

Illinois Housing Market Forecast September 2024

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 August 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 August 2024 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. These high prices persist in spite of low levels of sales activity. Despite mixed economic conditions and slow sales, house prices in Illinois and Chicago area house prices continued growing in August 2024. In the coming months, levels of single-family sales activity statewide, in the Chicago region, and the City of Chicago are expected to decline following seasonal trends and be lower than 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 be higher compared to the same time period in 2023.

State of Illinois

- **Recent trends** – In August 2024, there were 12,831 closed sales of single-family homes, townhomes, and condominiums in Illinois. Prices for single-family homes in Illinois continued to grow in August 2024, increasing by 5.3 percent compared to prices over the same period in 2023. This growth occurred as single-family closed sales activity decreased by 7.8 percent compared to August 2023. Continued price growth was driven by competition for a limited inventory of for-sale homes. In August 2024, the inventory of for-sale single-family homes increased by just over 7 percent compared to the previous year but remained near historic lows. At the same time, the average number of days on the market for a single-family home increased by 2.1 percent compared to the previous year, indicating strong competition for limited inventory. Affordability conditions for single-family homebuying improved slightly in August 2024 compared to the previous month but remain near historic lows statewide.
- **Three-month outlook** - IHS's three-month housing market forecast indicates that the level of closed sales activity will decline by over 14 percent between August and September 2024, and total sales between September and November are estimated to be 6.5 percent lower than the same period in 2023. Single-family house prices are estimated to decline slightly between August and September 2024 but follow seasonal trends and recede further by November, declining by just 2.5 percent compared to August. Despite these projected seasonal declines, this would reflect an over 10 percent increase in prices between November 2023 and 2024.

Chicago Metropolitan Area

- **Recent trends** - In August 2024, there were 8,640 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 6.7 percent in August 2024 compared to August 2023. The number of closed single-family home sales in the Chicago area decreased by 8.5 percent compared to the previous August. The inventory of for-sale single-family homes increased by 4.9 percent compared to the previous year but remained low compared to historic levels of inventory. Meanwhile, the average number of days spent on the market declined by 4.2 percent compared to August 2023 indicating strong competition. These conditions led to continued affordability challenges for single-family home buying in the Chicago area.

- **Three-month outlook** - IHS's three-month housing market forecast indicates that the level of closed sales activity for single-family homes will decrease by over 17 percent between August and September 2024, and total sales between September and November are estimated to be 7.6 percent lower compared to the same period in 2023. Prices of single-family homes in the Chicago metropolitan area are projected to be down slightly in September and recede further by just over 2 percent through November. Despite these seasonal declines, this scenario would reflect a price increase of nearly 11 percent between November 2023 and 2024.

City of Chicago

Single-Family Homes

- **Recent trends** - In August 2024, there were 2,083 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 August 2024 compared to August 2023. The number of closed single-family sales in Chicago decreased by 11.8 percent compared to the previous August. The inventory of for-sale homes declined by 11.9 percent compared to August 2023 while the days on market increased by 7 percent. Affordability conditions for single-family homebuyers in Chicago improved slightly in August compared to the previous month but remained low compared to historic levels.
- **Three-month outlook** - IHS's three-month housing market forecast indicates that the level of closed sales activity will decrease by nearly 12 percent between August and September 2024, and total sales between September and November are estimated to be roughly 1 percent lower than the same period in 2023. Single-family house prices in the City of Chicago are expected to decline between August and September and decline further by roughly 4 percent by November 2024. Despite projected monthly seasonal declines, this would reflect a price increase of over 8 percent between November 2023 and 2024.

City of Chicago

Condominiums and Townhomes

- **Recent trends** - Prices for condos and townhomes in the City of Chicago increased by 5.5 percent in August 2024 compared to August 2023. The number of closed condo sales in Chicago decreased by 4.1 percent compared to the previous August. The inventory of for-sale condos declined by 6.1 percent compared to August 2023 while the days on market declined by 5.2 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 decline by nearly 16 percent between August and September 2024, and total condominium sales in Chicago between September and November are estimated to increase by nearly 1 percent compared to the same period in 2023. Condo prices are projected to decrease by less than 1 percent between August and September and decline by roughly 2.4 percent by November 2024. Despite this forecasted 3-month seasonal decline, condo prices are projected to still increase by over 4 percent between November 2023 and 2024.

Conditions Affecting Homebuying

Evolving economic and housing market conditions continue to paint a complex picture for homebuyers and sellers in 2024. The [rate of inflation](#) has continued to slow, leading many to anticipate the Federal Reserve will institute rate cuts in the coming months. The [national](#) unemployment rate remained relatively flat in July while [Illinois](#) unemployment rate increased slightly. The [consumer sentiment index](#) improved slightly in August compared to July 2024. Nationally and in the Chicago area, foreclosure activity remains low relative to pre-pandemic levels.¹

These economic indicators highlight challenges facing the homebuying market. Mortgage [interest rates](#) have been steadily declining since July, and in September reached their lowest level since early 2023. House prices continue to grow in most parts of the country, indicated by [the Case Shiller Home Price Index](#) increasing to an all-time high in June 2024. Inventories of for-sale homes have [continued to increase](#) in some markets nationally which may contribute to a slowdown in price growth, but inventory levels remain low in most Illinois housing markets despite August increases. Nationally, homebuying sentiment [improved slightly due to declining interest rates, but remain low](#) challenging affordability conditions. In August, inventories remain low, but increased statewide and in the Chicago Metro Area while declining in the City of Chicago. These tight inventories suggest that the market will continue to be highly competitive and challenging for homebuyers. Further interest rate declines and increased inventories could ease housing affordability pressures locally but contribute to increased demand as prospective homebuyers who have been waiting for lower rates enter the market.

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

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

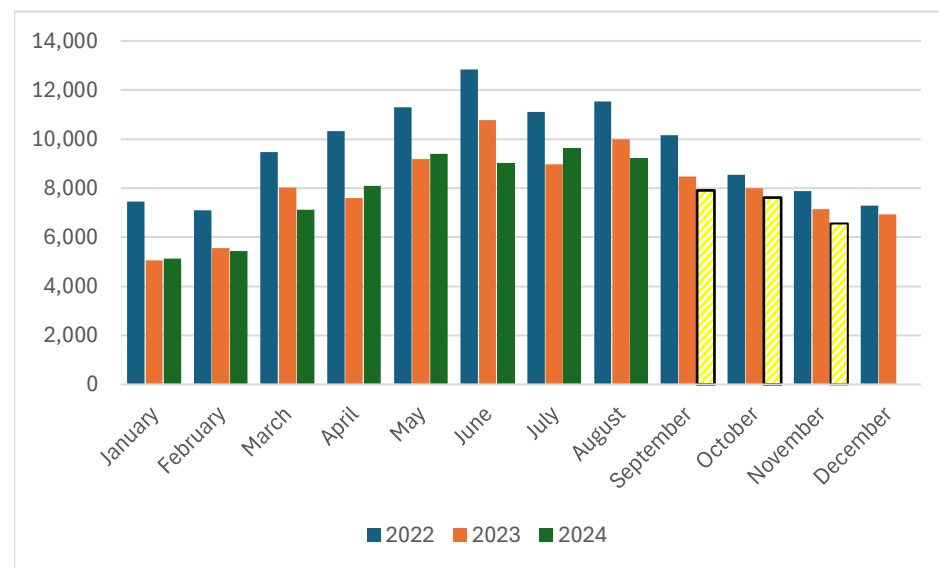
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2022	2023	2024	Monthly YoY Trend	2022	2023	2024	Monthly YoY Trend	2022	2023	2024	Monthly YoY Trend	2022	2023	2024	Monthly YoY Trend	2022	2023	2024	Monthly YoY Trend
January	7,446	5,059	5,132	↘	38	41	36	↗	13,788	14,406	12,410	↘	\$243,000	\$230,000	\$255,000	↘	208	172	147	↘
February	7,085	5,548	5,443	↘	40	44	40	↗	12,898	13,200	12,269	↘	\$242,250	\$235,000	\$260,000	↘	202	163	142	↘
March	9,470	8,019	7,131	↘	37	41	37	↗	13,358	12,887	11,843	↘	\$265,000	\$255,600	\$281,000	↘	178	152	133	↘
April	10,317	7,594	8,088	↘	29	34	31	↗	14,715	12,609	12,323	↘	\$276,500	\$275,000	\$290,000	↘	158	140	125	↘
May	11,290	9,173	9,385	↘	24	29	27	↗	15,807	12,992	13,629	↘	\$286,000	\$280,000	\$305,000	↘	149	136	120	↘
June	12,847	10,763	9,033	↘	20	25	23	↗	18,580	13,823	14,296	↘	\$300,000	\$300,000	\$325,000	↘	139	125	114	↘
July	11,108	8,962	9,644	↘	20	23	23	↗	19,941	14,137	15,166	↘	\$280,000	\$290,000	\$319,000	↘	150	128	117	↘
August	11,537	9,995	9,217	↘	23	24	24	↗	19,307	14,793	15,833	↘	\$270,000	\$285,000	\$300,000	↘	158	126	129	↘
September	10,161	8,481	7,907	↘	26	25			19,767	15,396			\$260,000	\$274,000	\$295,806	↘	152	130		
October	8,554	8,008	7,614	↘	29	26			19,320	15,480			\$251,000	\$265,000	\$294,928	↘	145	130		
November	7,868	7,138	6,559	↘	31	28			17,971	15,188			\$245,000	\$265,000	\$292,488	↘	155	135		
December	7,276	6,932			35	31			15,441	13,106			\$240,000	\$255,000			160	148		

IHS Three Month Outlook

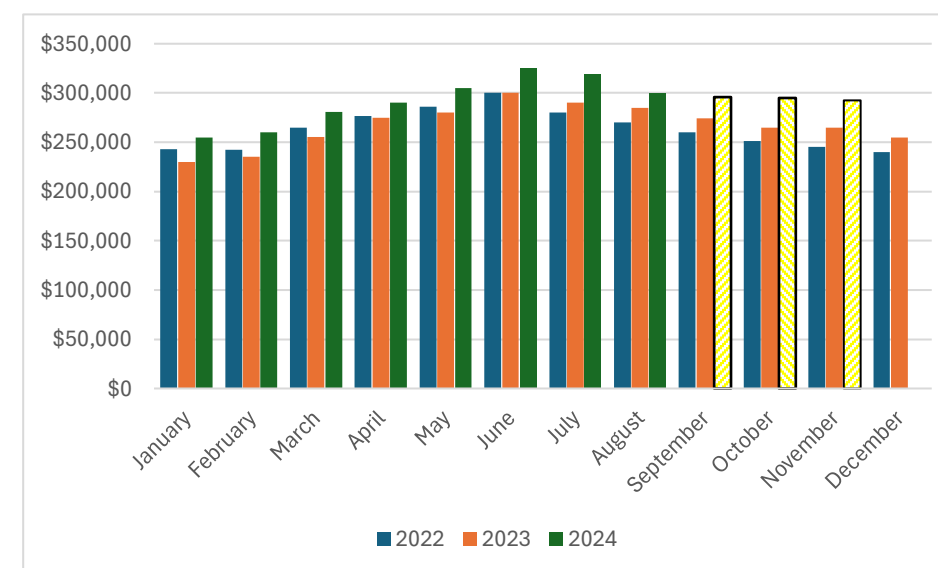
Sources: ShowingTime Data and IHS Housing Market Forecast

Illinois Short Term Trends - Single Family

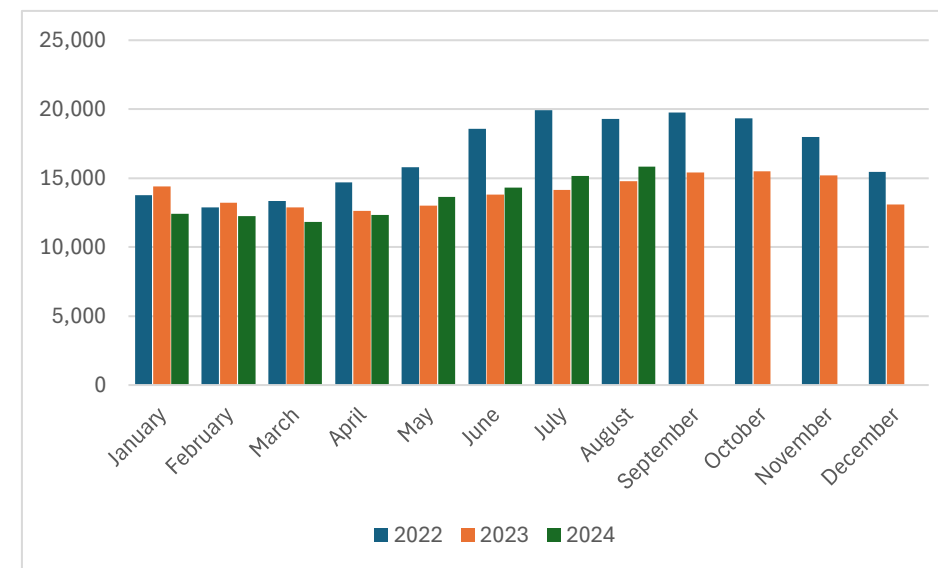
Monthly Closed Sales



Monthly Median Sales Price

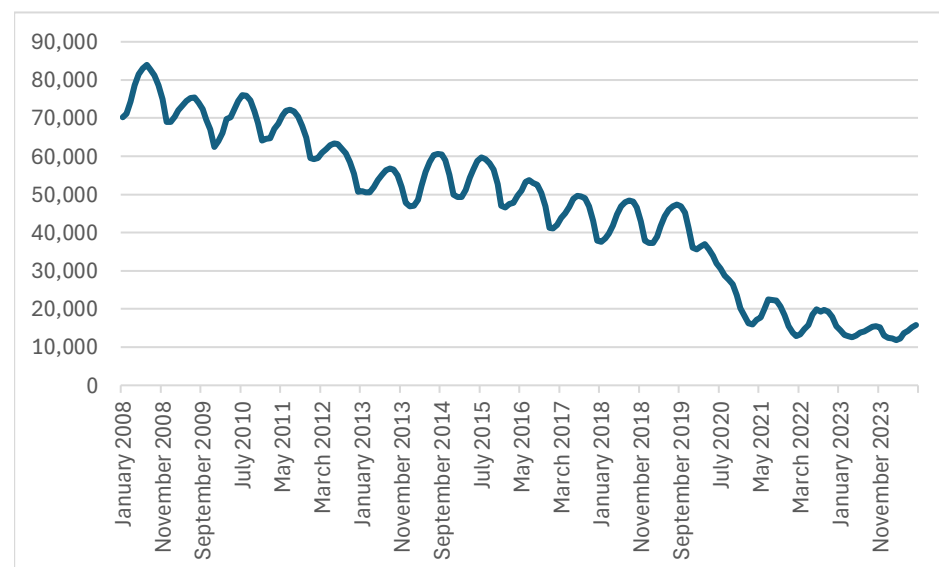


Monthly Inventory

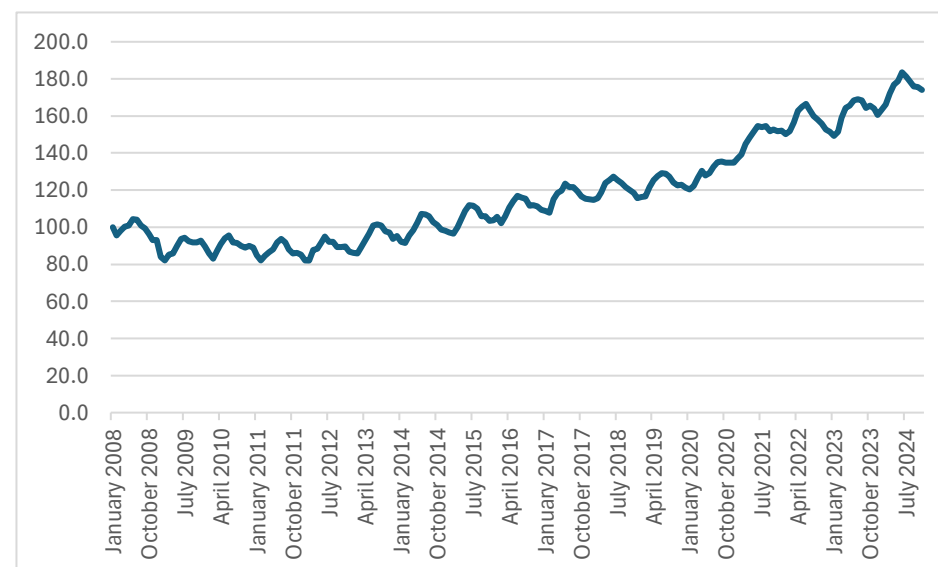


Illinois Long Term Trends - Single Family

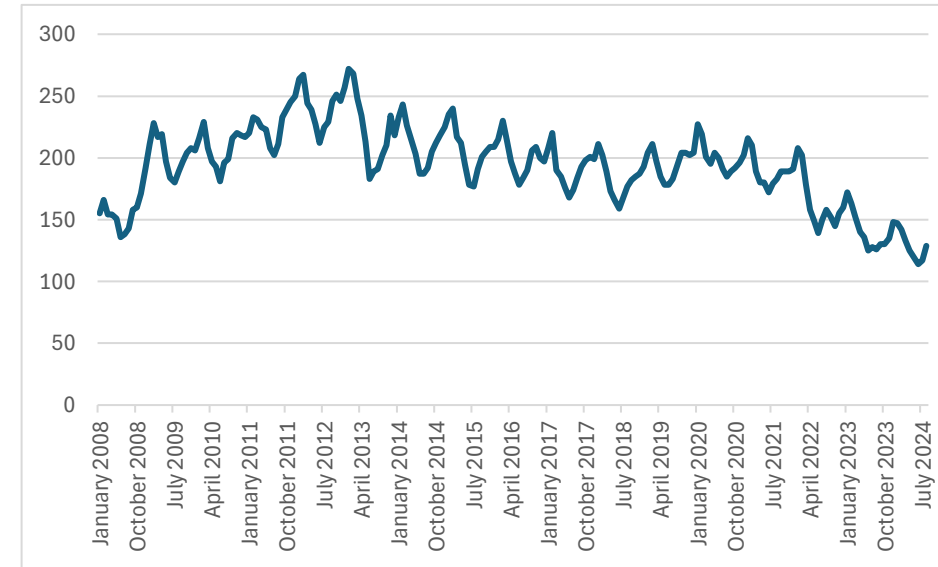
Illinois Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



Chicago Metro - Single Family Homes
Summary of Recent Trends

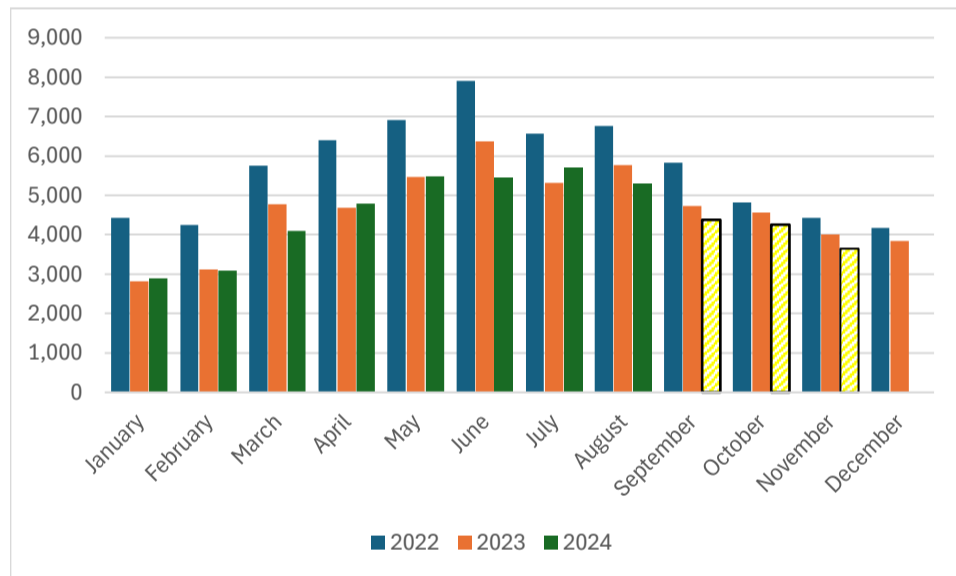
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2022	2023	2024	Monthly YoY Trend	2022	2023	2024	Monthly YoY Trend	2022	2023	2024	Monthly YoY Trend	2022	2023	2024	Monthly YoY Trend	2022	2023	2024	Monthly YoY Trend
January	4,433	2,822	2,896	↘	33	37	34	↗	7,642	8,829	6,999	↘	\$315,000	\$313,400	\$340,000	↘	171	134	118	↘
February	4,245	3,118	3,087	↘	36	41	37	↗	7,301	8,130	7,053	↘	\$322,000	\$315,000	\$350,000	↘	162	129	112	↘
March	5,753	4,768	4,092	↘	30	37	32	↗	7,692	7,864	6,719	↘	\$342,500	\$336,000	\$374,900	↘	147	123	106	↘
April	6,395	4,678	4,791	↘	24	31	26	↗	8,763	7,671	7,069	↘	\$365,000	\$350,000	\$386,000	↘	128	117	100	↘
May	6,914	5,469	5,478	↘	20	26	22	↗	9,604	7,767	7,942	↘	\$370,000	\$367,200	\$395,000	↘	123	110	99	↘
June	7,908	6,366	5,446	↘	17	21	20	↗	11,518	8,409	8,294	↘	\$385,000	\$385,000	\$420,000	↘	115	104	94	↘
July	6,572	5,311	5,707	↘	17	21	20	↗	12,626	8,608	8,782	↘	\$360,000	\$370,000	\$407,000	↘	125	107	98	↘
August	6,766	5,775	5,282	↘	20	21	20	↗	12,289	8,930	9,372	↘	\$352,000	\$375,000	\$400,000	↘	130	102	103	↘
September	5,824	4,734	4,379	↘	23	23			12,591	9,260			\$340,000	\$360,000	\$394,595	↘	124	106		
October	4,825	4,558	4,256	↘	26	24			12,139	9,189			\$331,750	\$350,000	\$393,659	↘	117	105		
November	4,436	4,005	3,647	↘	29	25			11,115	8,956			\$329,100	\$353,050	\$391,283	↘	123	108		
December	4,176	3,837			32	28			9,359	7,509			\$320,000	\$335,000		128	120			

IHS Three Month Outlook

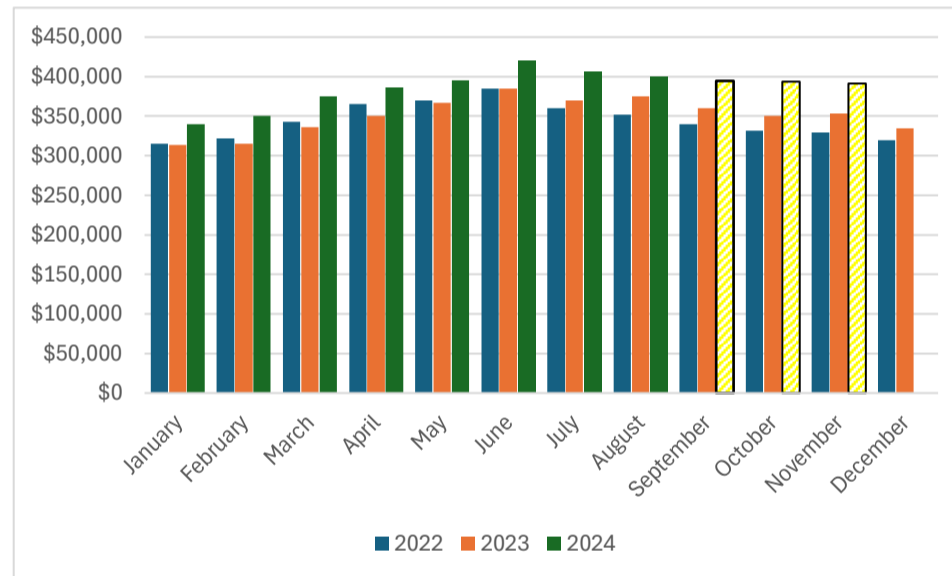
Sources: ShowingTime Data and IHS Housing Market Forecast

Short Term Trends

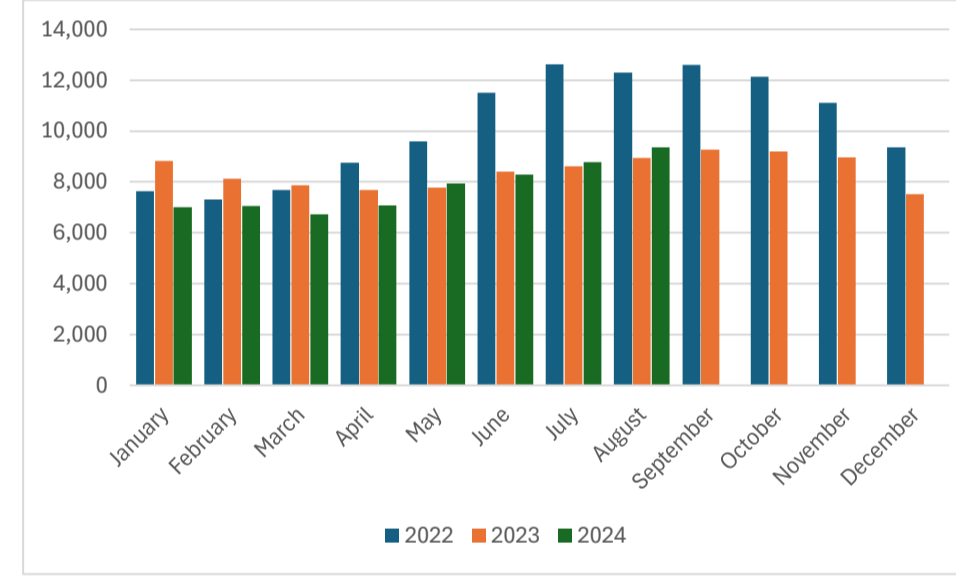
Monthly Closed Sales



Monthly Median Sales Price

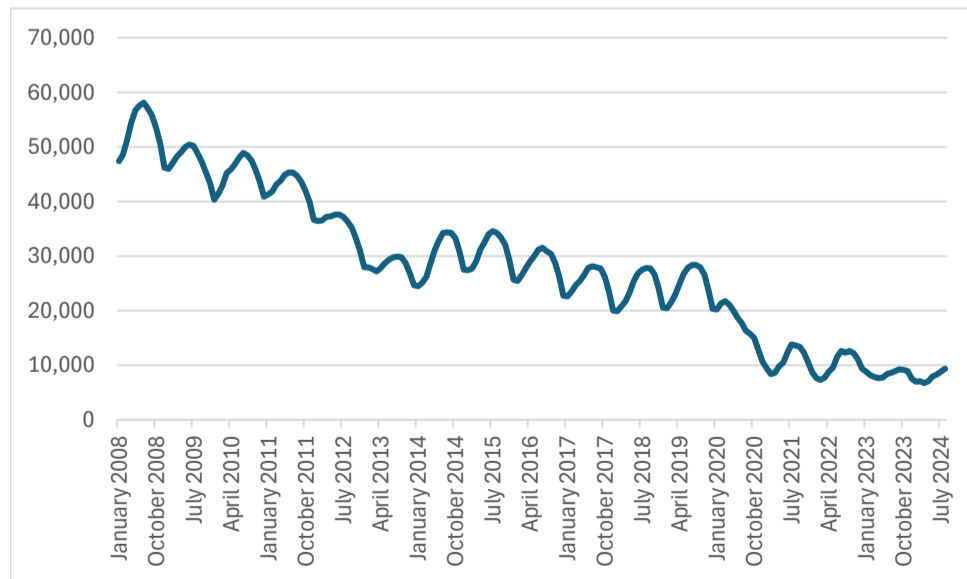


Monthly Inventory

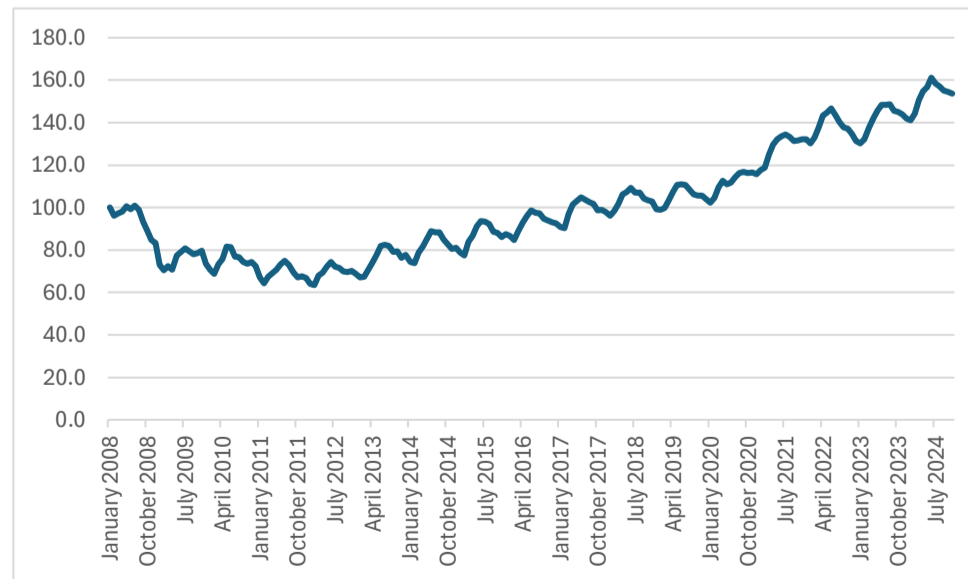


Long Term Trends

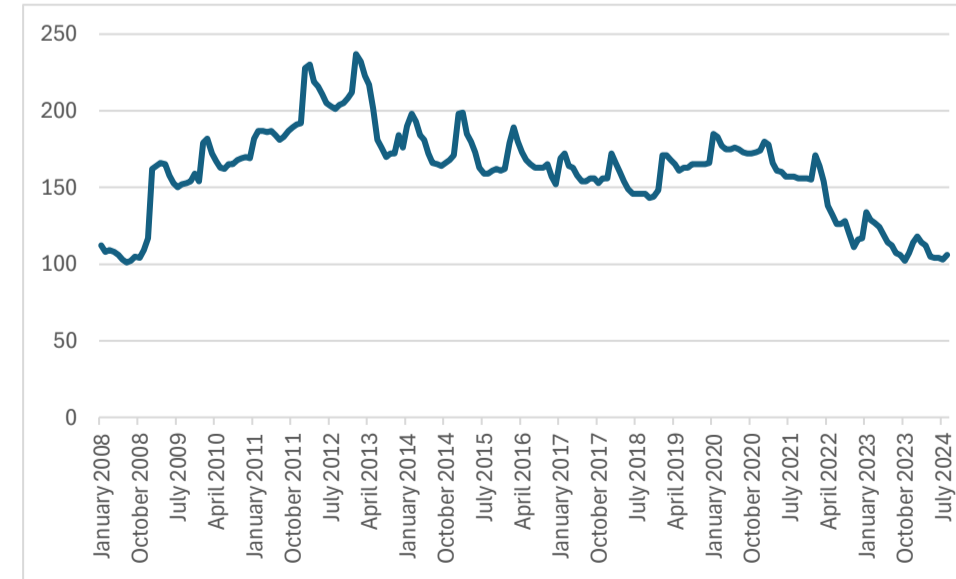
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Single Family Homes
Summary of Recent Trends

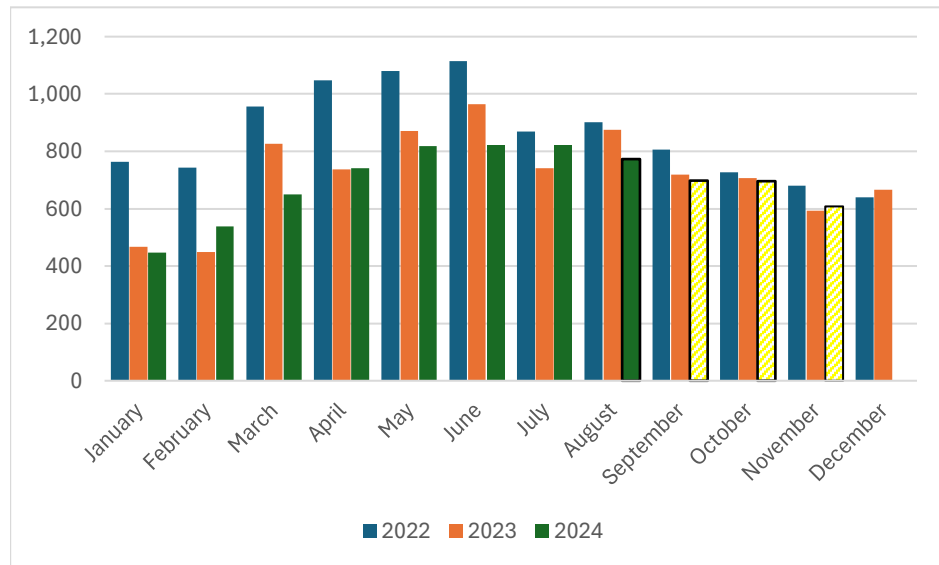
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2022	2023	2024	Monthly YoY Trend	2022	2023	2024	Monthly YoY Trend	2022	2023	2024	Monthly YoY Trend	2022	2023	2024	Monthly YoY Trend	2022	2023	2024	Monthly YoY Trend
January	764	467	447		35	42	38		1,867	2,288	1,770		\$290,000	\$260,500	\$288,250		169	147	127	
February	743	448	538		34	48	43		1,838	2,191	1,777		\$287,000	\$290,000	\$300,000		165	128	119	
March	957	826	649		33	40	40		1,925	2,083	1,745		\$325,000	\$295,000	\$335,000		141	128	108	
April	1,047	738	742		30	43	37		1,991	2,049	1,773		\$350,000	\$297,500	\$340,000		121	125	103	
May	1,080	872	818		26	36	29		2,109	1,992	1,910		\$331,000	\$306,000	\$320,000		125	120	111	
June	1,115	964	823		24	29	27		2,438	2,103	1,865		\$354,000	\$335,000	\$365,000		114	109	98	
July	870	741	823		22	29	28		2,792	2,162	1,916		\$344,500	\$312,750	\$350,000		118	115	103	
August	902	876	773		24	27	29		2,798	2,218	1,953		\$310,000	\$317,500	\$340,000		134	110	110	
September	806	719	698		28	32			2,966	2,306			\$300,000	\$311,000	\$332,115		128	111		
October	727	706	696		31	34			2,830	2,331			\$306,000	\$300,000	\$329,538		115	111		
November	681	593	608		31	31			2,661	2,185			\$289,000	\$302,000	\$326,195		127	115		
December	639	667			35	34			2,264	1,854			\$275,000	\$285,000			136	129		

IHS Three Month Outlook

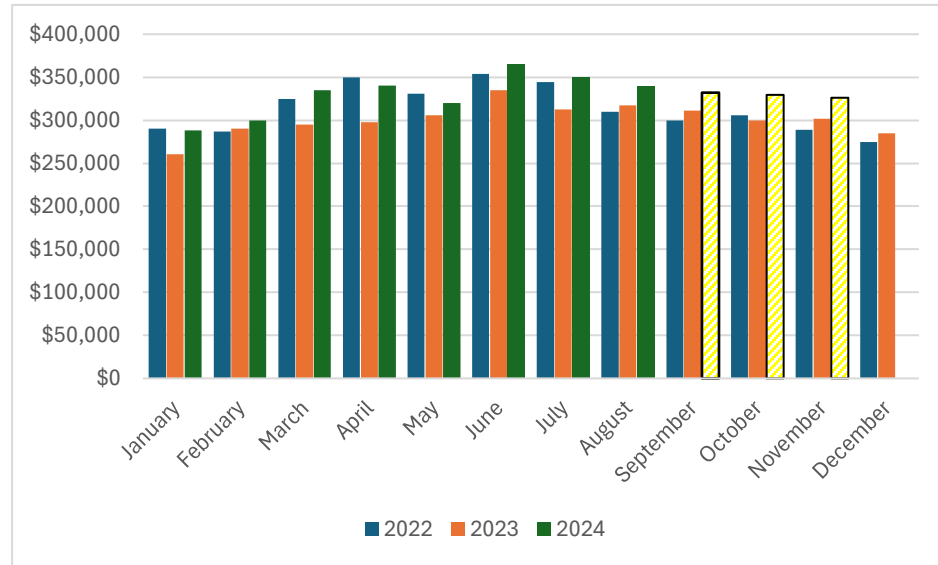
Sources: ShowingTime Data and IHS Housing Market Forecast

Short Term Trends

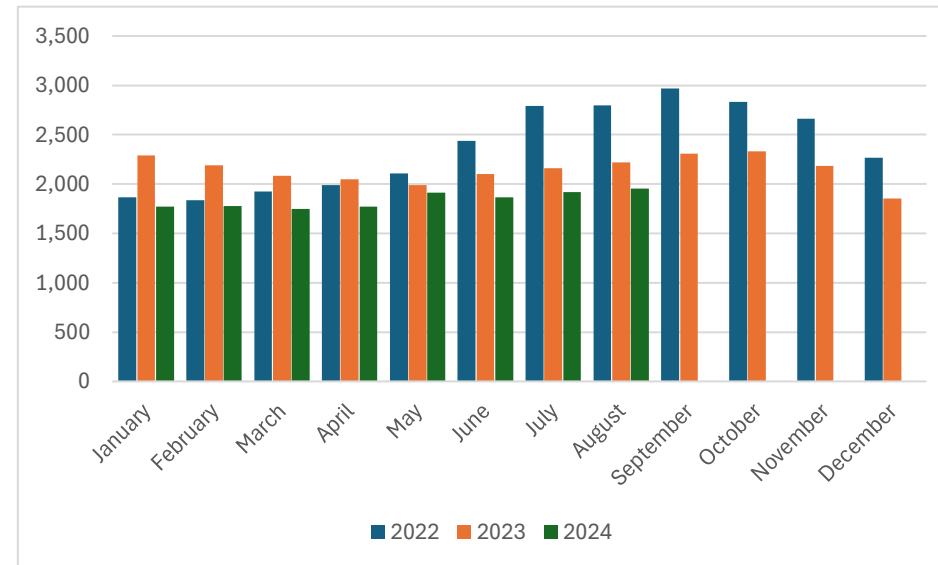
Monthly Closed Sales



Monthly Median Sales Price

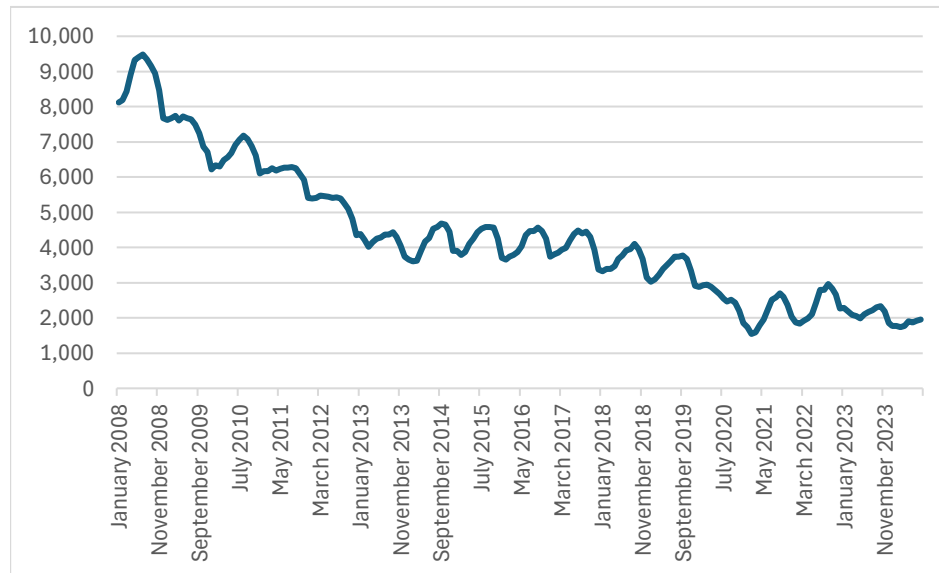


Monthly Inventory

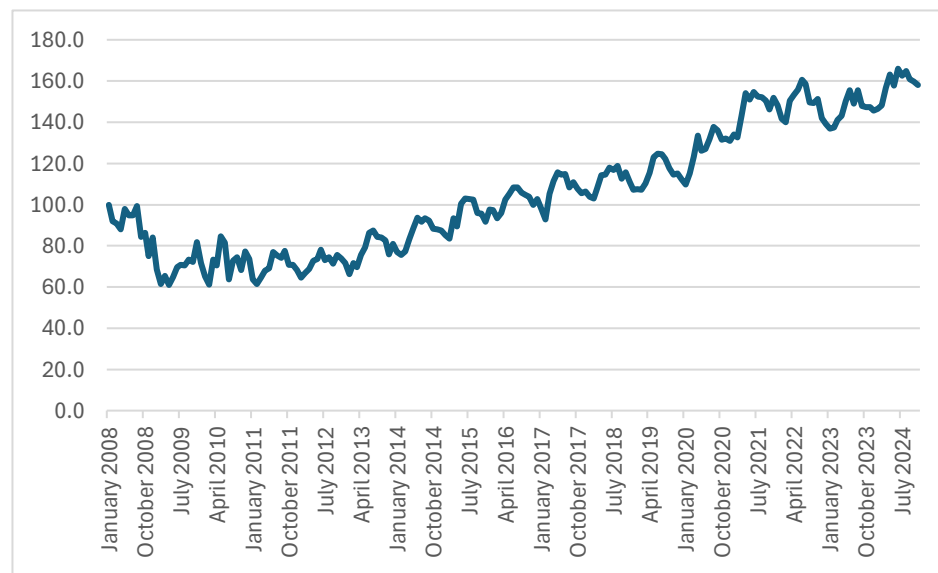


Long Term Trends

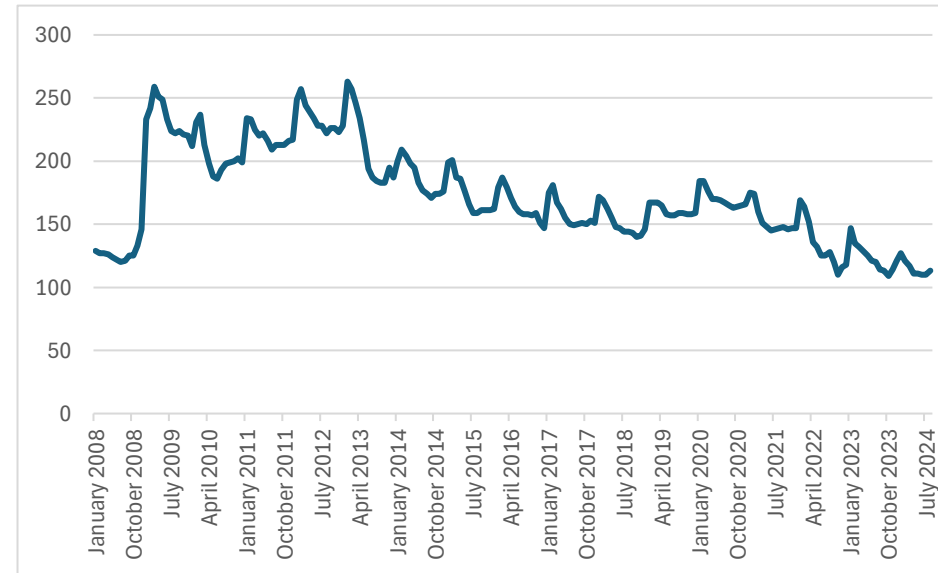
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Condominiums/Townhomes
Summary of Recent Trends

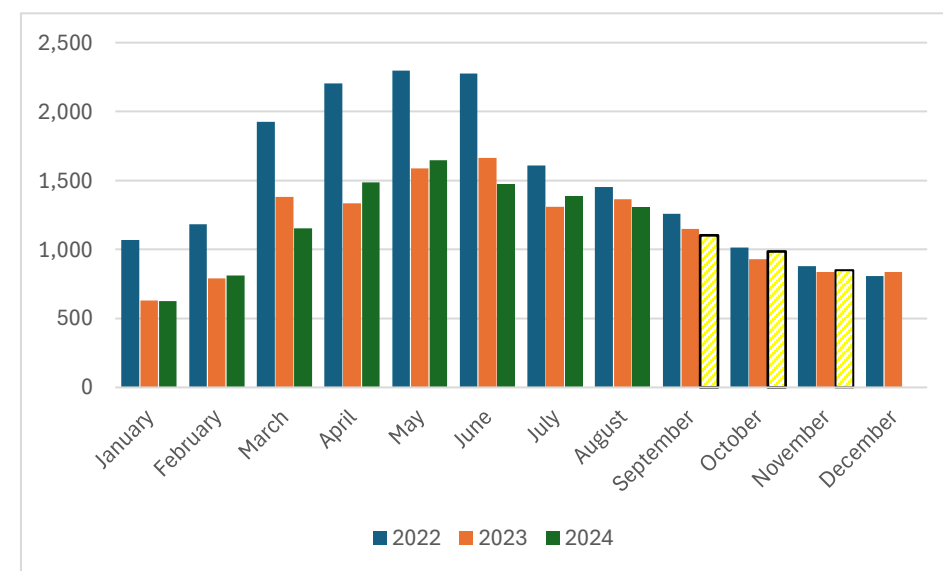
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2022	2023	2024	Monthly YoY Trend	2022	2023	2024	Monthly YoY Trend	2022	2023	2024	Monthly YoY Trend	2022	2023	2024	Monthly YoY Trend	2022	2023	2024	Monthly YoY Trend
January	1,067	629	626		54	55	47		3,984	3,139	2,512		\$334,000	\$332,500	\$337,450		146	115	108	
February	1,181	790	810		58	47	47		4,088	3,052	2,750		\$345,000	\$320,000	\$358,000		138	116	100	
March	1,926	1,382	1,154		43	44	36		4,260	3,030	2,737		\$356,500	\$360,750	\$370,000		128	104	98	
April	2,204	1,336	1,486		33	35	28		4,346	2,976	2,906		\$379,500	\$380,000	\$384,000		112	98	91	
May	2,297	1,590	1,648		30	33	26		4,550	3,151	3,040		\$365,000	\$359,900	\$395,000		114	102	90	
June	2,278	1,666	1,476		27	27	23		4,896	3,255	3,038		\$375,000	\$375,000	\$390,000		108	97	92	
July	1,611	1,311	1,388		26	28	27		4,901	3,253	3,092		\$355,000	\$365,000	\$375,000		115	99	96	
August	1,454	1,366	1,310		29	27	25		4,654	3,297	3,095		\$320,000	\$349,000	\$368,250		130	100		
September	1,258	1,148	1,103		30	28			4,711	3,541			\$335,000	\$336,000	\$365,907		114	103		
October	1,013	931	986		35	30			4,372	3,475			\$330,000	\$345,000	\$363,586		107	96		
November	879	835	850		38	34			3,945	3,102			\$325,000	\$345,000	\$359,328		113	101		
December	808	836			41	35			3,186	2,419			\$296,500	\$335,000		126	110			

IHS Three Month Outlook

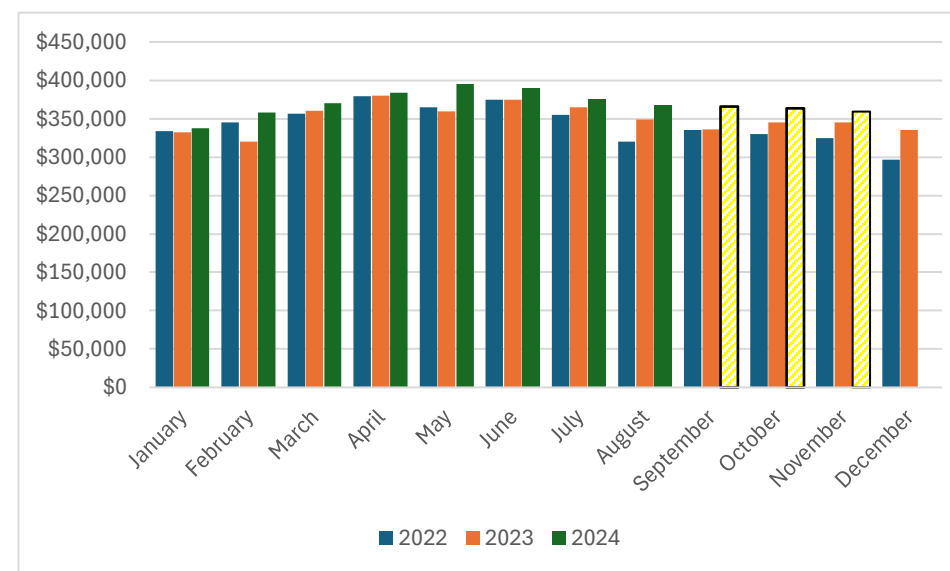
Sources: ShowingTime Data and IHS Housing Market Forecast

Short Term Trends

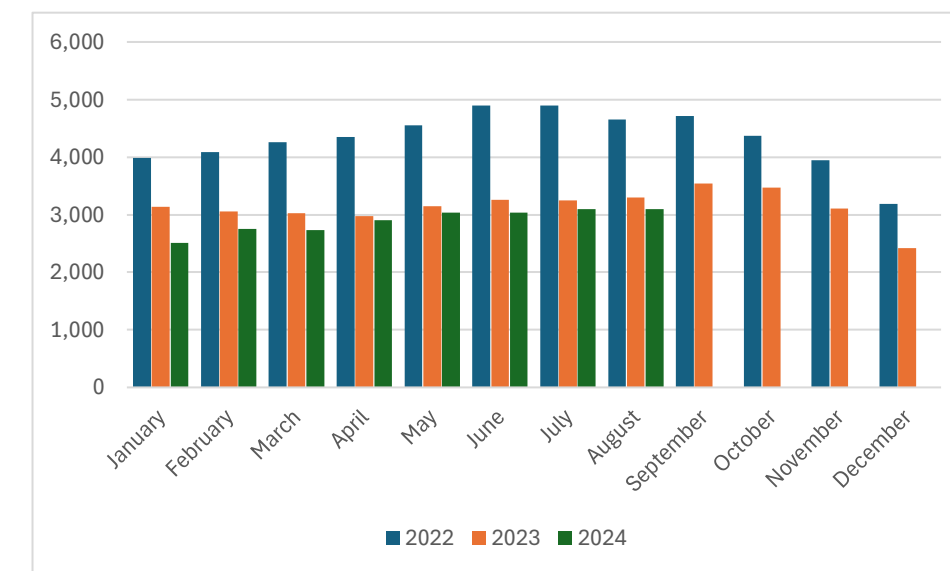
Monthly Closed Sales



Monthly Median Sales Price

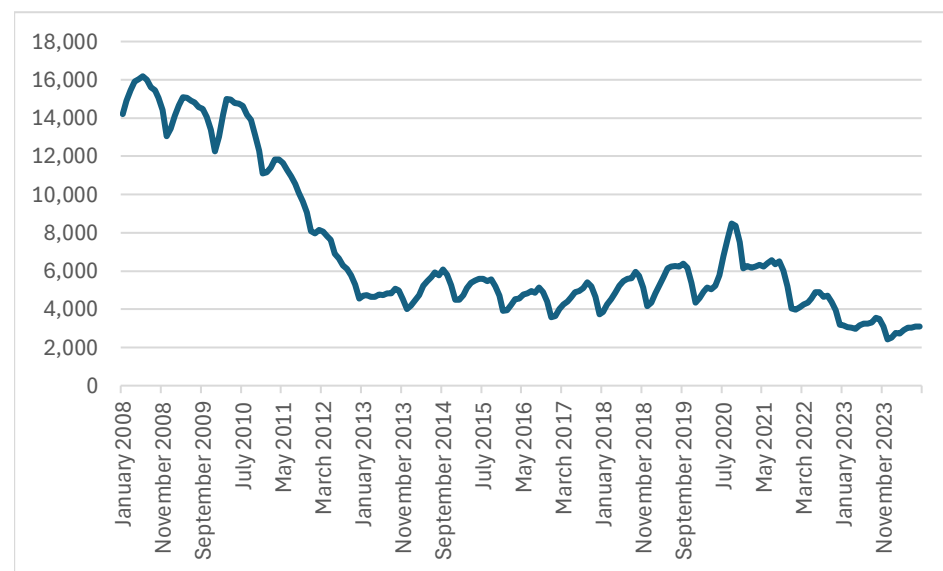


Monthly Inventory

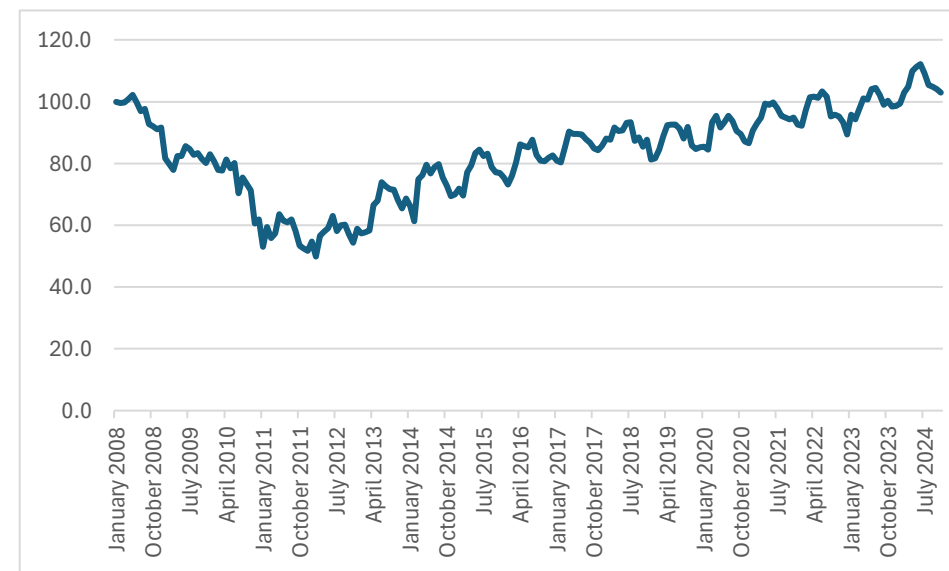


Long Term Trends

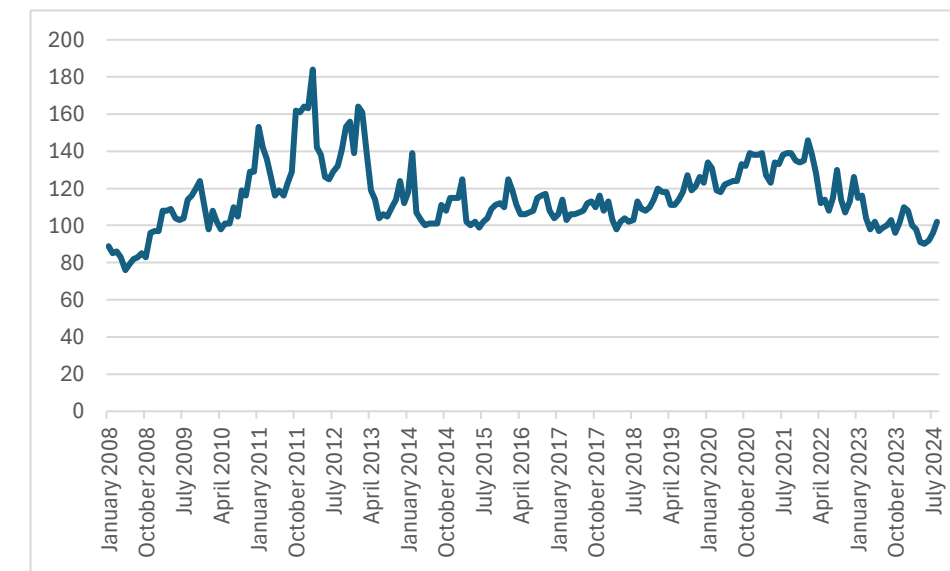
Monthly Condo/Townhome Inventory Trend



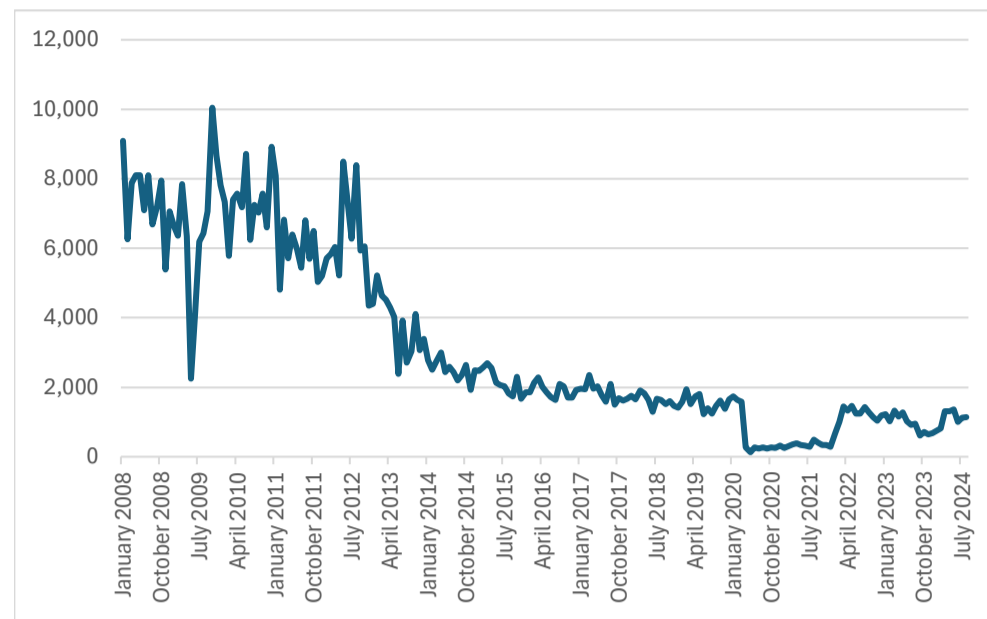
Condo/Townhome Monthly House Price Index



Monthly Affordability Conditions



Monthly Foreclosure Filings - Chicago Metro



Monthly Foreclosure Filings - City of Chicago

