



MULTIFAMILY REPORT

Indy's Strong Start

April 2025

Rent Growth Recovers

Employment Outpaces Nation

Deliveries Exceed Previous Record

INDIANAPOLIS MULTIFAMILY



Solid Deliveries, Job Gains In Indy

The Indianapolis multifamily market started the year with good momentum across fundamentals, in line with other large Mid-western markets. Average advertised asking rents were up 0.2% on a trailing three-month basis through February, to \$1,295, 20 basis points above the U.S. figure, which remained flat for the second consecutive month. Year-over-year, rents were up 3.2%, ranking seventh among the top 30 metros tracked by Yardi Matrix. Four of the top five metros for year-over-year rent growth were in the Midwest. Indianapolis ranked behind Kansas City, Mo. (4.1%), Columbus, Ohio (3.8%), Chicago (3.6%) and Detroit (3.5%).

Employment growth remained solid, at 2.4% year-over-year through December, ahead of the U.S. by 110 basis points. Unemployment clocked in at 4.1% in January, just 10 basis points above the national average, according to preliminary data from the Bureau of Labor Statistics. The metro remained on track, as no major shifts in unemployment were registered last year. Over the 12-month period ending in December, Indianapolis added 30,000 net jobs, with education and health services (7,600 jobs) and leisure and hospitality (7,400 jobs) leading gains.

Last year marked the highest total deliveries in the past eight years, with 5,958 units completed. This year will likely become the second best year for volume, as the metro had 8,785 units under construction. Yardi Matrix expects roughly 4,800 of this total to come online.

Recent Indianapolis Transactions

Valley Forge



City: Indianapolis
Buyer: Kent Avenue Group
Purchase Price: \$9 MM
Price per Unit: \$65,000

Market Analysis | April 2025

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