



MULTIFAMILY REPORT

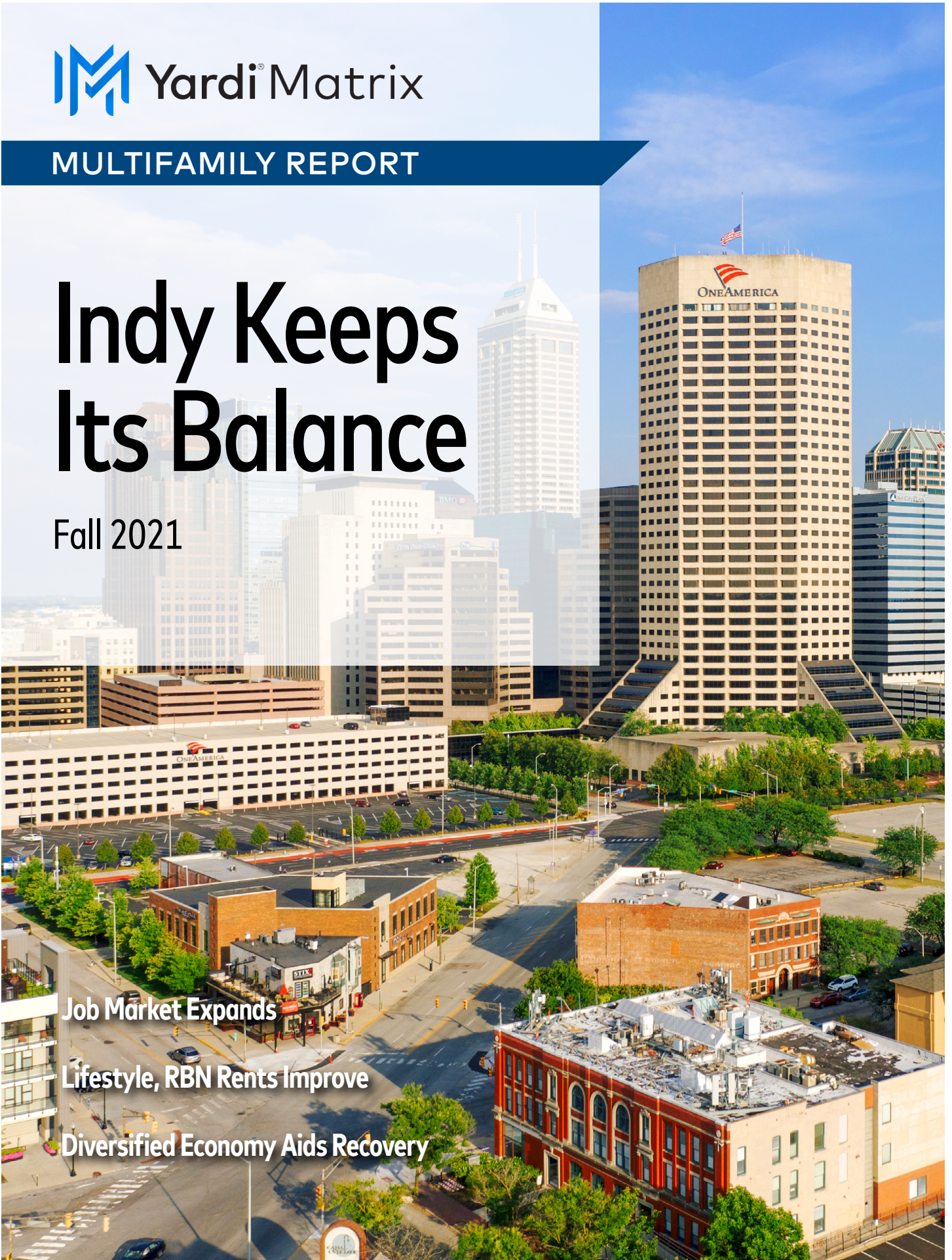
Indy Keeps Its Balance

Fall 2021

Job Market Expands

Lifestyle, RBN Rents Improve

Diversified Economy Aids Recovery



INDIANAPOLIS MULTIFAMILY



Slowly, Steadily Forward

The Indianapolis multifamily market has avoided many of the worst effects resulting from the pandemic, and the metro appears to be continuing to recover, albeit at a moderate pace. In August, rents averaged \$1,052, a 1.1% increase on a trailing three-month (T3) basis. While this was behind the national rate of 1.7%, the market has demonstrated resilience since early 2020, when rent growth slowed without reversing. Upscale submarkets outside the urban core experienced the highest rent growth, in line with population shifts to suburbia.

Indianapolis' diversified economy, bolstered by an influx of tech jobs in recent years and expansion plans from some of the metro's largest employers, continues to gain ground. The metro added more than 54,000 jobs during the year ending in June, with the greatest increases occurring in the hospitality and mining, logging and construction sectors.

Though nearly 4,500 units were under construction in the metro, deliveries slowed. Fewer than 1,000 units were completed through August. However, development activity is anticipated to pick up again in 2022, when more than 2,000 units are slated for delivery. Multifamily investment also slowed, with \$309 million in transactions closing year-to-date through August, as investors pivoted toward working-class Renter-by-Necessity assets.

Recent Indianapolis Transactions

Estates of Creekside



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

The Reserves at Warren Park



City: Indianapolis
Buyer: Prestige Property Management
Purchase Price: \$3 MM
Price per Unit: \$46,667

Market Analysis | Fall 2021

Contacts

Jeff Adler

Vice President & General
Manager of Yardi Matrix
Jeff.Adler@Yardi.com
(303) 615-3676

Jack Kern

Director of Research
and Publications
Jack.Kern@Yardi.com
(800) 866-1124 x2444

Ron Brock, Jr.

Industry Principal, Matrix
JR.Brock@Yardi.com
(480) 663-1149 x2404

Doug Ressler

Media Contact
Doug.Ressler@Yardi.com
(480) 695-3365

Author

Jeff Hamann

Senior Associate Editor