

**INSTITUTE FOR
HOUSING STUDIES**
at DePaul University

ILLINOIS HOUSING
MARKET
forecast

Illinois Housing Market Forecast February 2025

The goal of this report is to provide timely housing market data and market projections to inform the Illinois real estate industry, prospective homebuyers and sellers, and the public.

This report highlights trends in housing market activity through January 2025 for the State of Illinois, the Chicago Metro Area, and the City of Chicago. For each geographic area, this report highlights total closed sales activity for single-family homes, condominiums, and townhomes and then summarizes a set of key housing market indicators to highlight recent trends and current conditions for closed single-family property sales activity, median sales prices, time on market, inventory, and homebuyer affordability. For the Chicago Metro Area and City of Chicago, the report also includes data on recent foreclosure activity. Based on these and other housing market and economic data, the Institute for Housing Studies developed a three-month outlook to estimate potential changes in homebuying activity and house prices. Additionally, the report includes supplemental tables and charts summarizing recent and longer-term trends to provide additional context on housing market activity.

The January 2025 data highlight the continuation of recent trends where a still-limited supply of for-sale housing (as indicated by low inventories) and competitive real estate markets (as indicated by short time on market) are leading to continued rising prices in Illinois, the Chicago region, and the City of Chicago. Mortgage rates are still hovering around 7 percent. In January, closed sales activity and sales prices statewide and in the Chicago region are higher than they were a year ago. In the coming months, levels of single-family sales activity statewide and in the Chicago region are expected to rise significantly, following seasonal trends. House prices statewide and in the Chicago region are expected to be higher compared to the same period one year ago, though single-family house prices within the City of Chicago will have dropped slightly from last year.

State of Illinois

- **Recent trends** – In January 2025, there were 7,471 closed sales of single-family homes, townhomes, and condominiums in Illinois. Prices for single-family homes in Illinois continued to grow in January, increasing by 10.8 percent compared to prices in the same month in 2024. Single-family closed sales activity also increased by 5.2 percent compared to January 2024. In January 2025, the inventory of for-sale single-family homes increased slightly compared to a year earlier, but remained near historic lows. At the same time, the average number of days on the market for a single-family home increased by 7.8 percent compared to the previous year. Affordability conditions for single-family homebuying were better than they were a year previously, and consistent with the last four months.
- **Three-month outlook** - IHS's three-month housing market forecast indicates that the level of closed sales activity will follow seasonal trends, rising 53.1 percent between January and April. Total sales during the three-month period from February to April are expected to rise 2.6 percent compared to the same period a year ago. Single-family house prices are estimated to increase 7.4 percent between January and April. This projection would reflect a 4.6 percent increase in prices between April 2024 and 2025.

Chicago Metropolitan Area

- **Recent trends** - In January 2025, there were 4,991 closed sales of single-family homes, townhomes, and condominiums in the Chicago Metro Area. Prices for single-family homes in the Chicago Metro Area increased by 8.8 percent in January 2025 compared to January 2024. The number of closed single-family home sales in the Chicago area increased by 6.0 percent compared to the previous January. The inventory of for-sale single-family homes stayed consistent with a year earlier. Meanwhile, the average number of days spent on the market increased by 3.3 percent compared to January 2024. Affordability conditions for single-family homebuying in the Chicago area worsened slightly compared to previous months, but remain better than they were last January.

- **Three-month outlook** - IHS's three-month housing market forecast indicates that the level of closed sales activity for single-family homes will follow seasonal trends and increase 57.7 percent between January and April. Total sales between February and April 2025 are estimated to be 1.7 percent higher than during the same period one year ago. Prices of single-family homes in the Chicago metropolitan area are projected to increase 11.7 percent between January and April. This scenario would reflect a price increase of 7.1 percent between April 2024 and 2025.

City of Chicago *Single-Family Homes*

- **Recent trends** - In January 2025, there were 1,265 closed sales of single-family homes, townhomes, and condominiums in the City of Chicago. Prices for single-family homes in the City of Chicago increased by 7.1 percent in January 2025 compared to January 2024. The number of closed single-family sales in Chicago increased by 8.7 percent compared to the previous January. The inventory of for-sale homes declined by 22.6 percent compared to January 2024, and the days on market increased by 3.3 percent. Affordability conditions for single-family homebuyers in Chicago worsened slightly in January compared to the previous month but remain better than the previous January.
- **Three-month outlook** - IHS's three-month housing market forecast indicates that the level of closed sales activity will follow seasonal trends and increase 48.3 percent between January and April. Total sales in the three-month period from February to April are estimated to be 3 percent lower than the same period one year ago. Single-family house prices in the City of Chicago are expected to increase by roughly 4.6 percent between January and April. This scenario would reflect a price drop of about 4.6 percent between April 2024 and 2025.

City of Chicago

Condominiums and Townhomes

- **Recent trends** - Prices for condos and townhomes in the City of Chicago increased by 14.5 percent in January 2025 compared to January 2024. The number of closed condo sales in Chicago increased by 24.3 percent compared to the previous January. The inventory of for-sale condos declined by 14.9 percent compared to January 2024. The number of days on market decreased by 10.9 percent compared to the previous year.
- **Three-month outlook** - IHS's three-month housing market forecast indicates that the level of closed condominium sales activity will follow seasonal trends and increase by over 100 percent between January and April 2025. Total condominium sales in Chicago between February and April are estimated to be 10.1 percent higher compared to the same period a year ago. Condo prices are projected to increase by 8.3 percent between January and April. These projected April prices would be 9.0 percent higher than in April 2024.

Conditions Affecting Homebuying

Evolving economic and housing market conditions continue to paint a complex picture for homebuyers and sellers in 2025. The [rate of inflation](#) increased in January 2025 at its [fastest rate](#) in 18 months, and [proposed actions](#) by the new presidential administration make inflation trends difficult to predict. The Federal Reserve has continued cutting rates slightly, though January consumer data [suggests](#) that rate cuts might slow or stop in the coming months. The [national](#) unemployment rate declined slightly in January, but remained elevated compared to levels during recent years. The [Illinois](#) unemployment rate dropped slightly between November and December, remaining 0.5 percent higher than the previous year and 1.1 percent higher than the national unemployment rate. The [consumer sentiment index](#) fell in January, mostly due to anticipation of new government policies. In the Chicago area, foreclosure activity increased compared to the previous January but remains low relative to pre-pandemic levels.¹

These economic indicators highlight ongoing challenges and opportunities facing the current homebuying market. Mortgage [interest rates](#) steadily have remained high throughout the winter, with rates peaking at just above 7 percent in January. House prices continue to grow in most

¹ For Chicago area data on foreclosure activity, see the Appendix

parts of the country, indicated by [the Case Shiller Home Price Index](#) reaching another all-time high in November 2024. Inventories of for-sale homes have [continued increasing](#) nationally which may contribute to a slowdown in price growth, but inventory levels remain low [in Illinois](#) housing markets despite modest recent increases. Nationally, homebuying sentiment [has wavered](#) as a shrinking share of households believe mortgage rates will decline in 2025, though it remains 2.7 points higher than it was in January 2024. In January 2025, inventories remained flat and historically low statewide and in the Chicago PMSA while declining in the City of Chicago. Tight inventories continue to suggest that the market will be highly competitive and challenging for homebuyers in the near future. Continued economic uncertainty and interest rate instability make it difficult to predict how homebuyers will react to these trends.

About the Institute for Housing Studies at DePaul University's (IHS) Housing Market Forecast Model

The IHS Housing Market Forecast is designed to help the public understand how current housing market and economic characteristics might affect conditions for home buying and selling in the coming months. The outlook is based on a forecasting model that is updated monthly and incorporates data on current and historic housing market activity. The Institute for Housing Studies uses a forecasting model known as an Autoregressive Integrated Moving Average (ARIMA) which integrates historical data to predict future housing prices, taking into account the patterns, trends, and seasonal variations identified from past data. The underlying data used in the market forecast and price indices, as well as summary statistics, are from ShowingTime. The Chicago Metro Area includes Cook, DeKalb, DuPage, Grundy, Kane, Kendall, Lake, McHenry and Will Counties.

Data Appendix

Illinois - Single Family Homes
Summary of Recent Trends

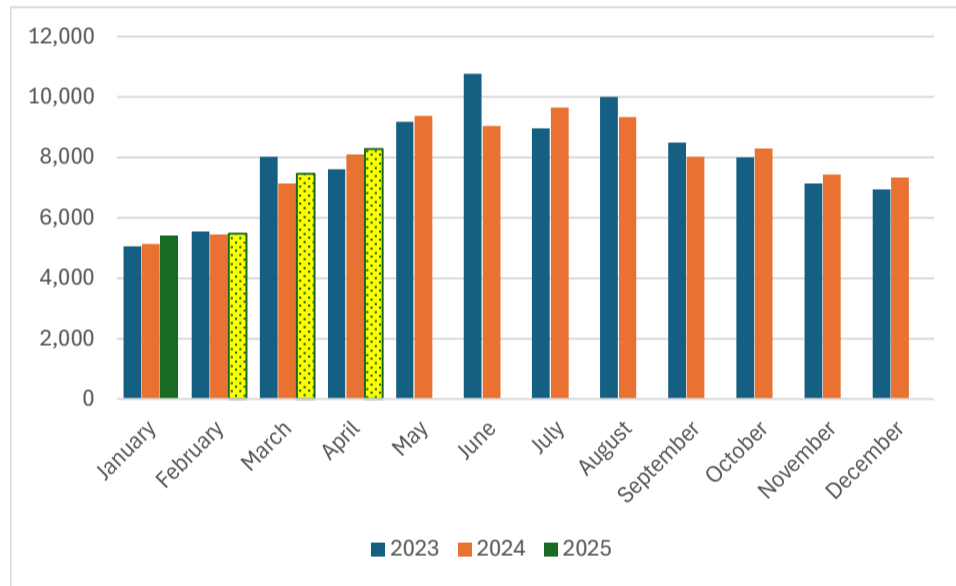
	Closed Sales				Days on Market			Inventory				Median Sales Price			Affordability					
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend				
January	5,059	5,136	5,404	↗	41	36	39	↘	14,222	12,274	12,379	↘	\$230,000	\$255,000	\$282,500	↗	172	147	130	↘
February	5,548	5,444	5,472	↘	44	40		↘	13,034	12,151		↘	\$235,000	\$260,000	\$285,452	↗	163	142		↘
March	8,022	7,136	7,456	↘	41	37		↘	12,715	11,717		↘	\$255,550	\$280,340	\$295,577	↗	152	133		↘
April	7,598	8,088	8,276	↗	34	31		↘	12,424	12,226		↘	\$275,000	\$290,000	\$303,400	↗	140	125		↘
May	9,173	9,379		↗	29	27		↘	12,806	13,535		↘	\$280,000	\$305,000		↗	136	120		↘
June	10,763	9,042		↘	25	23		↘	13,613	14,204		↘	\$300,000	\$325,000		↗	125	114		↘
July	8,965	9,652		↗	23	23		↘	13,946	15,113		↘	\$290,000	\$319,000		↗	128	117		↘
August	10,000	9,342		↘	24	24		↘	14,585	15,962		↘	\$285,000	\$300,000		↗	126	129		↘
September	8,484	8,014		↘	25	26		↘	15,207	16,425		↘	\$273,500	\$295,000		↗	131	134		↘
October	8,008	8,299		↗	26	28		↘	15,309	16,755		↘	\$265,000	\$290,000		↗	130	131		↘
November	7,137	7,432		↗	28	29		↘	15,022	15,675		↘	\$265,000	\$285,000		↗	135	131		↘
December	6,933	7,335		↗	31	33		↘	12,944	13,452		↘	\$255,000	\$285,000		↗	148	130		↘

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

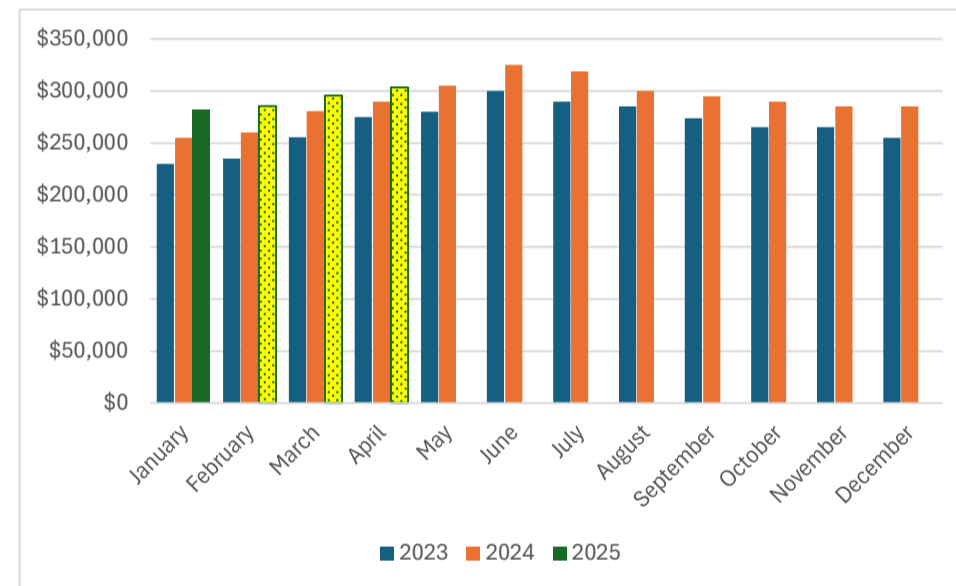
Illinois Short Term Trends - Single Family

Monthly Closed Sales

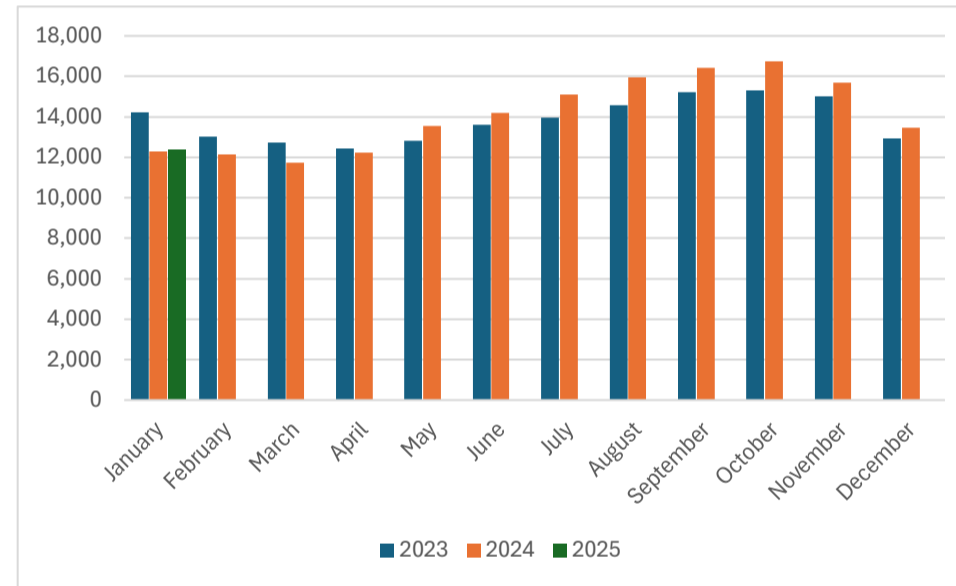


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

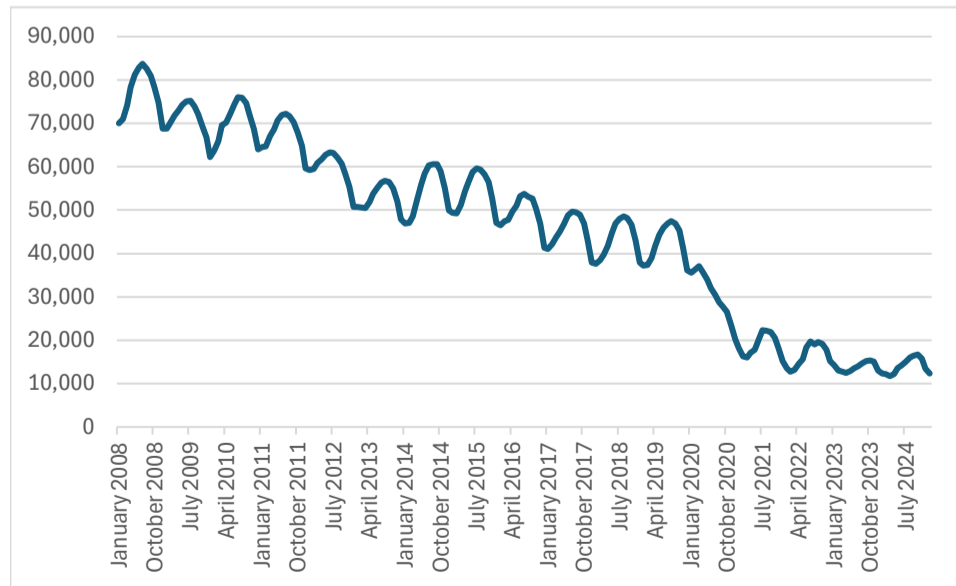


Monthly Inventory

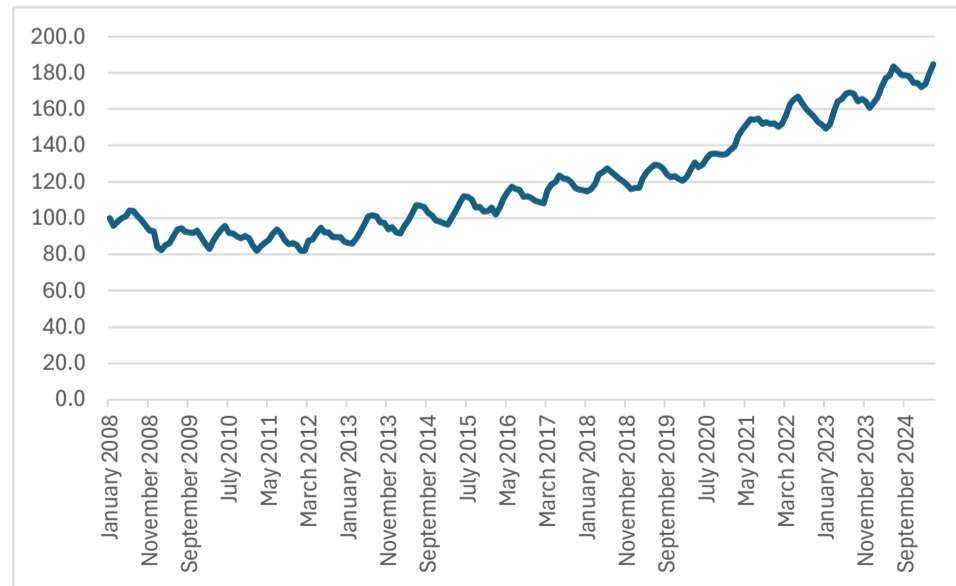


Illinois Long Term Trends - Single Family

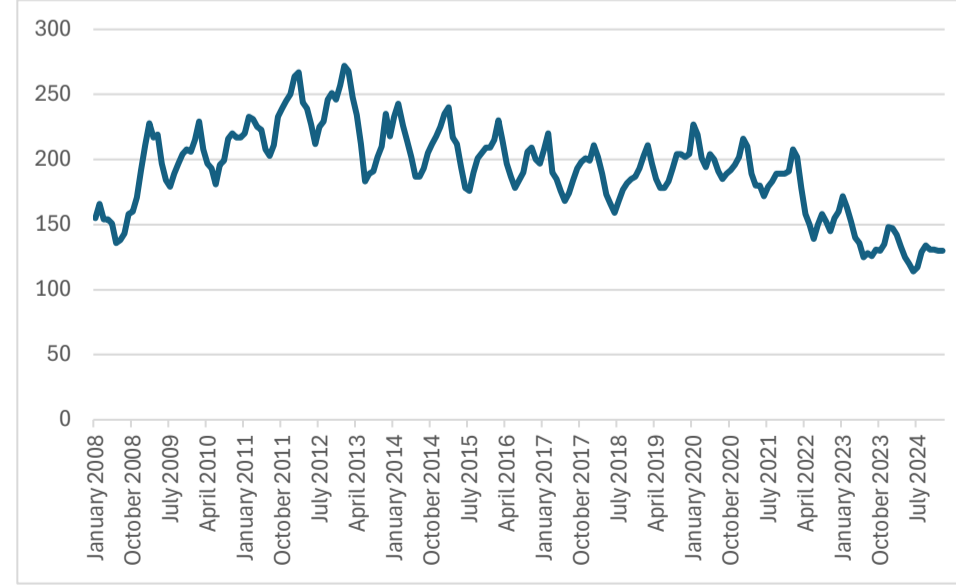
Illinois Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



Chicago Metro - Single Family Homes
Summary of Recent Trends

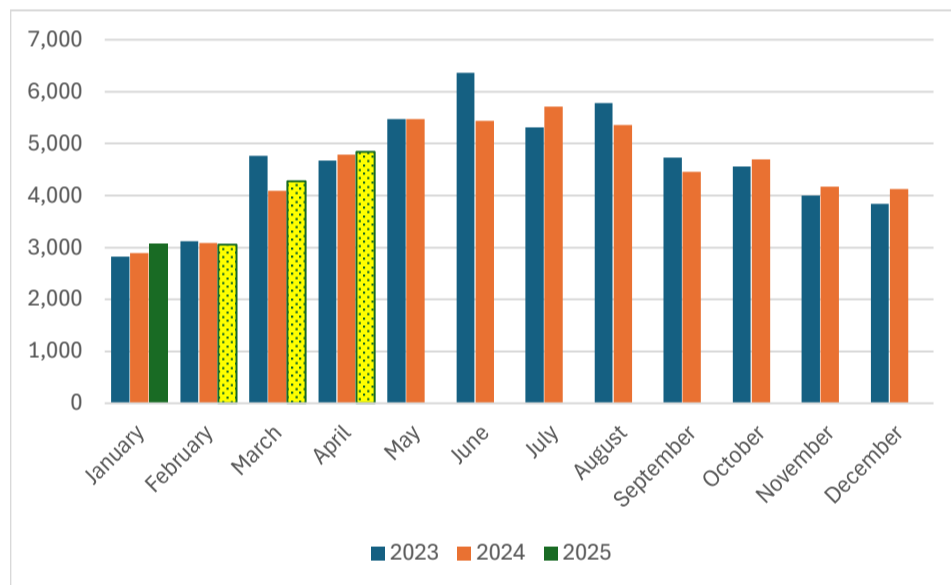
	Closed Sales				Days on Market			Inventory				Median Sales Price				Affordability				
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	2,822	2,897	3,070	↗	37	34	35	↘	8,647	6,866	6,872	↘	\$313,400	\$340,000	\$369,900	↗	134	118	106	↘
February	3,118	3,087	3,054	↘	41	37		↘	7,958	6,918		↘	\$315,000	\$350,000	\$382,619	↗	129	112		↘
March	4,768	4,091	4,275	↘	37	32		↘	7,690	6,577		↘	\$336,000	\$374,900	\$400,209	↗	123	106		↘
April	4,678	4,787	4,841	↗	31	26		↘	7,477	6,953		↘	\$350,000	\$386,000	\$413,325	↗	117	100		↘
May	5,469	5,472		↔	26	22		↘	7,576	7,830		↘	\$367,200	\$395,000		↗	110	99		↘
June	6,366	5,443		↘	21	20		↘	8,201	8,190		↘	\$385,000	\$419,945		↗	104	94		↘
July	5,311	5,712		↗	21	20		↘	8,405	8,686		↘	\$370,000	\$407,500		↗	107	98		↘
August	5,775	5,358		↘	21	20		↘	8,713	9,245		↘	\$375,000	\$400,000		↗	102	103		↘
September	4,734	4,451		↘	23	21		↘	9,074	9,518		↘	\$360,000	\$385,000		↗	106	110		↘
October	4,557	4,701		↗	24	24		↘	9,018	9,611		↘	\$350,000	\$378,500		↗	105	107		↘
November	4,005	4,174		↗	25	25		↘	8,788	8,705		↘	\$353,050	\$380,000		↗	108	104		↘
December	3,838	4,124		↗	28	29		↘	7,349	7,203		↘	\$335,000	\$378,500		↗	120	104		↘

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

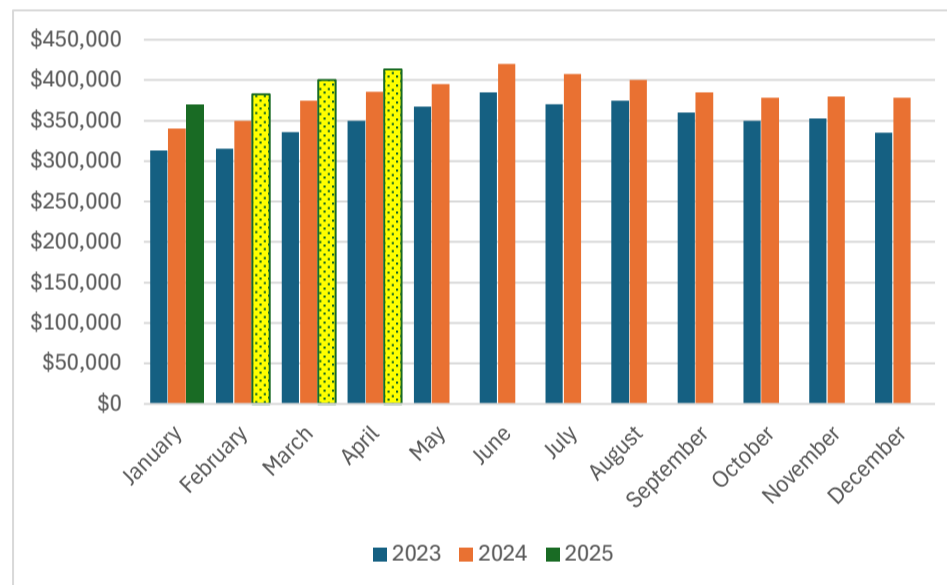
Short Term Trends

Monthly Closed Sales

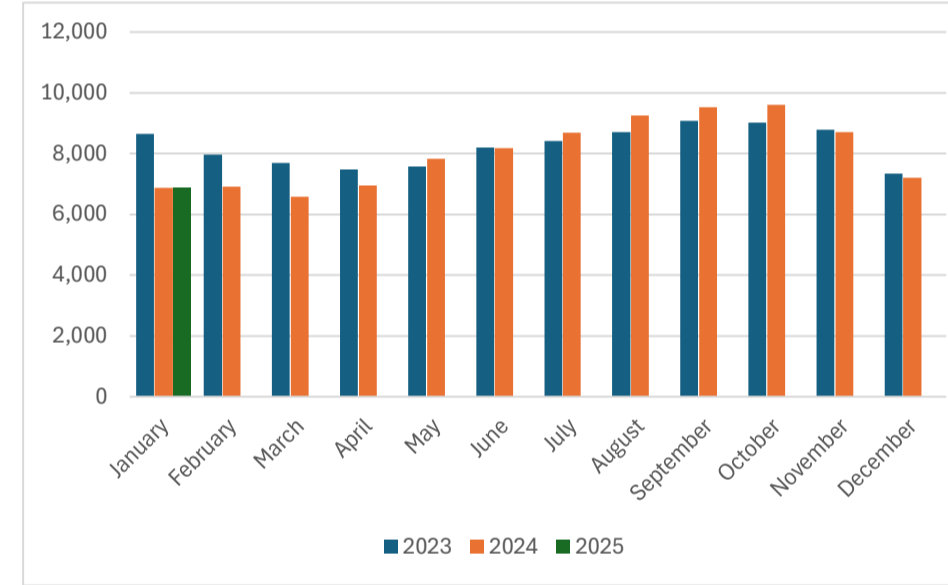


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

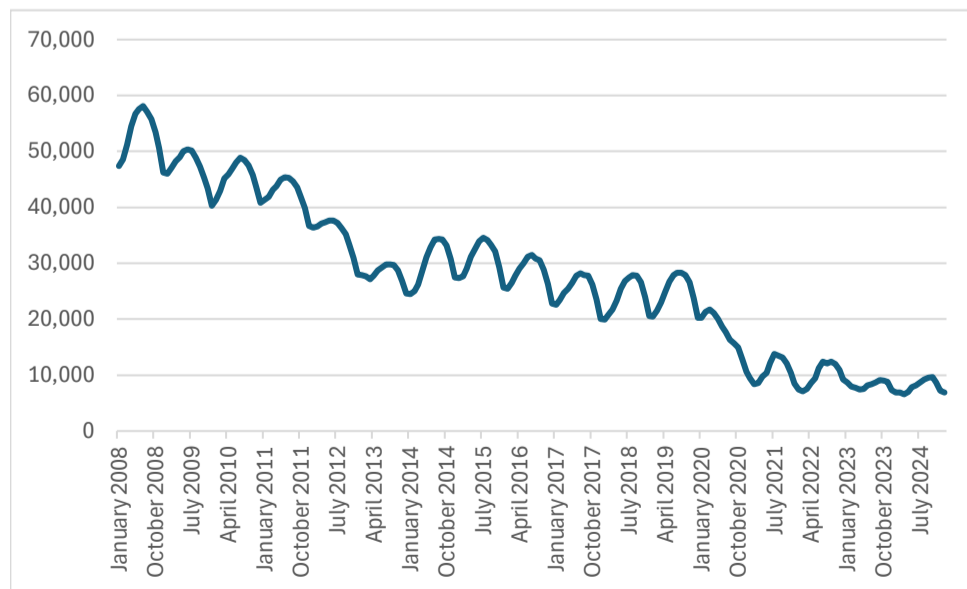


Monthly Inventory

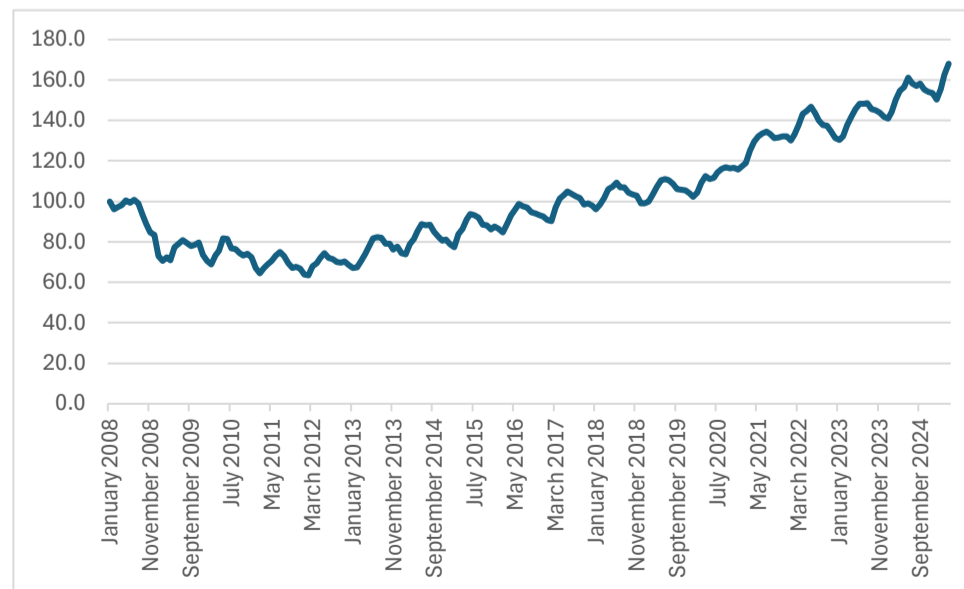


Long Term Trends

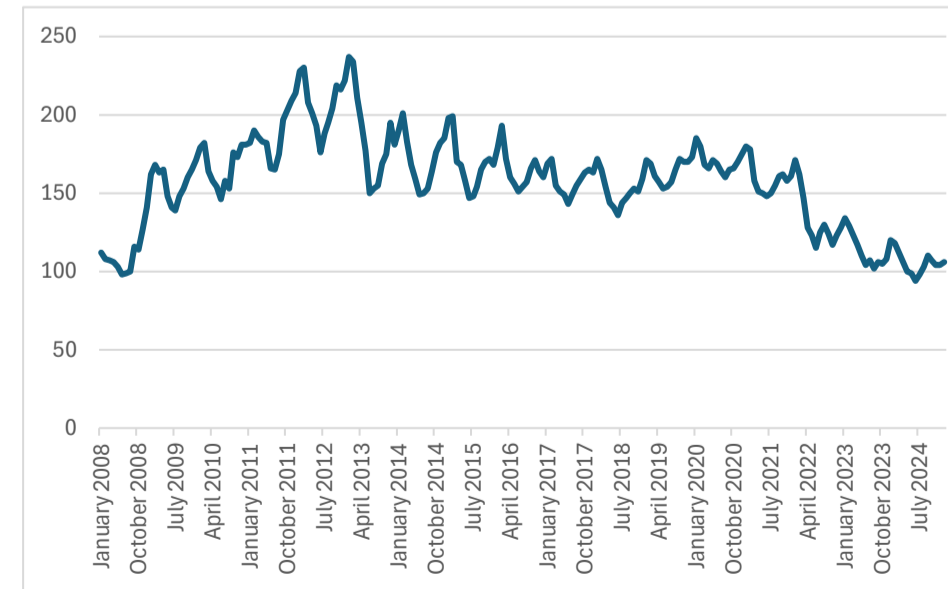
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Single Family Homes
Summary of Recent Trends

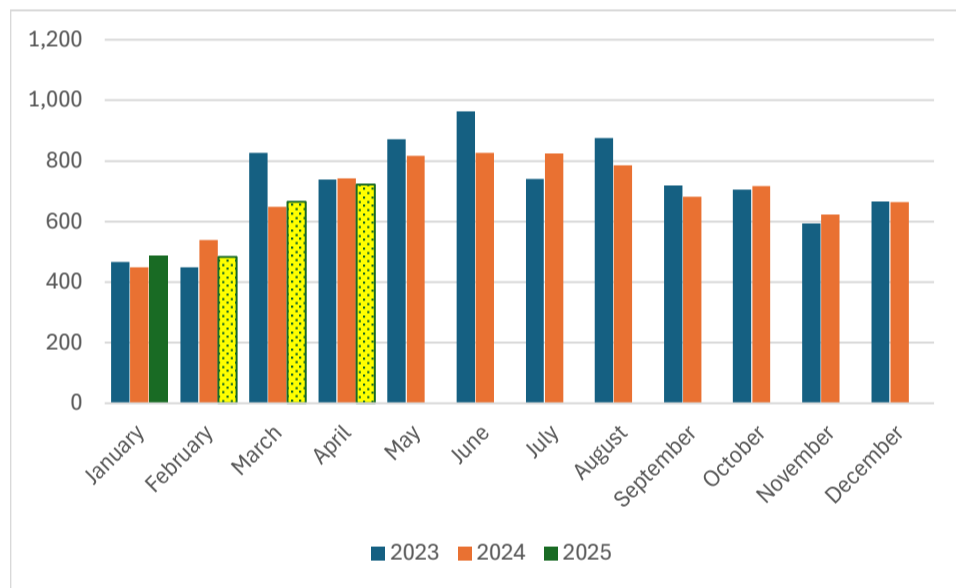
	Closed Sales				Days on Market			Inventory				Median Sales Price			Affordability					
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend				
January	467	448	487	↘	42	38	39	↘	1,867	2,288	1,770	↘	\$260,500	\$289,500	\$310,000	↘	147	126	115	↘
February	448	538	483	↗	48	43		↗	1,838	2,191		↗	\$290,000	\$300,000	\$304,531	↗	128	119		↗
March	826	648	665	↘	40	41		↘	1,925	2,083		↘	\$295,000	\$335,000	\$315,531	↘	128	108		↘
April	738	742	722	↘	43	37		↘	1,991	2,049		↘	\$297,500	\$340,000	\$324,342	↘	125	103		↘
May	872	817			36	29			2,109	1,992			\$306,000	\$320,000			120	111		
June	964	826			29	27			2,438	2,103			\$335,000	\$365,000			109	98		
July	741	824			29	29			2,792	2,162			\$312,750	\$350,000			115	103		
August	876	786			27	29			2,798	2,218			\$317,500	\$340,000			110	110		
September	719	681			32	29			2,966	2,306			\$311,000	\$328,000			111	117		
October	705	716			34	31			2,830	2,331			\$300,000	\$325,000			111	114		
November	593	624			31	34			2,661	2,185			\$302,000	\$339,951			115	106		
December	667	664			34	37			2,264	1,854			\$285,000	\$325,000			129	111		

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

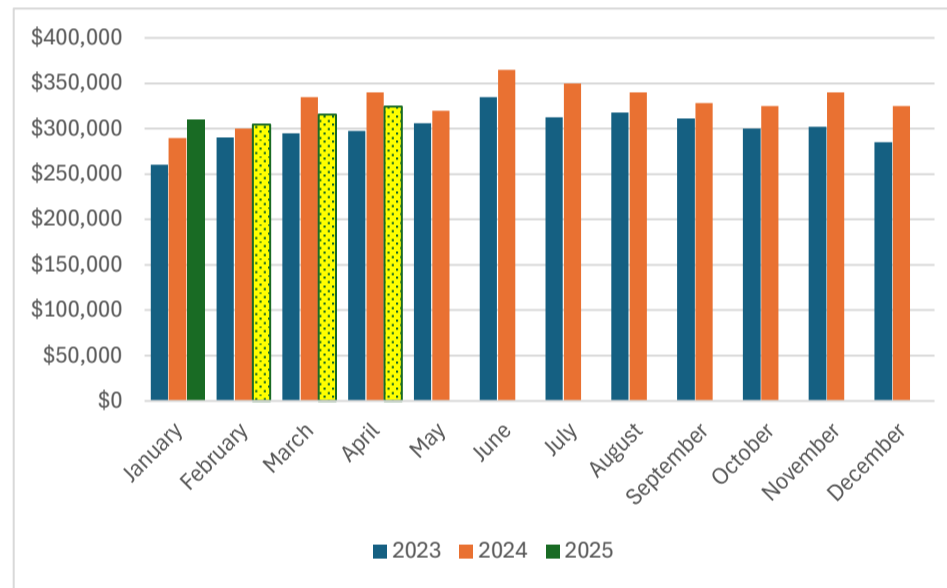
Short Term Trends

Monthly Closed Sales

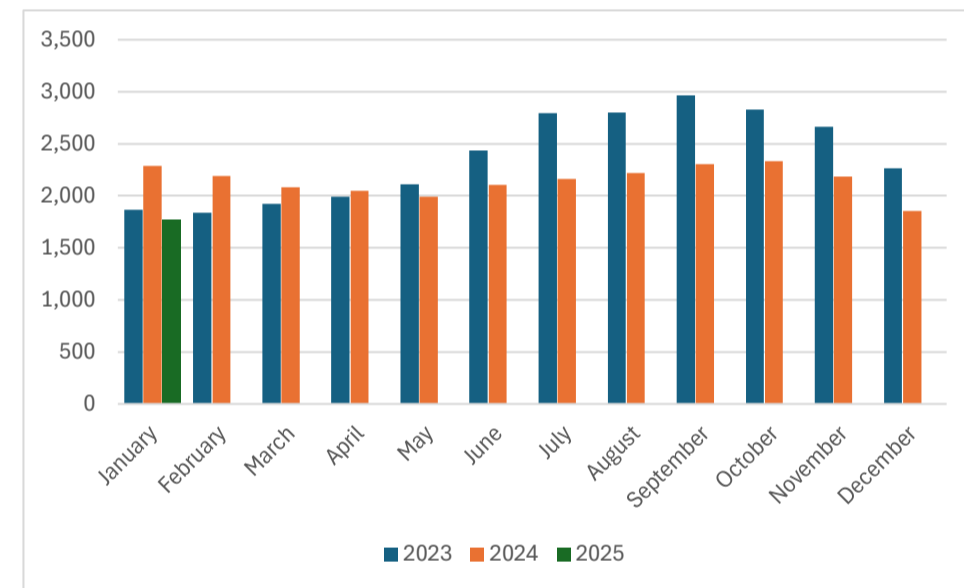


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

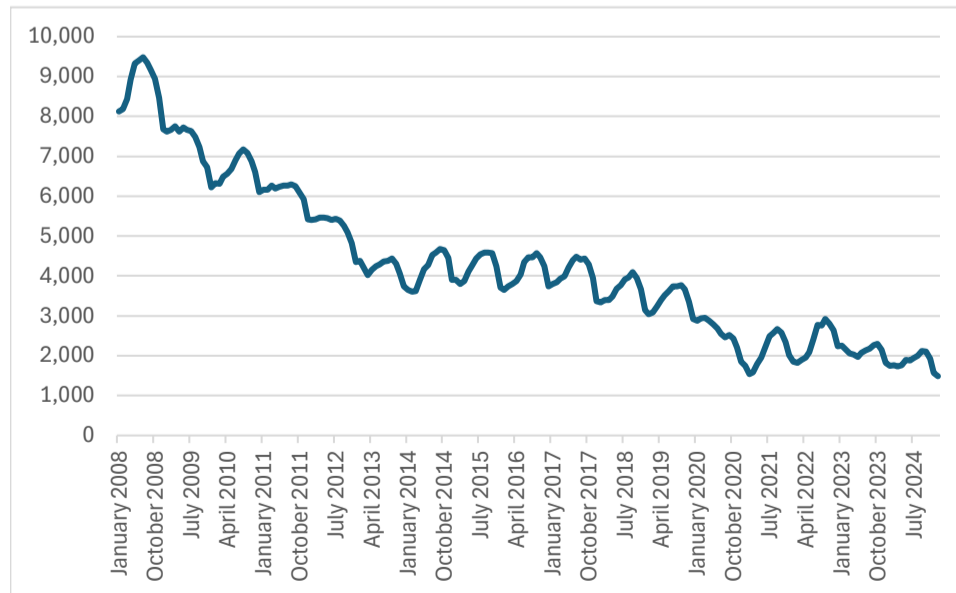


Monthly Inventory

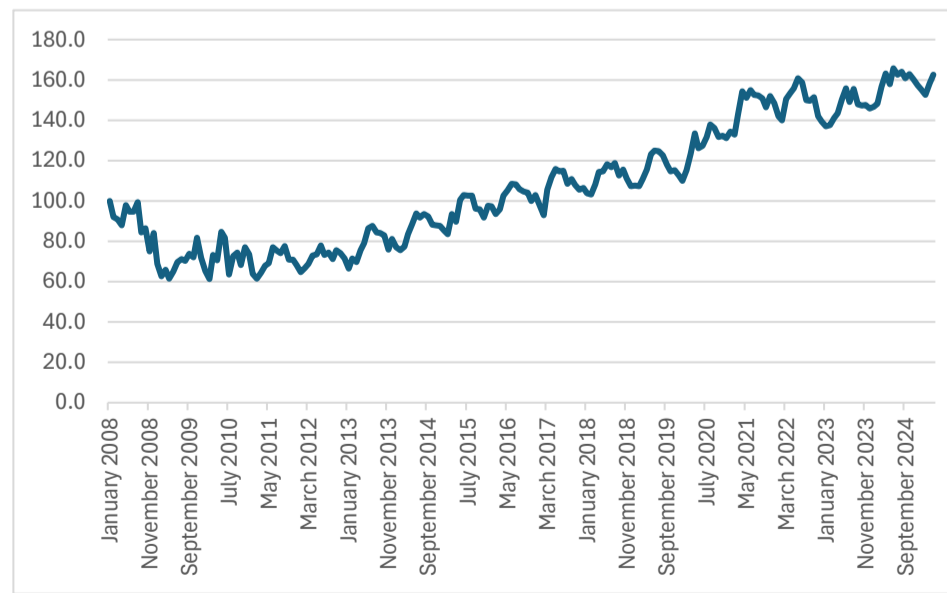


Long Term Trends

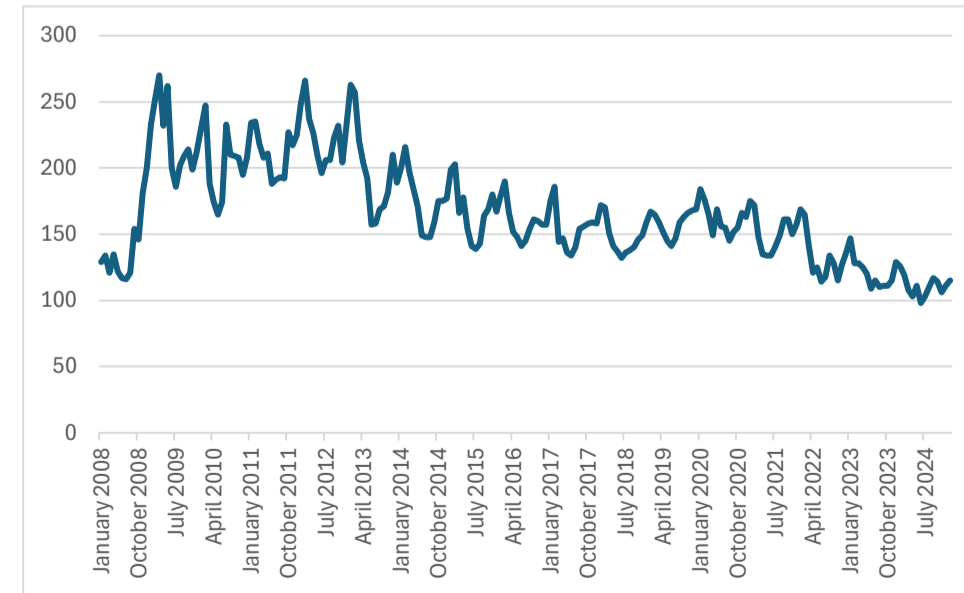
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Condominiums/Townhomes
Summary of Recent Trends

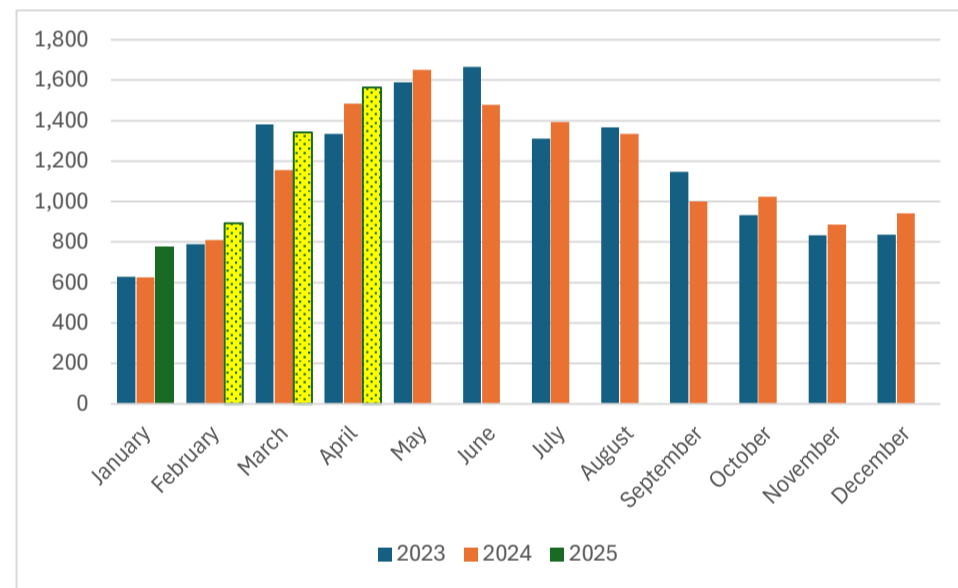
	Closed Sales				Days on Market			Inventory				Median Sales Price			Affordability					
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	629	626	778	↘	55	47	42	↘	3,087	2,476	2,107	↘	\$332,500	\$337,450	\$386,500	↘	115	108	92	↘
February	790	810	893	↘	47	47		↘	3,008	2,711		↘	\$320,000	\$358,000	\$394,783	↘	116	100		↘
March	1,382	1,156	1,342	↘	44	36		↘	3,000	2,705		↘	\$360,750	\$370,000	\$406,555	↘	104	98		↘
April	1,336	1,485	1,564	↘	35	28		↘	2,946	2,876		↘	\$380,000	\$384,000	\$418,595	↘	98	91		↘
May	1,590	1,650			33	26			3,110	3,019			\$359,900	\$396,000			102	89		
June	1,666	1,479			27	24			3,213	3,018			\$375,000	\$390,000			97	92		
July	1,311	1,392			28	27			3,220	3,073			\$365,000	\$375,000			99	96		
August	1,366	1,336			27	25			3,257	3,093			\$349,000	\$368,250			100	102		
September	1,148	1,001			28	29			3,505	3,301			\$336,000	\$360,000			103	107		
October	932	1,024			30	30			3,432	3,184			\$345,000	\$368,250			96	100		
November	835	885			34	31			3,050	2,781			\$345,000	\$400,000			101	90		
December	836	942			35	36			2,361	2,111			\$335,000	\$372,000			110	97		

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

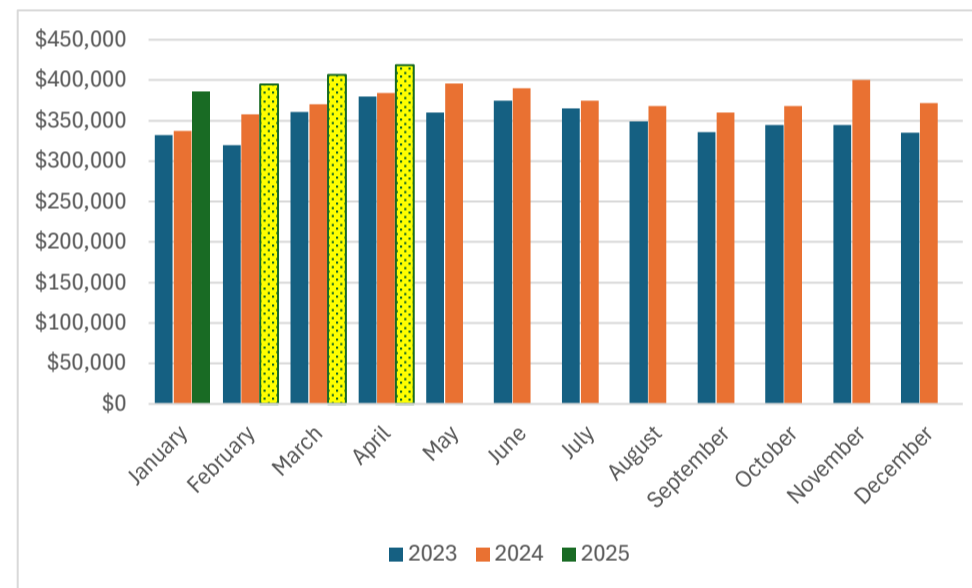
Short Term Trends

Monthly Closed Sales

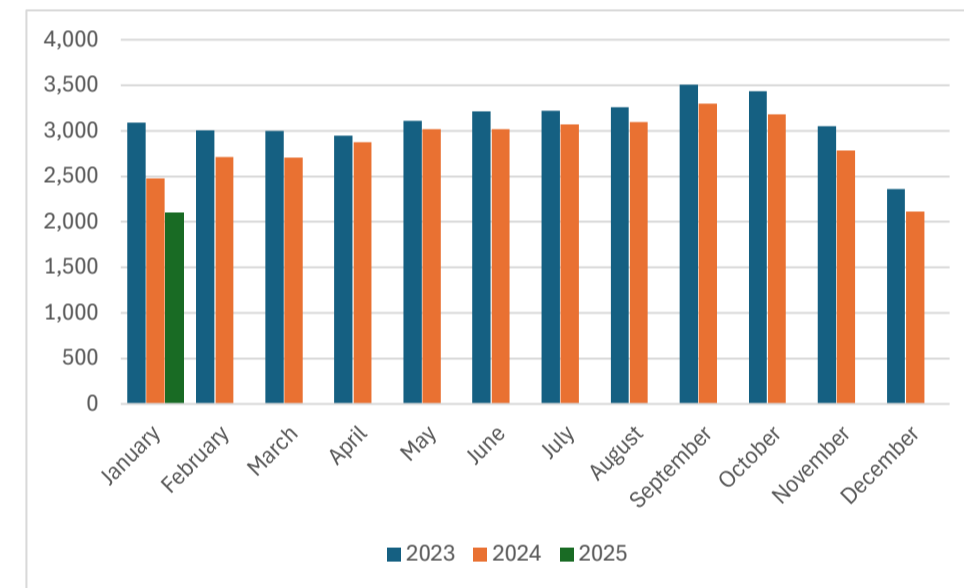


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

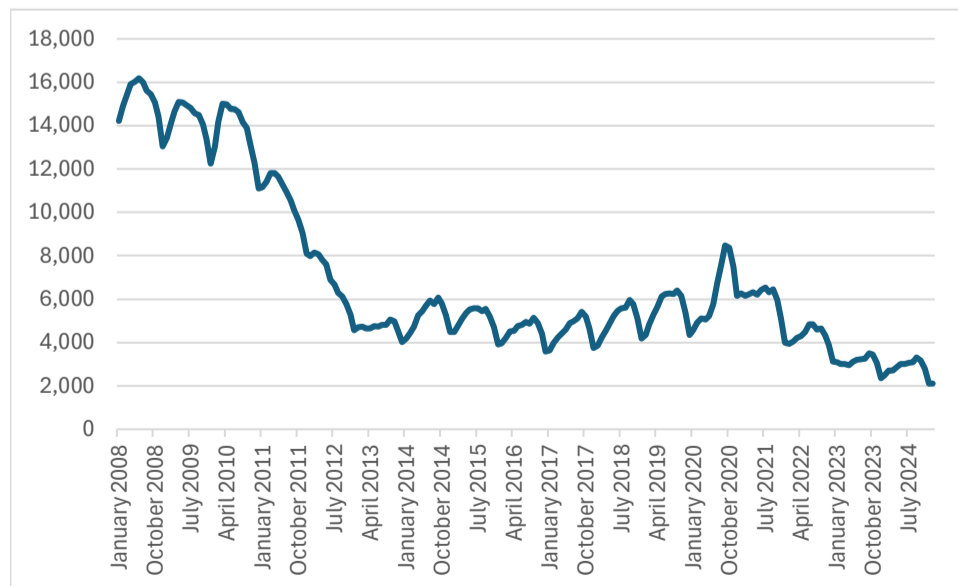


Monthly Inventory

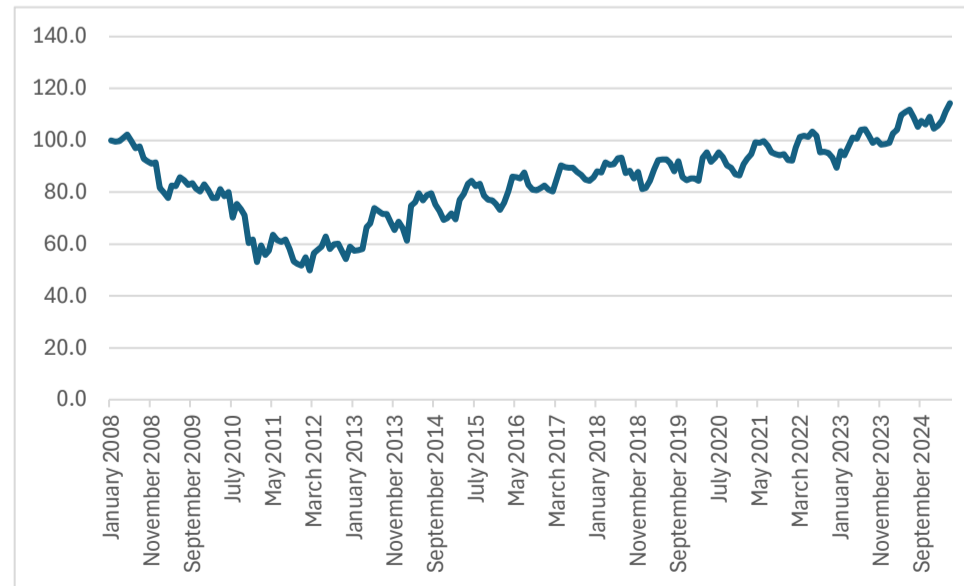


Long Term Trends

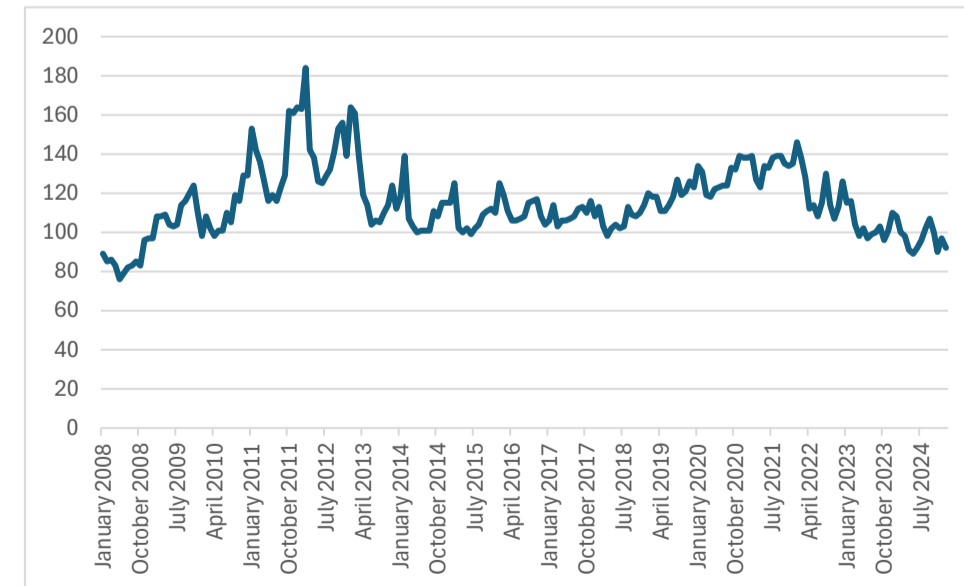
Monthly Condo/Townhome Inventory Trend



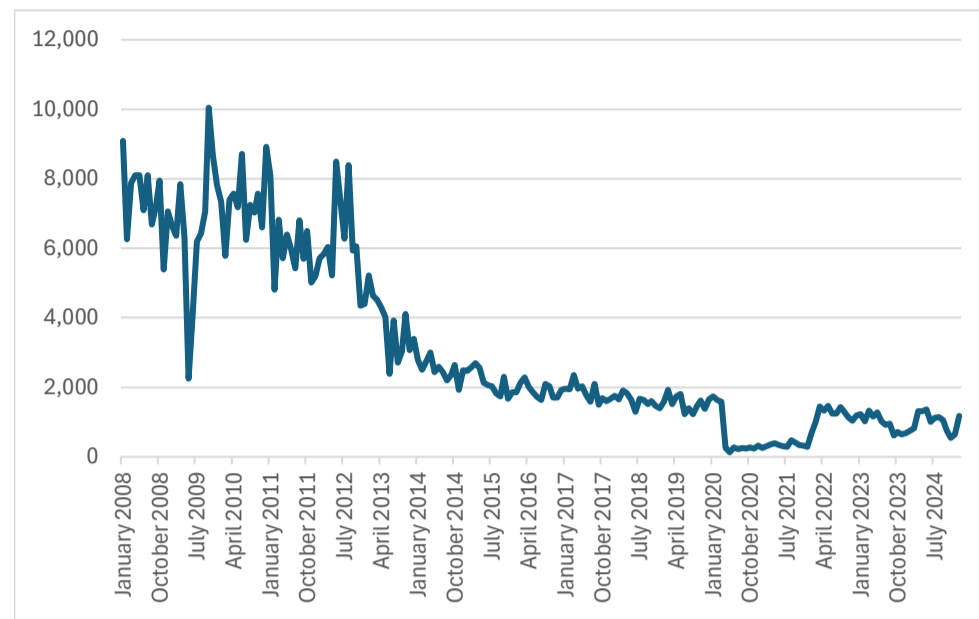
Condo/Townhome Monthly House Price Index



Monthly Affordability Conditions



Monthly Foreclosure Filings - Chicago Metro



Monthly Foreclosure Filings - City of Chicago

