

YARDI[®] Matrix

Indianapolis Shifts To Higher Gear

Multifamily Winter Report 2017

**Modest Rent Growth
Maintains Affordability**

Industrial Boom Boosts Absorption

Oncoming Supply Trends Upward

INDIANAPOLIS MULTIFAMILY

YARDI® Matrix

Market Analysis

Winter 2017

Contacts

Paul Fiorilla

Associate Director of Research
Paul.Fiorilla@Yardi.com
(800) 866-1124 x5764

Jack Kern

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

Author

Adriana Pop

Senior Associate Editor

Opportunity Abounds in Indy

Albeit modest, the Indianapolis multifamily market is gaining momentum, offering plenty of room for growth. Company expansions and relocations are boosting job growth, fueling demand for apartments and driving up rents. Gains were highest in the trade, transportation and utilities sector, the locale's dominant industry. A strong business climate and a surge in the technology sector are also pushing employment to record highs.

In 2015, more than 220 domestic and global firms announced that they will locate or grow operations in Indiana. Together, these businesses intend to invest nearly \$3.7 billion in their local operations and create 20,320 new Hoosier jobs in the coming years, according to the Indiana Economic Development Corp. Employers with the largest commitments include Salesforce, which aims to add 800 jobs in Indianapolis; Allied Solutions, which is set to bring 600 new jobs to Carmel; and MOBI Wireless Management, which plans to create 520 jobs in Zionsville.

Like most Midwest cities, Indianapolis does not command sky-high rents or eye-popping investment sales prices, but it offers investors higher acquisition yields than the nation's primary markets. Given the city's strong apartment absorption and low vacancy, developers continue to be active, especially downtown. This trend will likely continue, since the population in this particular submarket is expected to nearly double by 2018.

Recent Indianapolis Transactions

Cumberland Pointe



City: Noblesville, Ind.
Buyer: John S. Buckley Jr.
Purchase Price: \$40 MM
Price per Unit: \$118,650

82 Flats at the Crossing



City: Indianapolis
Buyer: Steven Plump
Purchase Price: \$34 MM
Price per Unit: \$145,474

Campus Corner



City: Bloomington, Ind.
Buyer: Saban Capital Group
Purchase Price: \$32 MM
Price per Unit: \$125,685

Maple Knoll



City: Westfield, Ind.
Buyer: Marquette Co.
Purchase Price: \$27 MM
Price per Unit: \$90,208

To Subscribe

Hollie Zepke

Audience Development Specialist
Hollie.Zepke@Yardi.com
(800) 866-1124 x5389