

INDIANAPOLIS, IN

2022 MARKET AT A GLANCE

Occupancy Rate

95.3%



DOWN 50 BPS YOY

Effective Rent

\$1,116



UP 6.2% YOY

Rent Share of Wallet

20.2%



UP 60 BPS YOY

Improving Market Fundamentals While Job Creation and Rental Demand Persist

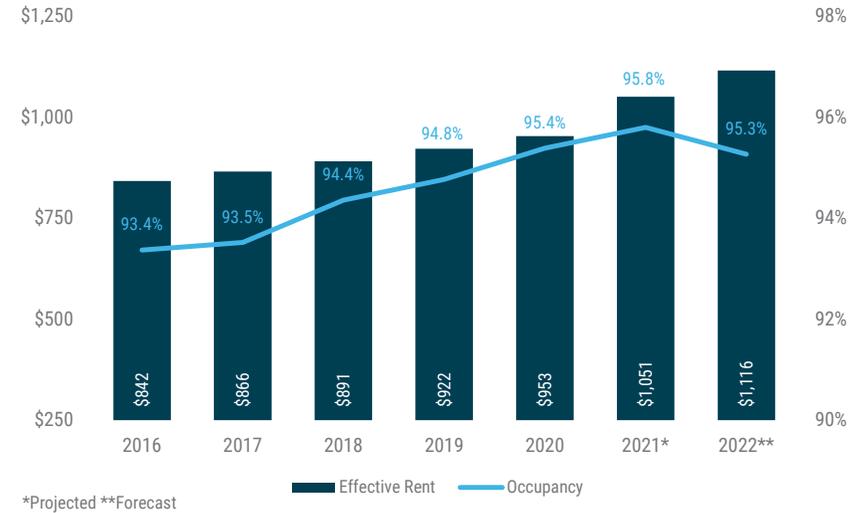
Indianapolis' diversified economy has helped moderate the worst of the impacts of the pandemic. Many of the city's major employers, including Eli Lilly, continued to move forward with expansion plans, while several major tech companies, such as Celigo, Jobvite, and Tangoe, announced plans to relocate within the metro area, signaling further employment gains in the future. Following the 3.2% jobs gain last year, local employers are on track to expand payrolls another 2.2% in 2022. Underpinned by strong economic growth and increases in job creation, income, and population, the Indianapolis multifamily market in 2022 will fully recover from the COVID-19 fallout. Annual effective rent rose 10.2% in 2021 and is forecast to increase 6.2% year over year by the fourth quarter of 2022. As the metro's population shifted out of the urban core in favor of upscale submarkets, rent growth will be higher than the metro average in the Carmel/Hamilton County submarket. The submarket is also expected to receive close to two-thirds of the new supply this year, as developers capitalize on the housing needs in this area. Apartment demand in the submarket and across the metro will keep the average apartment occupancy high, reaching 95.3% metrowide and exceeding the annual five-year average by 50 basis points. With steadily improving market conditions, multifamily investment volume is expected to increase in 2022. Competition for properties is projected to drive up the price per unit 7.6% annually, equating to \$114,217 by year-end.

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 2021 are projected values. 2022 figures are forecast projections. The apartment sales information represents transactions of apartment properties with a sales price of \$2.5 million or more, unless otherwise indicated.

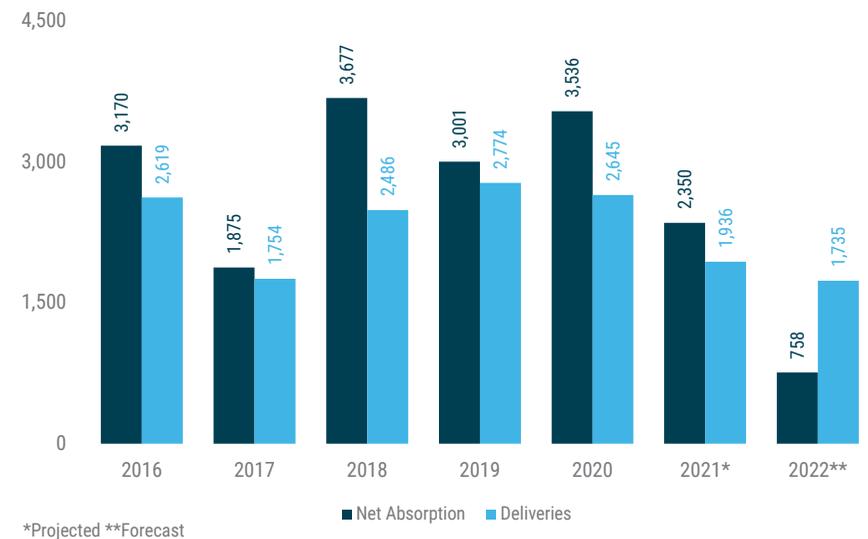
2022 FORECAST

APARTMENT TRENDS

Effective Rent & Occupancy



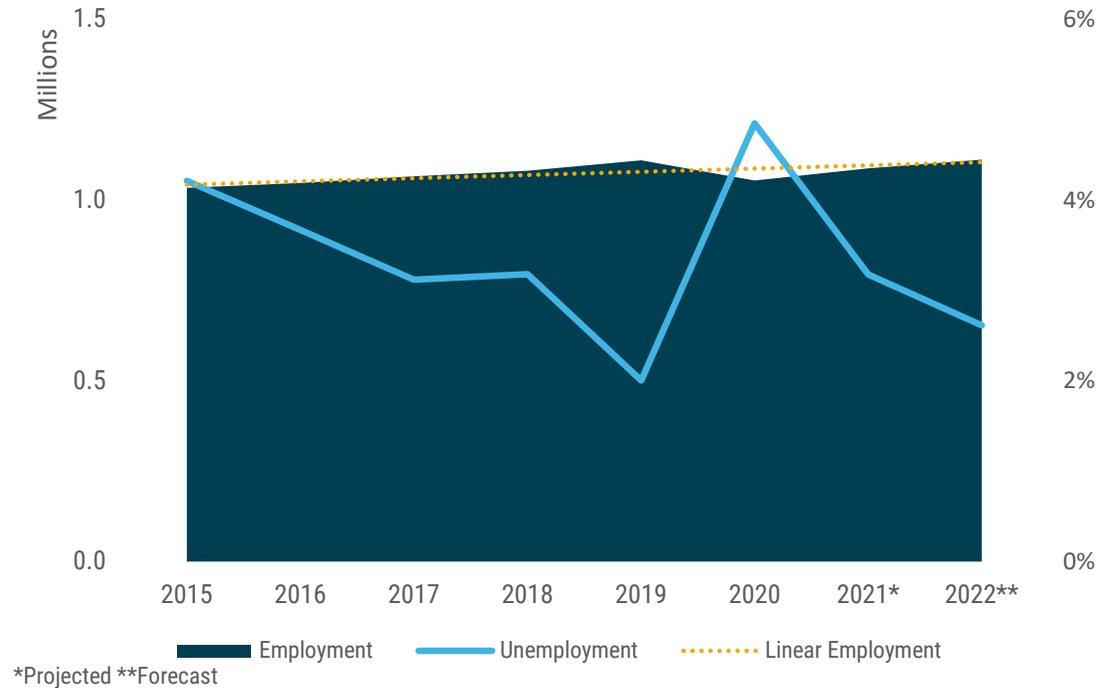
Absorption & Deliveries



INDIANAPOLIS, IN

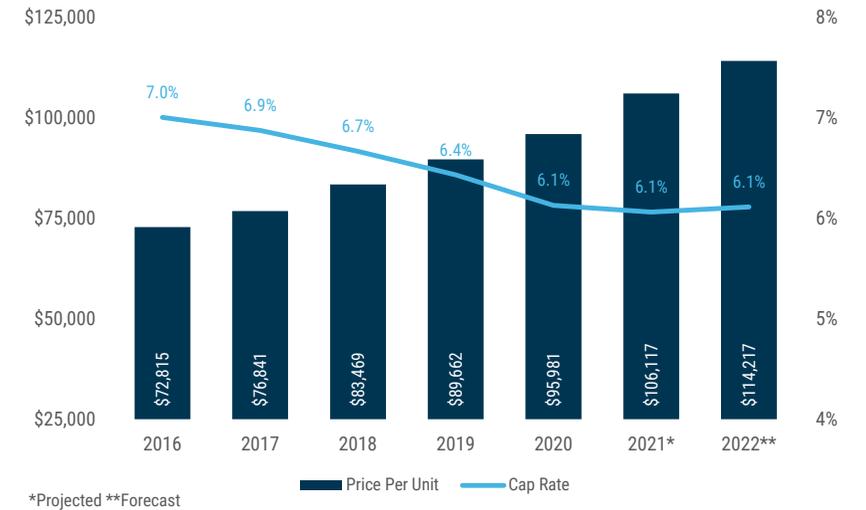
EMPLOYMENT TRENDS

Market Employment Trends



SALES TRENDS

Price Per Unit & Cap Rate



Employment

1,112,100



UP 2.2% YOY

Unemployment

2.6%



DOWN 60 BPS YOY

Median Household Income

\$66,423



UP 3.3% YOY

Price Per Unit

\$114,217



UP 7.6% YOY

Cap Rate

6.1%



UNCHANGED YOY