



MULTIFAMILY REPORT

Indy's Stability

October 2023

Rent Development Ahead of US

Employment Growth Solid

Completions Grow YoY

INDIANAPOLIS MULTIFAMILY



Rent Growth Stabilizes, Development Slows

Indianapolis' multifamily market maintained a steady course through the nationwide economic slowdown. Rent growth was 0.4% on a trailing three-month basis through August—20 basis points above the national rate—to an average of \$1,246. Year-over-year rent development stood at 4.8%, 330 basis points higher than the U.S. figure.

The unemployment rate in Indianapolis reached 3.6% as of July, according to preliminary data from the Bureau of Labor Statistics, 10 basis points higher than the U.S. rate. The figure climbed 80 basis points from January, in line with the overall economic slowdown. Over the 12-month period ending in June, Indianapolis gained 40,700 jobs, with the leisure and hospitality sector leading growth (8,100 jobs), followed by education and health services (7,900 jobs). Indiana's economic growth continues to be partially fueled by large investments in manufacturing, such as an upcoming \$3.2 billion project.

Unlike most major metros tracked by Yardi Matrix, Indianapolis' completions did not slow down. The metro added 1,369 units year-to-date through August, which exceeded 2022's total. Meanwhile, investment volume during the same period dropped 72.9% year-over-year.

Market Analysis | October 2023

Contacts

Jeff Adler

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

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

Tudor Scolca-Seuşan
Associate Editor

Recent Indianapolis Transactions

Harrison Point



City: Indianapolis
Buyer: Yellowstone Property Group
Purchase Price: \$33 MM
Price per Unit: \$95,332

Aspen Pointe



City: Indianapolis
Buyer: Fairlawn Capital
Purchase Price: \$24 MM
Price per Unit: \$135,623

Warren Harbor



City: Indianapolis
Buyer: Lightwater Capital
Purchase Price: \$22 MM
Price per Unit: \$91,643

The Aura



City: Indianapolis
Buyer: Yellowstone Property Group
Purchase Price: \$15 MM
Price per Unit: \$116,800