



MULTIFAMILY REPORT

# Indy Pushes Through

Spring 2021



**Per-Unit Prices Continue Upward Trend**

**Deliveries Slow Down, Set for Rebound**

**Employment Market Outperforms Nation**

# INDIANAPOLIS MULTIFAMILY



## Rental Market Thrives During Challenging Year

A year into the COVID-19 pandemic, the Indianapolis economy and multifamily market has displayed far more resilience than initially expected. The metro's average rent recorded a 0.3% increase on a trailing three-month basis through February, to \$877. This was in part thanks to the market's upscale segment, where a supply imbalance has kept demand healthy and rates on the rise. Year-over-year, the average overall Indianapolis rate was up 3.6% as of February—a strong performance considering the economic turmoil.

The metro's employment pool contracted by 18,600 positions last year—down 2.7%—recording losses in six of 10 sectors. As of the week ending March 13, some 18,000 jobless claims were filed throughout Indiana, up from 9,237 the previous week, in a sign that economic uncertainty is far from clear. However, the number of people receiving unemployment benefits in the state was down 6.3% as of March 6, compared to the previous week, to 64,983.

Nearly 2,400 units came online in Indianapolis in 2020, almost a quarter fewer than the previous year. Developers were working on 4,114 units across the metro as of February, equal to 2.3% of existing stock. In line with other affordable inland metros sporting a diversifying talent pool, we expect multifamily demand to ride out the pandemic, pushing Indianapolis rents up 3.5% in 2021.

## Market Analysis | Spring 2021

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### Recent Indianapolis Transactions

#### Harrison Point



City: Indianapolis  
Buyer: Varia US Properties  
Purchase Price: \$22 MM  
Price per Unit: \$63,450

#### Estates of Creekside



City: Indianapolis  
Buyer: Ardizzone Enterprises  
Purchase Price: \$16 MM  
Price per Unit: \$85,000

#### Mariners Village



City: Indianapolis  
Buyer: Cyclone Investment Group  
Purchase Price: \$15 MM  
Price per Unit: \$62,295

#### Aspen Chase at Eagle Creek



City: Indianapolis  
Buyer: Amity Cos.  
Purchase Price: \$9 MM  
Price per Unit: \$66,538