

# 2023 Homebuyer Profile

Indiana Association of Realtors®

We often use data sources beyond the MLS to provide deeper insights into Indiana's real estate market, including the U.S. Census and American Community Survey (ACS). In this report, we've used in-depth Census data (see 'Data Notes') to build a profile of Indiana homebuyers in 2023 – the latest year available until the resolution of the current government shutdown allows a normal publication schedule to resume.

We learn that Indiana's buyers were in a busier housing market, younger, and enjoying an affordability advantage over much of the Midwest in 2023. About 112,000 Hoosier households bought homes in 2023 — more than five percent of all homeowners, a higher rate than in neighboring states. Buyers skew younger, with many entering homeownership on household incomes just above \$100,000.

Nearly half of these new buyers were under 35, a slightly higher share than in the rest of the Midwest, and most likely first-time homeowners. Their average age was 27, and their average income was \$102,400. About one in six paid cash for their homes, while the rest financed purchases through a mortgage. Nationally, roughly one in three younger buyers report receiving help from family or friends toward their down payment, suggesting that intergenerational wealth plays a growing role in helping young Hoosiers enter homeownership.

## Data Notes:

*In this report, we often compare Indiana to other Midwestern states. Specifically, these are the other four states included in the East North Central Census Division: Wisconsin, Illinois, Michigan, and Ohio.*

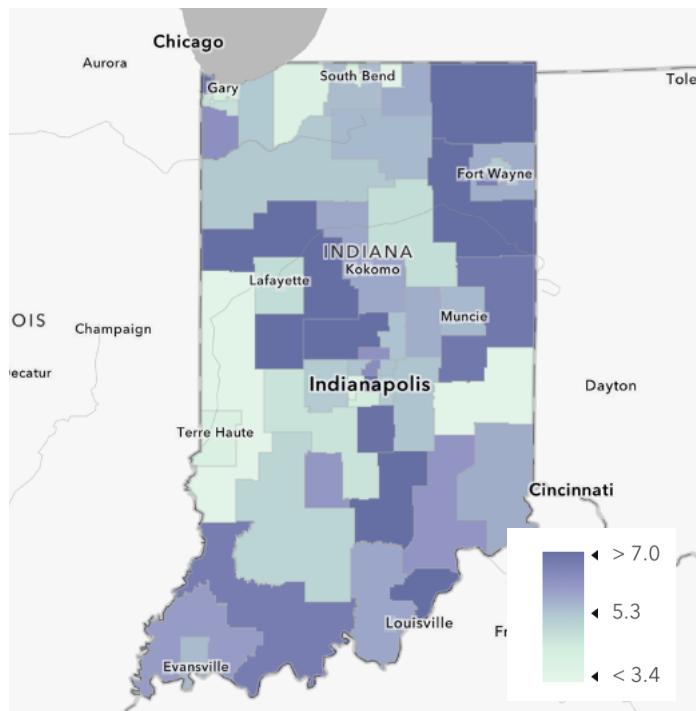
*Our maps are based on special census districts, called PUMAs, where there is very detailed data that allows us to break out households by move-in year, homeownership, and other demographic layers.*

*Everyone included in this report was surveyed in 2023 and moved into their home in the 12 months before they were surveyed.*

*Data source: American Community Survey Public-Use Microdata, 2023 1-Year Estimates*



## HOMEBUYERS AS PERCENT OF HOMEOWNERS, 2023



## BUSIEST MARKETS

Region	Area	Homebuyers	% of Owners
West-Central Indiana	Montgomery, Clinton, White, Carroll & Benton Counties	3,924	10.0%
Northeast Indiana	Huntington, Whitley, Adams & Wells Counties	4,105	9.3%
South-Central Indiana	Bartholomew & Jackson Counties (Columbus Area)	3,359	9.0%
Northeast Indiana	Noble, DeKalb, LaGrange & Steuben Counties	3,827	7.7%
Indianapolis (Core)	Marion County – Center Township (Downtown Indy)	2,824	7.5%
Indianapolis Suburbs (Northwest)	Boone & Northwest Hamilton Counties	3,337	7.0%
Indianapolis Suburbs (South)	Johnson County (Greenwood Area)	3,243	6.9%

## Homebuyers

In 2023, about 112,000 households bought homes in Indiana—5.8% of all homeowner households, compared with 5.3% across other Midwestern states. If our rate had matched the lower regional level, 8,500 fewer households would have moved that year – in terms of the REALTOR® bottom line, this half-point difference translated to 17,000 more transaction “sides.”

A few regions around the state drove Indiana’s higher home-buying rate. In Noble, DeKalb, LaGrange, and Steuben Counties, about 3,800 households—7.7% of homeowners—bought homes in 2023. The rate climbed to 9.3% in Huntington, Whitley, Adams, and Wells Counties.

Johnson County and Boone County—northwest Hamilton County also stood out, each recording more than 3,000 homebuyers (around 7%). In west-central Indiana, 10% of homeowners in Montgomery, Clinton, White, Carroll, and Benton Counties moved within the past year—the highest share statewide. Bartholomew and Jackson Counties followed at 9%, while Marion County’s Center Township saw 2,800 homeowner moves, or 7.5% of its total.

These hotspots alone explain over 8,000 of the extra homebuyers beyond the Midwest norm.

## Demographics of Homebuyers

### Age

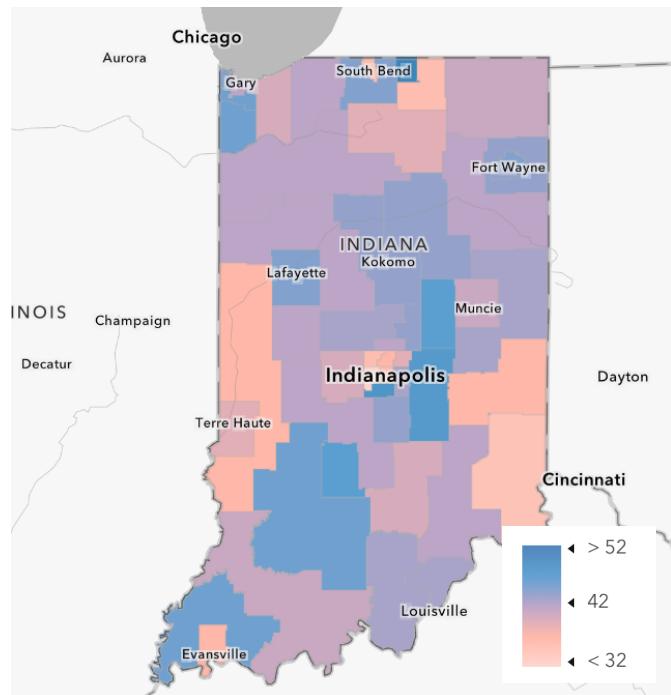
The average age of a Hoosier homebuyer was 42 years old in 2023—about the same as other Midwestern states, where the average age is 43 years old. Homeowners who did not move tend to be older. The average age is 56 in Indiana.

Homebuyers tend to be younger in several city centers. The average age is 36 in Marion County’s Center Township and 32 in Wayne Township on Indianapolis’s West Side. In Evansville, the average is 37, and in South Bend, 36. Fort Wayne runs against this trend, with homebuyers averaging 44–45 years old.

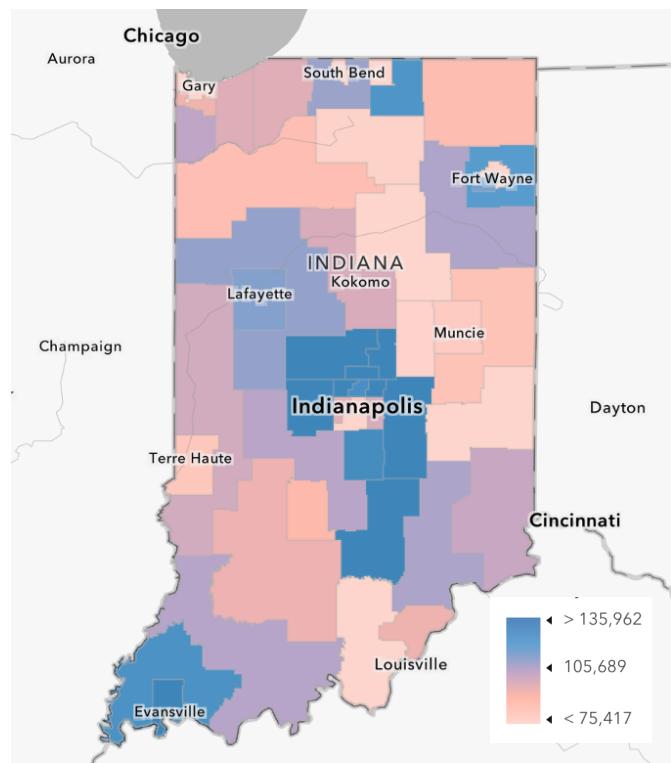
### Income

Indiana homebuyers earn slightly less than their counterparts elsewhere in the Midwest—but because housing costs are lower, they can afford more for their money.

## AVERAGE AGE OF HOMEBUYERS



## AVERAGE INCOME OF HOMEBUYERS



The average income of Indiana homebuyers is about \$109,500, compared with \$119,000 across the broader Midwest region. Yet Indiana's homeownership rate and buyer activity remain higher, underscoring the state's relative affordability: households here can purchase homes on lower incomes than buyers in neighboring states.

Despite rising home prices and significantly higher mortgage rates, the average homebuyer income hasn't changed since 2018. Adjusted for inflation, the average income was \$109,700 five years earlier.

Homebuyer incomes vary sharply across Indiana, reflecting both local economies and housing markets. The highest averages cluster around the Indianapolis metro—Hendricks County (\$191,000), Boone and northwest Hamilton (\$186,000), and Carmel–Fishers (\$146,000–\$150,000)—all well above the state norm. Other strong markets include Bartholomew–Jackson (\$155,000) and Vanderburgh County–Evansville (\$149,000). In contrast, many northern and rural areas see average buyer incomes below \$90,000. Some urban areas also have low average income for homebuyers: \$71,400 on the north side of Fort Wayne, \$72,500 on the south side of Indianapolis, \$62,900 in Gary, and \$71,400 in South Bend.

## Household Type

Half of Hoosier homebuyers were married couples. Single people living alone made up almost a quarter of homebuyers. Single parents made up 15% of homebuyers, and partners or roommates made up the last 10%.

This differs from the overall composition of homeowner households, which includes everyone who owns their home—whether they bought it recently or many years ago. Almost 60% of homeowners are married, and only 4% live with a partner or roommate.

Note, however, that homebuyers tend to be younger than non-homebuyers. That means differences in household composition could be driven by age rather than home-buying patterns being influenced by household compositions. Of course, a couple that buys a home while unmarried partners would commonly marry eventually.

## HOMEBUYERS BY HOUSEHOLD TYPE, RACE, AND EMPLOYMENT STATUS

Married   Single parent   Living alone  
Partners/roommates



White   Black   Other   Latino



Employed   Unemployed   Not in labor force



## Race and Ethnicity

Recent homebuyers in Indiana remain predominantly White but show slightly more diversity than the broader homeowner population. 88% of recent homebuyers were White, compared with 90% of all homeowners.

Black households accounted for about 5% of new homebuyers, while Latino and multiracial households together made up another 6–7%. Although the changes are modest, they point toward gradual diversification among Hoosiers entering homeownership, especially among younger and first-time buyers.

## Employment Status

Recent homebuyers are far more likely to be working: about 80% employed vs 66% among all homeowners, and much less likely to be out of the labor force (19% vs 34%). Unemployment is low in both groups ( $\approx 1\%$ ).

The gap aligns with life-cycle patterns: people who just bought a home tend to be in their working years, while the broader homeowner pool includes many retirees and others out of the labor force.

The composition of recent homebuyers has been remarkably stable over the past five years. In 2018, 81% were employed and 18% were not in the labor force.

## First-Time Home Buyers

Census data does not provide a way to directly measure first-time homebuyers, but we know from NAR's Generational Trends Report that over 70% of buyers under 35 are first-time buyers. When we look at data about people who bought a home in the last year and are under 35, we can assume a large majority are first-time buyers.

In Indiana, there were 45,600 homebuyers under age 35 in 2023. That's 41% of all homebuyers, slightly higher than the 39% in the rest of the Midwest.

The highest share of first-time buyers is likely to be in Pike Township on the northwest side of Indianapolis, where 66% of homebuyers are under 35. The rate is over 60% in Washington Township, Center Township, and Wayne Township. In Evansville and South Bend, 63% of buyers are under 35.

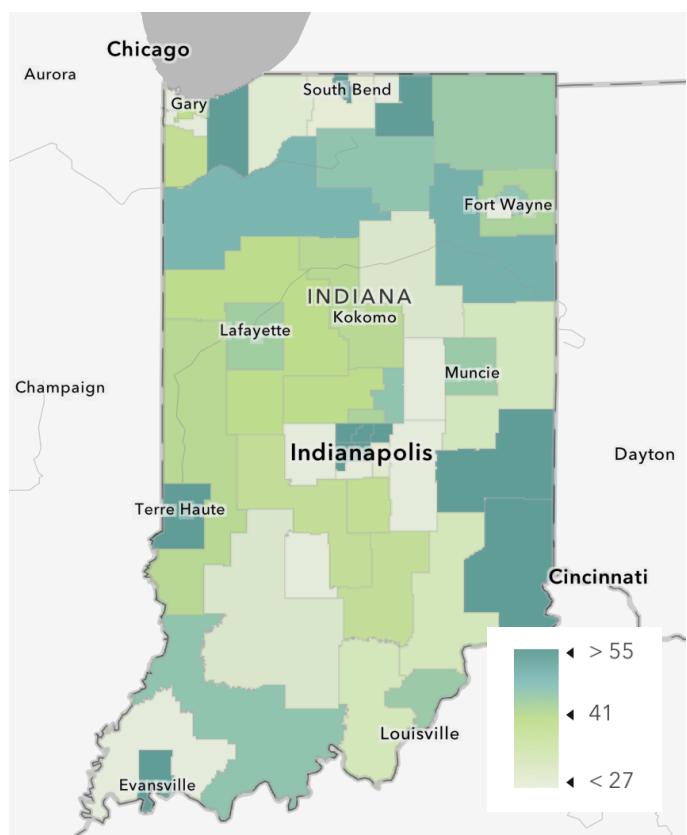
In Fort Wayne, first-time buyers are more prevalent on the north side — 42% are under 35, compared to 20% on the south side. This is also true in Indianapolis, where less than 30% of homebuyers on the south side and the east side are under 35. This isn't only about price. Median sale price is lower on Fort Wayne's south side compared to the north side, and the parts of Indianapolis attracting younger buyers range from the most affordable to the most expensive real estate in the city.

### Age of Likely First-Time Buyers

Homebuyers under 35 are, on average, 27 years old in Indiana. Older homebuyers are an average of 52 years old. The age of likely first-time buyers ranges widely based on location. In South Bend, the average age is 27, while in nearby Elkhart it is 35. In Indianapolis, young buyers in Washington Township average 31 years old, compared to 25 in Wayne Township and 27 in Center Township.

Likely first-time buyers skew younger in Clark County, where the average age is 25. Most of Lake County is similar. However, Hammond and East Chicago have the lowest age for likely first-time buyers — while only 25% of buyers are under age 35, those buyers average 22 years old.

### HOMEBUYERS UNDER 35 AS PERCENT OF ALL HOMEBUYERS



### Income and Mortgages of Likely First-Time Buyers

Indiana buyers under 35 have an average household income of \$102,400, which is \$3,000 less than young buyers across the Midwest. That is almost twice the income of renters under 35.

38,000 young buyers took out a mortgage to make the purchase, leaving 7,600 buyers who paid cash and own their home free and clear. That means 17% of likely first-time buyers paid cash. Among older buyers, 34% paid cash.

According to NAR, roughly one in three younger buyers receive a gift or loan from family, compared to fewer than one in ten older buyers. That intergenerational boost helps explain how so many younger Hoosiers were able to buy with cash or large down payments despite today's prices.

### Market Context

Indiana's affordability advantage has persisted since 2023 — learn more here and explore our new Housing Affordability Report for local insight. But there were also

some unique trends shaping the market in 2023 that should be kept in mind as we think about the buyers of two years ago.

2023 represented the height of the mortgage lock-in effect, with the highest average mortgage rate of the 2022-2025 (YTD) period; new MLS listings plummeted from 105,000 in 2022 to 93,000 in 2023 (a low point in our twenty years of statewide data).

Fewer incumbent homeowners listing and moving to their next homes likely influenced both the average age of buyers and the gap in age between buyers (42) and all owners (56).

MLS data also shows more stable sales activity in rural counties in 2023: Closed sales in rural counties fell 13% from 2022 to 2023, while suburban sales dropped 15%, and the state overall saw a 14% year-over-year decline. Considering the gap between median home prices in rural counties (\$185,000) versus the suburbs (\$330,000), this shows the importance of affordability as consumers were reeling from mortgage rates jumping from less than 4% in spring 2022 to nearly 7% in the fall.

This may also explain the high move rates in pockets of rural Indiana on the outskirts of larger cities and metro areas in 2023 – e.g. Northeast and West-Central Indiana, Jackson County, and even southern Lake and Clark counties (perhaps benefiting from interstate migration from more expensive urban areas).

In 2025, suburban counties have reversed this trend with stronger sales year-to-date, as it appears the lock-in effect has loosened for more incumbent homeowners leveraging their equity into their next home purchases. Future Census PUMA-level data releases will shed more light on how buyer demographics and economic circumstances have evolved since 2023.