



MULTIFAMILY REPORT

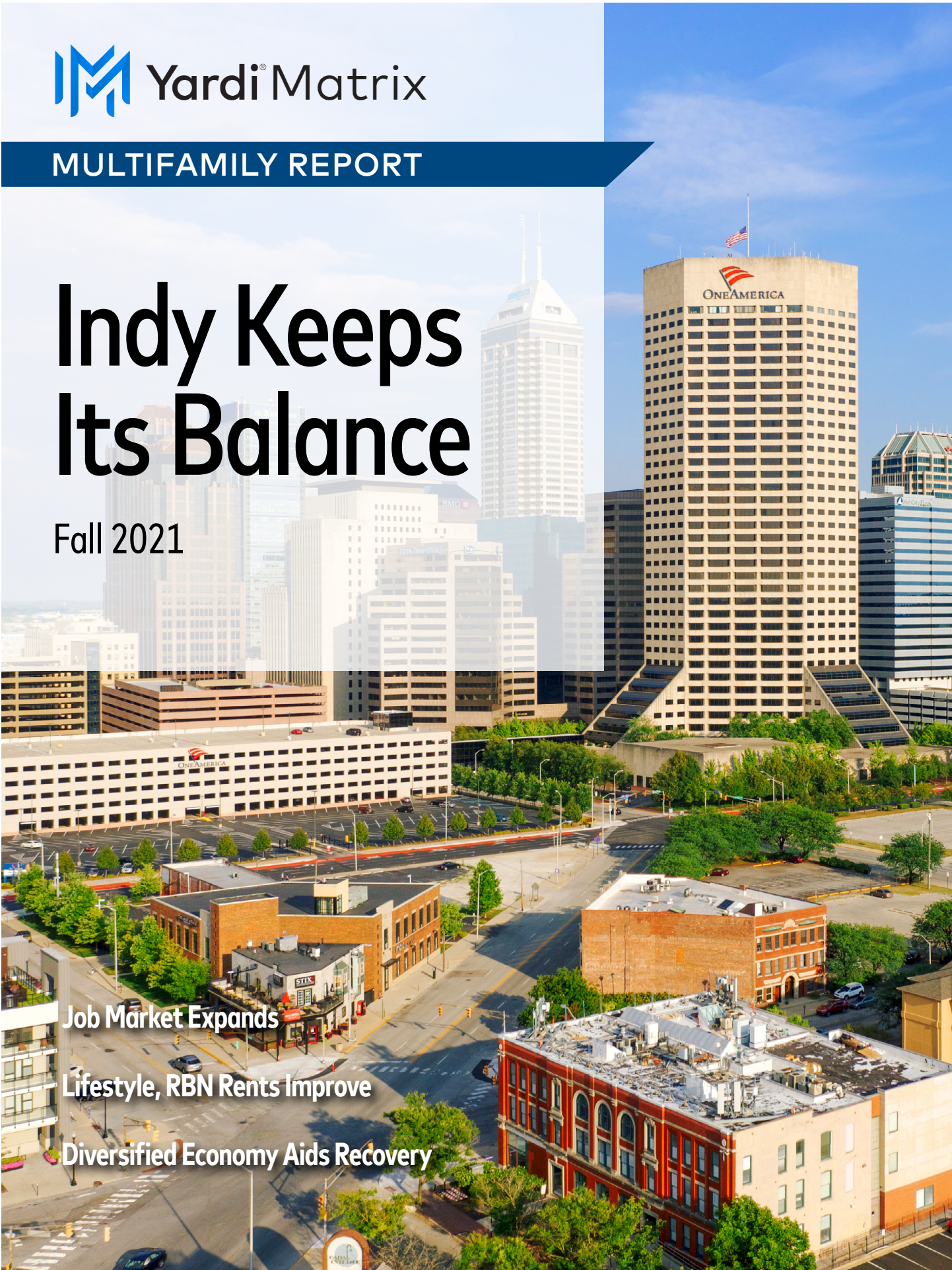
# Indy Keeps Its Balance

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

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