

September '09 Economic Briefing

A Summary of the Indianapolis/Marion County Economy



Marion County's August Unemployment Rate Decreases

The August unemployment rate in Marion County decreased 0.5 percent to 8.9, according to the Indiana Department of Workforce Development (DWD). The State of Indiana also saw a decline as the statewide rate dropped to 9.9 from 10.6 in July.

The national unemployment rate increased to 9.7 in August as compared to 9.4 in July.

Indiana's neighboring states reported smaller monthly changes in unemployment. The unemployment rate in Illinois dropped 0.4 percent to 10.0 percent. Ohio's unemployment rate also decreased 0.4 percent to 10.8 percent. Kentucky remained flat at 11.1 percent. Michigan increased 0.2 percent to 15.2 percent.

Unemployment Rates Seasonally Adjusted			
	August '09	July '09	August '08
Indianapolis/Marion County, IN	8.9	9.4	6.1
State of Indiana	9.9	10.6	6.0
U.S.	9.7	9.4	6.2

Central Indiana Unemployment Rate Rankings by County <i>Ranking in State (high to low)</i>	
	Rank, July '09
Madison County	36
Shelby County	57
Marion County	67
Morgan County	76
Johnson County	77
Hancock County	79
Boone County	85
Hendricks County	87
Hamilton County	91

Labor Force Estimates			
	Labor Force	Employed	Unemployed
U.S.	156,255,000	141,055,000	15,201,000
Indiana	3,201,309	2,868,351	332,688
Marion County	459,536	415,995	43,541
Indianapolis (Consolidated City)	416,131	376,771	39,360

Source: Indiana Department of Workforce Development

Employment by Industry

With the exception of trade/transportation/utilities and retail trade, all major industry sectors increased employment or remained stable from July to August 2009. The biggest gain was in government.

Indianapolis - Carmel, IN Employment by Industry (1,000s)				
	August '09	July '09	Change from Previous Month	Change from August '08
Construction	44	43	+1	-7
Manufacturing	88	88	0	-8
Trade, Transportation and Utilities	187	189	-2	-9
Wholesale trade	46	46	0	-2
Retail Trade	91	93	-2	-4
Transportation and Utilities	50	50	0	-2
Information	16	16	0	-1
Financial Activities	61	60	+1	0
Professional and Business Services	119	116	+3	-13
Education and Health Services	117	118	-1	0
Leisure and Hospitality	93	92	+1	-3
Government	124	114	+10	+4

Source: Bureau of Labor Statistics

Recent Jobs Announcement

IT Service Provider to Expand Its Indianapolis Headquarters
Apparatus Inc., an information technology consultant and service provider, announced that it will expand its operations here, creating up to 130 new jobs by 2012.

The provider of IT consulting and Internet systems management services will invest more than \$1.8 million to relocate its headquarters and service center from Delaware Street to 27,000 square feet of space in the former WFYI Studio at 1401 North Meridian Street.

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

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Residential Real Estate

Marion County experienced a 6% drop in homes sales over a three month period ending August 31, 2009, according to the Metropolitan Indianapolis Board of Realtors (MIBOR). During that same period the average sale price decreased only slightly from \$113,210 to \$112,181, but is up over the 6 and 12 month periods also ending August 31, 2009.

Marion County Homes Sold as of August 31, 2009			
	3 Month	6 Month	12 Month
2009	3,211	5,970	10,826
2008	3,408	6,765	12,079
Percent Change	-6%	-12%	-10%

Marion County Average Sale Price as of August 31, 2009			
	3 Month	6 Month	12 Month
2009	\$112,181	\$106,757	\$101,409
2008	\$113,210	\$109,681	\$107,551
Percent Change	-1%	-3%	-6%

Source: MIBOR, www.mibor.com

Housing Units Permitted by Township Marion County, Indiana - August 2009			
	New Units	Demolished Units	Net Gain/Loss
Consolidated City	60	16	44
Pike	3	0	3
Washington	2	1	1
Lawrence	2	2	0
Wayne	1	0	1
Center	8	9	(1)
Warren	7	1	6
Decatur	11	1	10
Perry	11	2	9
Franklin	15	0	15

Source: City of Indianapolis, Division of Planning

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

Hotel Occupancy YTD 2009 vs. 2008				
	Downtown '09	Downtown '08	MSA '09	MSA '08
Occupancy Rate	54%	59.6%	65.8%	70.9%

Average Daily Rate		
	Downtown	MSA
Daily Rate	\$130.42	\$81.53

Source: Indianapolis Convention and Visitors Association

Travel

The number of air passengers at Indianapolis International Airport declined in August as compared to July, which is typical during this timeframe.

Indianapolis International Airport Air Traffic			
Total Passengers			
August '09	July '09	Difference	% Change
638,058	678,758	-40,700	-6.0%
Air Cargo (in tons)			
August '09	July '09	Difference	% Change
77,223	85,400	-8,177	-9.6%

Source: Indianapolis Airport Authority