



MULTIFAMILY REPORT

Indy Powers Through

October 2022

Investment Volume Doubles YoY

Construction Activity Remains Solid

YoY Rent Gains Lead Most Metros

INDIANAPOLIS MULTIFAMILY



Fundamentals Drive Indianapolis Market Rise

Indianapolis continued to build on the solid fundamentals it highlighted last year, as the multifamily market bounced back with renewed strength. Rents were up 0.9% on a trailing three-month basis through August, to an average of \$1,200—a new record for the metro, but still distant from the \$1,718 U.S. figure. Growth outpaced the national average by 30 basis points. On a year-over-year basis, rents were 12.5% higher, exceeding most metros tracked by Yardi Matrix.

After recording a decade-topping figure of 1.4% in December last year, the unemployment rate dropped to 3.2% in July this year, according to preliminary data from the Bureau of Labor Statistics. The metro's labor pool expanded by 4.1% since last year (39,700 jobs), 60 basis points behind the national rate. Gains were led by the professional and business services sector, which added 11,100 positions (6.1%), followed by leisure and hospitality, which regained 10,000 jobs (8.9%). Manufacturing jobs in the state are about to get a boost, with a \$491 million investment announced by General Motors. The company is planning to upgrade and expand its Grant County facility, which produces parts for electric vehicles.

Indianapolis had 7,095 units underway as of August. Deliveries amounted to 932 units, or 0.5% of stock, 80 basis points behind the national average. Construction activity is intensifying however, with 4,184 units breaking ground—up 160.8% year-over-year.

Market Analysis | October 2022

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

The Boardwalk at Westlake



City: Indianapolis
Buyer: Morgan Properties
Purchase Price: \$136 MM
Price per Unit: \$98,117

The Life at Harrison Trails



City: Indianapolis
Buyer: Olive Tree Holdings
Purchase Price: \$39 MM
Price per Unit: \$104,000

Jameson Apartment Homes



City: Indianapolis
Buyer: Ripe Alternatives
Purchase Price: \$37 MM
Price per Unit: \$145,508

Lake Marina



City: Indianapolis
Buyer: Lightwater Capital
Purchase Price: \$36 MM
Price per Unit: \$102,586