

INDIANA

With a booming economy and job market in Indiana, RE/MAX INTEGRA, Midwest real estate experts believe the housing market will remain strong in 2019. Buyer activity may begin to slow, relieving some of the tight pressure gripping housing inventories and possibly bringing down prices.

Despite small increases in housing inventory in some Indiana communities within the last year, many buyers will continue to face challenges in 2019. Some of the factors that contributed to more buyers than there were sellers in 2018 are likely to remain in 2019. These include:

- First-time buyers, including millennials and baby boomers, who were hesitant in the past, will enter the market in the coming months.
- Home builders are not able to keep up with the demand due to the rising cost of materials as well as shortages of labor and lots.

RE/MAX brokers in Indiana expect the strong sellers' market to continue in 2019 due to these factors. But they report that the market will see some significant changes, including the gradual impact of increasing interest rates. While rates remain historically low, more buyers are not willing to pay the higher prices of the current competitive market combined with higher interest rates.

It is predicted that buyers will be taking a more measured, long-term approach in the year-ahead rather than quickly jumping on any home the moment it is listed. RE/MAX real estate professionals predict this new buyer sentiment will lead sellers to price their homes at more realistic levels in 2019.

Brokers in several regions report many would-be buyers may instead opt to rent newly constructed apartments in urban areas, due to rising interest rates and low inventory. Walkability, along with green and smart technologies remains top priorities for buyers. The downtown cores of cities such as Fort Wayne, Lafayette and South Bend have seen major growth.

Despite the continued surge in home prices, recent surveys show Indiana's overall cost of living remains one of the lowest in the Midwest. Indiana's strong economy offers Hoosiers and prospective transplants affordability in the housing market that is not found in other regions across the country.

From January through October of this year, Indiana's housing market experienced the following compared to the same time period last year:

- **Average sales price increased 10.3% from \$148,531 in 2017 to \$163,871.**
- **Average days on market decreased 13.84% from 68 days in 2017 to 59 days.**
- **The number of homes sold remained steady, only decreasing by 1.5% from 2017.**



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Region	Year	Homes Sold	% Change	Avg. Days on Market	% Change	Avg. Sales Price	% Change	2019 Predictions		
Indiana	2017	6733	-1.50%	68	-13.84%	\$148,531	10.33%	Market	Avg. Sales Price	Inventory
	2018	6635		59		\$163,871				
Northwest	2017	943	-0.95%	66	-10.81%	\$181,532	7.65%	Remain or Increase	Remain or Increase	Remain or Increase
	2018	934		59		\$195,423				
South Bend	2017	638	-2.51%	67	-1.01%	\$162,684	7.40%	Increase	Remain	Increase
	2018	622		66		\$174,716				
Northeast	2017	681	-0.15%	49	-8.14%	\$138,986	12.26%	Increase	Increase	Remain
	2018	680		45		\$156,031				
Lafayette	2017	207	4.35%	82	-21.23%	\$132,921	11.61%	Increase	Increase	Increase
	2018	216		65		\$148,349				
North Central	2017	41	0.00%	41	-8.24%	\$132,864	16.18%	Increase	Remain	Remain
	2018	41		38		\$154,356				
East Central	2017	207	-11.11%	59	-22.12%	\$94,745	8.30%	Remain	Remain	Increase
	2018	184		46		\$102,608				
Terre Haute	2017	216	4.85%	87	11.43%	\$110,761	43.85%	Remain or Increase	Remain	Remain or Increase
	2018	227		96		\$159,334				
Central	2017	2863	-1.61%	62	-41.77%	\$212,812	3.53%	Remain	Increase	Remain
	2018	2817		36		\$220,326				
Southeast	2017	115	5.22%	103	-31.89%	\$158,133	2.11%	Remain	Increase	Remain
	2018	121		70		\$161,467				
Southwest	2017	447	-2.68%	61	-15.61%	\$147,463	6.26%	Remain or Decrease	Remain or Decrease	Increase
	2018	435		51		\$156,698				
South Central	2017	372	-2.97%	75	0.56%	\$164,486	6.99%	Remain or Increase	Remain or Increase	Increase
	2018	361		76		\$175,986				

Data provided by local MLSes and reflects January - October 2018 and the same timeframe for 2017. Predictions and insights provided by RE/MAX INTEGRA, Midwest.