



MULTIFAMILY REPORT

Indy's Modest Gains

October 2025

An aerial photograph of the Indianapolis skyline. In the foreground, there are several multi-story brick and concrete buildings, some with green domes. In the background, taller skyscrapers are visible, including one with 'BMO' logos and another with 'REGIONS' at the top. A construction crane is visible in the distance. The sky is clear and blue.

Rent Growth in Line With US
Unemployment Below Nation
Development Activity Softens

INDIANAPOLIS MULTIFAMILY



Rents, Development Soften, But Stay Healthy

Indianapolis' multifamily market softened at the end of the summer, as economic uncertainty impacted activity across several metrics. But overall, the Midwest continued to outperform the nation, and while Indianapolis was in the bottom half of that list, it maintained relatively healthy fundamentals. Average advertised asking rents ticked up 0.1% to \$1,307, on a trailing three-month basis through August, on par with the national average. Occupancy ticked down 20 basis points year-over-year through July, to 94.0%, below the 94.7% U.S. average.

Employment growth in the metro continued its 10-month slow-down, to 0.4% year-over-year through June. The figure was half the national average. Over the 12-month period ending in June, Indianapolis added 3,600 net jobs, with government (2,900 positions) and trade, transportation and utilities (2,400) leading gains. Unemployment was 3.6% in August, below the 4.3% U.S. figure, according to preliminary data from the Bureau of Labor Statistics. Indiana University's new hospital topped out earlier this year. The 2.5 million-square-foot development is expected to come online in 2027, with costs reaching \$4.3 billion this year.

Construction activity also slowed down but remained healthy following 2024's record-breaking completions. Developers had 5,740 units underway as of August and delivered 4,096 units since the start of the year.

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Recent Indianapolis Transactions

Riverbend



City: Indianapolis
Buyer: Pensam Capital
Purchase Price: \$136 MM
Price per Unit: \$136,797

Fox Pointe



City: Columbus, Ind.
Buyer: Equity Property
Management
Purchase Price: \$14 MM
Price per Unit: \$114,583

Northhampton Village



City: Indianapolis
Buyer: Lightwater Capital
Purchase Price: \$10 MM
Price per Unit: \$110,000

Charleston Square



City: Columbus
Buyer: Equity Property
Management
Purchase Price: \$8 MM
Price per Unit: \$88,068