

**INSTITUTE FOR
HOUSING STUDIES**
at DePaul University

ILLINOIS HOUSING
MARKET
forecast

Illinois Housing Market Forecast January 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 December 2024 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 December 2024 data highlight the continuation of recent trends where a still-limited supply of for-sale housing and competitive real estate markets are leading to continued rising prices and challenging affordability conditions in Illinois, the Chicago region, and the City of Chicago. Mortgage rates fluctuated throughout 2024, and the year ended with rising rates driven by economic uncertainty. Despite this, homebuying confidence improved throughout the year, and December saw increased levels of closed sales activity and higher sales prices statewide and in the Chicago region compared to the previous year. In the coming months, levels of single-family sales activity statewide and in the Chicago region are expected to stay consistent, following seasonal trends, and be slightly lower when compared to last year's levels. Despite slowing sales activity, house prices statewide, in the Chicago region, and in the City of Chicago are expected to be higher compared to the same time period one year ago.

State of Illinois

- **Recent trends** – In December 2024, there were 9,905 closed sales of single-family homes, townhomes, and condominiums in Illinois. Prices for single-family homes in Illinois continued to grow in December 2024, increasing by 11.8 percent compared to prices in the same month in 2023. Single-family closed sales activity also increased by 4.7 percent compared to December 2023. In December 2024, the inventory of for-sale single-family homes slightly increased by 0.4 percent compared to the previous year, still remaining near historic lows. At the same time, the average number of days on the market for a single-family home increased by 5.4 percent compared to the previous year. Affordability conditions for single-family homebuying dropped slightly in December 2024 compared to the previous month, ending significantly lower than the previous year.
- **Three-month outlook** - IHS's three-month housing market forecast indicates that the level of closed sales activity will follow seasonal trends, declining by 30.2 between December and January, before rebounding in the following months. In this projection, sales in March 2025 will be roughly equal to December 2024. Total sales during the three-month period from January to March are expected to slightly decline by 1.1 percent compared to the same period one year ago. Single-family house prices are estimated to remain flat between December 2024 and January 2025, and increase 4.6 percent between December 2024 and March 2025. This projection would reflect a 6.4 percent increase in prices between March 2024 and 2025.

Chicago Metropolitan Area

- **Recent trends** - In December 2024, there were 6,555 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 13.1 percent in December 2024 compared to December 2023. The number of closed single-family home sales in the Chicago area increased by 6.3 percent compared to the previous December. The inventory of for-sale single-family homes declined by 5.4 percent compared to the previous year. Meanwhile, the average number of days spent on the market increased by 2.1 percent compared to December 2023. Affordability conditions for single-family homebuying in the Chicago area declined compared to the previous December and remain challenging.

- **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 decrease by about 30 percent between December 2024 and January 2025, before rebounding. In this model, sales in March 2025 will be 1.2 percent higher than in December 2024. Total sales between January and March 2025 are estimated to be 2.2 percent lower than during the same period one year ago. Prices of single-family homes in the Chicago metropolitan area are projected to increase 4.6 percent between December 2024 and March 2025. This scenario would reflect a price increase of 5.7 percent between March 2024 and 2025.

City of Chicago

Single-Family Homes

- **Recent trends** - In December 2024, there were 1,583 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 14 percent in December 2024 compared to December 2023. The number of closed single-family sales in Chicago declined by 2.4 percent compared to the previous December. The inventory of for-sale homes declined by 17.5 percent compared to December 2023, and the days on market increased by 10.3 percent. Affordability conditions for single-family homebuyers in Chicago improved slightly in December compared to the previous month but remain worse than the previous December.
- **Three-month outlook** - IHS's three-month housing market forecast indicates that the level of closed sales activity will follow seasonal trends and decrease by 30.7 percent between December 2024 and January 2025, then increase again. Sales in March 2025 are expected to be about 1 percent lower than they were in December 2024. Total sales between January and March are estimated to be 4.8 percent lower than the same period one year ago. Single-family house prices in the City of Chicago are expected to increase by roughly 3.7 percent between December 2024 and March 2025. This scenario would reflect a price increase of nearly 0.6 percent between March 2024 and 2025.

City of Chicago

Condominiums and Townhomes

- **Recent trends** - Prices for condos and townhomes in the City of Chicago increased by 11.8 percent in December 2024 compared to December 2023. The number of closed condo sales in Chicago increased by 11.5 percent compared to the previous December. The inventory of for-sale condos decreased by 13.4 percent compared to December 2023 while the days on market increased by 1.8 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 decline by 26.4 percent between December 2024 and January 2025. Afterwards, sales activity is expected to pick up, with sales in March 2025 35 percent higher than in December 2024. Total condominium sales in Chicago between January and March are estimated to be 6.5 percent higher compared to the same period a year ago. Condo prices are projected increase by 8 percent between December 2024 and March 2025. These projected February prices would be nearly 9.3 percent higher than in March 2024.

Conditions Affecting Homebuying

A range of economic and housing market conditions highlight the complexities that faced homebuyers and sellers throughout 2024. The [rate of inflation](#) continued to increase slightly in December. While the Federal Reserve has continued cutting rates slightly, they have signaled that the pace of cuts [will slow](#) in the new year. The [national](#) unemployment rate was stable in December compared to previous months but remained slightly elevated compared to levels from recent years. The [Illinois](#) unemployment rate has also remained stable between October and November, remaining 0.6 percentage points higher than the previous year and 1.1 percentage points higher than the national unemployment rate. Additionally, the [consumer sentiment index](#) rose for a fifth consecutive month in December and closed the year higher than December 2023. Nationally and in the Chicago area, foreclosure activity remains low relative to pre-pandemic levels.¹

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

These economic indicators highlight challenges and opportunities facing the current homebuying market. Mortgage [interest rates](#) steadily dropped throughout the summer but began growing again in October, remaining high through November and December. House prices continue to grow in most parts of the country, as indicated by [the Case Shiller Home Price Index](#) reaching another all-time high in October 2024. Nationally, homebuying sentiment [continued to rise](#), with Fannie Mae's Home Purchase Sentiment Index landing 5.9 points higher than the previous December. Inventories of for-sale homes have [continued increasing](#) in some markets nationally, returning to pre-pandemic levels, which may contribute to a slowdown in price growth. However, inventory levels in many Illinois metropolitan areas remain low despite modest recent increases. In December, inventory increased slightly statewide while declining in the City of Chicago and the surrounding metro area, but remained near historic lows. Tight inventories continue to suggest that the market will be highly competitive and challenging for homebuyers likely into the near future, and interest rate instability makes 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

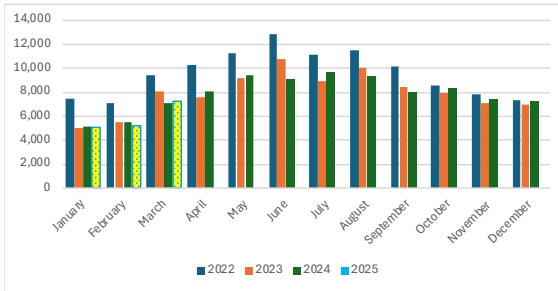
	Closed Sales				Monthly YoY Trend	Days on Market			Monthly YoY Trend	Inventory			Monthly YoY Trend	Median Sales Price				Monthly YoY Trend	Affordability			Monthly YoY Trend
	2022	2023	2024	2025		2022	2023	2024		2022	2023	2024		2022	2023	2024	2025		2022	2023	2024	
January	7,447	5,060	5,133	5,067	↔	41	36	13,592	↔	14,221	12,268	\$243,000	\$229,950	\$255,000	\$285,028	208	172	147				
February	7,086	5,549	5,444	5,213	↔	44	40	12,690	↔	13,033	12,140	\$242,000	\$235,000	\$260,000	\$288,185	202	163	142				
March	9,465	8,023	7,137	7,245	↔	41	37	13,126	↔	12,715	11,707	\$265,000	\$255,500	\$280,170	\$298,055	178	152	133				
April	10,315	7,598	8,088		↔	29	34	14,488	↔	12,423	12,212	\$276,500	\$275,000	\$290,000		158	140	125				
May	11,294	9,175	9,377		↔	24	29	15,566	↔	12,804	13,519	\$285,750	\$280,000	\$305,000		150	136	120				
June	12,844	10,764	9,041		↔	20	25	18,332	↔	13,611	14,183	\$300,000	\$300,000	\$325,000		139	125	114				
July	11,105	8,968	9,652		↔	20	23	19,710	↔	13,944	15,084	\$280,000	\$290,000	\$319,000		150	128	117				
August	11,537	10,003	9,340		↔	23	24	19,088	↔	14,582	15,913	\$270,000	\$285,000	\$300,000		158	126	129				
September	10,162	8,485	8,012		↔	26	25	19,551	↔	15,203	16,362	\$260,000	\$273,500	\$295,000		152	131	134				
October	8,554	8,008	8,291		↔	29	26	19,140	↔	15,305	16,654	\$251,000	\$265,000	\$290,000		145	130	131				
November	7,868	7,137	7,417		↔	31	28	17,776	↔	15,018	15,512	\$245,000	\$265,000	\$285,000		155	135	131				
December	7,282	6,933	7,258		↔	35	31	15,256	↔	12,942	12,992	\$240,000	\$255,000	\$285,000		160	148	130				

IHS Three Month Outlook

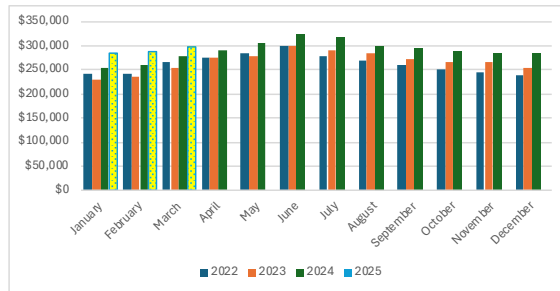
Sources: ShowingTime Data and IHS Housing Market Forecast

Illinois Short Term Trends - Single Family

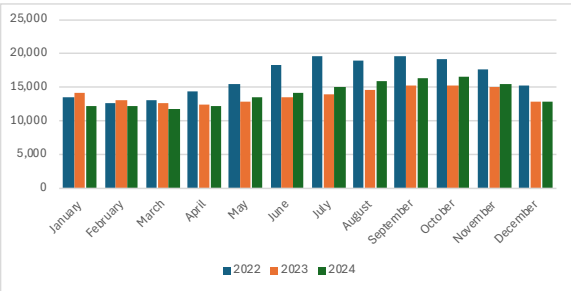
Monthly Closed Sales



Monthly Median Sales Price

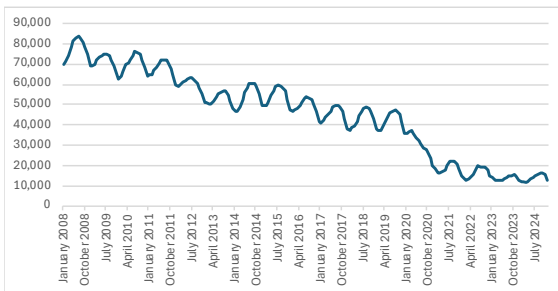


Monthly Inventory

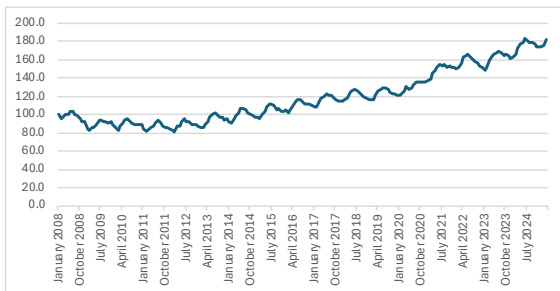


Illinois Long Term Trends - Single Family

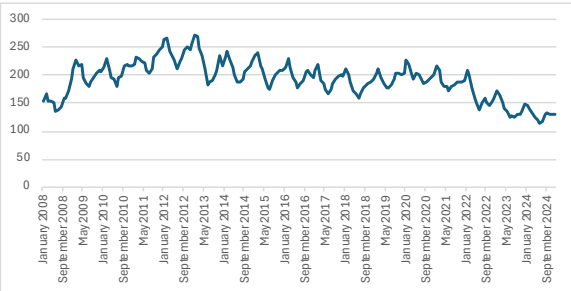
Illinois Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



Chicago Metro - Single Family Homes
Summary of Recent Trends

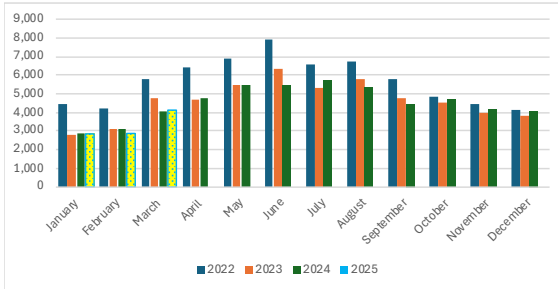
	Closed Sales				Monthly YoY Trend	Days on Market				Inventory				Median Sales Price				Affordability				
	2022	2023	2024	2025		2022	2023	2024	YoY Trend	2022	2023	2024	YoY Trend	2022	2023	2024	2025	YoY Trend	2022	2023	2024	YoY Trend
January	4,433	2,822	2,896	2,853	↔	33	37	34	↔	7,467	8,646	6,864	↔	\$315,000	\$313,400	\$340,000	\$377,027	↔	171	134	118	↔
February	4,245	3,118	3,087	2,877	↔	36	41	37	↔	7,122	7,957	6,911	↔	\$322,000	\$315,000	\$350,000	\$382,505	↔	162	129	112	↔
March	5,753	4,768	4,091	4,126	↔	30	37	32	↔	7,487	7,689	6,570	↔	\$342,500	\$336,000	\$374,900	\$396,380	↔	147	123	106	↔
April	6,395	4,678	4,787		↔	24	31	26	↔	8,555	7,476	6,941	↔	\$365,000	\$350,000	\$386,000		↔	128	117	100	↔
May	6,914	5,469	5,472		↔	20	26	22	↔	9,387	7,574	7,814	↔	\$370,000	\$367,200	\$395,000		↔	123	110	99	↔
June	7,908	6,366	5,443		↔	17	21	20	↔	11,287	8,199	8,169	↔	\$385,000	\$385,000	\$419,945		↔	115	104	94	↔
July	6,572	5,311	5,711		↔	17	21	20	↔	12,407	8,403	8,660	↔	\$360,000	\$370,000	\$407,500		↔	125	107	98	↔
August	6,766	5,775	5,358		↔	20	21	20	↔	12,078	8,711	9,211	↔	\$352,000	\$375,000	\$400,000		↔	130	102	103	↔
September	5,824	4,734	4,448		↔	23	23	21	↔	12,380	9,071	9,473	↔	\$340,000	\$360,000	\$385,000		↔	124	106	110	↔
October	4,825	4,557	4,697		↔	26	24	24	↔	11,941	9,015	9,538	↔	\$331,750	\$350,000	\$378,000		↔	117	105	107	↔
November	4,436	4,005	4,167		↔	29	25	25	↔	10,913	8,785	8,594	↔	\$329,100	\$353,050	\$380,000		↔	123	108	104	↔
December	4,176	3,838	4,079		↔	32	28	29	↔	9,178	7,348	6,954	↔	\$320,000	\$335,000	\$379,000		↔	128	120	104	↔

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

Short Term Trends

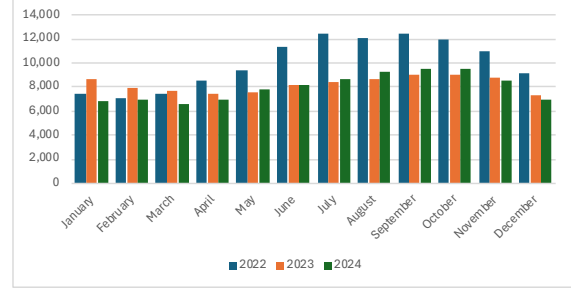
Monthly Closed Sales



Monthly Median Sales Price

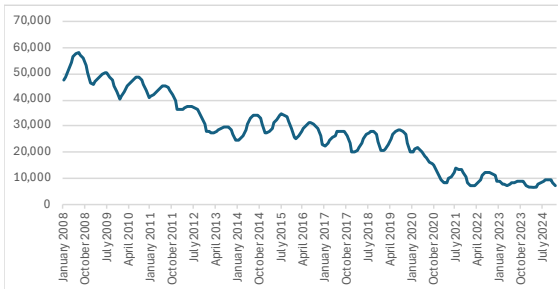


Monthly Inventory

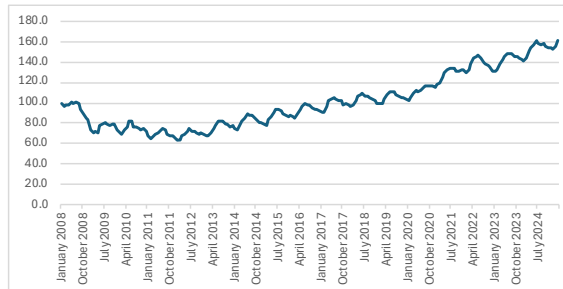


Long Term Trends

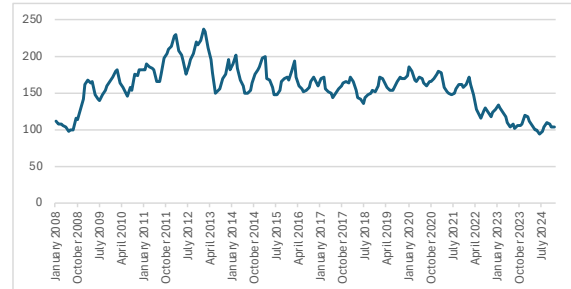
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Single Family Homes
Summary of Recent Trends

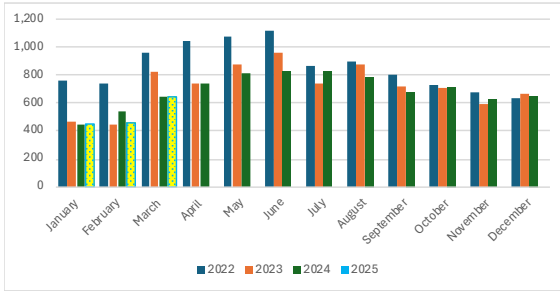
	Closed Sales				Monthly YoY Trend	Days on Market				Inventory				Median Sales Price				Monthly YoY Trend	Affordability				Monthly YoY Trend
	2022	2023	2024	2025		2022	2023	2024	YoY Trend	2022	2023	2024	YoY Trend	2022	2023	2024	2025		2022	2023	2024	2025	
January	764	467	448	451	↔	35	42	38	↔	1,843	2,258	1,741	↔	\$290,000	\$260,500	\$289,500	\$322,161	169	147	126	↔		
February	743	448	538	459	↔	34	48	43	↔	1,813	2,160	1,755	↔	\$287,000	\$290,000	\$300,000	\$322,248	165	128	119	↔		
March	957	826	648	645	↔	33	40	41	↔	1,895	2,056	1,722	↔	\$325,000	\$295,000	\$335,000	\$337,060	141	128	108	↔		
April	1,047	738	742		↔	30	43	37	↔	1,959	2,024	1,758	↔	\$350,000	\$297,500	\$340,000		121	125	103	↔		
May	1,080	872	817		↔	26	36	29	↔	2,081	1,966	1,895	↔	\$331,000	\$306,000	\$320,000		125	120	111	↔		
June	1,115	964	826		↔	24	29	27	↔	2,409	2,068	1,870	↔	\$354,000	\$335,000	\$365,000		114	109	98	↔		
July	870	741	824		↔	22	29	29	↔	2,766	2,127	1,928	↔	\$344,500	\$312,750	\$350,000		118	115	103	↔		
August	902	876	786		↔	24	27	29	↔	2,759	2,178	1,988	↔	\$310,000	\$317,500	\$340,000		134	110	110	↔		
September	806	719	680		↔	28	32	29	↔	2,925	2,266	2,109	↔	\$300,000	\$311,000	\$329,000		128	111	117	↔		
October	727	705	716		↔	31	34	31	↔	2,798	2,292	2,081	↔	\$306,000	\$300,000	\$325,000		115	111	114	↔		
November	681	593	624		↔	31	31	34	↔	2,634	2,150	1,890	↔	\$289,000	\$302,000	\$339,951		127	115	106	↔		
December	639	667	651		↔	35	34	37	↔	2,239	1,815	1,497	↔	\$275,000	\$285,000	\$325,000		136	129	111	↔		

IHS Three Month Outlook

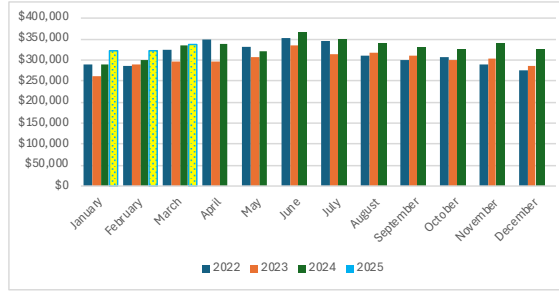
Sources: ShowingTime Data and IHS Housing Market Forecast

Short Term Trends

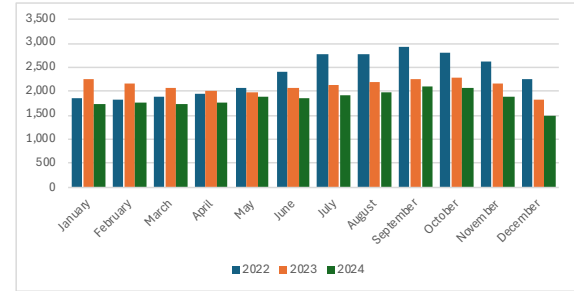
Monthly Closed Sales



Monthly Median Sales Price

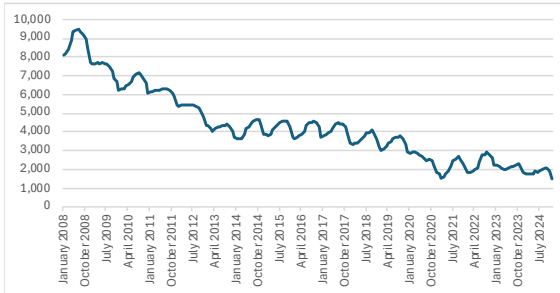


Monthly Inventory

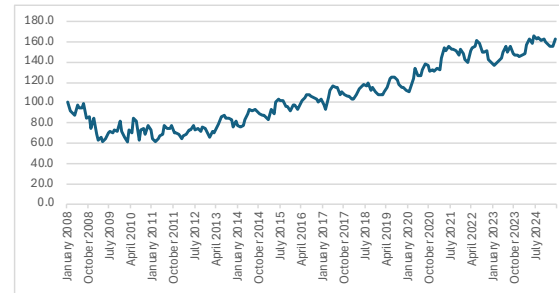


Long Term Trends

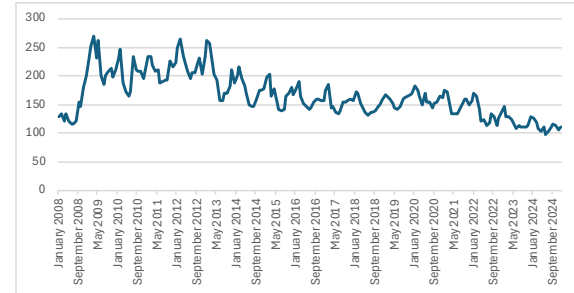
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Condominiums/Townhomes
Summary of Recent Trends

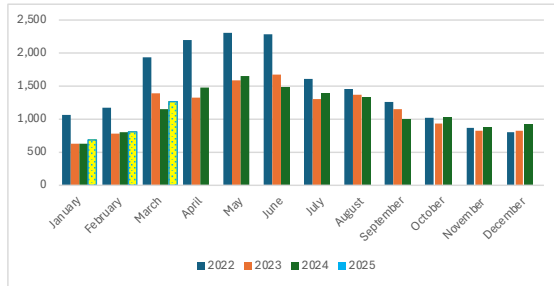
	Closed Sales					Monthly YoY Trend	Days on Market					Monthly YoY Trend	Inventory					Monthly YoY Trend	Median Sales Price					Monthly YoY Trend	Affordability					Monthly YoY Trend
	2022	2023	2024	2025	2022		2023	2024	2022	2023	2024		2022	2023	2024	2025	2022		2023	2024	2025	2022	2023		2024	2025				
January	1,067	629	626	686	54	55	47	3,946	3,087	2,473	\$334,000	\$332,500	\$337,450	\$387,531	146	115	108		146	115	108									
February	1,181	790	810	809	58	47	47	4,045	3,008	2,708	\$345,000	\$320,000	\$368,000	\$392,208	138	116	100		138	116	100									
March	1,926	1,382	1,155	1265	43	44	36	4,208	3,000	2,699	\$356,500	\$360,750	\$370,000	\$404,329	128	104	98		128	104	98									
April	2,204	1,336	1,485		33	35	28	4,292	2,946	2,871	\$379,500	\$380,000	\$384,000		112	98	91		112	98	91									
May	2,297	1,590	1,650		30	33	26	4,493	3,110	3,011	\$365,000	\$359,900	\$396,000		114	102	89		114	102	89									
June	2,278	1,666	1,479		27	27	24	4,838	3,213	3,007	\$375,000	\$375,000	\$390,000		108	97	92		108	97	92									
July	1,611	1,311	1,392		26	28	27	4,844	3,220	3,060	\$355,000	\$365,000	\$375,000		115	99	96		115	99	96									
August	1,453	1,366	1,336		29	27	25	4,605	3,257	3,076	\$320,000	\$349,000	\$368,250		130	100	102		130	100	102									
September	1,258	1,148	1,001		29	28	29	4,661	3,505	3,282	\$335,000	\$336,000	\$360,000		114	103	107		114	103	107									
October	1,013	932	1,024		35	30	30	4,324	3,432	3,162	\$330,000	\$345,000	\$368,250		107	96	100		107	96	100									
November	879	835	881		34	31	31	3,890	3,050	2,740	\$325,000	\$345,000	\$400,000		113	101	90		113	101	90									
December	808	836	932		41	35	36	3,130	2,360	2,044	\$296,500	\$335,000	\$374,500		126	110	96		126	110	96									

IHS Three Month Outlook

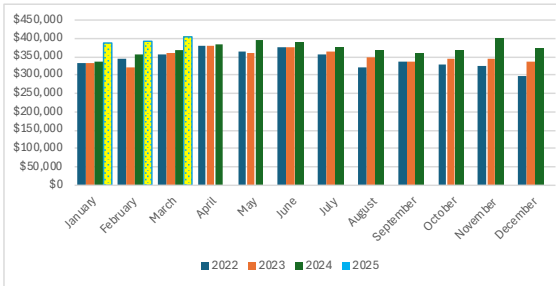
Sources: ShowingTime Data and IHS Housing Market Forecast

Short Term Trends

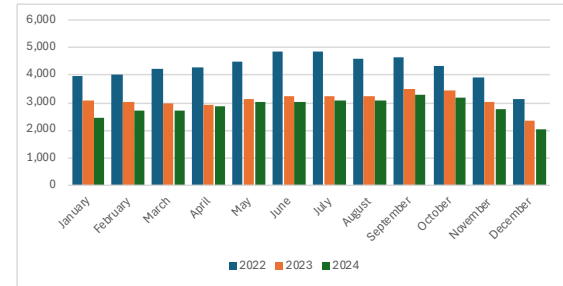
Monthly Closed Sales



Monthly Median Sales Price

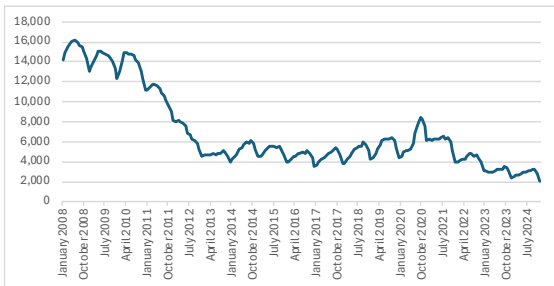


Monthly Inventory

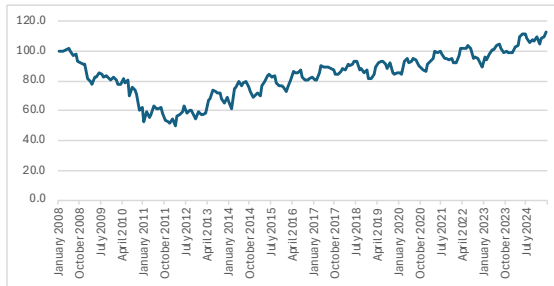


Long Term Trends

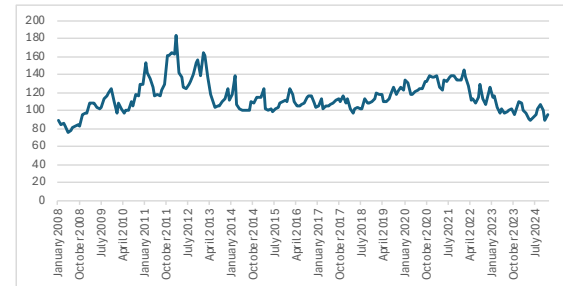
Monthly Condo/Townhome Inventory Trend



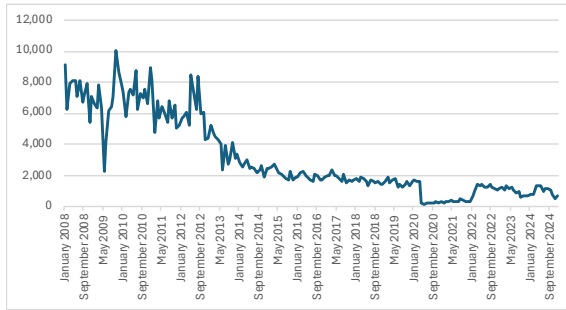
Condo/Townhome Monthly House Price Index



Monthly Affordability Conditions



Monthly Foreclosure Filings - Chicago Metro



Monthly Foreclosure Filings - City of Chicago

