

# INDIANAPOLIS, IN MARKET REPORT

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2026

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# RESIDENTIAL MARKET TRENDS

- Average rent in Indianapolis is **\$1,111/month**, which is 32% lower than the national average, making it highly affordable for renters.
- One-bedroom units average **\$1,111**, while **two-bedroom units rent for \$1,313**, reflecting strong value compared to Midwest peers.
- Rent growth has been modest, with a 0.4% decrease year-over-year, signaling **market stability** after prior increases.
- Neighborhood rents vary widely: Downtown averages **\$2,200**, while Irvington offers affordability at **\$744 for a one-bedroom**.
- **Renter-occupied households represent 31%** of housing units, supporting consistent demand for rental properties.

# DEMOGRAPHICS & GROWTH TRENDS

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- The Indianapolis metro population reached **1.945 million in 2026**, growing 1.04% year-over-year, with steady long-term projections.
- Median household income is **\$62,995**, with per capita income at **\$45,736**, supporting affordability for renters.
- Median age is 34.1 years, aligning with **prime renting demographics** among Millennials and Gen Z.
- The metro area accounts for **31% of Indiana's population**, reinforcing its role as the state's economic and housing hub.





## LOGISTICS & INFRASTRUCTURE

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- Indianapolis sits at the intersection of I-65, I-69, I-70, and I-74, enabling access to **80% of the U.S. population within one day's drive.**
- The city hosts the **second-largest FedEx hub in the world**, handling millions of packages daily and boosting economic activity.
- Indiana **invested \$10 billion in transportation infrastructure**, including the completion of the 142-mile I-69 corridor, enhancing connectivity.
- Indianapolis International Airport ranks among the **top 8 U.S. air cargo facilities**, supporting logistics-driven job growth.
- Industrial real estate demand remains strong, with speculative warehouse projects exceeding **1 million square feet** near major corridors.



## INDIANAPOLIS VS. NEARBY MARKETS

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- Indianapolis's average rent of \$1,111 is significantly lower than Chicago's \$1,995, offering **better affordability for tenants and investors.**
- Compared to Carmel (\$745 for a studio) and Fishers (\$1,359), Indianapolis offers a broader range of rental **options across neighborhoods.**
- Bloomington averages \$887, making it cheaper, but Indianapolis provides stronger job growth and urban amenities.
  - Indianapolis rents are 25% below the national average, positioning it as a **value-driven market for long-term rental strategies.**
  - Market temperature is rated “warm,” indicating **steady demand** compared to slower suburban markets.

# FINANCIAL METRICS & RENTAL INVESTMENT RETURNS

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- Cap rates for Indianapolis rentals average 6–7%, outperforming many coastal markets and supporting strong cash flow potential.
- Annual rent growth is projected at 4–5%, driven by job growth in healthcare, logistics, and tech sectors.
- Affordable single-family rentals priced between \$150K–\$230K yield rents of \$1,300–\$1,700, ideal for buy-and-hold strategies.
- Vacancy rates remain low at 6–8%, ensuring stable occupancy and predictable income streams for investors.



# PEAKS AVAILABLE OPPORTUNITIES IN INDIANAPOLIS

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# INDIANAPOLIS DUPLEXES & QUADPLEXES

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## **Location: Fort Wayne, Indiana**

Situated just 10 minutes from downtown Fort Wayne with immediate freeway access, the project offers strong commuter appeal while remaining close to employment centers, amenities, and major demand drivers.

## **Lease Up & Market Demand:**

Fort Wayne is currently the fastest-growing metro in the Midwest, driven by job growth, affordability, and in-migration. Demand for new, well-located rental housing remains strong, supporting a smooth lease-up and durable long-term occupancy.

## **Platting & Financing Advantage:**

Units are individually platted as 2-plexes and 4-plexes, allowing investors to maximize access to conventional financing, improve liquidity at exit, and maintain flexibility in a high-inflation environment.

## **Financial Metrics:**

The property benefits from a tax abatement that significantly reduces operating expenses, passing through low property taxes to the owner for the next five years. At stabilization, the project delivers a projected 7.8% cap rate, with comparable 2-plex and 4-plex assets trading around \$250,000 per door, supporting strong valuation and exit potential.

## LET'S CONNECT

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Ready to explore smart investing in Indianapolis, IN or curious about our Indianapolis Duplex & Quadplex project?

Discover opportunities that fit your goals, visit our website or connect with us directly. Let's turn your questions into profitable decisions today!

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