

June 2010 Economic Briefing

A Summary of the Indianapolis/Marion County Economy



Marion County's Unemployment Rate Drops Slightly in May, Remains Below State

Marion County's unemployment rate dropped slightly in May from 9.8 percent in April to 9.7 percent. The Indianapolis-MSA rate also fell from 9.0 percent in April to 8.9 percent in May.

Indiana's preliminary seasonally-adjusted unemployment rate remained unchanged at 10.0 percent due to the continued return of Hoosiers to the labor force. However, the state's private sector employment has grown by 2.1 percent since December 2009, with a total gain of 47,900 jobs. That accounts for 10 percent of total U.S. private sector employment growth during the five-month period (Indiana has 2 percent of the country's population).

The national rate decreased slightly from 9.9 percent in April to 9.7 in May.

| May 2010 Unemployment Rates | | | |
|------------------------------------|---------|-----------|---------|
| | May '10 | April '10 | May '09 |
| Marion County, IN | 9.7 | 9.8 | 9.2 |
| Indianapolis-MSA | 8.9 | 9.0 | 8.6 |
| State of Indiana (seasonally adj.) | 10.0 | 10.0 | 10.6 |
| U.S. (seasonally adj.) | 9.7 | 9.9 | 9.4 |

| Central Indiana Unemployment Rate Rankings by County <i>Ranking in State (lowest rate to highest out of 92 counties)</i> | | |
|-----------------------------------------------------------------------------------------------------------------------------|---------------------------|------|
| County | Unemployment Rate May '10 | Rank |
| Hamilton | 6.9% | 2 |
| Hendricks | 7.9% | 11 |
| Boone | 7.9% | 12 |
| Johnson | 8.5% | 18 |
| Hancock | 8.9% | 26 |
| Shelby | 9.2% | 29 |
| Morgan | 9.4% | 37 |
| Marion | 9.7% | 44 |
| Madison | 10.9% | 71 |

| Labor Force Estimates, May 2010 | | | |
|---------------------------------|-------------|-------------|------------|
| | Labor Force | Employed | Unemployed |
| U.S. | 153,866,000 | 139,497,000 | 14,369,000 |
| Indiana | 3,152,925 | 2,846,438 | 306,487 |
| Marion County | 448,923 | 405,482 | 43,441 |

Source: Indiana Department of Workforce Development

Indy's Unemployment Rate is 6th Lowest Among Largest U.S. Cities

| | |
|------------------|------|
| San Antonio, TX | 6.9 |
| Houston, TX | 8.1 |
| Dallas, TX | 8.7 |
| Philadelphia, PA | 9.0 |
| New York, NY | 9.4 |
| Indianapolis, IN | 9.7 |
| Phoenix, AZ | 9.7 |
| San Diego, CA | 10.4 |
| Chicago, IL | 11.4 |
| Jacksonville, FL | 11.5 |
| San Jose, CA | 12.7 |
| Los Angeles, CA | 13.2 |
| Detroit, MI | 24.4 |

Employment by Industry

| Indianapolis Employment by Industry (1,000s) | | | | |
|----------------------------------------------|---------|-----------|----------------------------|---------------------|
| | May '10 | April '10 | Change from Previous Month | Change from May '09 |
| Construction | 35 | 35 | 0 | -6 |
| Manufacturing | 82 | 81 | 1 | -2 |
| Trade, Transportation and Utilities | 184 | 183 | 1 | -2 |
| Wholesale Trade | 44 | 44 | 0 | -2 |
| Retail Trade | 91 | 90 | 1 | 0 |
| Transportation and Utilities | 49 | 49 | 0 | -1 |
| Information | 15 | 15 | 0 | -1 |
| Financial Activities | 57 | 57 | 0 | -1 |
| Professional and Business Services | 128 | 123 | 5 | 10 |
| Education and Health Services | 122 | 123 | -1 | -1 |
| Leisure and Hospitality | 88 | 85 | 3 | -3 |
| Government | 130 | 127 | 3 | 2 |

Source: Bureau of Labor Statistics

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Residential Real Estate

In a three month period ending May 30, Marion County experienced a 15% increase in homes sales as compared to the same three month period a year ago, according to the Metropolitan Indianapolis Board of Realtors (MIBOR). During this same period, the average sale price rose 15% to \$116,565.

| Marion County Homes Sold as of May 30, 2010 | | | |
|---------------------------------------------|---------|---------|----------|
| | 3 Month | 6 Month | 12 Month |
| 2010 | 3,192 | 7,290 | 11,697 |
| 2009 | 2,766 | 6,548 | 11,037 |
| Percent Change | 15% | 11% | 6% |

| Marion County Average Sale Price as of May 30, 2010 | | | |
|-----------------------------------------------------|-----------|-----------|-----------|
| | 3 Month | 6 Month | 12 Month |
| 2010 | \$116,565 | \$111,360 | \$110,379 |
| 2009 | \$101,367 | \$94,835 | \$102,956 |
| Percent Change | 15% | 17% | 7% |

| Marion County Months of Supply as of May 30, 2010 | |
|---------------------------------------------------|------|
| 2010 | 8.0 |
| 2009 | 9.5 |
| 2008 | 10.7 |

Source: MIBOR, www.mibor.com

Travel

The number of air passengers at Indianapolis International Airport increased by 1.7% in May 2010 as compared to May 2009, while total air cargo increased by 11.6%.

| Indianapolis International Airport Air Traffic | | | |
|------------------------------------------------|---------|------------|----------|
| Total Passengers | | | |
| May '10 | May '09 | Difference | % Change |
| 656,091 | 645,206 | 10,885 | 1.7% |
| Air Cargo (in tons) | | | |
| May '10 | May '09 | Difference | % Change |
| 81,906 | 73,387 | 8,519 | 11.6% |

Source: Indianapolis Airport Authority

Commercial Real Estate

| 1st Quarter Statistics by Building Type | | | |
|-----------------------------------------|---------------|----------------|--------------|
| Type | Inventory | Net Absorption | Vacancy Rate |
| Multi-Tenant Office CBD/Midtown | 11,995,000 SF | -30,000 | 17.8% |
| Multi-Tenant Office Suburban | 19,880,000 SF | 2,000 | 22.5% |
| Office Showroom | 17,337,000 SF | -93,000 | 10.1% |
| Medium Distribution | 50,887,000 SF | -19,000 | 7.8% |
| Traditional Bulk | 36,038,000 SF | 51,000 | 8.7% |
| Modern Bulk | 56,263,000 SF | 480,000 | 8.8% |
| Flex | 7,350,000 SF | 38,000 | 11.8% |
| Manufacturing | 69,422,00 SF | -21,000 | 3.9% |
| Other (Transport and Maintenance) | 2,858,000 SF | 10,000 | 0.8% |

Source: Cassidy Turley

Recent Jobs Announcement

Incredible Pizza Company Announces Grand Opening of Second Indianapolis Location

INDIANAPOLIS (June 23, 2010) – Incredible Pizza Company, a themed dining experience that guarantees great food and fun, will expand its presence in Indianapolis by opening a second location at Lafayette Square Mall in the space previously occupied by Xscape at 3919 Lafayette Road. A private, invitation only, grand opening is scheduled for July 5 and July 6 with the public grand opening to be held on July 7.

Mayor, Fusion Alliance Announce Tech Firm's Plans to Grow Indianapolis Headquarters

INDIANAPOLIS (June 22, 2010) – Mayor Greg Ballard joined Governor Mitch Daniels and executives of Fusion Alliance, a technology consulting firm, today to announce the company's plans to expand its Indianapolis headquarters, creating up to

KeyBank Continues Its Expansion in Indianapolis Area

INDIANAPOLIS (June 21, 2010) - KeyBank is rapidly expanding its presence in the Indianapolis area by opening seven new branches since 2009, three in the last three months, and unveiling plans to open seven more by the end of 2011. Two of the seven branches yet to be opened are scheduled to be completed later this year. The additional five will open throughout 2011

[Read more on our website at www.developindy.com.](http://www.developindy.com)

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