

- 2nd lowest worker comp rates in U.S.
- Lowest 10% of real estate cost (major metros)
- Lowest 25% of electricity cost
- Low property taxes
- Competitive wages and incentives

## Real Estate Q4 2009 (Indianapolis MSA only)

### Industrial Market

Inventory	239,422,000 Sq. Ft.
Vacancy Rate	9.7%
Manufacturing Avg. Net Lease Rate/Sq. Ft.	\$1.71
W/D Avg. Net Lease Rate/Sq. Ft.	\$3.05

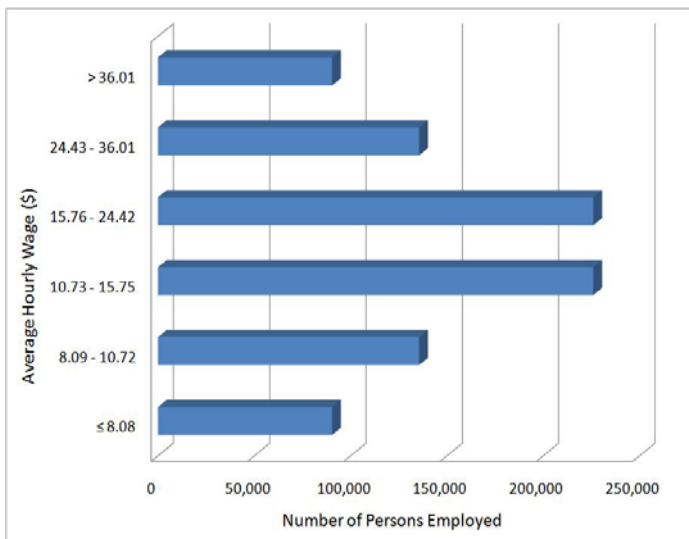
### Office Market

Inventory	32,863,851 Sq. Ft.
Vacancy Rate (Downtown)	18.0%
Vacancy Rate (Suburban)	21.9%
Avg. Gross Lease Rate/Sq. Ft. (Downtown)	\$18.03
Avg. Gross Lease Rate/Sq. Ft. (Suburban)	\$17.27

Sources: CBRE, Cushman Wakefield, Cassidy Turley.

## Electricity (Industrial Avg.) = \$.055/kWh

## Labor Cost & Availability



Source: Bureau of Labor Statistics, May 2008 OES. Indianapolis MSA Data.

## Tax Structure

### Personal Income Tax

State Rate	3.40%
Local Option Tax	
Resident	0.1 – 2.72%
Non-Resident	0.25 - 0.65%

Rates are applied to adjusted gross income and do not vary based on income.

**Corporate Franchise Tax** None

### Corporate Adjusted Gross Income Tax

Gross Rate	8.50%
------------	-------

Rates are applied to adjusted gross income and do not vary based on income. Various incentives are available to eligible companies to reduce this rate.

**Sales and Use Tax** 7.00%

Exemptions include: Manufacturing raw materials, manufacturing equipment, utilities and other consumables used in production and environmental control equipment used by manufacturers. Most services are not subject to tax.

**Real Property** Per \$100 AV

Median Tax Rate	\$2.13
Range by Taxing Districts	\$0.93 - \$3.00

### Personal Property

Median Tax Rate	\$2.15
Range by Taxing Districts	\$0.93 - \$3.00

Business property taxes are capped at 3% of the assessed value.

### Unemployment Insurance

New Employer Rate	2.70%
Taxable Wage Base	\$7,000

Percentage rates may be lowered after 36 months of compliance, or raised due to non-compliance. \$7,000 is the maximum taxable amount per employee.

### Workers' Compensation (per \$100 of payroll)

Average Rate for Manufacturing	\$2.24
Average Rate for Office	\$0.27
All Classes Average	\$1.42

Source: Worker's Compensation Board of Indiana, Indiana Compensation Ratings Bureau, Department of Workforce Development-Unemployment Insurance Division/US Dept. of Labor