

Indianapolis

Rental Real Estate Overview 2023

Welcome to Indianapolis, Indiana — [one of the most affordable](#) major cities in the United States.

After several ultra-hot years for the U.S. housing market, the combination of high home prices and high mortgage rates has made some buyers hesitant. But in Indianapolis, where the median home price is just [\\$230K](#), you have the chance to invest in an exciting market with low barriers to entry.

Of course, if you're in the market for higher-priced property, Indianapolis has options for you, too. You can look to some of the city's more expensive neighborhoods, or you could turn to the suburbs. Carmel, one of Indianapolis' northern suburbs, [was recently ranked](#) the second-best place to live in the country. The city, which is home to [just over 100,000](#) people, has a median household income of [\\$106,990](#) and a median home price of [\\$464K](#) to match.

Indiana residents — known as Hoosiers — have long known the Indianapolis metro area to be a great place to live, work, and raise a family. Could it be the right place for you to invest? Read on to learn more about this Midwest city's housing market!

About Indianapolis

Since Indianapolis was founded [more than 200 years ago](#), it has grown to be the third-largest city in the Midwest, trailing behind Chicago, Illinois, and Columbus, Ohio. Its 882,327 residents make it the [15th-largest city](#) in the U.S., and as Indiana's capital and largest city, it's a cultural and economic hub for the region.

If you're a racing fan, you'll likely know it as the home of Indianapolis Motor Speedway (the site of the Indianapolis 500), but it also boasts attractions such as the [world's largest children's museum](#).

This central Indiana city goes by many nicknames, including Indy, the Circle City (a reference to the downtown area's Monument Circle), and Naptown.

While the state of Indiana may be best known for its [agricultural exports](#), including corn and soybeans, Indianapolis is also a major player in the business world. Several Fortune 500 companies are headquartered in Indy, including Elevance Health, Inc. (previously known as Anthem, Inc.), a health insurance provider, and Eli Lilly and Company, a pharmaceuticals company.

Indy also has several universities, including Indiana University–Purdue University Indianapolis (known as IUPUI), Butler University, Marian University, and the University of Indianapolis.

Residents experience [four distinct seasons](#), with cold, snowy winters and hot, humid summers. It also offers a variety of [opportunities for outdoor recreation](#), including 153 miles of trails, 214 parks, and 11,254 acres of greenspace.

With a low cost of living and diverse population, Indy appeals to young professionals and families alike — as long as you're "Midwest nice," you'll fit in just fine.



CITY STATISTICS

Population

882,327 (city proper)
2,129,479 (metro)

Median Income

\$32,792 /capita
\$58,479 /household

Median Age

34.5

Area

361.6 sq. mi. (city proper)
4,306.6 sq. mi. (metro)

Unemployment rate

2.8%

GDP

\$162.1 billion

Highest Paying Jobs

Emergency medicine physicians, physicians (pathologists), radiologists, obstetricians and gynecologists, psychiatrists, dermatologists, physicians (all other), general internal medicine physicians, family medicine physicians, surgeons (all other)

Top employers

IU Health University Hospital, Emergency-Ascension St Vincent, Ascension St Vincent Center, New Era Technology, Eli Lilly & Co, Indiana University School of Medicine, Roche Diagnostics Corp, Eli Lilly Intl Corp, IU Health Methodist Hospital, IUPUI

INDIANAPOLIS REAL ESTATE MARKET STATISTICS

104

Neighborhoods

3,353

Homes for sale
as of March 2023

-

Median List
Price

\$229,950

(up 4.5% year over year)
Median Sold Price

\$126

Median Price per
Square Foot

97.4%

Sale-to-List
Price Ratio

40

Median Days
on Market

\$1,155

Median Montly
Rent

6.6%

1-Year
Appreciation Rate

16.6

Price-To-Rent
Ratio

Indianapolis’ [most expensive neighborhood](#) is Near Northside, which has a median listing price of \$465K. Its [most affordable neighborhood](#) is Martindale - Brightwood, which has a median listing price of \$130K.

In Indianapolis, there are about [399,820 housing units](#). Here are some facts about housing in this Indiana city:

- 68% are single-unit structures, 31% are multi-unit structures, and 1% are mobile homes
- 90% are occupied and 10% are vacant
- 56% are renter-occupied and 44% are owner-occupied

Indianapolis home values have steadily increased in recent years. Here’s how Indianapolis home values have risen [over the past five years](#):

Year	Typical Home Value
February 2019	\$136,913
February 2020	\$148,138
February 2021	\$168,555
February 2022	\$200,384
February 2023	\$213,658

LOOKING FOR AN INVESTOR-FRIENDLY AGENT?

From accessing off-market deals, to building a team, to determining the right rental rates, buying properties in a new market can prove tough for any investor. That's why we launched Evernest Brokerage.

Invest in [some of the best real estate markets](#) in the United States. Working with Evernest's in-house brokerage team of investor-friendly real estate agents is the most efficient way to build a local team and grow your rental portfolio.

It's simple. Visit our website, pick your market, fill out the form, and a member of our team will get back to you within 24 hours.

Get started here
TODAY!



FIVE REASONS TO INVEST IN INDIANAPOLIS REAL ESTATE

Is now the time to invest in rental homes in Indianapolis? Here are five reasons why investors are diving into the Indianapolis real estate market.

1. Quality of Life
2. Affordable Real Estate Market with Steady Growth
3. Population Growth
4. Strong Economy & Job Market
5. Indiana Is a Landlord-Friendly State





1.

QUALITY OF LIFE

Indianapolis is a hidden gem tucked away in the Midwest, offering a relatively low cost of living and the perks of living in a major metropolitan area. There's something for everyone in Indianapolis, whether you're a sports fan, a foodie, an outdoor enthusiast, or an arts and culture aficionado.

Indianapolis Motor Speedway, the world's [highest-capacity sports stadium](#), is located in an enclave of the city called Speedway, Indiana. It's easy to see why Indy is known as the Racing Capital of the World: Every year, on Memorial Day weekend, hundreds of thousands of fans visit Indianapolis Motor Speedway to watch the Indianapolis 500. The Indianapolis Motor Speedway has about 235,000 permanent seats, and in total, it can accommodate more than 350,000 fans.

For sports fans, there are two major league sports teams in Indianapolis: a football team, the Indianapolis Colts, and a basketball team, the Indiana Pacers.

Indy also boasts a top-tier dining scene — in 2022, [Food & Wine named it](#) one of the country's next great food cities.

"Few cities can claim to have a real diversity of cuisines; an abundance of affordable, quality dining options; and a vibrant mix of personalities championing food access for all," according to *Food & Wine*. "Indianapolis is one of them. Thanks to its exceptional ability to welcome a new wave of entrepreneurs while supporting those who paved the way, the Circle City has emerged from the past few challenging years as a destination where everyone can eat well."

There are also plenty of family-friendly activities in Indy, including the Children's Museum of Indianapolis, the largest children's museum in the world. The [815,700-sq.-ft. museum](#) attracts 1.27 million visitors annually.

Other major attractions include Newfields (a sprawling campus that includes the Indianapolis Museum of Art) and the Indianapolis Zoo.



2.

AFFORDABLE REAL ESTATE MARKET WITH STEADY GROWTH

Indianapolis is regularly named one of the country's most affordable housing markets, which means it could be the perfect place for people looking for a low-cost entry into investing.

The city's median home sale price of [\\$229,950](#) remains well below the national median of [\\$386,527](#).

Many U.S. markets slowed significantly in 2022, flipping from ultra-hot sellers' markets to buyers' markets in a matter of months, and Indianapolis was no exception. But [Realtor.com predicted](#) that the Indianapolis metro area would see 7.8% year-over-year price growth in 2023, landing it among the top 10 U.S. cities with the sharpest expected increases.

Just a year ago, [Realtor.com also ranked](#) the Indianapolis metro area among the top 10 housing markets positioned for growth.

Homes in Indianapolis have appreciated steadily in recent years, according to [Zillow's Home Values Index](#). A typical home in Indianapolis is worth \$213,658, an increase of 6.6% year over year. In just seven years, Indianapolis home values have more than doubled — in February 2016, the typical home value was just \$103,729.



3.

POPULATION GROWTH

With a population of [882,327](#), Indianapolis is the country's 15th-largest city. The Indianapolis-Carmel-Anderson metro area, which covers 11 counties in central Indiana, has [2,129,479 residents](#).

Indy's population has grown steadily since the city was founded more than 200 years ago. In 1980, the city had just 700,807 residents. Over the decades, it increased, [reaching 731,327 in 1990](#), 781,870 in 2000 and 820,445 in 2010.

"The Indianapolis metro area will continue to be the state's primary source of population growth over the coming decades," says [a 2018 article from Indiana University's Kelley School of Business](#).

"This 11-county region is projected to see its population climb from 1.99 million residents in 2015 to 2.51 million in 2050 — a 26% increase. As this region adds more than half a million residents over the next 35 years, its share of Indiana's total population will rise from 30 percent in 2015 to nearly 35 percent in 2050."

The five counties projected to grow the fastest in the coming decades are Hamilton, Boone, Hendricks, Johnson, and Hancock counties — all suburbs of Indianapolis.



4.

STRONG ECONOMY & JOB MARKET

A strong, well-established economy and job market are essential factors when it comes to deciding where to invest in real estate.

The Indianapolis metro area's unemployment rate is [just 2.8%](#), well below the national rate of [3.6%](#), and Indy ranked third on Glassdoor's 2020 [list of best cities for jobs](#).

"Indianapolis has seen extensive job growth in recent years, making it a popular place for new graduates looking for work," [U.S. News & World Report](#) says.

"Jobs in the healthcare industry are abundant, as are those in tourism and those revolving around major sporting events. A number of national companies are headquartered in the area, including Eli Lilly and Co., Anthem Inc., RCI, Simon Property Group, Finish Line Inc., and the NCAA."



5.

INDIANA IS A LANDLORD-FRIENDLY STATE

Although owning a rental property can be an incredibly lucrative and exciting opportunity, navigating local laws surrounding rental properties can be a headache. Luckily for you, Indiana is regularly ranked as one of the [most landlord-friendly states](#).

For example, if an Indiana tenant fails to pay their rent, their landlord only needs to give [10-day notice](#) before proceeding with an eviction. The state also doesn't limit

security deposits and doesn't require the landlord to return the deposit until [45 days after](#) the tenant has moved out. Indiana also has a property tax rate of [just 0.83%](#).

Investing in a rental property with a company like Evernest means that property owners have even less to worry about, as Evernest does all of the managing, fee collection, maintenance, and, if necessary, evictions for you, and all you need to worry about is your capital gains.

INDIANAPOLIS REAL ESTATE PREDICTIONS

Indianapolis is a Midwestern hidden gem that offers affordable housing in a vibrant, diverse city. Although we can't know for sure what the future will hold, let's take a look at our predictions for the Indianapolis housing market.

Home prices will continue to increase.

[Realtor.com predicted](#) that Indianapolis would see 7.8% year-over-year price growth in 2023. That means the city has the ninth-highest rate of expected price growth in the country this year.

Rental prices will remain high.

Indianapolis had the second-highest rate of rent price growth over the past year, with an increase of 6.2% year over year, according to [an April 2023 report from Apartment List](#).

The metro area's population will continue to grow.

The Indianapolis metro area's population is expected to reach 2.51 million by 2050, up from 2.1 million today, [experts say](#).

INVEST WITH EVERNEST

If you are an investor looking for rental properties with solid returns, Indianapolis is a great market to consider.

Buying or selling real estate is one of the most important decisions you will make as an investor, and building a team that you trust is vital to the success of your investing journey. A stellar team is well-informed about critical factors that affect your specific market areas, such as changes in market conditions, market forecasts, consumer attitudes, best locations, timing, and interest rates.

[EVERNEST](#) has what you're looking for, with extensive experience in single- and multi-family, cash-flow rental properties. Since 2008, our team has remained dedicated to providing investors and owners with the best in-house rental property services around. Evernest offers investor-friendly brokerage services, white-glove property management, and in-house maintenance so you can reach your real estate goals, whatever those may be.

Ready to invest with the help of a qualified team?

Let's talk.

Are you an investor not just limited to Indianapolis or Indiana? You can invest in [some of the best real estate markets](#) in the United States by working with Evernest's in-house Brokerage team of investor-friendly Real Estate Agents. All you have to do is fill out this [form](#) and one of our agents will reach out within 24 hours.

***Make the best investments in the most attractive markets
with Evernest.....in good times and bad.***

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