



MULTIFAMILY REPORT

Indy's Strong Performance

October 2024



Rent Growth 4th Among Large Markets

Employment Gains Still Robust

Completions Increase YoY

INDIANAPOLIS MULTIFAMILY



Job Gains, Healthy Demand Power Indy

Indianapolis fundamentals regained momentum in the third quarter of 2024. Advertised asking rents were up 0.3% on a trailing three-month basis through August, to \$1,277, exceeding the national rate by 20 basis points. The metro ranked fourth nationwide for year-over-year growth among major metros, at 3.0%. A surge in supply brought overall occupancy down 40 basis points, to 94.1% as of July, below the 94.7% national figure.

Although unemployment climbed 100 basis points since January, to 4.4% in July, Indianapolis continued to see robust job growth, according to preliminary data from the BLS. In the 12 months ending in June, it added 29,600 net positions, for a 2.0% expansion. That was 70 basis points ahead of the national average. Education and health services led growth, with 10,500 jobs gained. The \$9 billion Eli Lilly and Co. drug manufacturing facility coming to Lebanon promises to boost economic development once it becomes operational in 2026. The developer expects to create some 5,000 construction jobs and 900 permanent jobs by the time the facility is fully online.

Indy's multifamily stock expanded 1.7% year-to-date through August, with developers bringing 3,149 units online. This was already above the 2,402-unit annual average recorded from 2016 to 2023 and only about 300 units short of 2023's overall total.

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Recent Indianapolis Transactions

Canterbury House



City: Indianapolis
Buyer: Midwest Living
Management
Purchase Price: \$9 MM
Price per Unit: \$77,273

The Jeffersonian



City: Indianapolis
Buyer: Terra Capital
Purchase Price: \$8 MM
Price per Unit: \$75,000