

INDIANAPOLIS, IN

2025 MARKET AT A GLANCE

OCCUPANCY RATE
(Q4 2025)

93.5%



DOWN 20 BPS YOY

EFFECTIVE RENT
(Q4 2025)

\$1,335



UP 3.1% YOY

RENT SHARE OF WALLET
(Q4 2025)

19.5%



UNCHANGED YOY

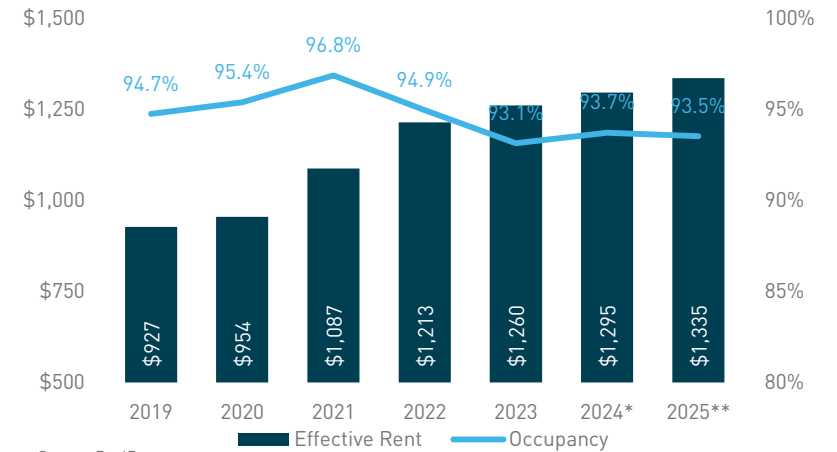
Job Growth and Rental Demand in Indy Drive Apartment Market Gains

As larger Midwest metros saw their population migrating to more affordable locations, Greater Indianapolis benefited with a net inflow of 32,200 people last year. A projected 22,200 more people moving in than out this year will surpass the historical annual average of 12,800 net movers. Builders will remain active this year to meet housing demand, but at a slower pace than last year's peak. Development is focused on the Carmel/Hamilton County submarket, which is expanding supply by 6.7% after an 11.0% increase last year. Approximately half of the metro projects, around 3,600 units, are in this submarket. The largest development is the 400-unit Sylo near Lebanon's LEAP innovation district, where Eli Lilly's \$4.5 billion investment will create a medicine foundry and hundreds of jobs by 2027. New deliveries will support a 93.4% submarket occupancy rate, while Carmel's Meridian Street Corridor with Indiana's second-largest concentration of office workers is another major attraction. Following a 2.0% job gain last year, local employers will expand payrolls by another 0.8% in 2025, driven by significant projects like the \$2.3 billion IU Health hospital campus, an 800-room Signia by Hilton hotel, and the progressing \$300 million Bottleworks District. Driven by job creation, rising income, and population growth, landlords will raise rents, with effective rent projected to reach \$1,335 monthly by year-end, a 3.1% annual increase. The in-demand Carmel/Hamilton County submarket commands a 17% rent premium above the market average. A projected 2.2% annual submarket rent increase is supported by a median household income of \$143,700, compared to the metro average of \$82,300.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2024 are projected values. 2025 figures are forecast projections.

2025 FORECAST

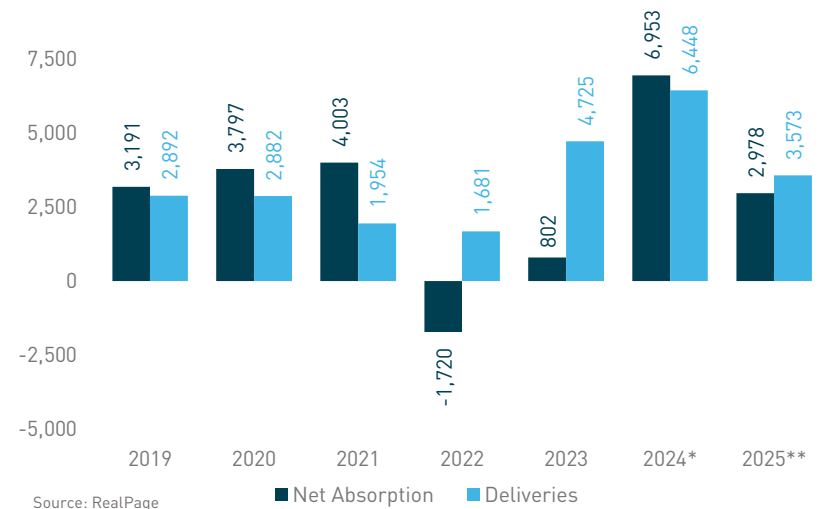
APARTMENT TRENDS



Source: RealPage

*Projected **Forecast

Note: Effective rent and occupancy reflect stabilized properties and does not include preleased units or properties in lease-up. A newly constructed property is considered stabilized once it becomes 85% occupied.

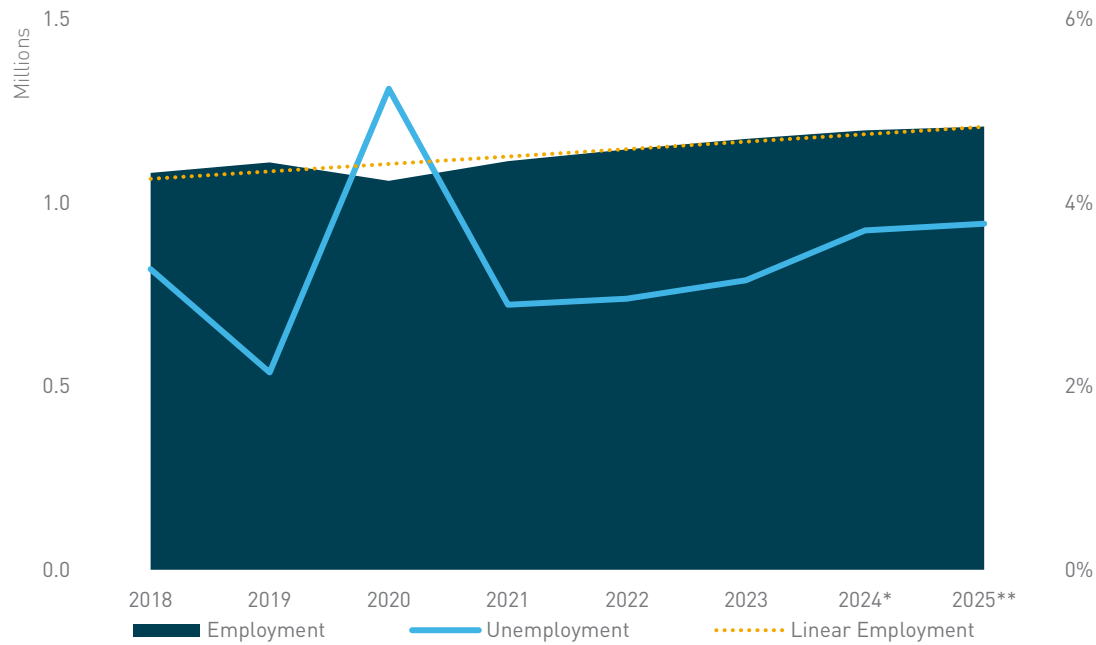


Source: RealPage

*Projected **Forecast

INDIANAPOLIS, IN

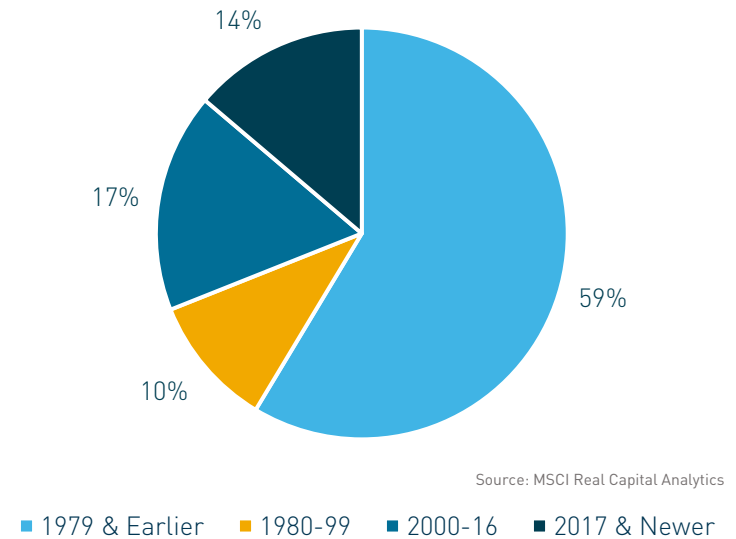
EMPLOYMENT TRENDS



Source: Moody's Analytics

*Projected **Forecast

2024 SALES TRENDS*



Source: MSCI Real Capital Analytics

*YTD through Oct.
The apartment sales information represents transactions of apartment properties with a sales price of \$2.5 million or more, unless otherwise indicated.

EMPLOYMENT
(DEC. 2025)

1,207,300



UP 0.8% YOY

UNEMPLOYMENT
(DEC. 2025)

3.8%



UP 10 BPS YOY

MEDIAN HOUSEHOLD INCOME
(DEC. 2025 SAAR)

\$82,264



UP 3.3% YOY

PRICE PER UNIT
(2024 AVG.)

\$125,688



DOWN 6.7% YOY

CAP RATE
(2024 AVG.)

5.6%



UP 20 BPS YOY