October '09 Economic Briefing

A Summary of the Indianapolis/Marion County Economy

Indianapolis ECONOMIC DEVELOPMENT

Marion County's September Unemployment Rate Decreases

The September unemployment rate in Marion County decreased again in September to 8.4 percent as compared to 8.9 in August, according to the Indiana Department of Workforce Development (DWD). The State of Indiana also saw a decline for the third consecutive month in the statewide rate as it dropped from 9.9 to 9.6.

Indiana's unemployment rate has dropped 1.1 percent over the previous three months and is now lower than the national unemployment rate for the first time since October 2008. The national rate was 9.8 in September.

Indiana has the lowest unemployment rate of its neighboring states. Illinois increased 0.5 percent to 10.5 percent. Ohio's unemployment rate decreased 0.7 percent to 10.1 percent. Kentucky decreased 0.3 percent to 10.9 percent. Michigan increased 0.1 percent to 15.3 percent.

Unemployment Rates Seasonally Adjusted			
	Sept. '09	Aug. '09	Sept. '08
Indianapolis/Marion County, IN	8.4	8.9	5.7
State of Indiana	9.6	9.9	6.1
U.S.	9.8	9.7	6.2

Central Indiana Unemployment Rate Rankings by County *Ranking in State (high to low)*	
	Rank, September '09
Madison County	39
Shelby County	61
Marion County	66
Hancock County	75
Morgan County	77
Johnson County	79
Boone County	85
Hendricks County	86
Hamilton County	90

Labor Force Estimates, September '09			
	Labor Force	Employed	Unemployed
U.S.	153,617,000	139,079,000	14,538,000
Indiana	3,138,958	2,851,238	287,720
Marion County	456,290	417,810	38,480

Source: Indiana Department of Workforce Development

Employment by Industry

Education/Health Services and Government posted the biggest gains in employment from August to September 2009, all other industries remained flat or reduced employment during the same time period.

Indianapolis - Carmel, IN Employment by Industry (1,000s)				
	September '09	August '09	Change from Previous Month	Change from Sept '08
Construction	42	44	-2	-8
Manufacturing	88	88	0	-6
Trade, Transportation and Utilities	185	187	-2	-9
Wholesale trade	45	46	-1	-3
Retail Trade	90	91	-1	-4
Transportation and Utilities	50	50	0	-2
Information	17	17	0	0
Financial Activities	59	60	-1	-1
Professional and Business Services	119	119	0	-11
Education and Health Services	123	117	+6	+4
Leisure and Hospitality	90	93	-3	-3
Government	127	124	+3	-1

Source: Bureau of Labor Statistics

Top Occupations by Experience

Below are the top occupations held by applicants at Marion County WorkOne Centers who registrated between 10/17/2008 and 10/16/2009. *(Source: Indiana Career Connect, DWD)*

	Total
Customer Service Representatives	1,630
Production Workers, All Other	1,331
Cashiers	1,290
Laborers and Freight, Stock, and Material Movers	1,031
Retail Salespersons	1,013
Managers, All Others	796
Stock Clerks - Stockroom, Warehouse, or Storage Yard	742
Assemblers and Fabricators, All Other	646
Office Clerks, General	592
Executive Secretaries and Administrative Assistants	579
Sales Representatives	539

Residential Real Estate

Marion County experienced a 4% drop in homes sales over a three month period ending September 30, 2009, according to the Metropolitan Indianapolis Board of Realtors (MIBOR). During that same period the average sale price remained steady at $110,166, which is up over the 6 and 12 month periods also ending September 30, 2009.

Marion County Homes Sold as of September 30, 2009			
	3 Month	6 Month	12 Month
2009	3,159	6,155	10,823
2008	3,305	6,788	12,149
Percent Change	-4%	-9%	-11%

Marion County Average Sale Price as of September 30, 2009			
	3 Month	6 Month	12 Month
2009	$110,166	$108,191	$101,479
2008	$109,997	$110,650	$107,456
Percent Change	0%	-2%	-6%

Source: MIBOR, www.mibor.com

Residential Building Permits Marion County, Indiana			
	September '09	August '09	Change
Buildings	67	63	↑
Units	67	63	↑
Construction Cost	$13,384,299	$10,581,679	↓

Residential Building Permits Marion County, Indiana Year To Date		
	September YTD '09	September YTD '08
Buildings	508	687
Units	508	687
Construction Cost	$78,058,028	$ 111,758,716

Source: US Census Bureau

Commercial Real Estate

Industrial Real Estate Market 3rd Quarter '09		
	Current	Change from previous quarter
CBD Overall Vacancy	20%	↑
Non-CBD Overall Vacancy	23%	↓
CBD Class A Lease Rate	$19.64	⇔
Non-CBD Class A Lease Rate	$19.31	⇔

Industrial Real Estate Market 3rd Quarter '09		
	Current	Change from previous quarter
Overall Vacancy	10.5%	↑
Manufacturing Avg. Net Rental Rate	$1.71	↓
Warehouse/Distribution Avg. Net Rental Rate	$3.05	↓
Flex Avg. Net Rental Rate	$6.31	↓

Significant Lease Transactions 3rd Quarter 2009		
	Size	**Type**
Superior Packing Systems	100,000 SF	Warehouse/Distribution
Millennium Group	99,350 SF	Warehouse/Distribution
Pinnacle Oil	95,410 SF	Warehouse/Distribution
Internal Revenue Service	52,000 SF	Class B Office
ITT	46,000 SF	Class A Office
Clarian Bariatrics	30,737 SF	Class A Office

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	65.9%	71.6%	53.9%	59.6%

Average Daily Rate		
	Downtown	MSA
Daily Rate	$130.42	$81.53

Source: Indianapolis Convention and Visitors Association