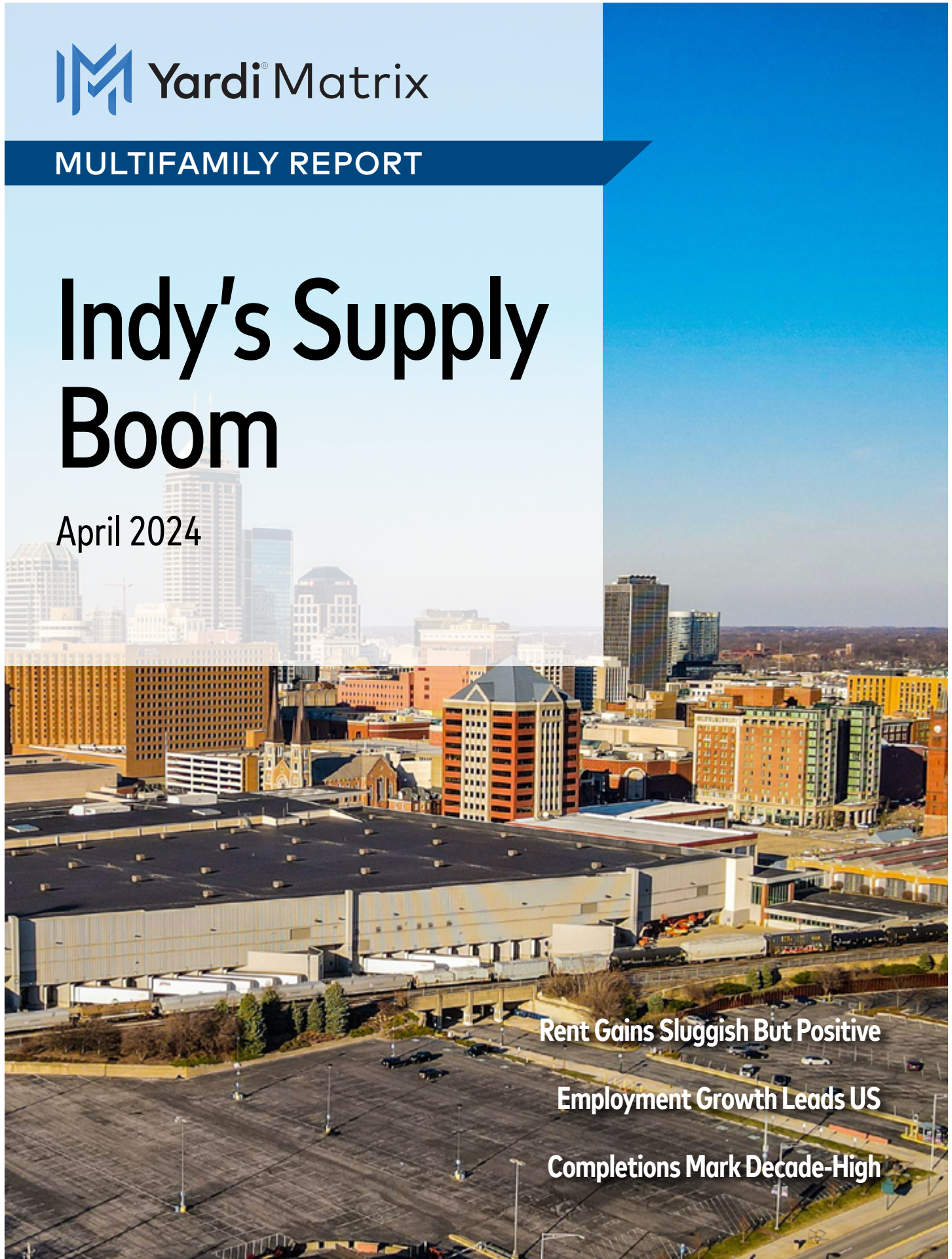




MULTIFAMILY REPORT

# Indy's Supply Boom

April 2024



**Rent Gains Sluggish But Positive**

**Employment Growth Leads US**

**Completions Mark Decade-High**

# INDIANAPOLIS MULTIFAMILY



## Deliveries Outpace Demand

An outside supply, an economy trading water and a seasonal slowdown led to a few months of rent declines across most major U.S. metros, but markets are showing signs of recovery. Indianapolis rents were up 0.1% on a trailing three-month basis through February, 20 basis points ahead of the U.S., to an average of \$1,245. Nationally, strong deliveries resulted in occupancy sliding 60 basis points in 12 months. Meanwhile, in Indianapolis, the rate dropped 120 basis points, to 93.5%.

Indianapolis unemployment reached 2.5% in December, 120 basis points below the U.S. figure, according to preliminary data from the Bureau of Labor Statistics. The metro's employment gains surpassed the national pace throughout 2023, with 37,300 jobs added last year, for a 2.5% expansion rate. Meanwhile, the U.S. labor pool grew by 2.0%. Education and health services led growth in the metro, with 9,700 jobs gained or a 5.0% rise. The sector will probably continue to perform well, especially with projects such as the \$4.3 billion IU Health hospital taking shape downtown.

Last year, Indianapolis added 3,314 rental units to its inventory, marking a decade-high. The risk of short-term oversupply remains, as the metro had an additional 10,494 units under construction, as well as another 24,000 apartments in the planning and permitting stages as of February 2024.

## Market Analysis | April 2024

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### Recent Indianapolis Transactions

#### Carmel Center



City: Carmel, Ind.  
Buyer: The Connor Group  
Purchase Price: \$82 MM  
Price per Unit: \$254,348

#### Enclave at Eagle Creek



City: Indianapolis  
Buyer: The Ardizzone Group  
Purchase Price: \$80 MM  
Price per Unit: \$126,582

#### Briergate



City: Indianapolis  
Buyer: Renewing Management  
Purchase Price: \$8 MM  
Price per Unit: \$51,875