



MULTIFAMILY REPORT

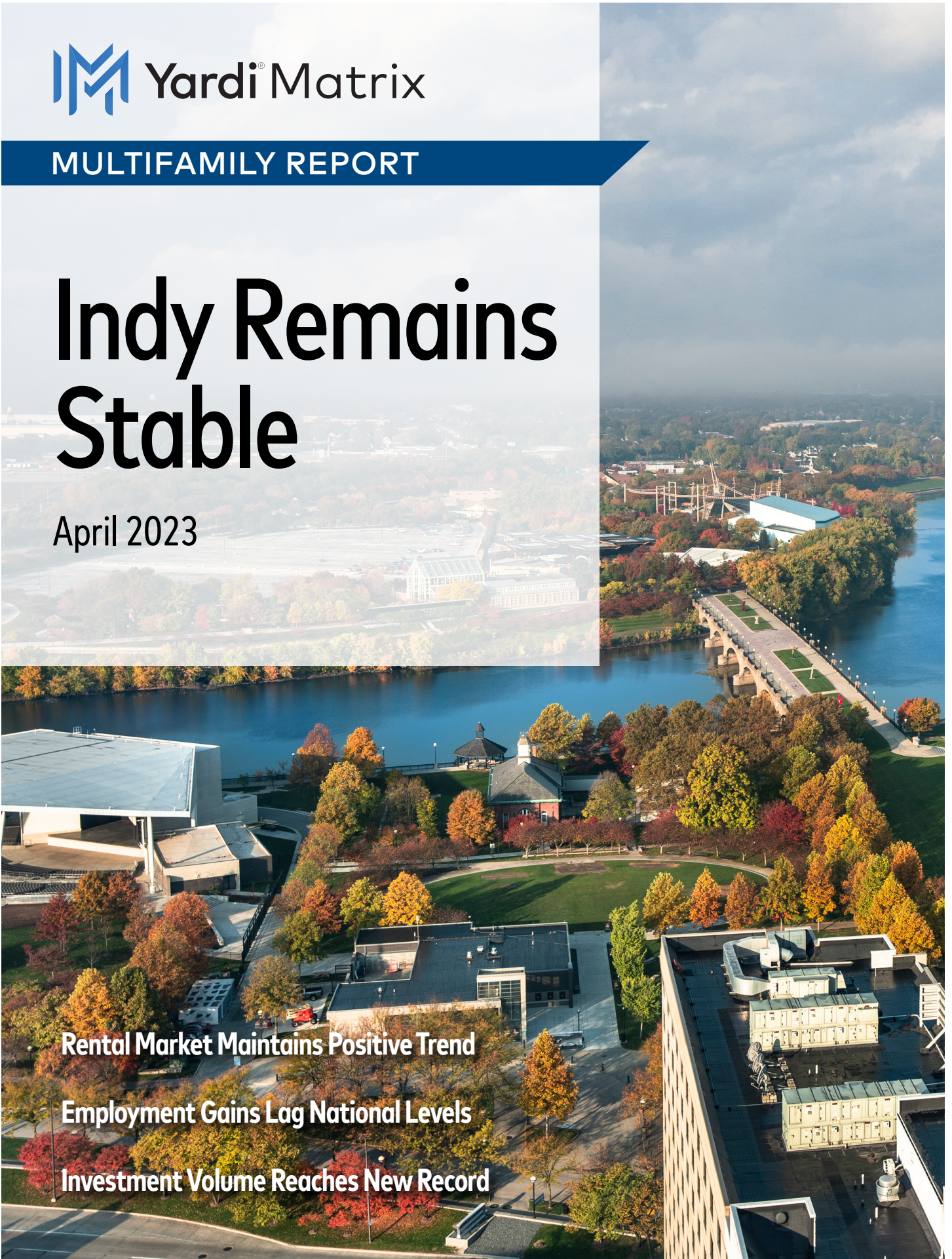
Indy Remains Stable

April 2023

Rental Market Maintains Positive Trend

Employment Gains Lag National Levels

Investment Volume Reaches New Record



INDIANAPOLIS MULTIFAMILY



Investors Stay Bullish On Indianapolis Market

Amid high inflation and continued economic uncertainty, the Indianapolis multifamily market started 2023 on a positive note. Somewhat in line with national trends, rent growth decelerated, with average rates up 0.1% on a trailing three-month basis through February, to \$1,203. Meanwhile the national figure declined by 0.1%.

The metro's economic growth did not catch up to national levels, as Indianapolis' job market expanded by 2.5% in 2022, 120 basis points below the U.S. rate. However, the unemployment rate in the metro stood at 2.8% in January, 60 basis points lower than the national figure, according to preliminary data from the Bureau of Labor Statistics. Indianapolis added 18,700 jobs last year, with its largest sector—trade, transportation and utilities—leading growth with 9,200 jobs gained, or a 3.5% expansion. The metro continued to attract large investments that aim to revitalize some areas of the city—Adult & Child Health, Colliers, Innovcare and TWG teamed up to announce a \$75 million master-planned development. Four vacant buildings are expected to be converted into affordable multifamily units, retail space and a 40,000-square-foot medical office building.

Investment activity reached a new record high in 2022, with \$2.2 billion in multifamily sales registered—up 57.1% year-over-year.

Market Analysis | April 2023

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Recent Indianapolis Transactions

Northlake Village



City: Noblesville
Buyer: Pedcor Cos.
Purchase Price: \$93 MM
Price per Unit: \$267,569

Brookwood



City: Indianapolis
Buyer: RW Equities
Purchase Price: \$41 MM
Price per Unit: \$101,485

Trails at Lakeside



City: Indianapolis
Buyer: Capodagli Property Co.
Purchase Price: \$29 MM
Price per Unit: \$140,865

The Sycamores



City: Indianapolis
Buyer: Lightwater Capital
Purchase Price: \$22 MM
Price per Unit: \$105,925