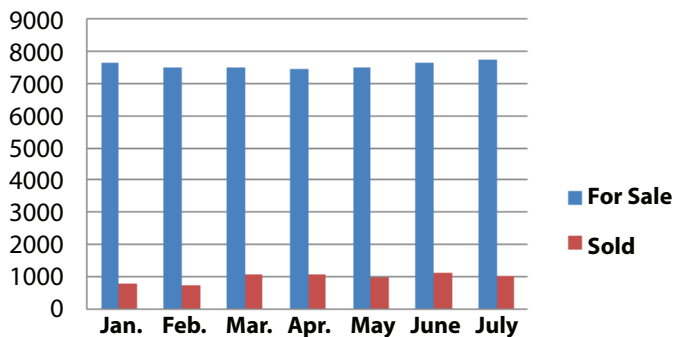
Residential Real Estate

Home Sales

Marion County was one of only three counties in Central Indiana to experience an improvement in the number of homes sold in July 2009 as compared to July 2008 with a 1.1% increase. The average home price in July dropped to \$101,822 as compared to \$106,589 in July 2008, however the 4.5% drop was the second lowest decrease in the region.

Marion County Homes For Sale vs. Homes Sold		
	July '09	July '08
For Sale	7,715	9,772
Sold	1,071	1,048

2009 Homes For Sale vs. Homes Sold



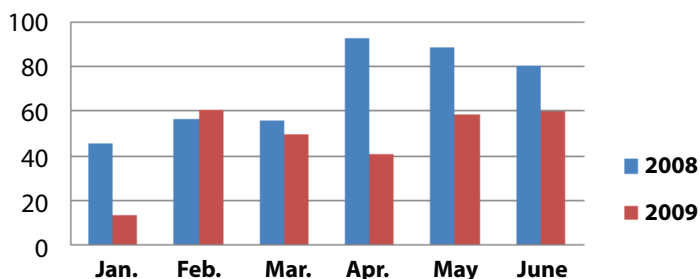
Source: F.C. Tucker Company

Building Permits

Residential building permits are still trending lower than 2008, but have remained relatively stable throughout 2009, with the exception of January, which was the low point for the year.

Residential Building Permits Marion County, Indiana				
	June '09	Jan.- June '09	June '08	Jan. - June '08
Buildings	60	319	86	464
Units	120	499	150	762
Construction Cost	\$17,531,353	\$62,310,918	\$17,533,243	\$91,345,725

Marion County Residential Building Permits



Source: U.S. Census Bureau

Commercial Real Estate

Office Real Estate Market 2 nd Quarter '09		
	Current	Change from 6 mos. ago
CBD Overall Vacancy	16.0%	↑
Non-CBD Overall Vacancy	23.4%	↑
CBD Class A Lease Rate	\$19.63	↑
Non-CBD Class A Lease Rate	\$19.31	↓

Industrial Real Estate Market 2 nd Quarter '09		
	Current	Change from 6 mos. ago
Overall Vacancy	10.0%	↑
Manufacturing Avg. Net Rental Rate	\$1.80	↑
Warehouse/Distribution Avg. Net Rental Rate	\$3.18	↓
Flex Avg. Net Rental Rate	\$6.52	↑

Source: Summit Realty Group

Hotel Occupancy and Room Rates

The Indianapolis Convention and Visitors Association has reported a decrease in hotel occupancy rates in June 2009 as compared to June 2008. By comparison to other major cities, the average hotel room rate in Indianapolis remains competitive at \$132.

Hotel Occupancy		
	June '09	June '08
Occupancy Rate	63.7%	68.9%

Travel

The number of air passengers at Indianapolis International Airport was up in June to 687,616 as compared to May, a 6.6% increase. Cargo traffic also increased by 8.5%.

Indianapolis International Airport Air Traffic			
Total Passengers			
June '09	May '09	Difference	% Change
687,616	645,206	42,410	+6.6%
Air Cargo (in tons)			
June '09	May '09	Difference	% Change
80,160	73,387	6,773	+8.5%

Source: Indianapolis Airport Authority

For more information, contact Melissa Todd at mtodd@indylink.com or visit the IEDI website at indianapoliseconomicdevelopment.com