

# 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.
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# 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.

## 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.

## 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.

## 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?

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