

Housing Price Forecasts

Illinois MSAs

First Quarter, 2018

Presented To

Illinois REALTORS

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Institute of Government and Public Affairs
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Introduction

This report provides analysis of the housing market in the Fourth Quarter of 2017 with forecasts for the First Quarter of 2018. Complementary analysis of the economy is also provided to place the housing market into a broader perspective.

The Illinois Economy

Illinois added 1,500 jobs in December 2017, compared with a revised 3,100-job gain in November 2017. Compared to December 2016, Illinois has added 29,600 jobs. The three-month moving average, a more stable measure of the labor market, showed an increase of 4,600 jobs per month. The state of Illinois now has 65,700 more jobs than in December 2007 when the recent recession started. Since January 2010, when Illinois employment growth resumed after the national recession, Illinois has added 467,200 new jobs.

The Illinois MSAs

Illinois Rural area added 10,900 jobs at 1.51% this month, compared to a revised 700-job gain in November 2017. At the same time, Metro lost 9,400 jobs at -0.18% in December, compared to a revised 2,400-job gain in the previous month. Chicago lost 9,900 jobs at -0.24% in December 2017, compared to a revised 1,500-job gain in November 2017. Meanwhile, Downstate added 11,400 jobs at 0.60%, compared to a revised 1,700-job gain in the previous month. In terms of the 12-month aggregated account, Metro registered a positive 0.77% growth by adding 40,500 jobs whereas Rural lost 10,900 jobs at -1.46%. Chicago added 35,800 jobs at 0.87% and Downstate lost 6,200 jobs at -0.33%. Through December 2017, the cumulative job growth for Metro, Rural, Chicago and Downstate compared to January 1990 stood at 15.39%, 11.09%, 16.29% and 11.85% respectively (Table 1). Table 2 provides the monthly and 12-month changes for each of the metro areas; five out of ten MSAs posted positive growth and Bloomington-Normal experienced the highest growth rate. Seven out of ten MSAs recorded a 12-month increase in the number of jobs.

Table 3 provides a league table for the MSAs. Davenport-Rock Island-Moline (1st to 9th) experienced the deepest fall in December 2017. Springfield (3rd to 4th), Kankakee (2nd to 5th), Chicago (5th to 8th), and Decatur (4th to 10th) also dropped in terms of ranks from last month. The most remarkable upward move in December was recorded for Bloomington-Normal (10th to 1st). In the 12-month growth league table, upward moves were recorded for Bloomington-Normal (6th to 2nd), and Champaign-Urbana-Rantoul (10th to 7th). Downward moves were recorded for Davenport-Rock Island-Moline (2nd to 4th), Metro-East (4th to 6th), Rockford (7th to 8th), Springfield (8th to 9th) and Decatur (9th to 10th). In the 12-month growth league table, Decatur dropped to the last place while Kankakee remained in the first place.

The Illinois MSAs' Housing Market

Overview

In the Fourth quarter of 2017, overall sales in Illinois increased compared to last year. Positive growth was recorded in seven MSAs, negative growth in two MSAs, and zero growth in the Chicago PMSA. For the First quarter of 2018, the overall sales in Illinois are forecast to decrease at a mild rate. Seven MSAs are forecast to experience increase in their sales, while Bloomington-Normal, Champaign-Urbana, and Davenport-Moline-Rock Island are forecast to experience year-over-year decreases.

Increasing median prices for Illinois are found in eight MSAs (except Bloomington-Normal and Champaign-Urbana) in the Fourth quarter. The overall median price for Illinois is forecast to increase with positive growth in seven MSAs, the exception being Bloomington-Normal, Decatur, and Peoria-Pekin.

Housing Market Conditions

In the fourth quarter of 2017, Illinois experienced increases in sales, and seven out of ten MSAs experienced annual increases in sales with varying degree. The overall sales for Illinois increased by 0.4% compared to a year ago. Seven MSAs experienced positive changes in sales: Davenport-Moline-Rock Island (1.0%), Decatur (16.2%), Kankakee (8.4%), Metro-East (1.7%), Peoria-Pekin (7.4%), Rockford (1.7%), and Springfield (1.8%); two MSAs experienced negative changes in sales: Bloomington-Normal (-6.7%), and Champaign-Urbana (-14.0%); Chicago PMSA experienced zero change in sales (0.0%).

In terms of housing prices, the overall median prices for Illinois presented significant annual gains with a growth rate of 5.2%. The positive growth was led by eight MSAs: Chicago PMSA (4.4%), Davenport-Moline-Rock Island (3.9%), Decatur (3.5%), Kankakee (5.9%), Metro-East (1.4%), Peoria-Pekin (4.4%), Rockford (3.2%), and Springfield (1.9%). Only one MSA experienced negative changes, Bloomington-Normal (-1.3%), and Champaign-Urbana experienced zero change in prices (0.0%).

Illinois and eight out of ten MSAs experienced decreases in the quarter's supply for homes with some variations. For Illinois as a whole, the overall quarter's supply is 1.4 decreasing from 1.7 a year ago. Two MSAs experienced increases: Bloomington-Normal (to 2.0 from 1.7 quarters), and Champaign-Urbana (to 1.9 from 1.7 quarters). The rest of the MSAs experienced decreases: Chicago PMSA (to 1.0 from 1.3 quarters), Davenport-Moline-Rock Island (to 1.6 from 1.8 quarters), Decatur (to 3.2 from 3.3 quarters), Kankakee (to 1.6 from 2.3 quarters), Metro-East (to 1.1 from 1.2 quarters), Peoria-Pekin (to 2.1 from 2.6 quarters), Rockford (to 1.1 from 1.6 quarters), and Springfield (to 1.5 from 1.6 quarters).

Housing Market Forecasts

Table 4 provides the median price forecasts for the First quarter of 2018. The forecasts indicate an overall positive annual growth for the state as a whole (4.9%). Seven out of ten MSAs are forecast to experience positive changes in the First quarter of 2018: Champaign-Urbana (3.2%),

Chicago PMSA (4.9%), Davenport-Moline-Rock Island (9.7%), Kankakee (3.4%), Metro-East (9.3%), Rockford (0.4%), and Springfield (2.7%). Three MSAs are forecast to decrease in its median price: Bloomington-Normal (-2.6%), Decatur (-1.9%), Peoria-Pekin (-2.2%).

Table 5 provides the sales forecast for the First quarter of 2018. The overall sales in Illinois are forecast to edge down by -0.6% to -0.8% compared to a year ago. Seven MSAs are forecast to experience gains in sales: Chicago (1.7% to 2.3%), Decatur (11.4% to 15.5%), Kankakee (26.7% to 36.2%), Metro-East (6.6% to 8.9%), Peoria-Pekin (9.6% to 13.0%), Rockford (1.3% to 1.7%), and Springfield (5.2% to 7.1%). Three MSAs are forecast to decrease their sales: Bloomington-Normal (-1.6% to -2.1%), Champaign-Urbana (-6.8% to -9.2%), and Davenport-Moline-Rock Island (-0.3% to -0.4%).

Detailed current conditions and forecasts for each MSA market are present in the next section.

MSA Detailed Notes (to accompany figures on median prices, sales, price stratification, and inventory)

Illinois

- Median price forecast indicates a positive trend with annual rates of change of 2.9% to 6.1% in Q1 2018.
- Sales volume in Q1 2018 is forecast to decrease by an annual rate of -0.6% to -0.8%.
- Median prices in Q4 2017 were 5.2% higher on a yearly basis.
- Sales volume in Q4 2017 was 0.4% higher than a year ago.
- In Q4 2017, the decreases in market shares are concentrated on homes priced less than 100K. Homes priced below \$100K captured 19.7% of the market against 21.8% a year ago.
- By Q4 2017, the overall quarter's supply is 1.4 decreasing from 1.7 a year ago.

Chicago

- Median price forecast indicates a positive trend with annual rates of change of 4.7% to 5.4% in Q1 2018.
- Sales volume in Q1 2018 is forecast to change by 1.7% to 2.3% on a yearly basis.
- Median prices in Q4 2017 were 4.4% higher on a yearly basis.
- Sales volume in Q4 2017 stayed almost the same compared to a year ago.
- In Q4 2017, market shares of homes priced less than \$100K experienced the largest change, decreasing from 12.6% a year ago to 9.7%.
- By Q4 2017, the overall quarter's supply is forecast to be 1.0 quarters, decreasing from 1.3 a year ago.

Bloomington-Normal

- Median price forecast indicates mixed trend with an annual change rate of -6.4% to 2.8% in Q1 2018.
- Sales volume in Q1 2018 is forecast to change by -1.6% to -2.1% on a yearly basis.

- Median prices in Q4 2017 experienced a change of -1.3% on a yearly basis.
- Sales volume in Q4 2017 was 6.7% lower than a year ago.
- In Q4 2017, the decreases in market shares are concentrated on homes priced less than 100K. Homes priced below \$100K captured 16.8% of the market against 20.2% a year ago.
- By Q4 2017, the overall quarter's supply 2.0 quarters, increasing from 1.7 a year ago.

Champaign-Urbana

- Median price forecast indicates a positive trend with rates of change between 1.5% and 5.5% in Q1 2018.
- Sales volume in Q1 2018 is forecast to change by -6.8% to -9.2% on a yearly basis.
- Median prices in Q4 2017 experienced no growth on a yearly basis.
- Sales volume in Q4 2017 was 14.0% lower than a year ago.
- In Q4 2017, market shares of homes priced at different ranges remain at similar levels as a year ago.
- By Q4 2017, the overall quarter's supply 1.9 quarters, increasing from 1.7 a year ago.

Davenport-Moline-Rock Island

- Median price forecast indicates mixed growth trend with rates of change between -4.3% and 30.5% in Q1 2018.
- Sales volume in Q1 2018 is forecast to experience a change of -0.3% to -0.4% on a year-over-year basis.
- Median prices in Q4 2017 experienced a change of 3.9% on a yearly basis.
- Sales volume in Q4 2017 was 1.0% higher than a year ago.
- In Q4 2017, market shares of homes priced less than \$100K experienced the largest change, decreasing from 51.1% a year ago to 48.7%.
- By Q4 2017, the overall quarter's supply is 1.6 quarters, decreasing from 1.8 a year ago.

Decatur

- Median price forecast indicates mixed rates of change between -11.9% and 5.0% in Q1 2018.
- Sales volume in Q1 2018 is forecast to experience a change of 11.4% to 15.5%.
- Median prices in Q4 2017 experienced a change of 3.5% on a yearly basis.
- Sales volume in Q4 2017 was 16.2% higher than a year ago.
- In Q4 2017, market shares of homes priced less than \$100 experienced the largest change, decreasing from 56.3% to 54.3%.
- By Q4 2017, the overall quarter's supply is 3.2 quarters, decreasing from 3.3 a year ago.

Kankakee

- Median price forecast indicates mixed growth trend with rates of change between -15.5% and 32.8% in Q1 2018.
- Sales volume in Q1 2018 is forecast to change by 26.7% to 36.2% on a yearly basis.
- Median prices in Q4 2017 experienced a change of 5.9% on a yearly basis.
- Sales volume in Q4 2017 was 8.4% higher than a year ago.
- In Q4 2017, market shares of homes priced less than \$100 experienced the largest change, decreasing from 39.1% to 37.0%.
- By Q4 2017, the overall quarter's supply is 1.6 quarters, decreasing from 2.3 a year ago.

Metro East

- Median price forecast indicates mixed rates of change between -0.4% and 17.9% in Q1 2018.
- Sales volume in Q1 2018 is forecast to change between 6.6% to 8.9% on an annual basis.
- Median prices in Q4 2017 experienced a change of 1.4% on a yearly basis.
- Sales volume in Q4 2017 was 1.7% higher than a year ago.
- In Q4 2017, market shares of homes priced at different ranges remain at similar levels as a year ago.
- By Q4 2017, the overall quarter's supply remains at a similar level as a year ago.

Peoria-Pekin

- Median price forecast indicates mixed rates of change between -5.4% and 0.0% in Q1 2018.
- Sales volume in Q1 2018 is forecast to change by 9.6% to 13.0% on an annual basis.
- Median prices in Q4 2017 experienced a change of 4.4% on a yearly basis.
- Sales volume in Q4 2017 was 7.4% higher than a year ago.
- In Q4 2017, market shares of homes prices in the range of \$0-100K experienced the largest change, decreasing from 41.9% to 38.0%.
- By Q4 2017, the overall quarter's supply 2.1 quarters, decreasing from 2.6 a year ago.

Rockford

- Median price forecast indicates mixed rates of change between -0.8% and 1.7% in Q1 2018.
- Sales volume in Q1 2018 is forecast to change by 1.3% to 1.7% on a yearly basis.
- Median prices in Q4 2017 experienced a change of 3.2% on a yearly basis.
- Sales volume in Q4 2017 was 1.7% higher than a year ago.
- In Q4 2017, market shares of homes priced at different ranges remain at similar levels as a year ago.
- By Q4 2017, the overall quarter's supply is 1.1 quarter, down from 1.6 quarters a year ago.

Springfield

- Median price forecast indicates mixed rates of change between -5.4% and 9.5% in Q1 2018.
- Sales volume in Q1 2018 is forecast to change between 5.2% and 7.1% on a yearly basis.
- Median prices in Q4 2017 experienced a change of 1.9% on a yearly basis.
- Sales volume in Q4 2017 was 1.8% higher compared to a year ago.
- In Q4 2017, market shares of homes priced in the range of \$200-300K experienced the largest change, decreasing from 17.6% to 14.5%.
- By Q4 2017, the overall quarter's supply remains at similar levels as a year ago.

Table 1: Illinois, US and Rest of the Midwest (RMW) Employment Change

Dec 2017	Total non-farm employment	Dec 2017 Number of Jobs	Nov 2017 – Dec 2017		Last 12 months	
			Growth Rate (%)	Number of Jobs	Growth Rate (%)	Number of Jobs
	Nation	147,380,000	0.10	148,000	1.41	2,055,000
	Rest of Midwest (RMW)	20,573,500	0.11	22,100	1.05	214,500
	Illinois	6,050,900	0.02	1,500	0.49	29,600
	Illinois Metro	5,317,200	-0.18	-9,400	0.77	40,500
	Illinois non-Metro (Rural)	733,700	1.51	10,900	-1.46	-10,900
	Illinois Chicago (Upstate)	4,152,200	-0.24	-9,900	0.87	35,800
	Illinois non-Chicago	1,898,700	0.60	11,400	-0.33	-6,200

Table 2: MSA Growth Rates, December 2017 and Last 12 Months

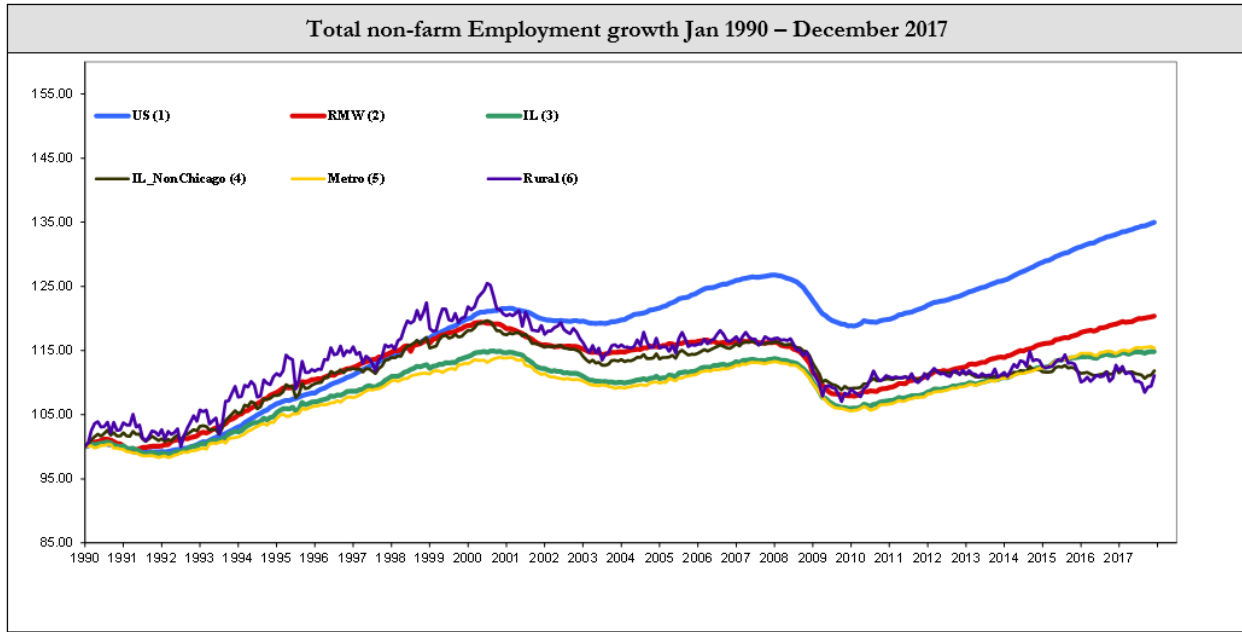
Market Area	Dec 2017 Number of Jobs	Nov 2017 – Dec 2017			Last 12 months	
		Growth compared to Illinois	Growth Rate %	Number Of Jobs	Growth Rate %	Number of Jobs
Bloomington-Normal (B-N)	94,200	+	0.41	400	1.23	1,100
Champaign-Urbana (C-U-R)	108,500	-	-0.02	-10	0.01	20
Chicago	4,152,200	-	-0.24	-10,000	0.87	35,800
Davenport-Rock Island-Moline (D-R-M)	184,300	-	-0.49	-1,000	0.70	1,300
Decatur	50,700	-	-0.59	-300	-1.38	-700
Kankakee	46,100	+	0.17	100	2.88	1,300
Peoria	175,300	-	-0.09	-200	0.63	1,100
Rockford	151,100	+	0.30	400	-0.02	-30
Springfield	115,300	+	0.21	200	-0.71	-800
Metro-East	239,500	+	0.30	700	0.57	1,400
Illinois			0.02	1,500	0.49	29,600

Table 3: MSA League Tables, Non-farm Employment Growth Rate**Monthly growth:**

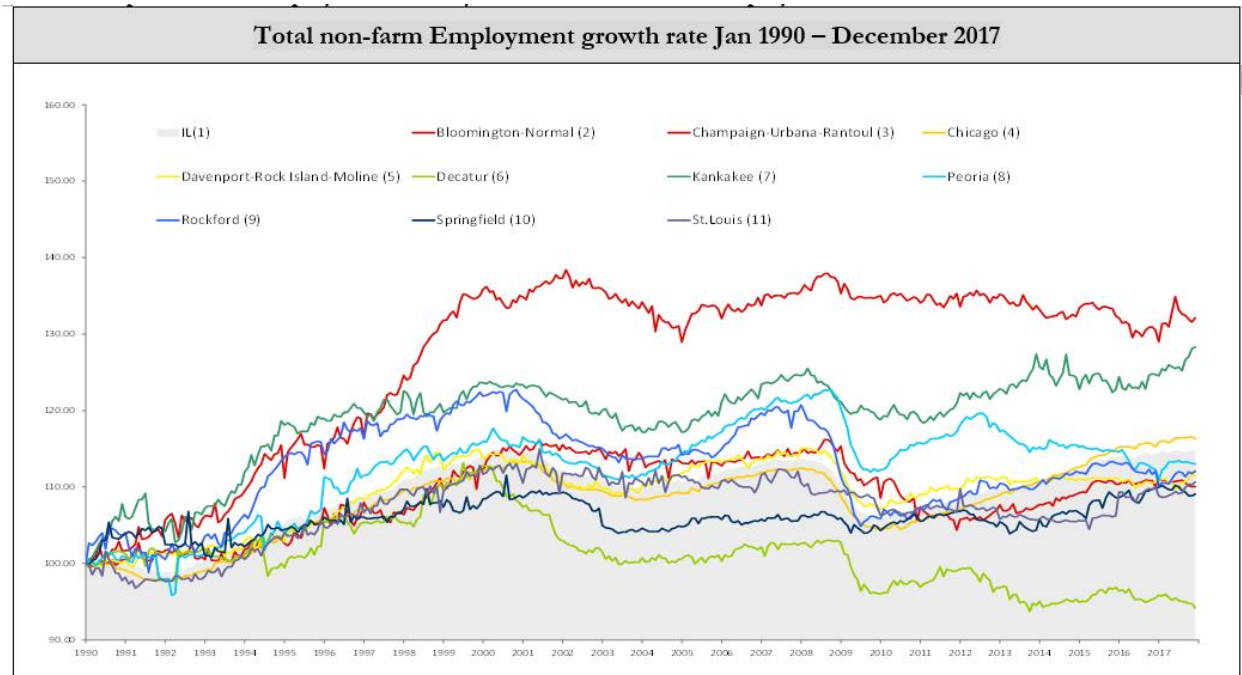
Rank	November 2017	December 2017	Rank	Change**
1	Davenport-Rock Island-Moline(1.16%)	Bloomington-Normal(0.41%)	1	▲(+9)
2	Kankakee(0.8%)	Metro-East(0.3%)	2	▲(+4)
3	Springfield (0.23%)	Rockford (0.3%)	3	▲(+6)
4	Decatur(0.04%)	Springfield (0.21%)	4	▼(-1)
5	Chicago(0%)	Kankakee(0.17%)	5	▼(-3)
6	Metro-East(-0.02%)	Champaign-Urbana-Rantoul(-0.02%)	6	▲(+1)
7	Champaign-Urbana-Rantoul(-0.04%)	Peoria(-0.09%)	7	▲(+1)
8	Peoria(-0.13%)	Chicago(-0.24%)	8	▼(-3)
9	Rockford (-0.13%)	Davenport-Rock Island-Moline(-0.49%)	9	▼(-8)
10	Bloomington-Normal(-0.31%)	Decatur(-0.59%)	10	▼(-6)

Growth over last 12-months:

Rank	November 2017	December 2017	Rank	Change**
1	Kankakee (2.64%)	Kankakee (2.88%)	1	◀(+0)
2	Davenport-Rock Island-Moline (1.63%)	Bloomington-Normal (1.23%)	2	▲(+4)
3	Chicago (0.75%)	Chicago (0.87%)	3	◀(+0)
4	Metro-East (0.61%)	Davenport-Rock Island-Moline (0.7%)	4	▼(-2)
5	Peoria (0.51%)	Peoria (0.63%)	5	◀(+0)
6	Bloomington-Normal (0.48%)	Metro-East (0.57%)	6	▼(-2)
7	Rockford (0.01%)	Champaign-Urbana-Rantoul (0.01%)	7	▲(+3)
8	Springfield (-0.4%)	Rockford (-0.02%)	8	▼(-1)
9	Decatur (-0.58%)	Springfield (-0.71%)	9	▼(-1)
10	Champaign-Urbana-Rantoul (-0.58%)	Decatur (-1.38%)	10	▼(-1)



* The Illinois Department of Employment Security does not collect sector employment data for Metro-East



MSA Definitions (Data are provided for IL counties only in multi-state MSAs)

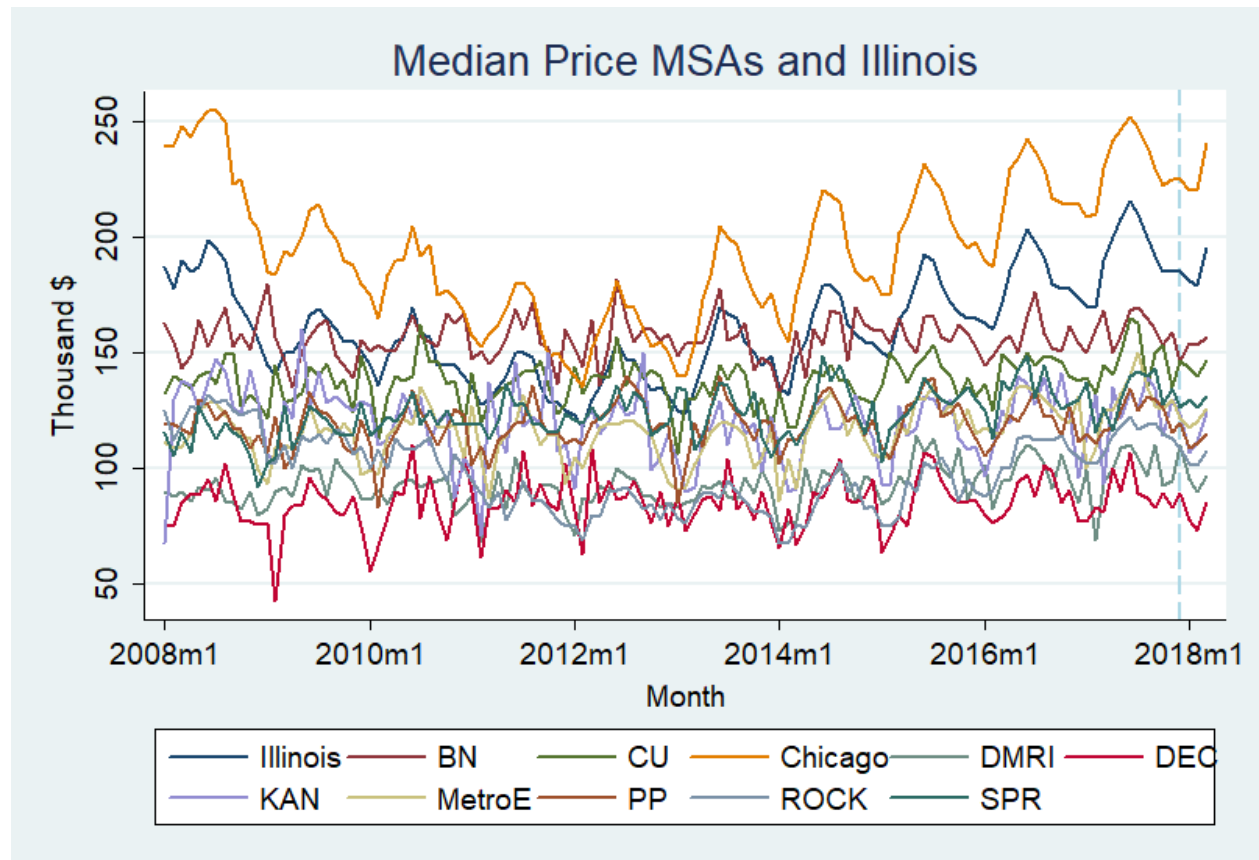
Bloomington-Normal (B-N): McLean Co. **Champaign-Urbana (C-U-R):** Champaign Co., Ford Co. & Piatt Co.
Chicago: Cook Co. IL, DeKalb Co. IL, DuPage Co. IL, Grundy Co. IL, Kane Co. IL, Kendall Co. IL, Lake Co. IL, McHenry Co. IL, Will Co. IL & Kenosha Co. WI **Davenport-Moline-Rock Island (D-R-M):** Henry Co. IL, Mercer Co. IL, Rock Island Co. IL & Scott Co. IA **Decatur:** Macon Co. **Kankakee:** Kankakee Co. **Metro-East:** Bond Co., Calhoun Co., Clinton Co., Jersey Co., Macoupin Co., Madison Co., Monroe Co. & St. Clair Co. **Peoria-Pekin (Peoria):** Marshall Co., Peoria Co., Stark Co., Tazewell Co. & Woodford Co. **Rockford:** Boone Co. & Winnebago Co. **Springfield:** Menard Co. & Sangamon Co.

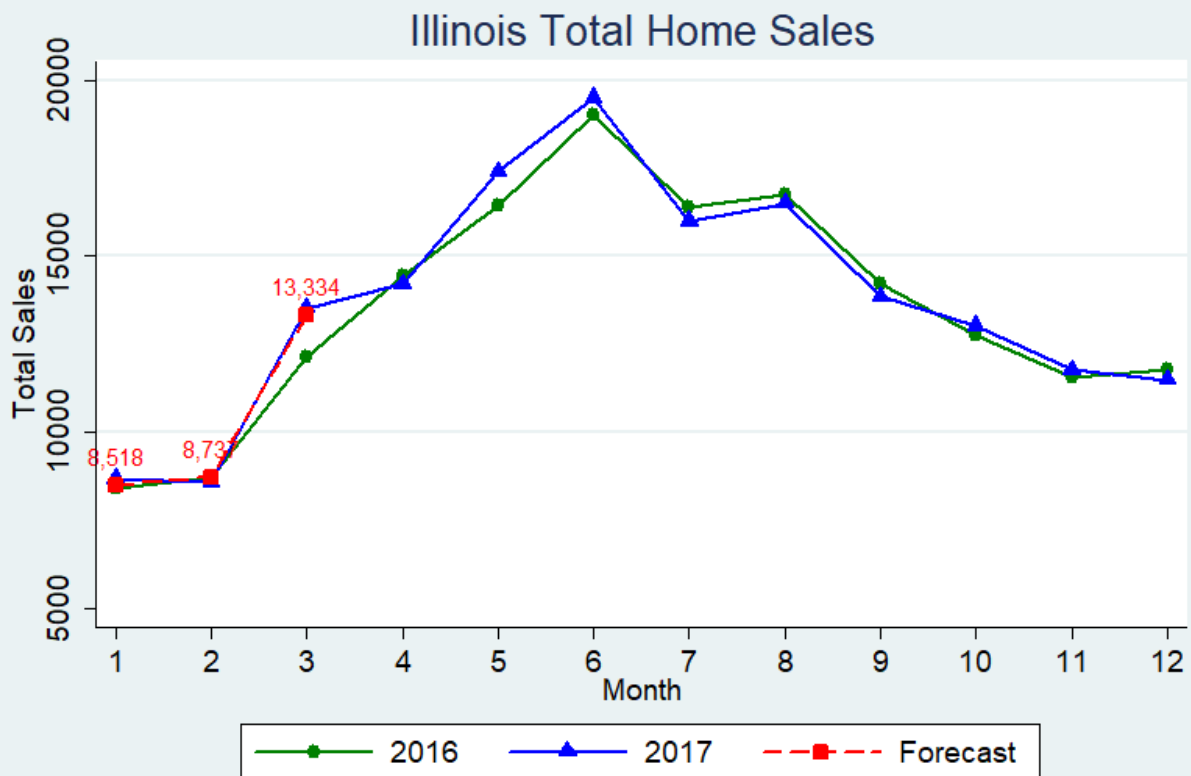
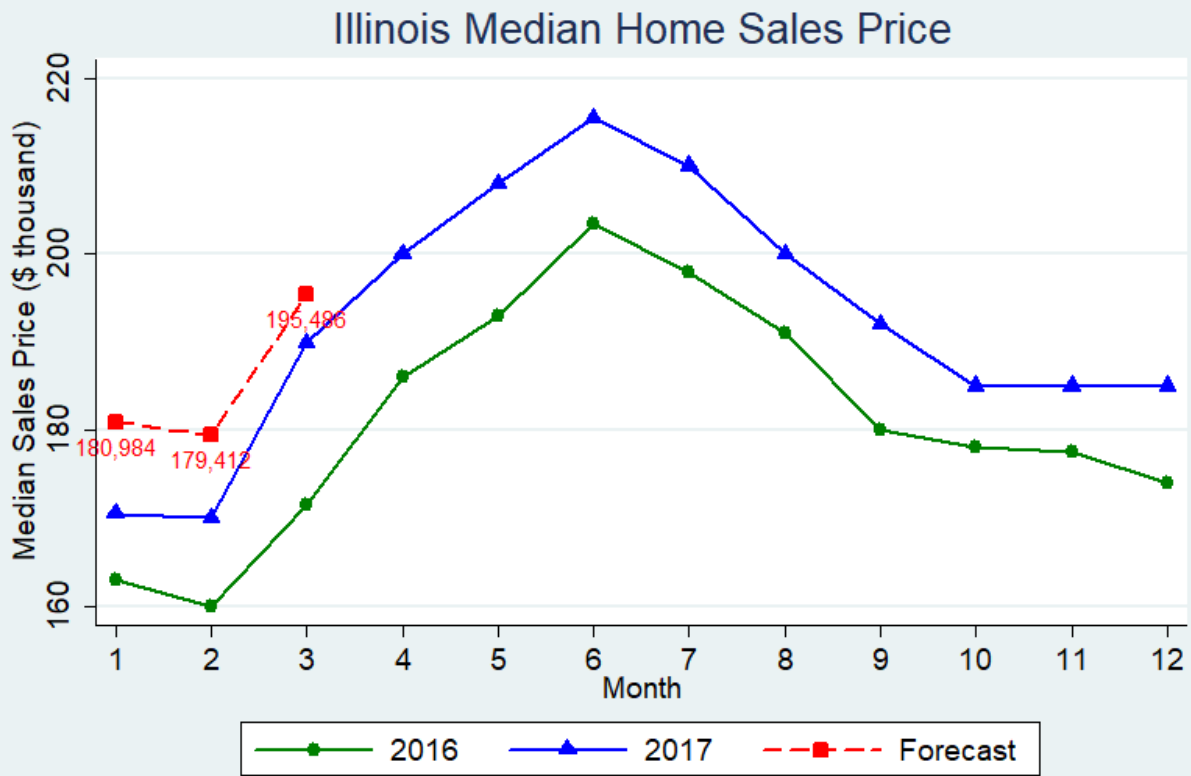
Table 4: Median Prices Forecast for the First Quarter 2018 and Median Prices for the Fourth Quarter 2017

	2018 Q1 Forecast	Price (forecast)	Annually	2017 Q4	Price	Annually
IL State	Jan-18	180,984	6.1%	Oct-17	185,000	3.9%
	Feb-18	179,412	5.5%	Nov-17	185,000	4.2%
	Mar-18	195,486	2.9%	Dec-17	185,000	6.3%
	3M Average	185,294	4.9%	3M	185,000	5.2%
Bloomington-Normal	Jan-18	154,146	2.8%	Oct-17	153,500	1.8%
	Feb-18	153,510	-4.2%	Nov-17	158,950	-1.7%
	Mar-18	157,169	-6.4%	Dec-17	146,000	-5.2%
	3M Average	154,942	-2.6%	3M	153,000	-1.3%
Champaign- Urbana	Jan-18	143,067	2.6%	Oct-17	153,725	5.3%
	Feb-18	140,112	5.5%	Nov-17	135,000	-3.6%
	Mar-18	146,621	1.5%	Dec-17	147,000	6.5%
	3M Average	143,267	3.2%	3M	143,000	0.0%
Chicago PMSA	Jan-18	220,194	5.4%	Oct-17	222,000	3.3%
	Feb-18	220,087	4.8%	Nov-17	225,000	5.1%
	Mar-18	240,701	4.7%	Dec-17	225,000	5.1%
	3M Average	226,994	4.9%	3M	224,500	4.4%
Davenport-Moline- Rock Island	Jan-18	95,468	-4.3%	Oct-17	93,000	-12.7%
	Feb-18	90,053	30.5%	Nov-17	95,000	-0.3%
	Mar-18	96,749	2.9%	Dec-17	110,250	29.7%
	3M Average	94,090	9.7%	3M	98,750	3.9%
Decatur	Jan-18	78,031	1.3%	Oct-17	89,500	4.7%
	Feb-18	73,130	-11.9%	Nov-17	83,000	-8.3%
	Mar-18	85,553	5.0%	Dec-17	89,000	15.3%
	3M Average	78,905	-1.9%	3M	89,000	3.5%
Kankakee	Jan-18	106,796	-7.1%	Oct-17	114,500	-18.8%
	Feb-18	111,580	-15.5%	Nov-17	129,900	4.3%
	Mar-18	124,212	32.8%	Dec-17	123,700	28.9%
	3M Average	114,196	3.4%	3M	125,000	5.9%
Metro-East	Jan-18	117,858	17.9%	Oct-17	125,800	3.1%
	Feb-18	120,297	10.4%	Nov-17	129,700	8.2%
	Mar-18	125,543	-0.4%	Dec-17	122,000	-7.2%
	3M Average	121,232	9.3%	3M	125,250	1.4%
Peoria-Pekin	Jan-18	108,803	-5.4%	Oct-17	126,750	11.4%
	Feb-18	110,976	0.0%	Nov-17	116,000	-8.7%
	Mar-18	115,214	-1.1%	Dec-17	119,900	7.1%
	3M Average	111,664	-2.2%	3M	122,000	4.4%
Rockford	Jan-18	102,351	0.3%	Oct-17	115,000	0.7%
	Feb-18	101,729	-0.8%	Nov-17	113,000	4.6%
	Mar-18	107,848	1.7%	Dec-17	109,000	3.8%
	3M Average	103,976	0.4%	3M	114,000	3.2%
Springfield	Jan-18	129,649	-5.4%	Oct-17	128,000	2.0%
	Feb-18	126,755	9.5%	Nov-17	134,500	5.5%
	Mar-18	131,187	4.0%	Dec-17	126,200	-2.9%
	3M Average	129,197	2.7%	3M	129,900	1.9%

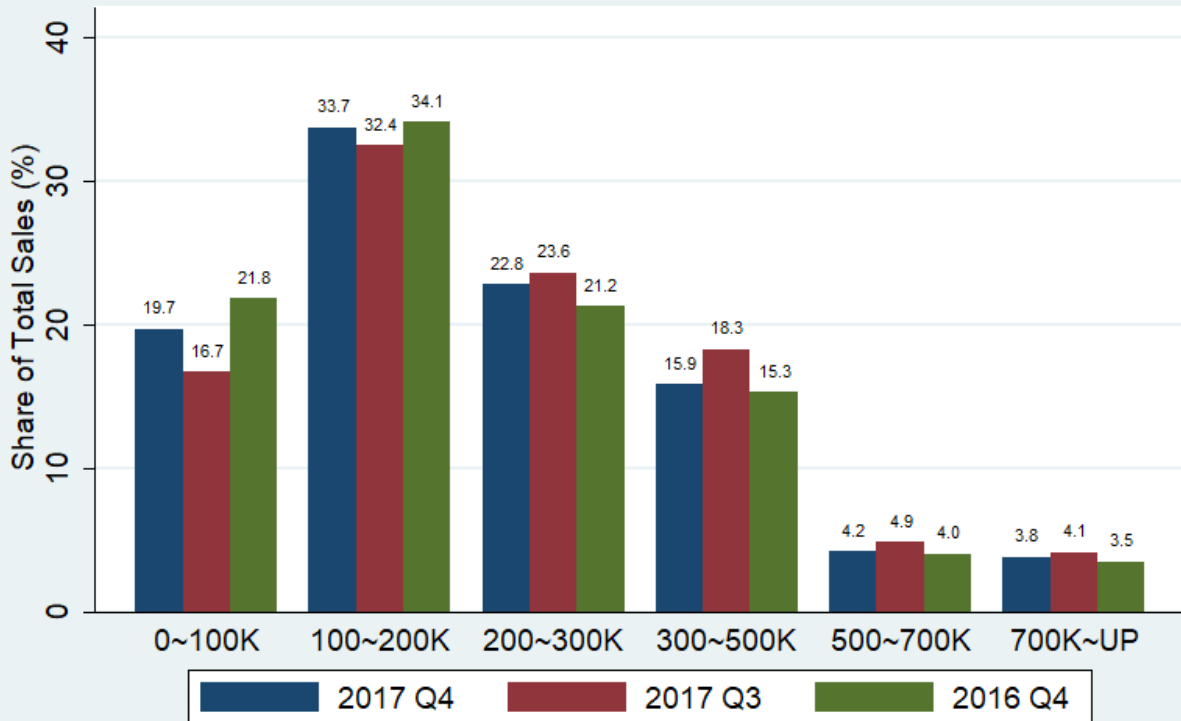
Table 5: Sales Forecast for the First Quarter 2018 & Sales Percentage Change for the Fourth Quarter 2017

	2018 Q1 Forecast	Annual		Monthly		2017 Q4	Annual	Monthly
IL State	Jan-18	-1.6%	-2.2%	-22.0%	-29.7%	Oct-17	2.1%	-5.9%
	Feb-18	1.5%	2.1%	2.2%	3.0%	Nov-17	1.8%	-9.7%
	Mar-18	-1.2%	-1.6%	44.7%	60.5%	Dec-17	-2.6%	-2.3%
	3M	-0.6%	-0.8%	5.5%	7.4%	3M	0.4%	-21.7%
Bloomington-Normal	Jan-18	-3.0%	-4.1%	-10.3%	-14.0%	Oct-17	-8.1%	-25.3%
	Feb-18	-1.7%	-2.3%	-0.6%	-0.8%	Nov-17	5.3%	-7.6%
	Mar-18	-0.4%	-0.6%	43.2%	58.4%	Dec-17	-15.6%	-7.6%
	3M	-1.6%	-2.1%	9.7%	13.2%	3M	-6.7%	-32.3%
Champaign- Urbana	Jan-18	-2.3%	-3.1%	-26.4%	-35.7%	Oct-17	-8.1%	-21.3%
	Feb-18	-8.3%	-11.2%	2.4%	3.3%	Nov-17	-17.5%	-6.8%
	Mar-18	-8.6%	-11.6%	42.0%	56.8%	Dec-17	-15.9%	9.5%
	3M	-6.8%	-9.2%	2.1%	2.9%	3M	-14.0%	-37.1%
Chicago	Jan-18	2.4%	3.2%	-17.0%	-23.0%	Oct-17	2.3%	-6.1%
	Feb-18	7.7%	10.4%	0.8%	1.1%	Nov-17	-0.3%	-10.3%
	Mar-18	-2.4%	-3.2%	40.0%	54.1%	Dec-17	-2.1%	-1.9%
	3M	1.7%	2.3%	6.1%	8.3%	3M	0.0%	-23.2%
Davenport-Moline-Rock Island	Jan-18	2.7%	3.6%	-13.6%	-18.4%	Oct-17	11.3%	-4.6%
	Feb-18	-1.7%	-2.2%	13.6%	18.4%	Nov-17	7.8%	-4.3%
	Mar-18	-1.3%	-1.7%	11.5%	15.6%	Dec-17	-14.3%	-9.5%
	3M	-0.3%	-0.4%	3.2%	4.4%	3M	1.0%	-18.9%
Decatur	Jan-18	23.1%	31.3%	-30.5%	-41.2%	Oct-17	30.0%	10.2%
	Feb-18	35.7%	48.3%	9.9%	13.4%	Nov-17	-8.8%	-36.2%
	Mar-18	-6.9%	-9.3%	23.0%	31.2%	Dec-17	26.7%	31.3%
	3M	11.4%	15.5%	-3.2%	-4.4%	3M	16.2%	-11.5%
Kankakee	Jan-18	40.9%	55.3%	-16.3%	-22.1%	Oct-17	36.5%	3.6%
	Feb-18	22.8%	30.9%	-6.8%	-9.2%	Nov-17	-0.9%	-6.0%
	Mar-18	19.7%	26.7%	24.6%	33.3%	Dec-17	-4.8%	-9.2%
	3M	26.7%	36.2%	-1.4%	-1.9%	3M	8.4%	-8.0%
Metro-East	Jan-18	9.0%	12.2%	-22.8%	-30.8%	Oct-17	0.3%	-4.2%
	Feb-18	10.0%	13.5%	10.9%	14.8%	Nov-17	9.1%	-9.3%
	Mar-18	2.7%	3.7%	27.5%	37.1%	Dec-17	-3.0%	2.1%
	3M	6.6%	8.9%	3.1%	4.2%	3M	1.7%	-15.6%
Peoria-Pekin	Jan-18	21.3%	28.8%	-10.3%	-14.0%	Oct-17	1.4%	-25.3%
	Feb-18	7.6%	10.3%	-0.6%	-0.8%	Nov-17	5.9%	-7.6%
	Mar-18	3.6%	4.9%	43.2%	58.4%	Dec-17	16.6%	-7.6%
	3M	9.6%	13.0%	1.5%	2.0%	3M	7.4%	-14.6%
Rockford	Jan-18	-3.6%	-4.9%	-23.5%	-31.8%	Oct-17	-2.8%	-2.1%
	Feb-18	7.0%	9.5%	12.9%	17.5%	Nov-17	15.6%	-10.2%
	Mar-18	0.5%	0.7%	21.9%	29.7%	Dec-17	-5.3%	-5.6%
	3M	1.3%	1.7%	1.6%	2.2%	3M	1.7%	-16.1%
Springfield	Jan-18	8.7%	11.7%	-26.1%	-35.4%	Oct-17	-15.8%	-17.8%
	Feb-18	18.2%	24.6%	4.7%	6.4%	Nov-17	15.7%	-2.6%
	Mar-18	-3.8%	-5.2%	36.9%	49.9%	Dec-17	12.4%	-1.3%
	3M	5.2%	7.1%	1.7%	2.3%	3M	1.8%	-23.0%



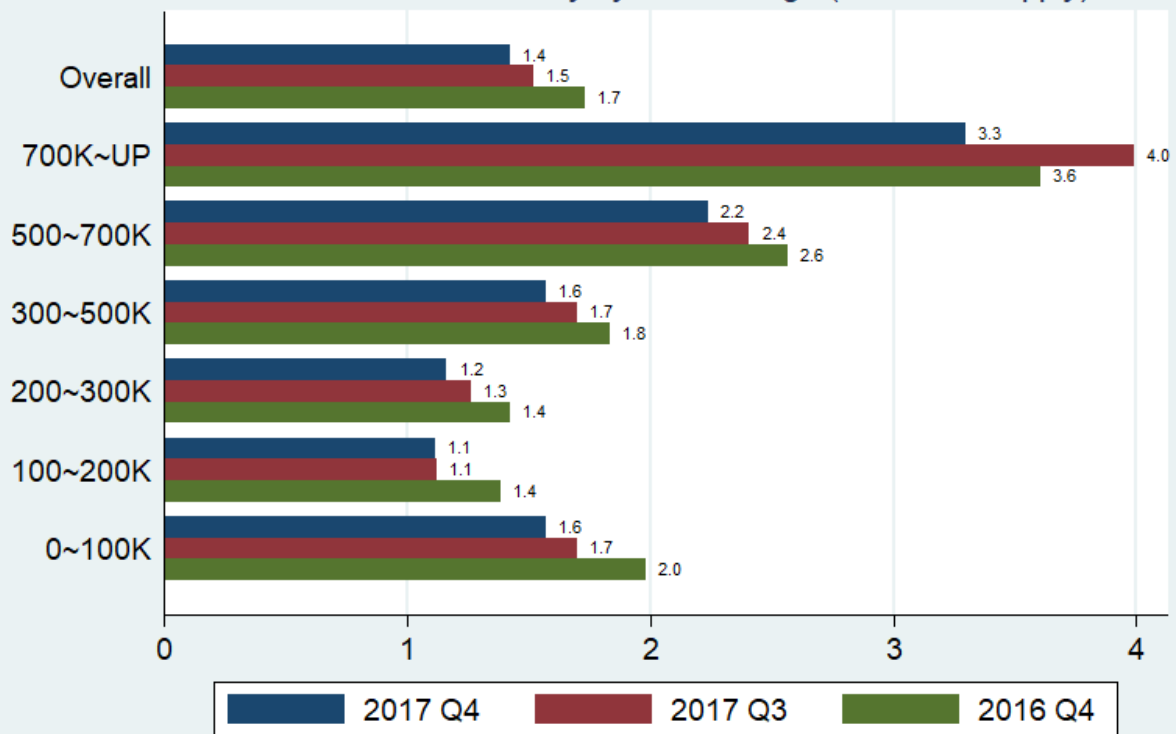


Illinois Price Stratification

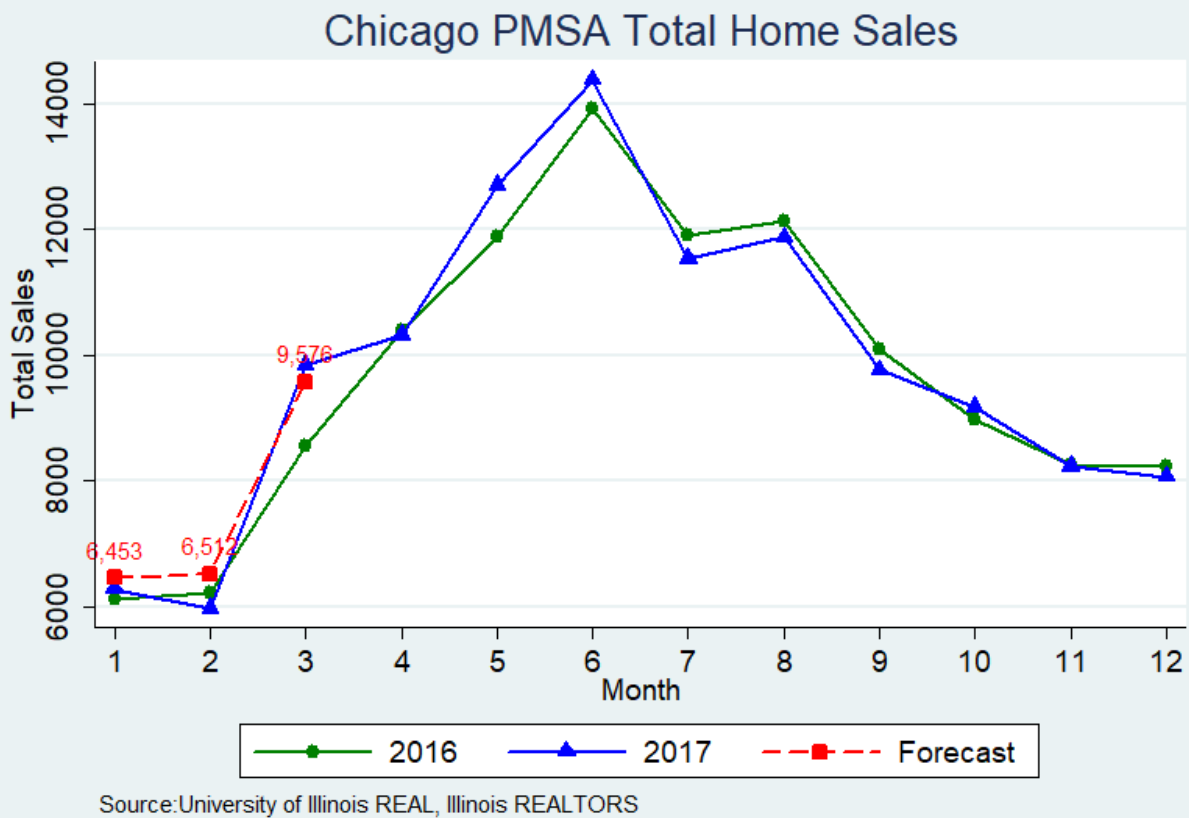
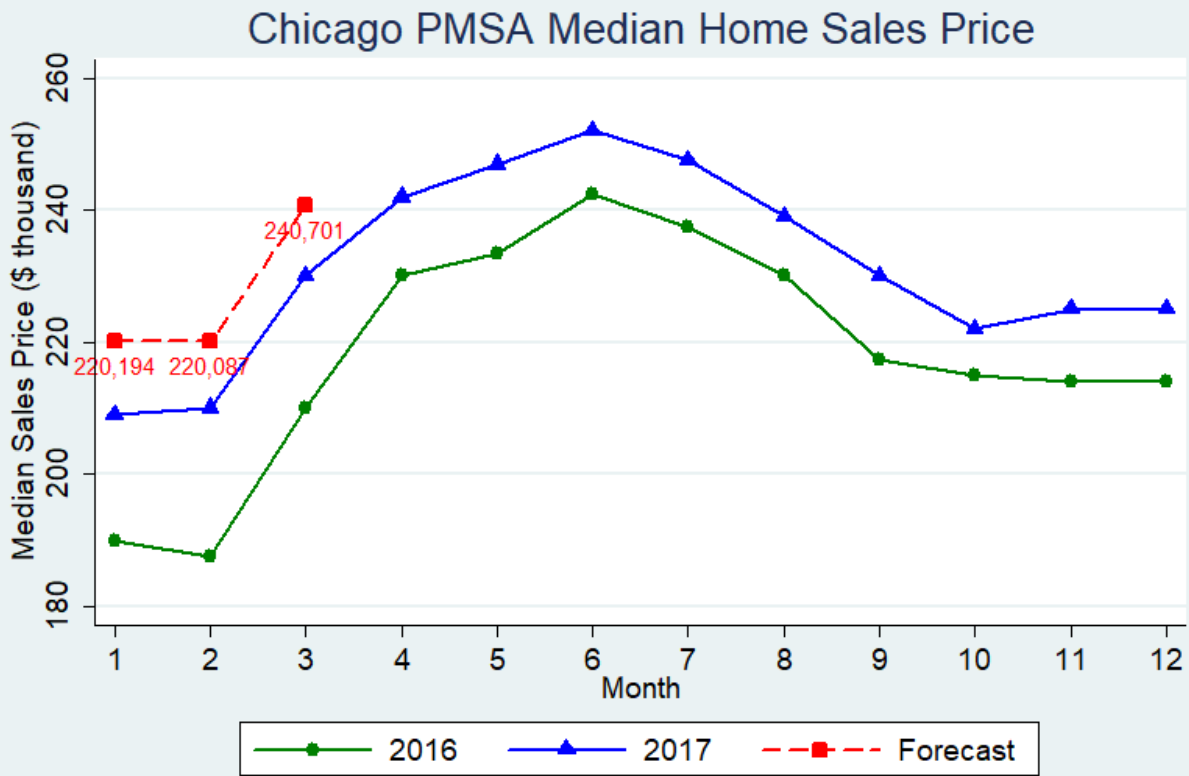


Source: University of Illinois REAL, Illinois REALTORS

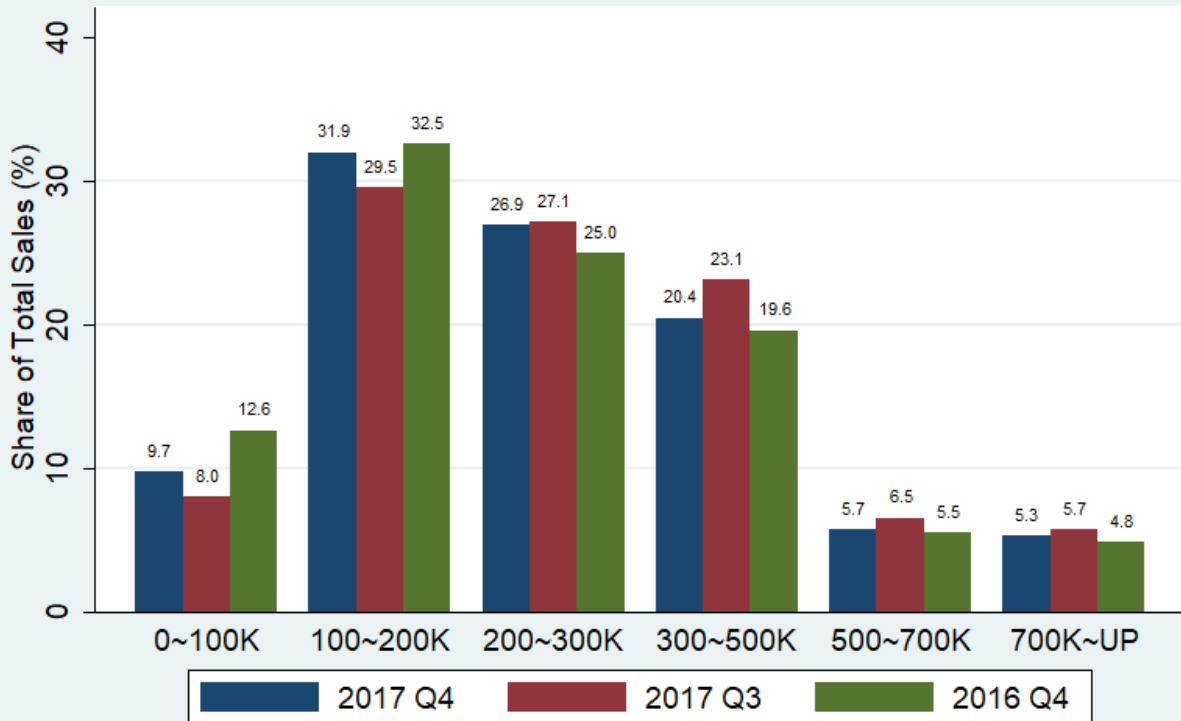
Illinois Unsold Inventory by Price Range (Quarter's Supply)



Source: University of Illinois REAL, Illinois REALTORS

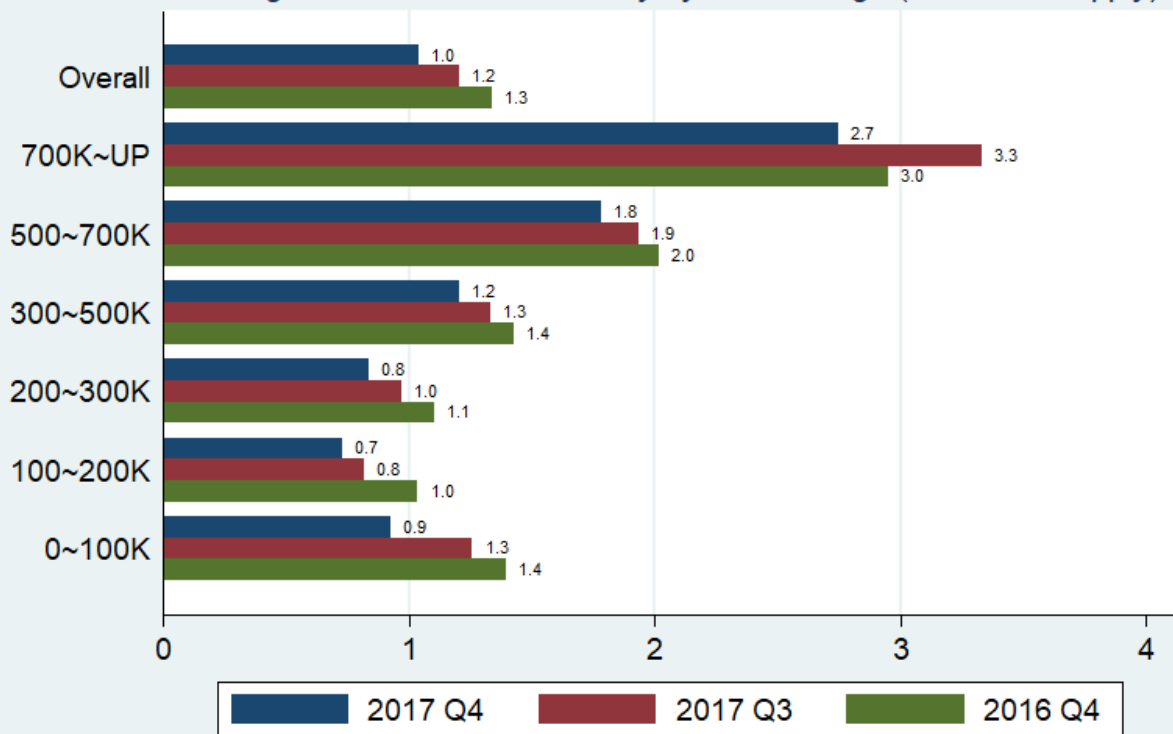


Chicago PMSA Price Stratification



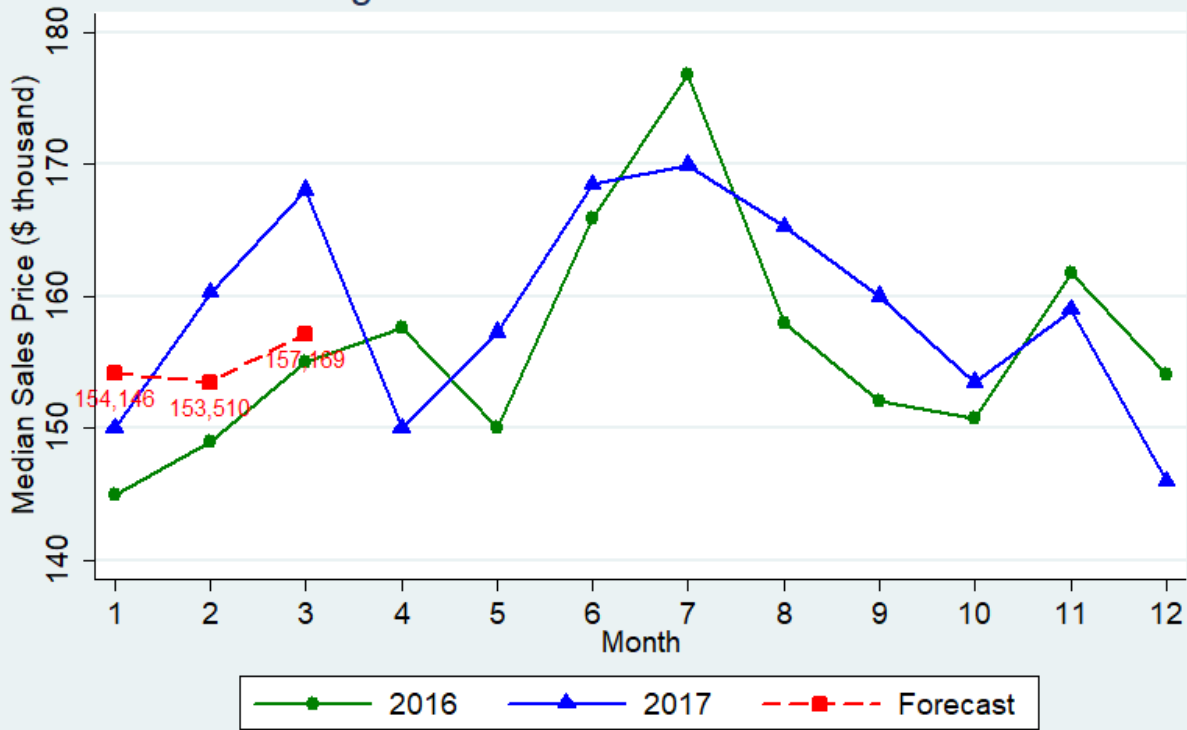
Source: University of Illinois REAL, Illinois REALTORS

Chicago PMSA Unsold Inventory by Price Range (Quarter's Supply)



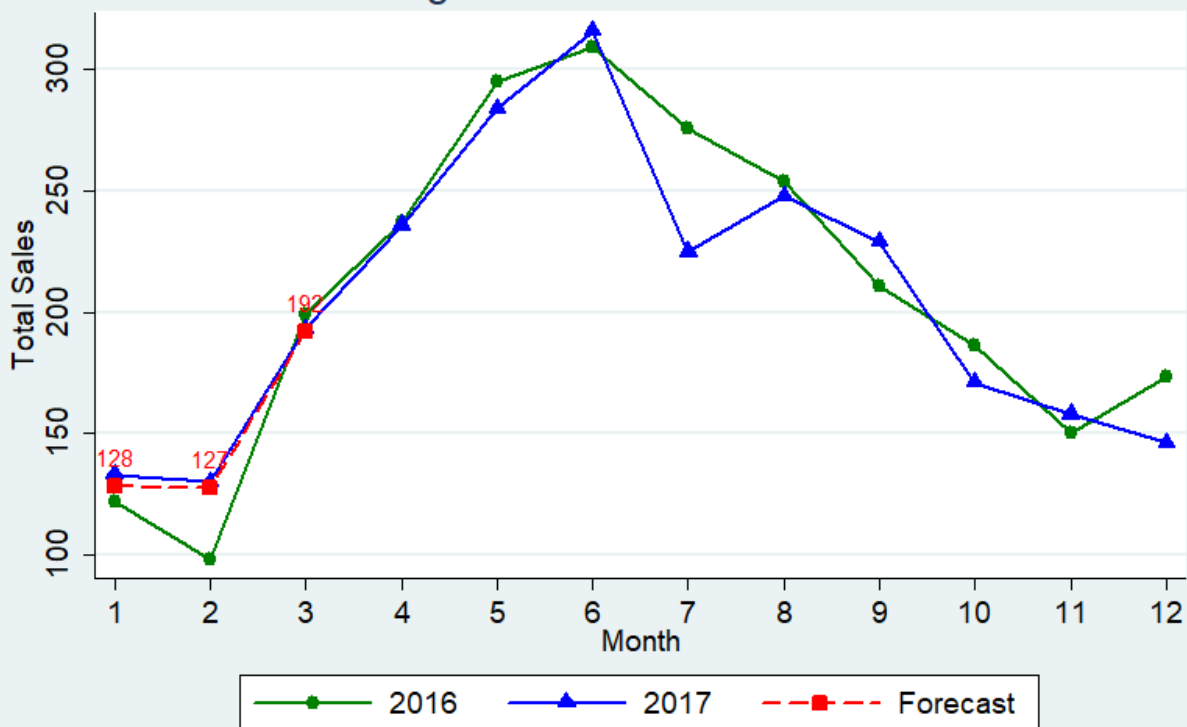
Source: University of Illinois REAL, Illinois REALTORS

Bloomington-Normal Median Home Sales Price



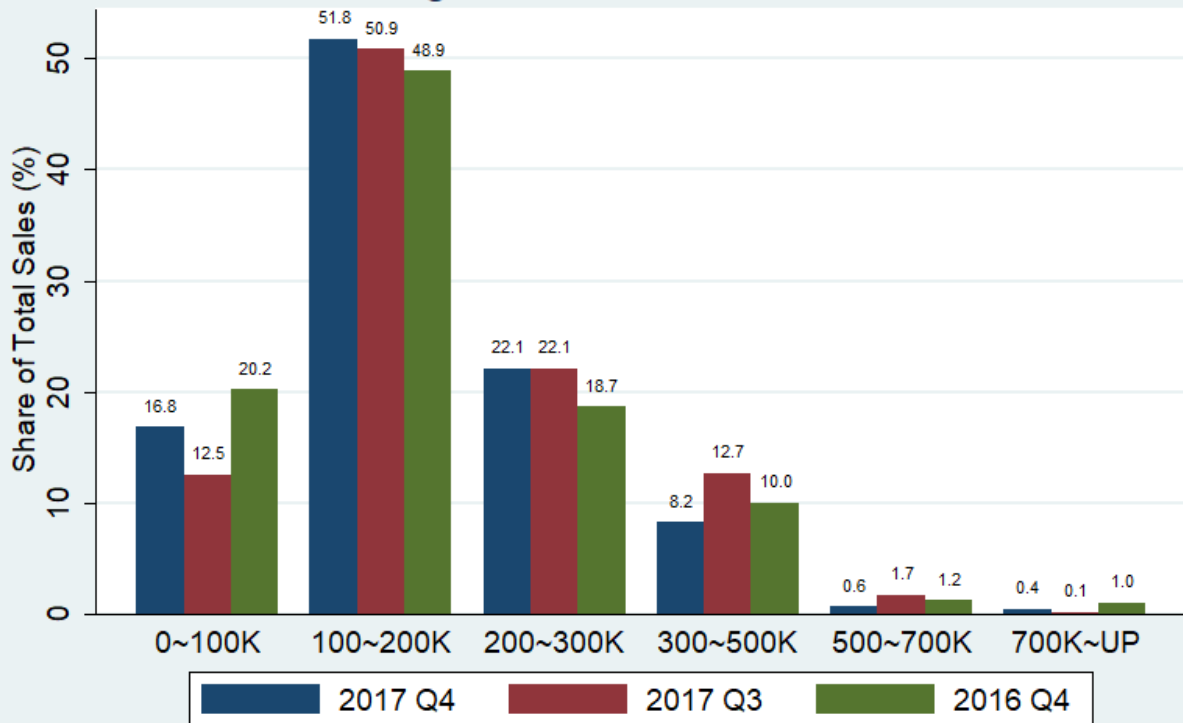
Source: University of Illinois REAL, Illinois REALTORS

Bloomington-Normal Total Home Sales



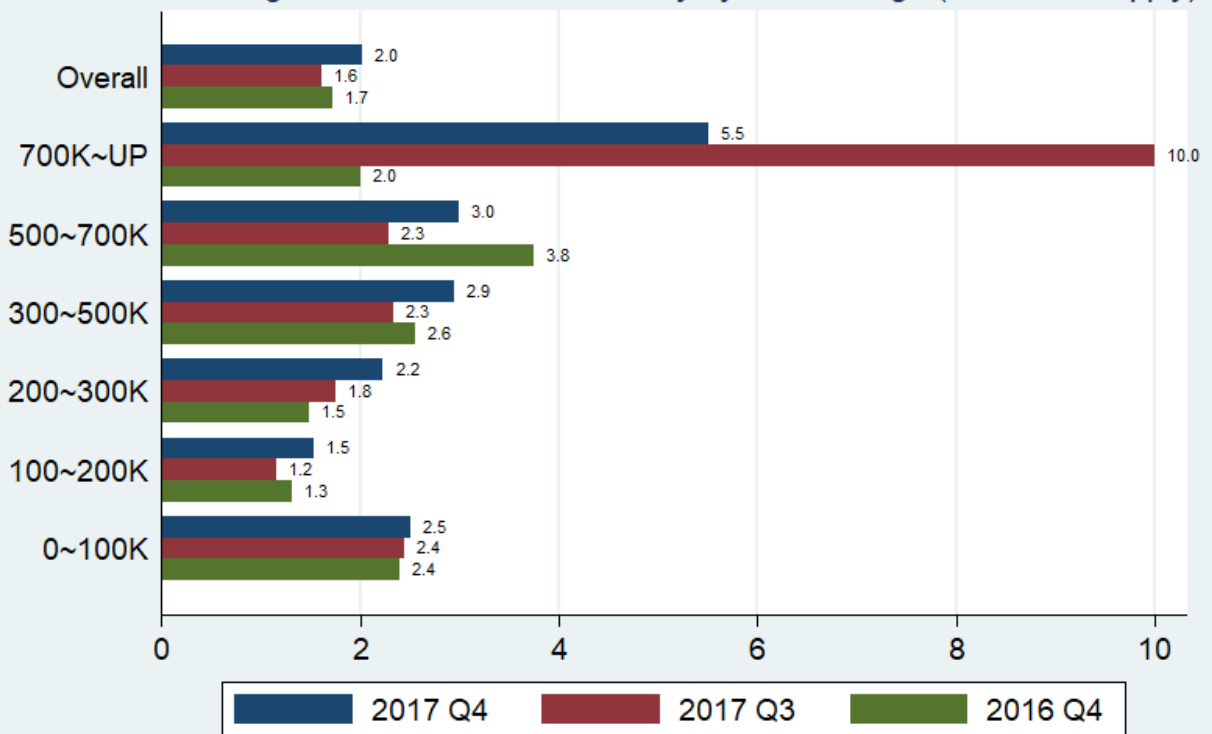
Source: University of Illinois REAL, Illinois REALTORS

Bloomington-Normal Price Stratification

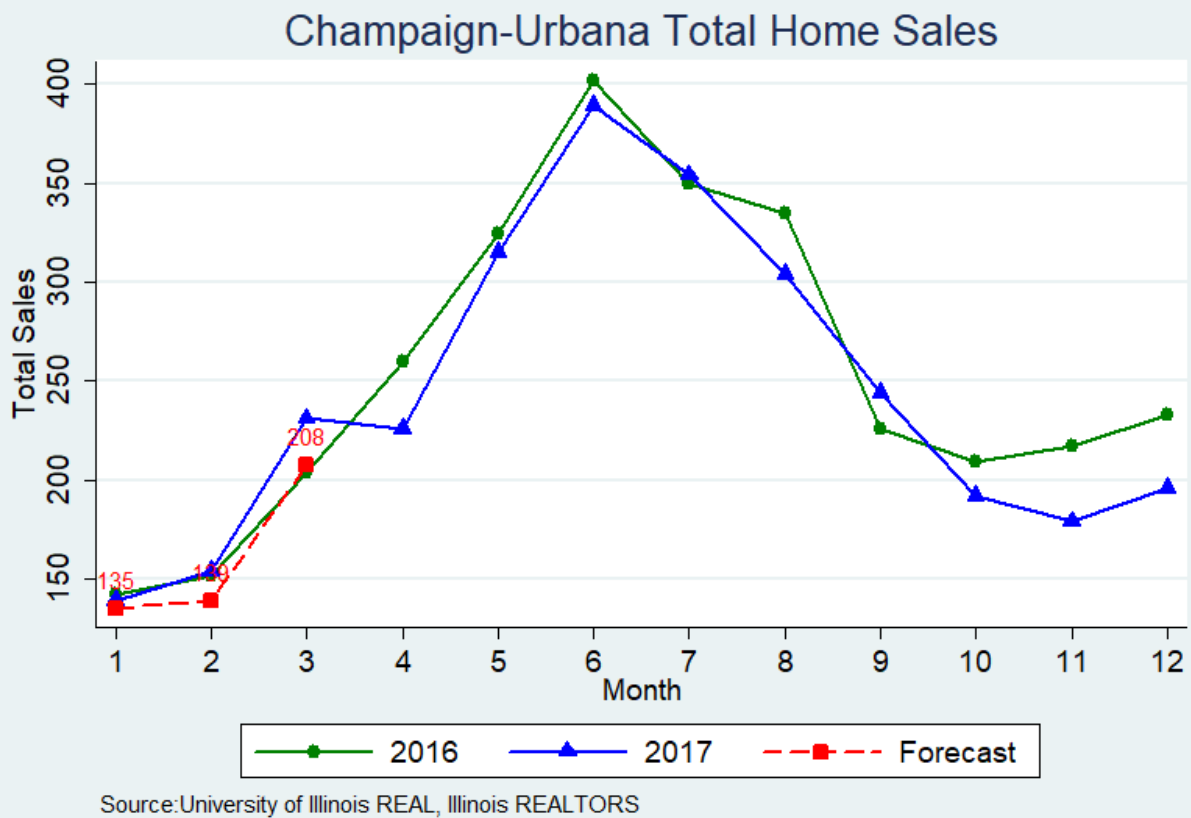
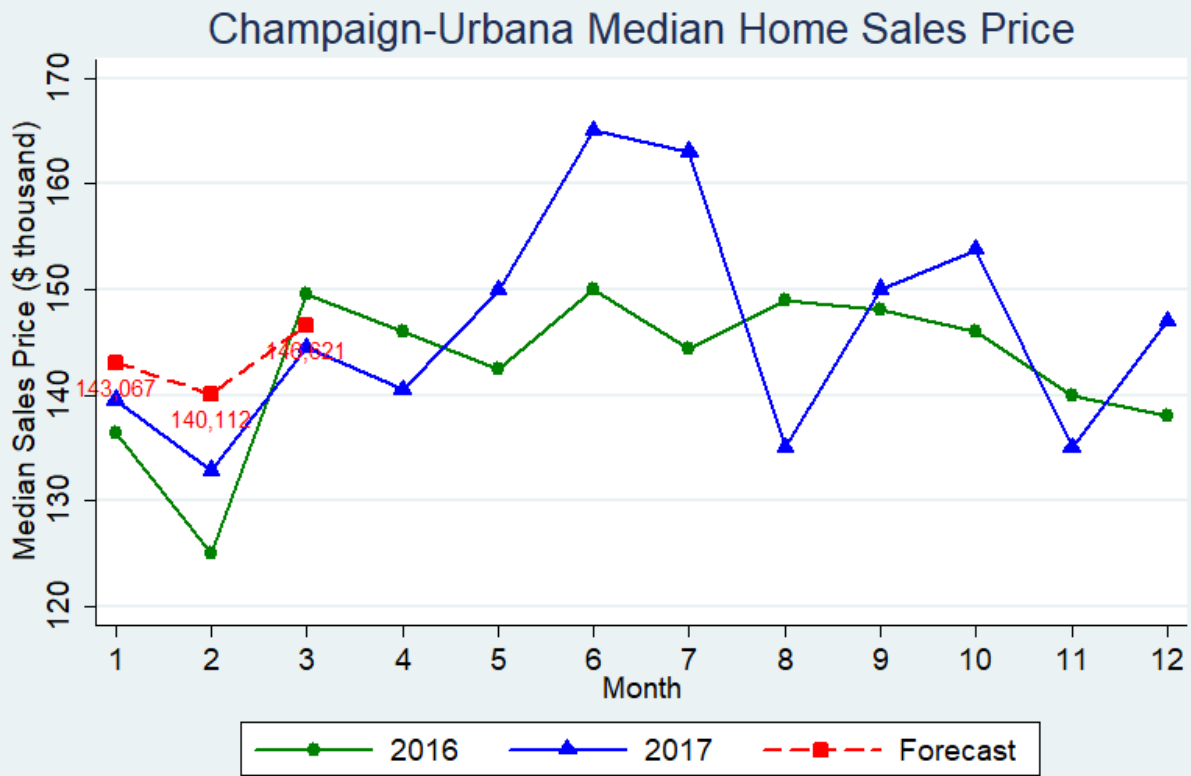


Source: University of Illinois REAL, Illinois REALTORS

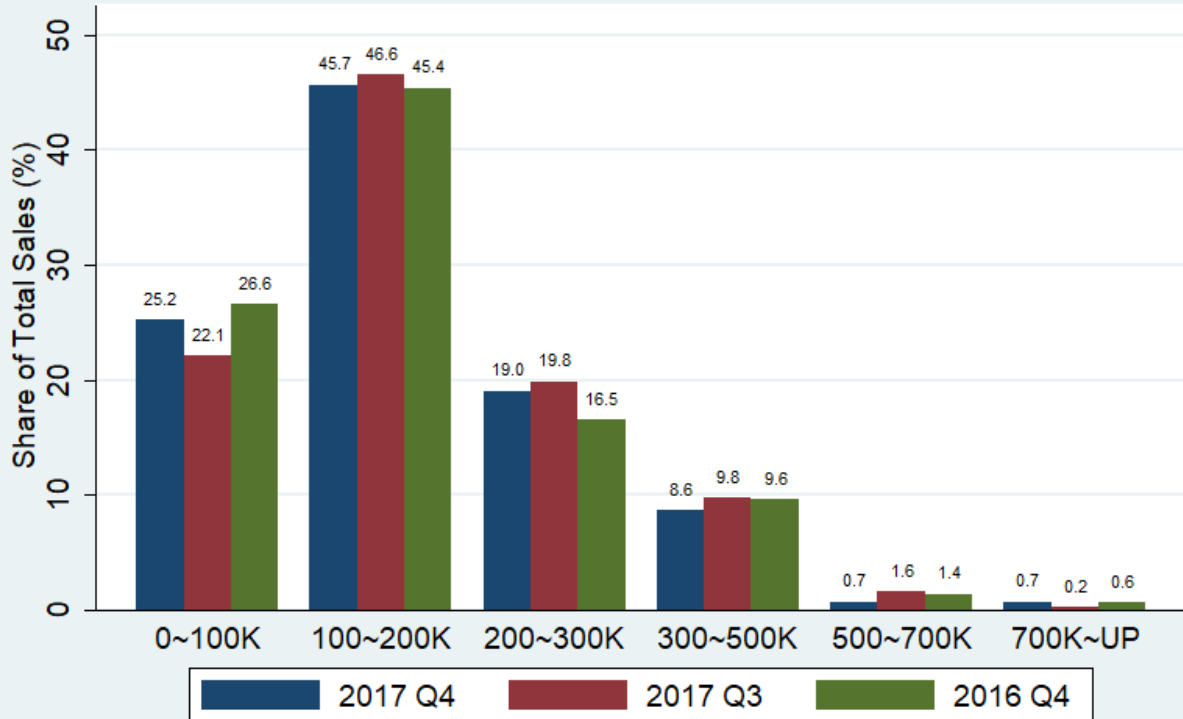
Bloomington-Normal Unsold Inventory by Price Range (Quarter's Supply)



Source: University of Illinois REAL, Illinois REALTORS

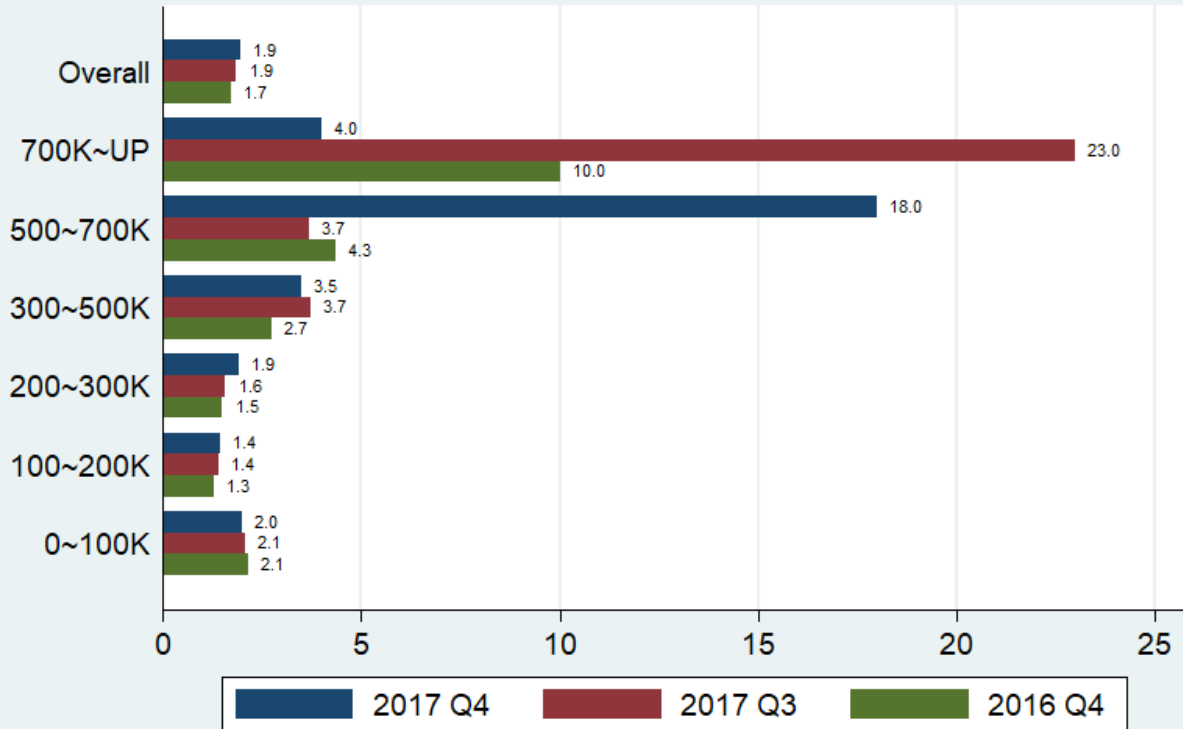


Champaign-Urbana Price Stratification

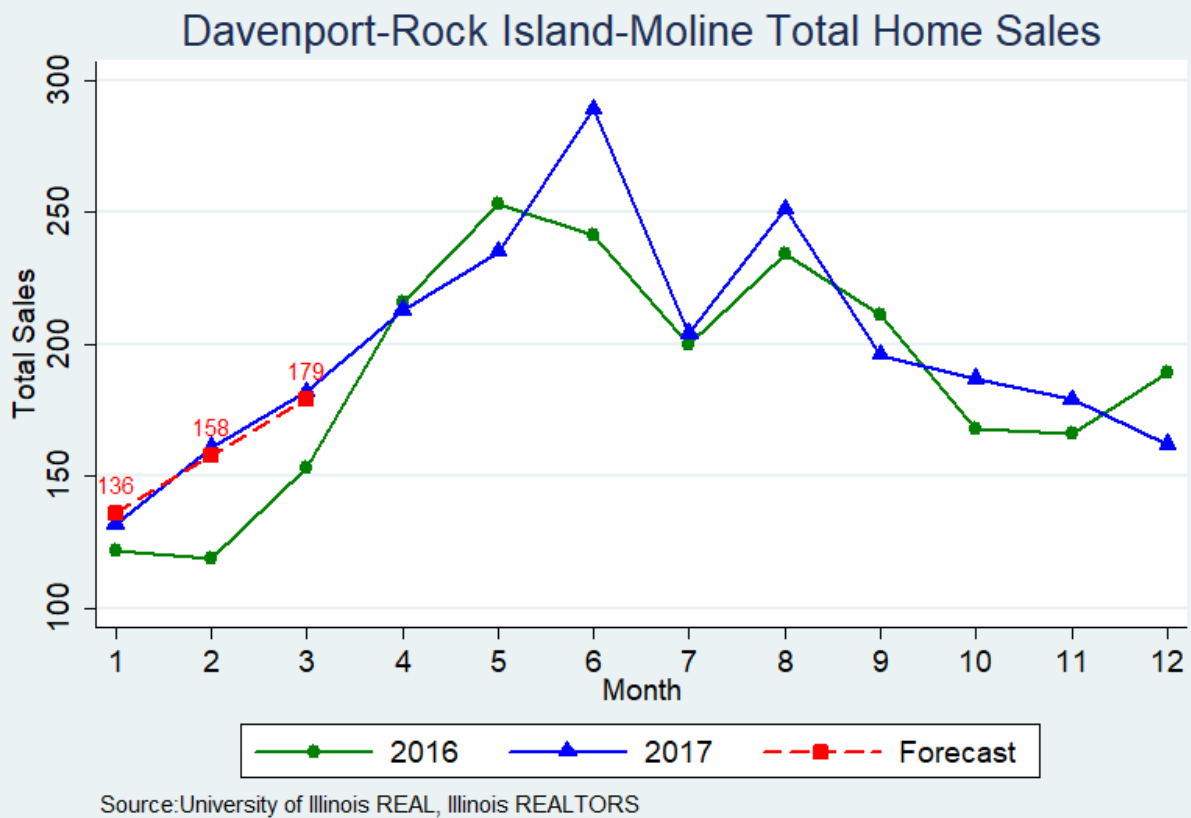
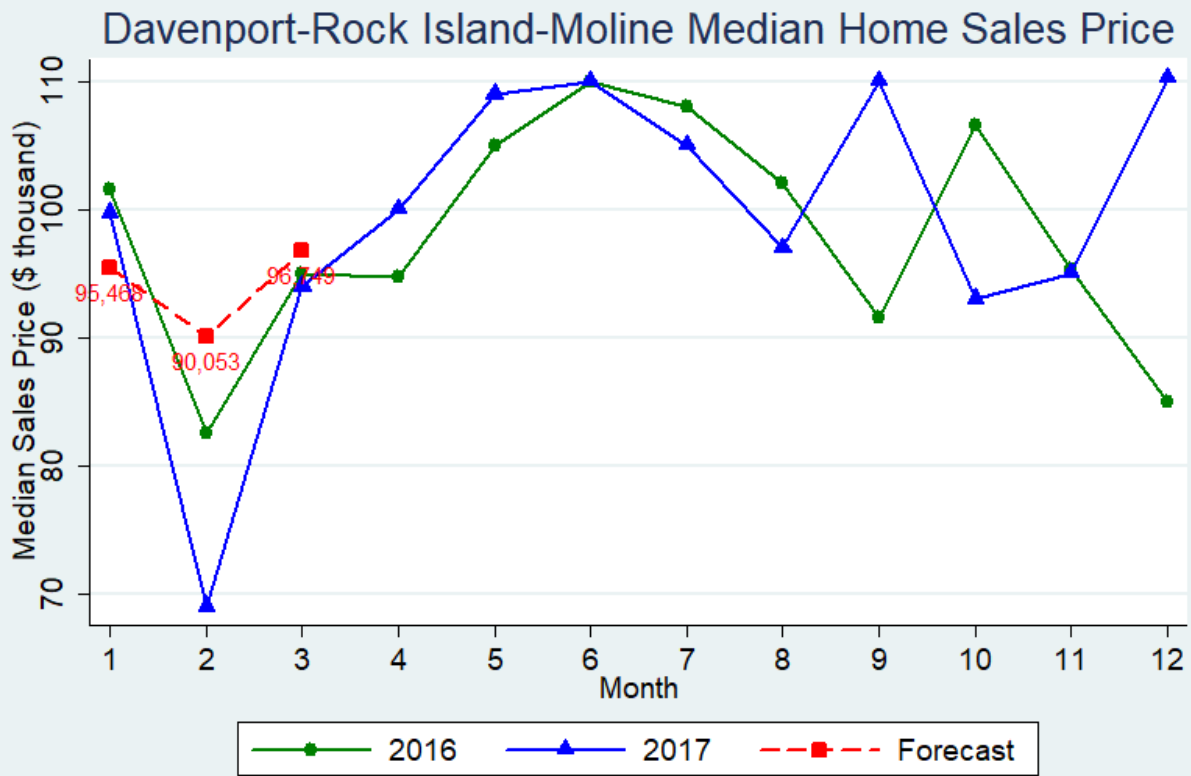


Source: University of Illinois REAL, Illinois REALTORS

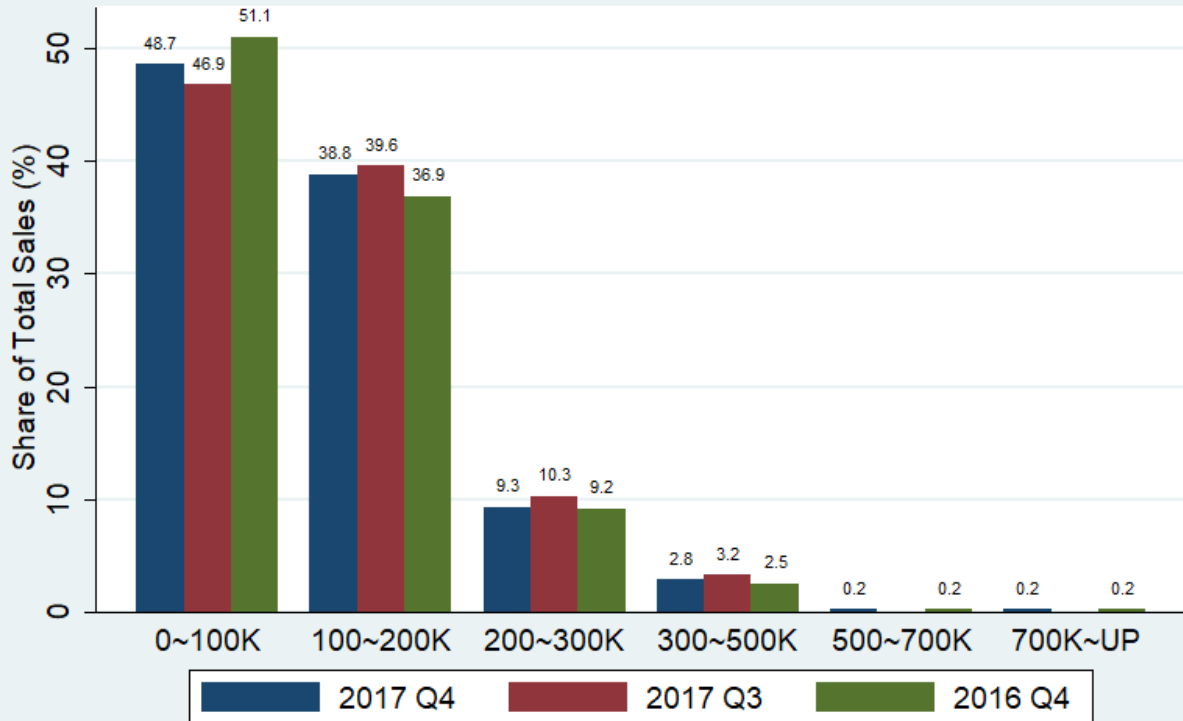
Champaign-Urbana Unsold Inventory by Price Range (Quarter's Supply)



Source: University of Illinois REAL, Illinois REALTORS

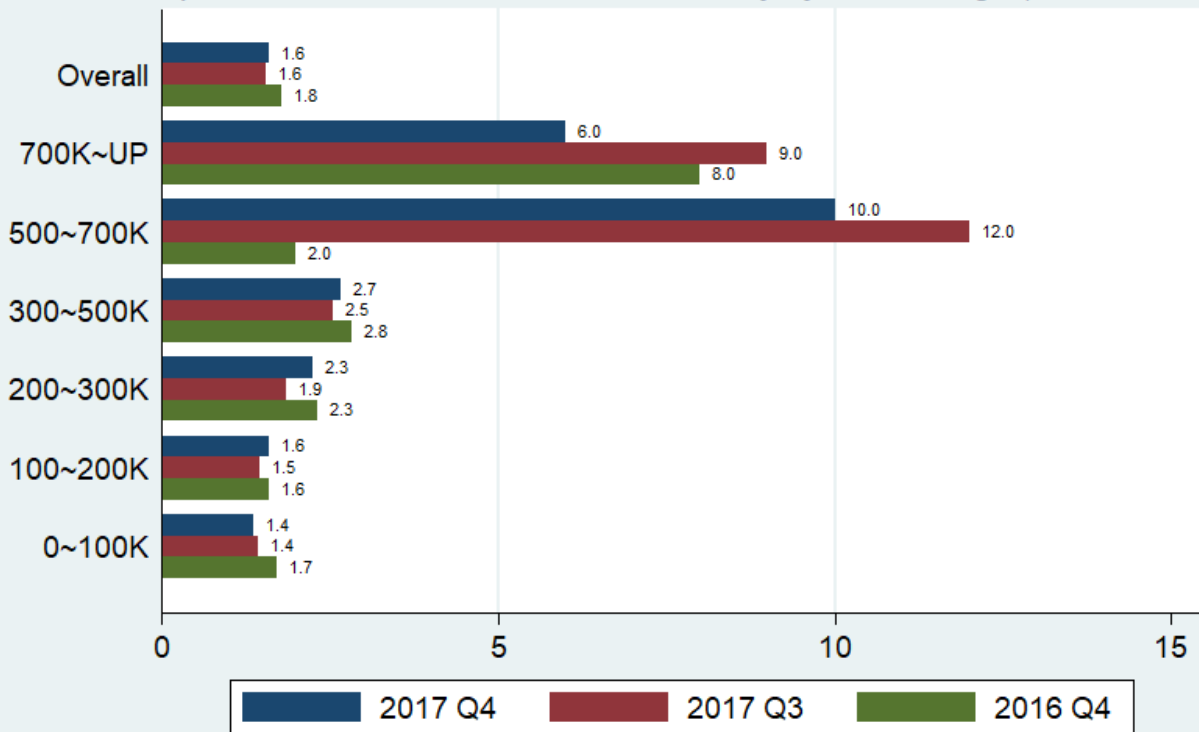


Davenport-Rock Island-Moline Price Stratification

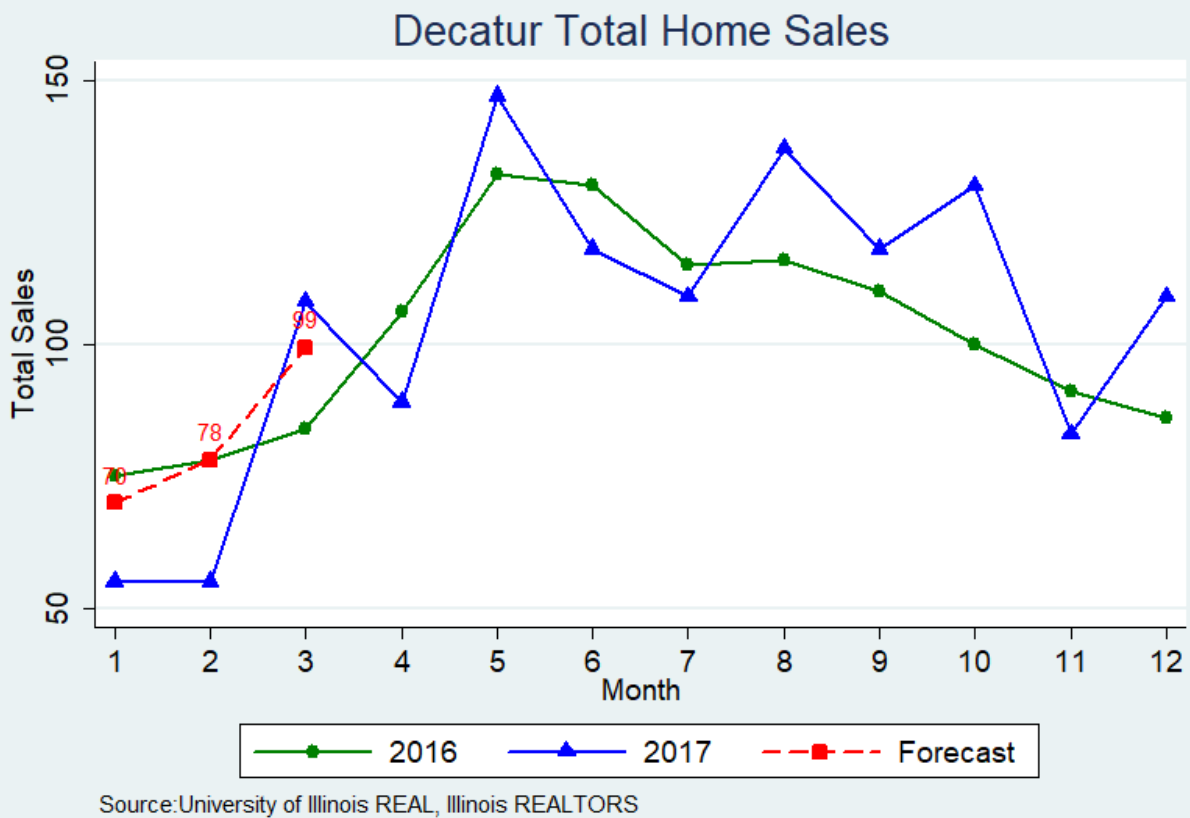
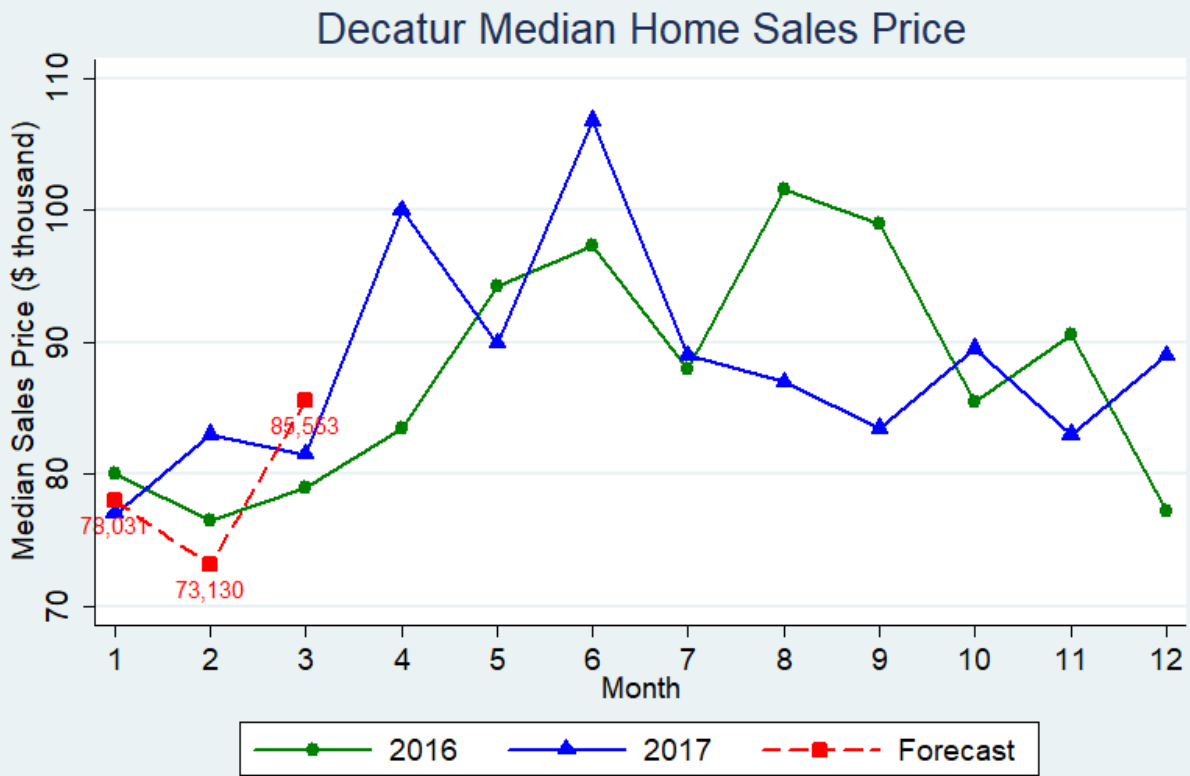


Source: University of Illinois REAL, Illinois REALTORS

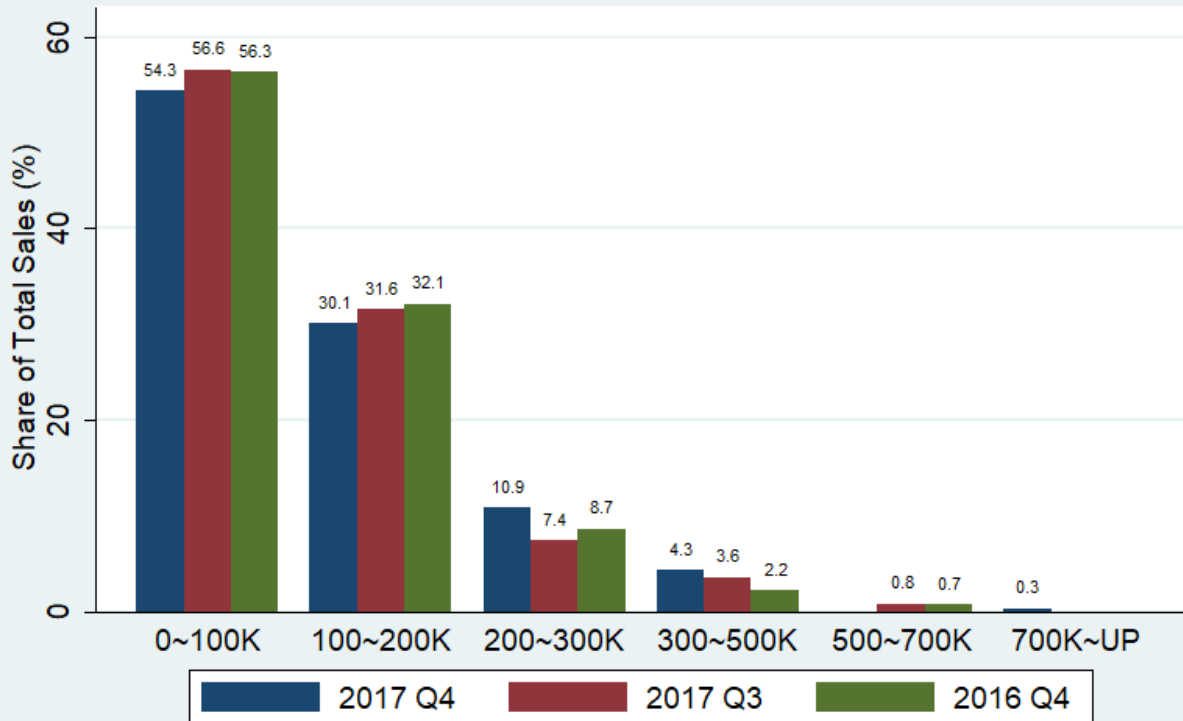
Davenport-Rock Island-Moline Unsold Inventory by Price Range (Quarter's Supply)



Source: University of Illinois REAL, Illinois REALTORS

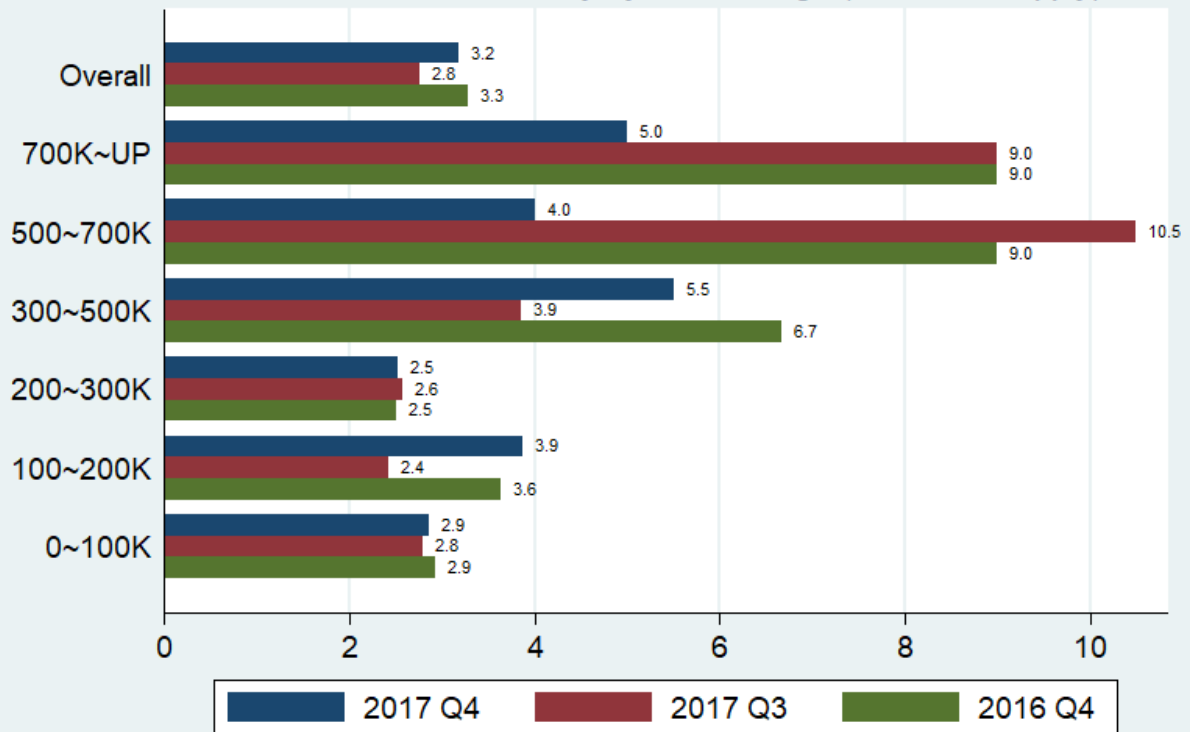


Decatur Price Stratification

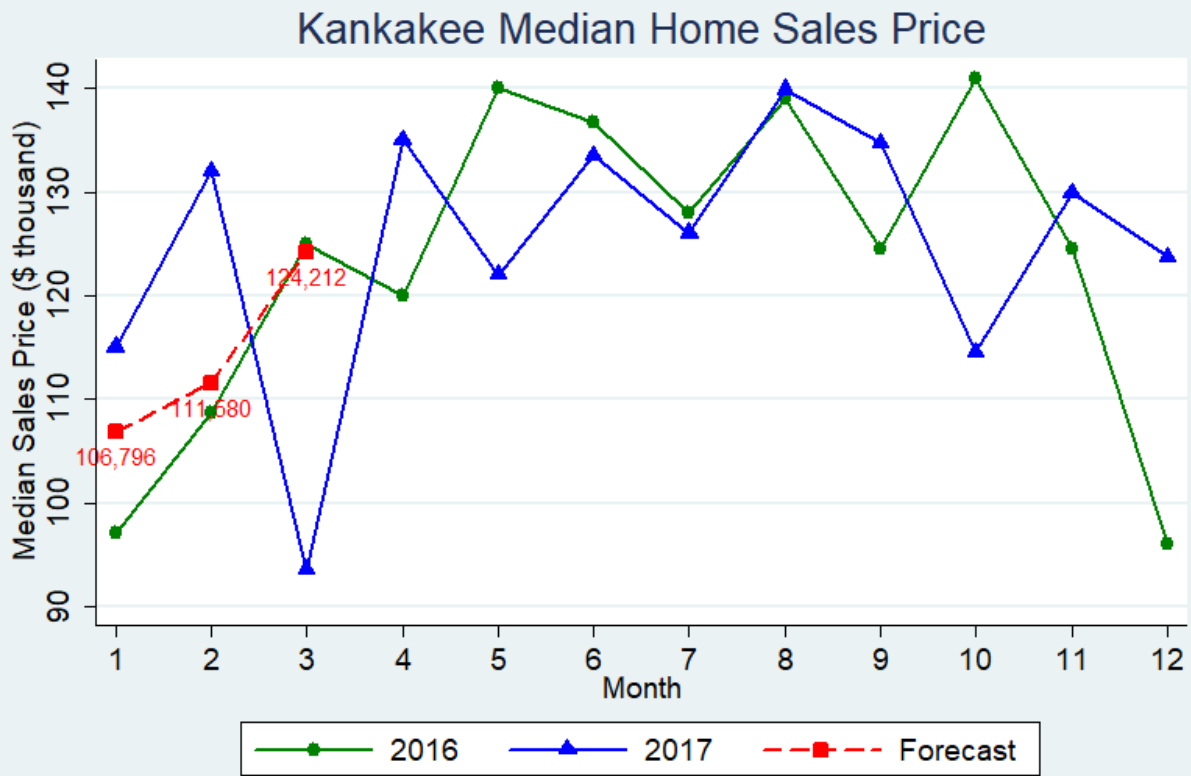


Source: University of Illinois REAL, Illinois REALTORS

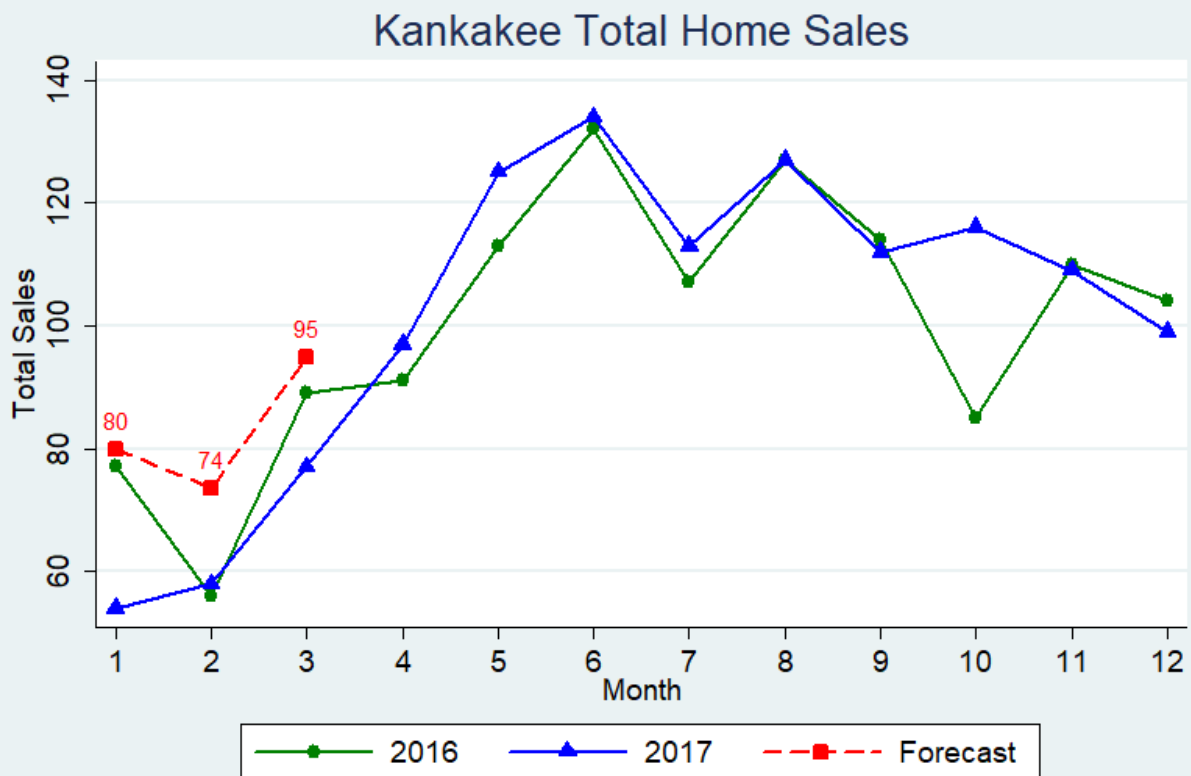
Decatur Unsold Inventory by Price Range (Quarter's Supply)



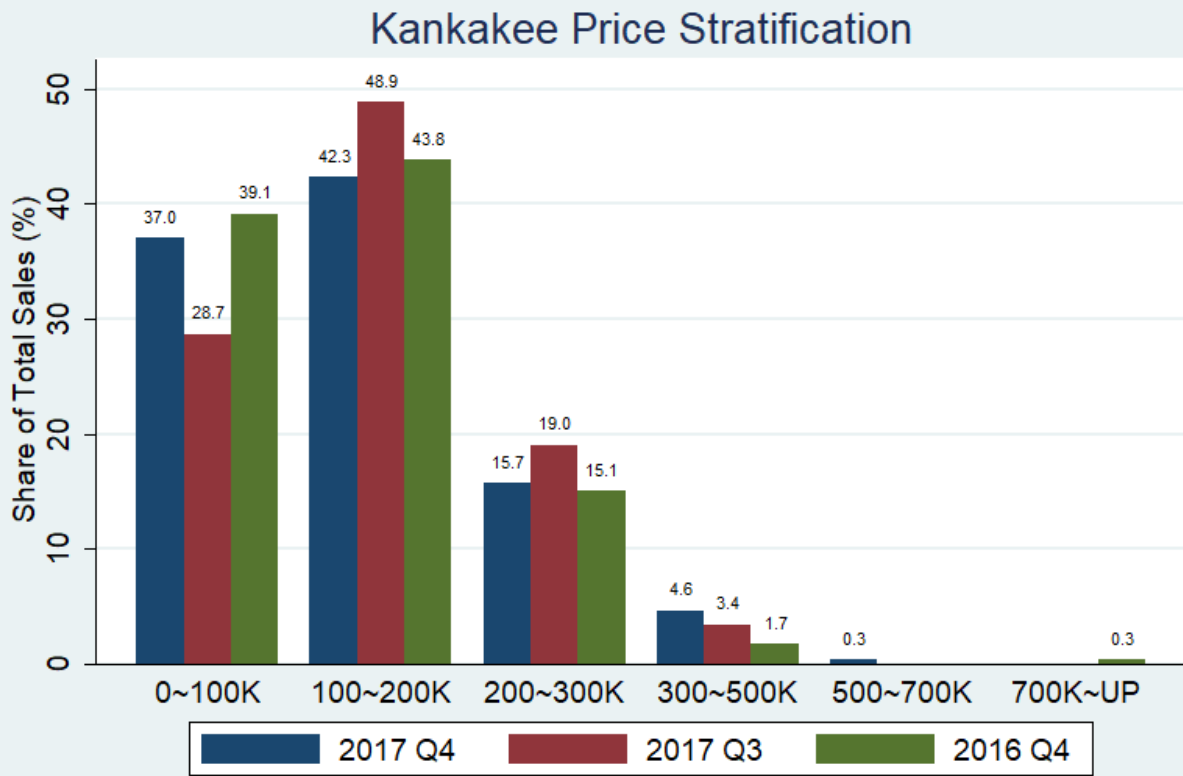
Source: University of Illinois REAL, Illinois REALTORS



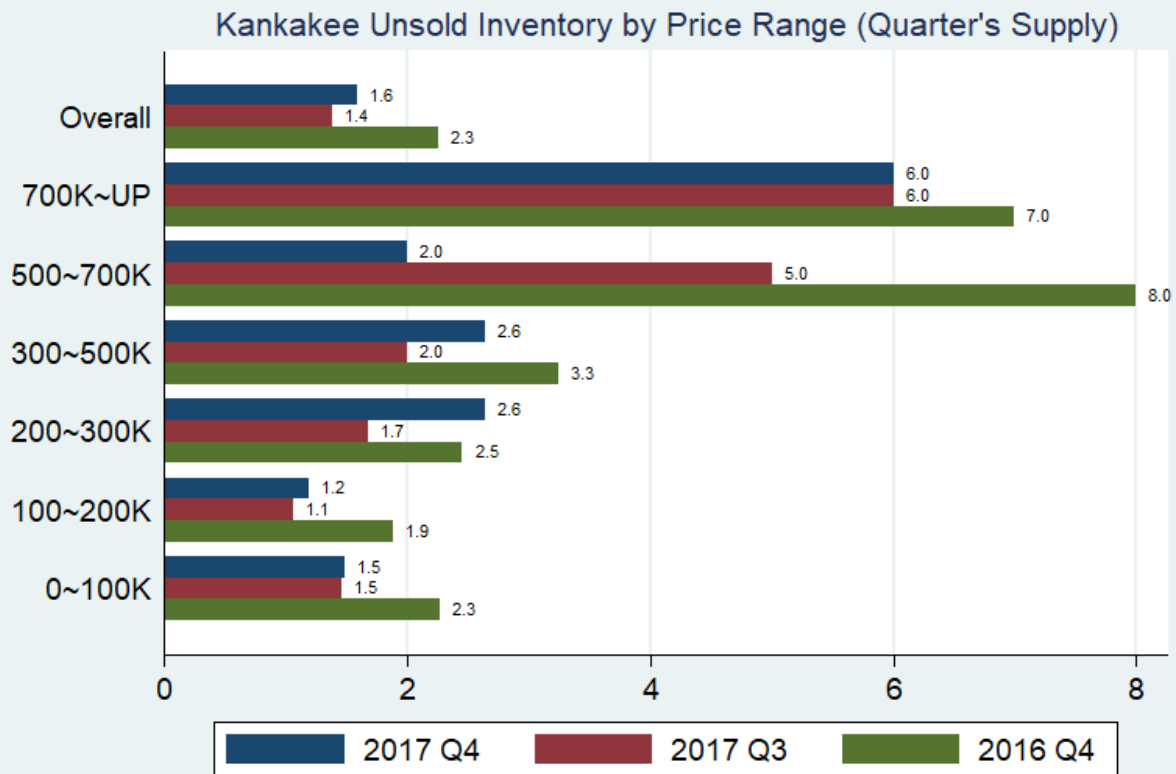
Source: University of Illinois REAL, Illinois REALTORS



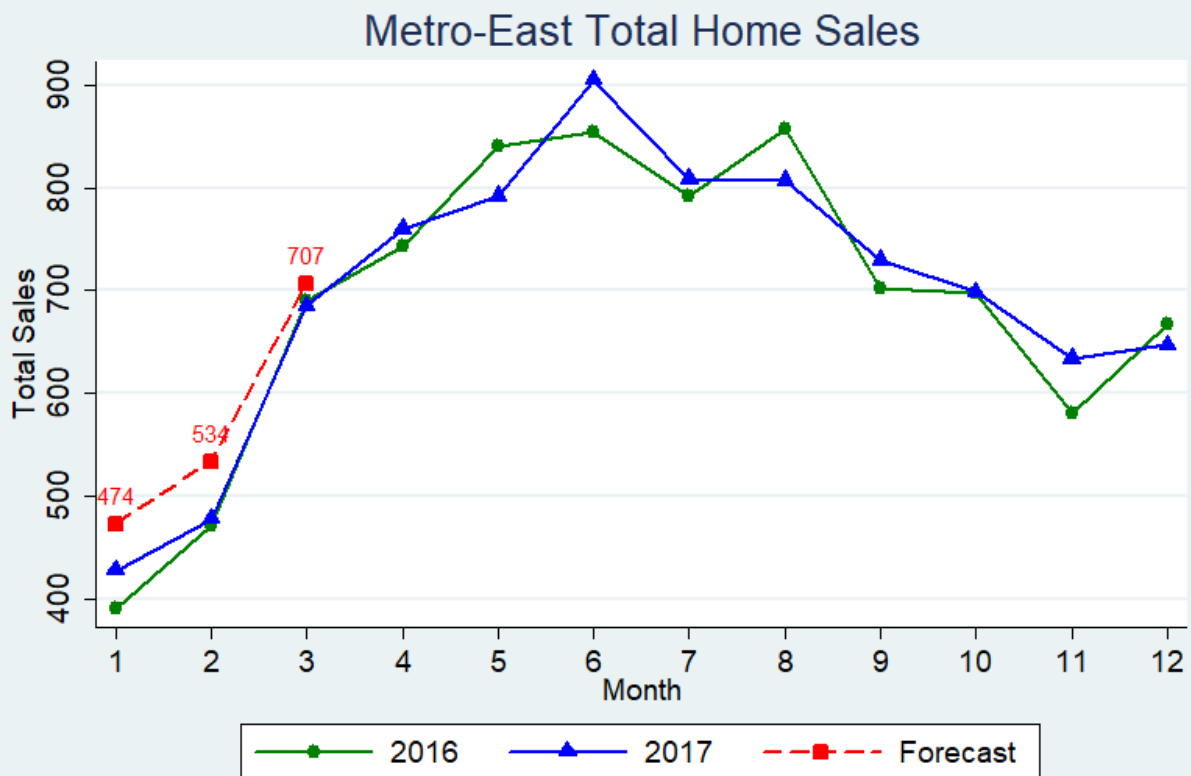
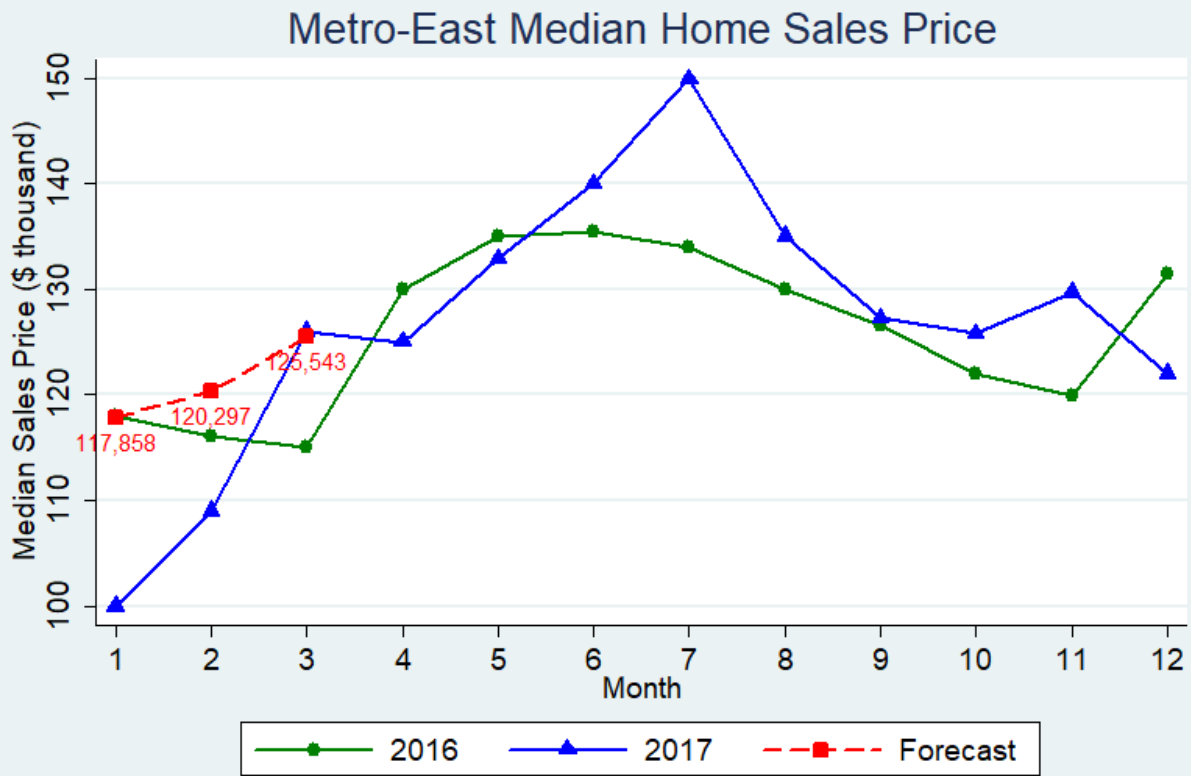
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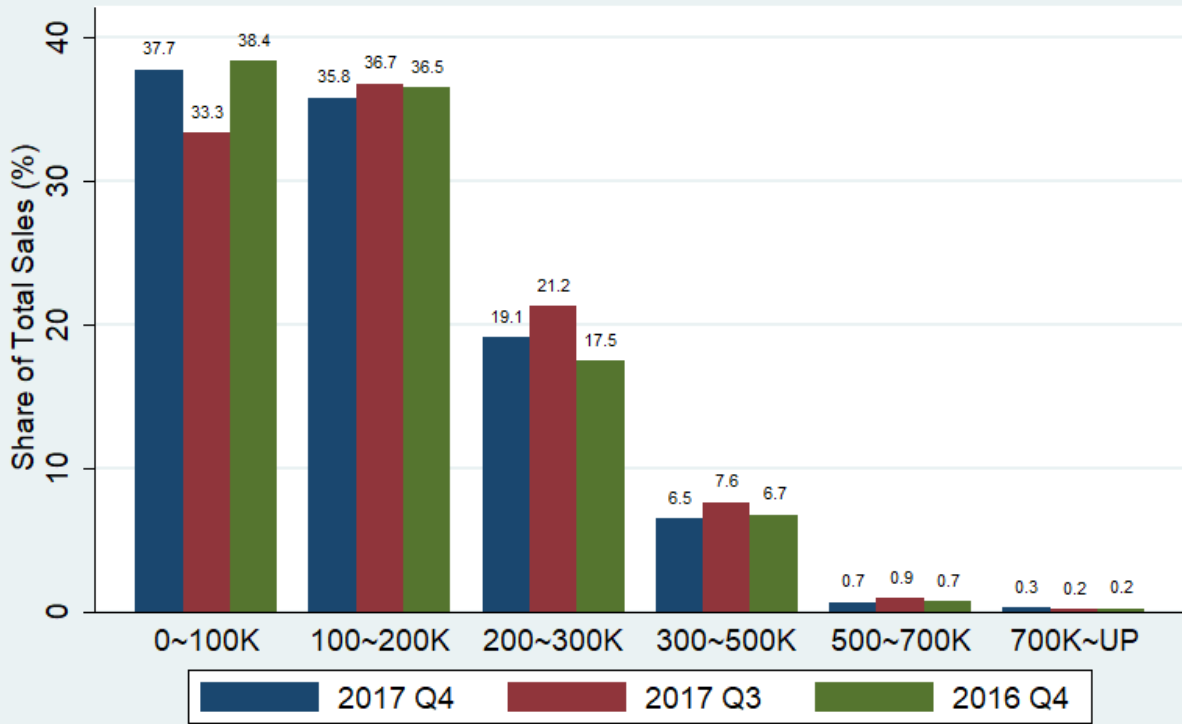
Source: University of Illinois REAL, Illinois REALTORS



Source: University of Illinois REAL, Illinois REALTORS

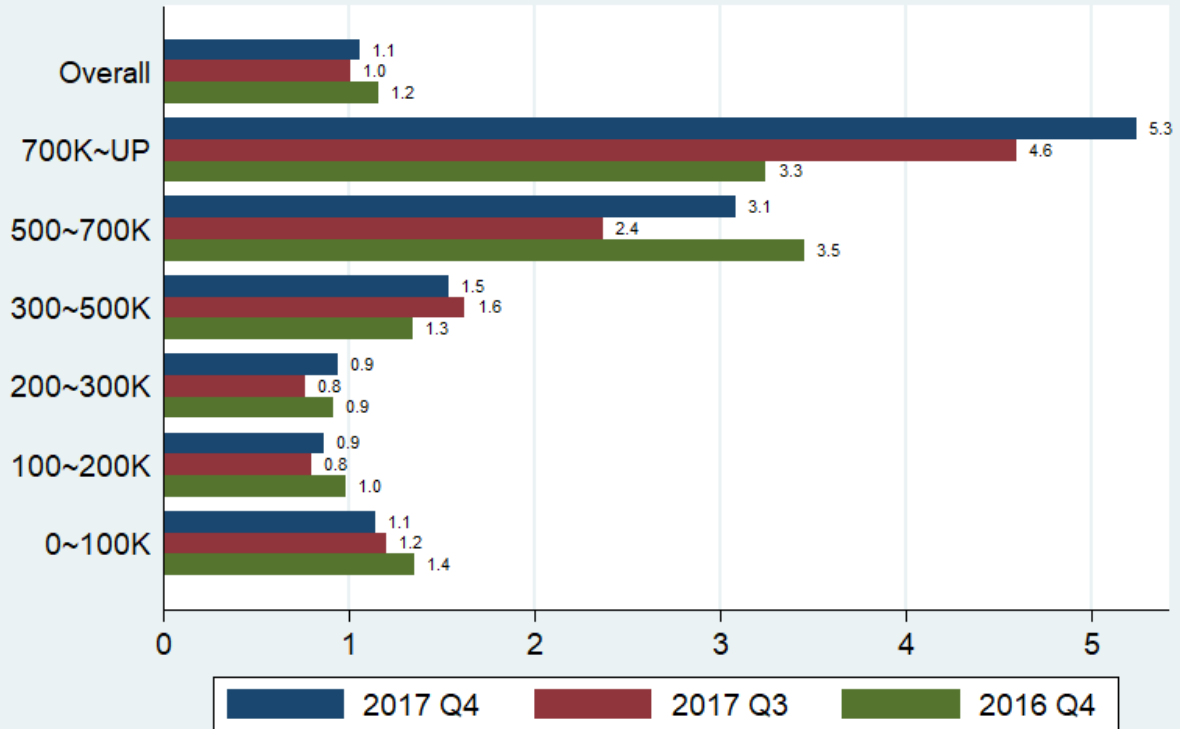


Metro-East Price Stratification

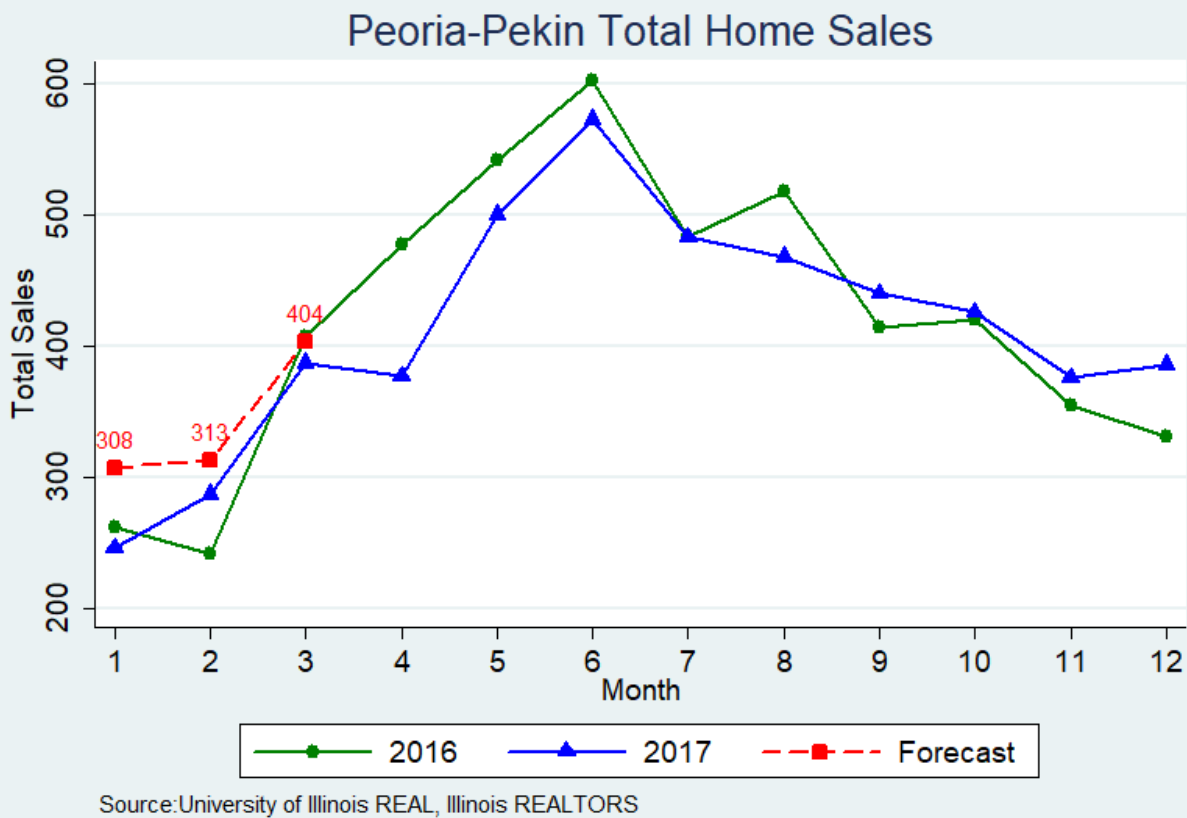
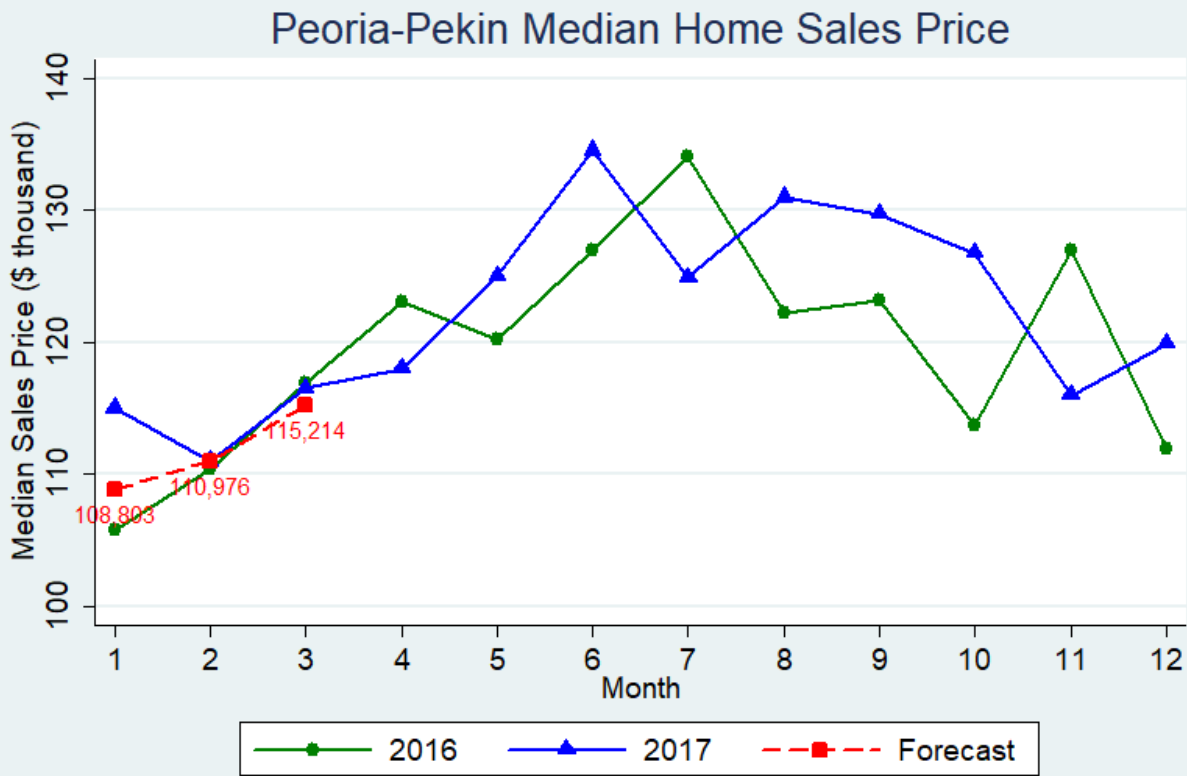


Source: University of Illinois REAL, Illinois REALTORS

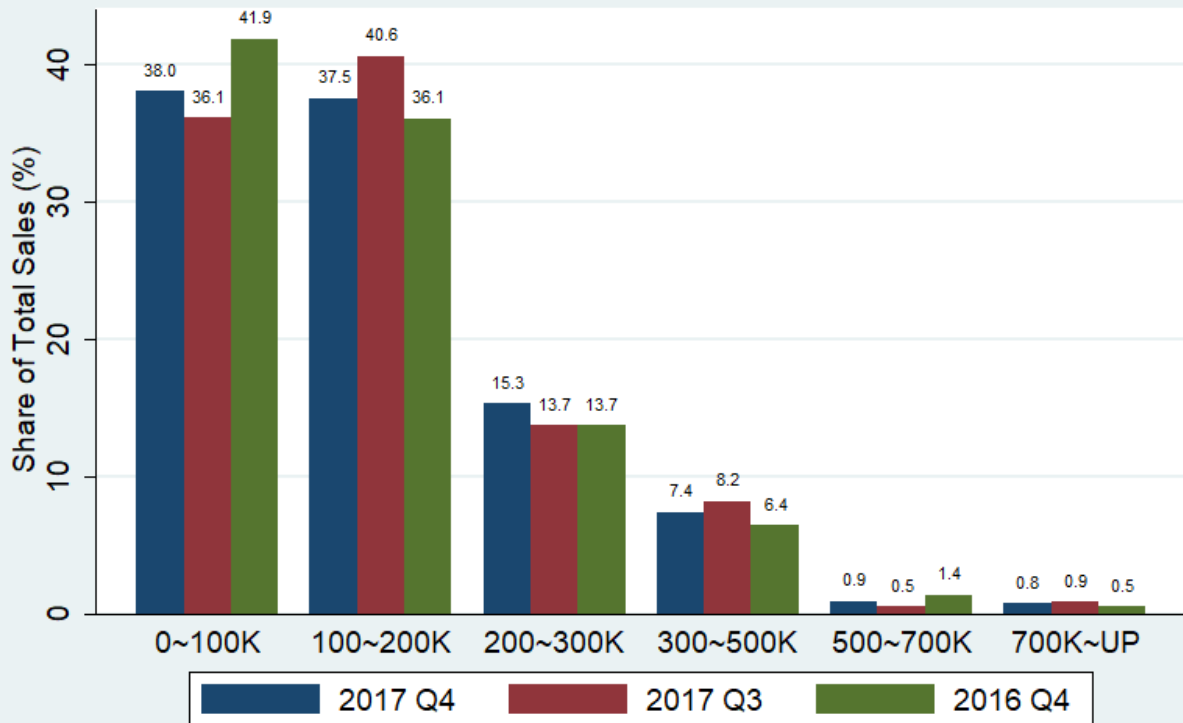
Metro-East Unsold Inventory by Price Range (Quarter's Supply)



Source: University of Illinois REAL, Illinois REALTORS

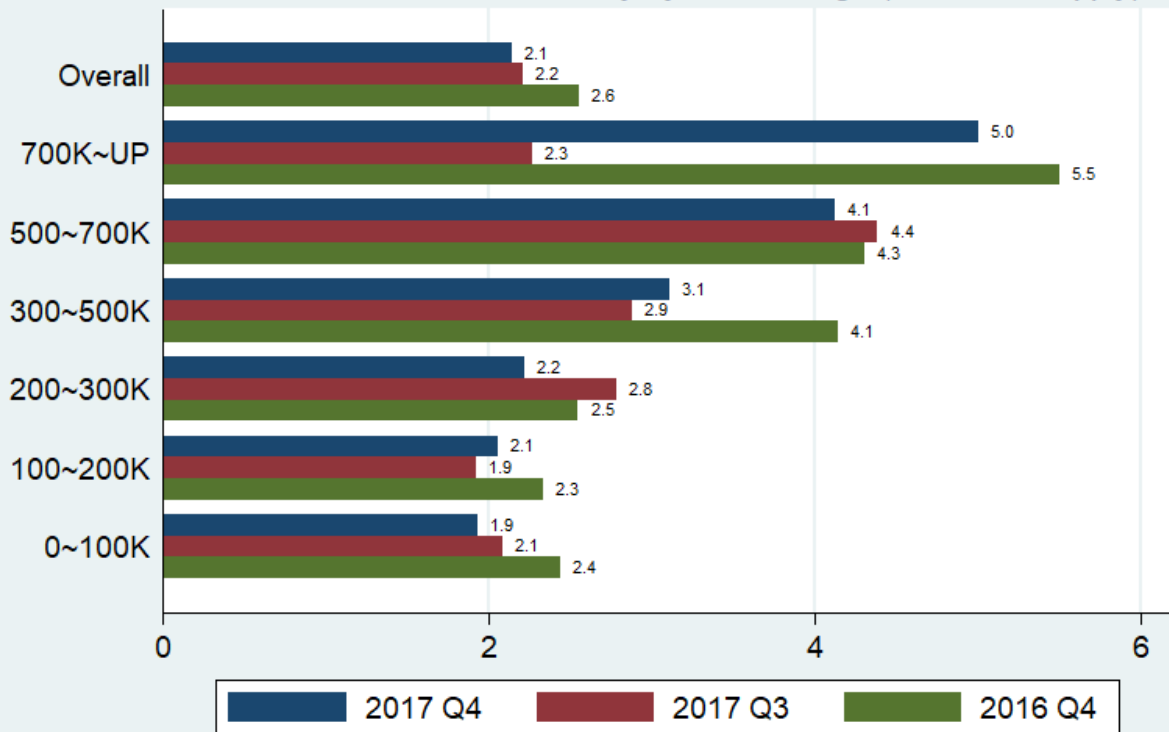


Peoria-Pekin Price Stratification



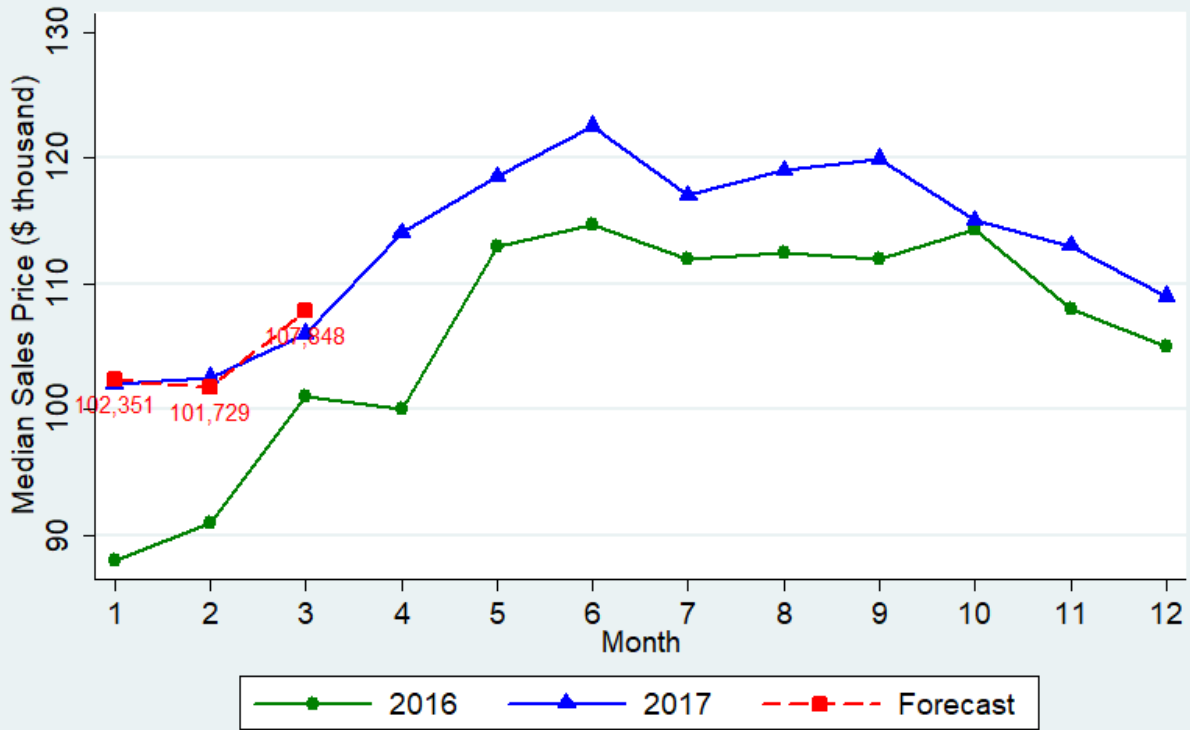
Source: University of Illinois REAL, Illinois REALTORS

Peoria-Pekin Unsold Inventory by Price Range (Quarter's Supply)



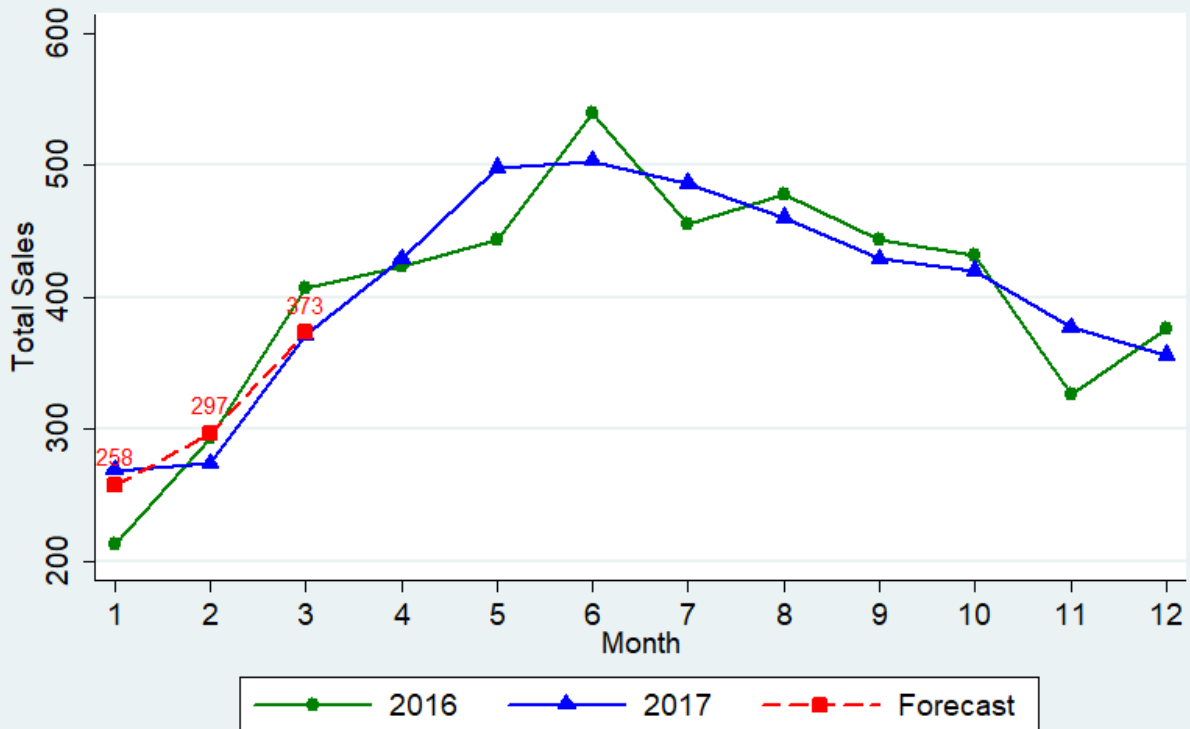
Source: University of Illinois REAL, Illinois REALTORS

Rockford Median Home Sales Price

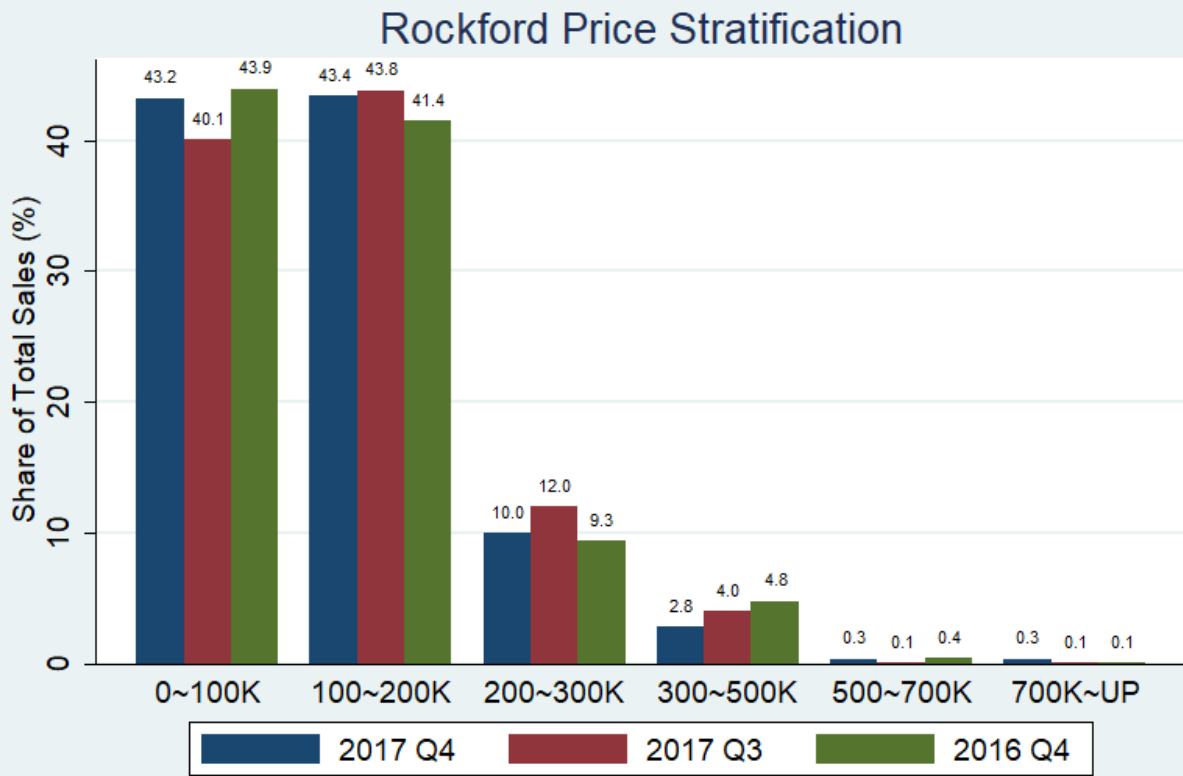


Source: University of Illinois REAL, Illinois REALTORS

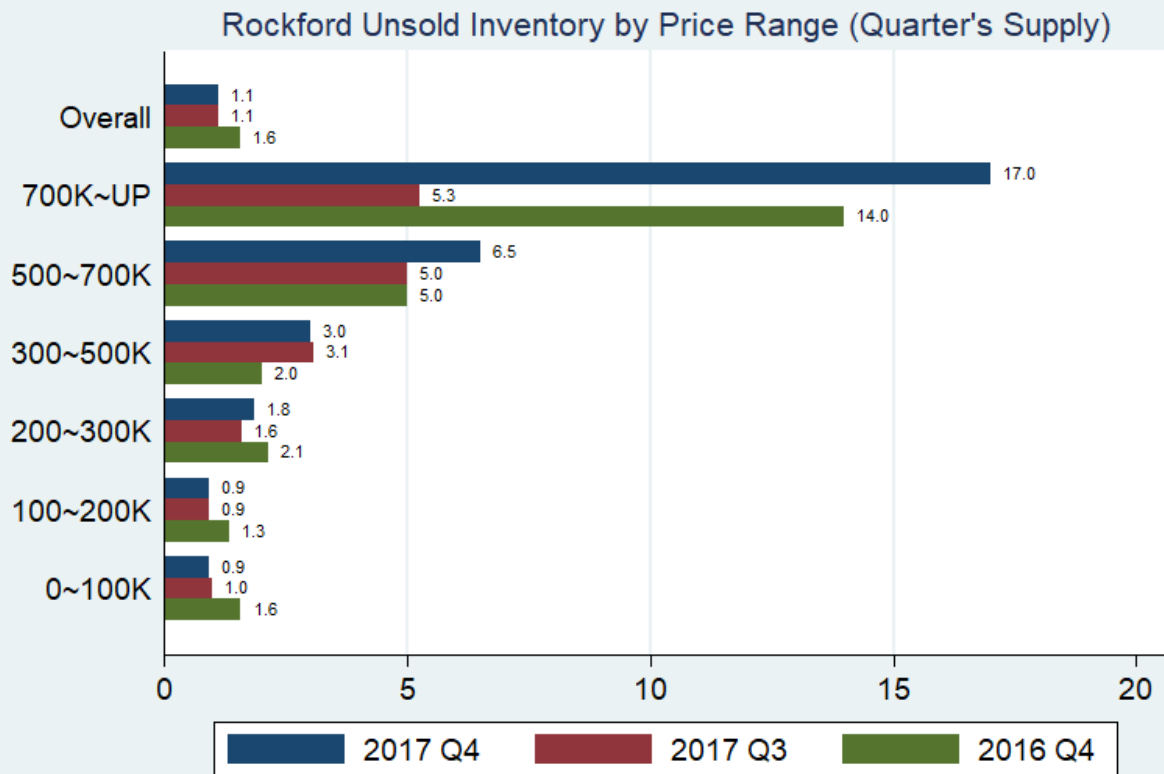
Rockford Total Home Sales



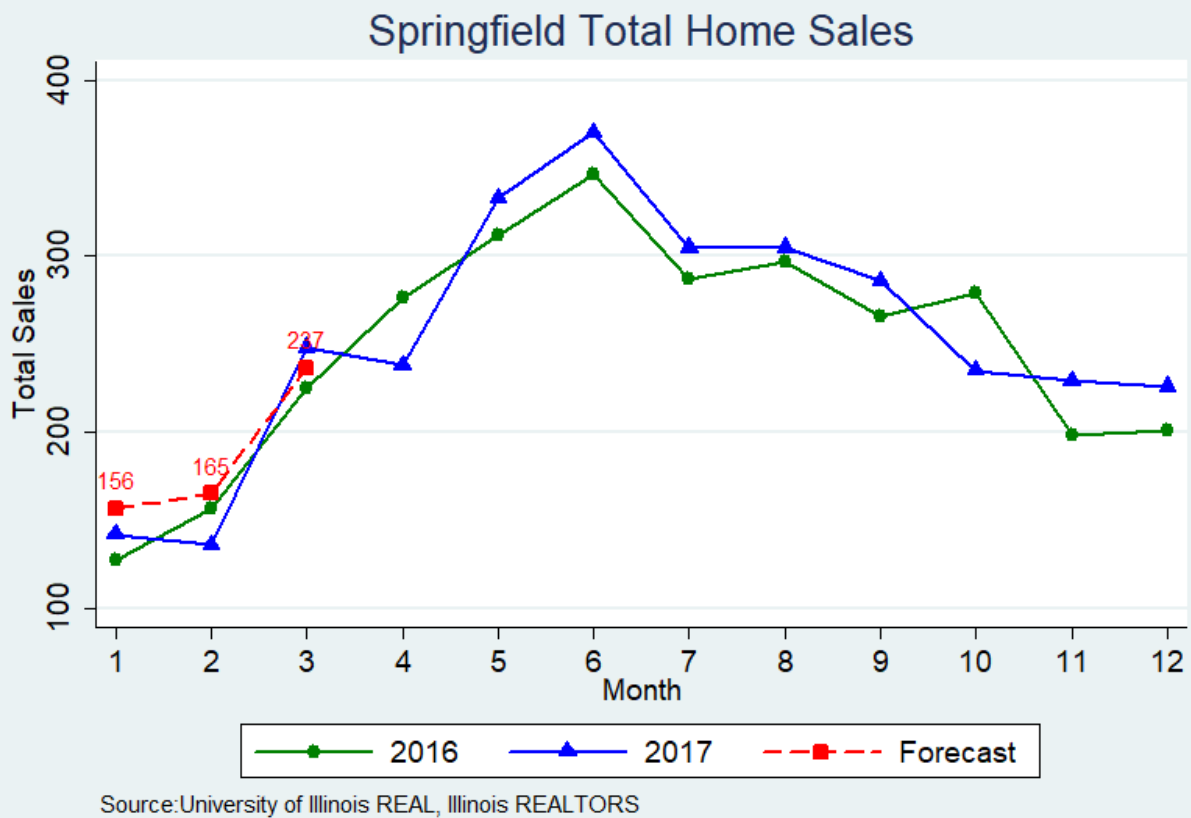
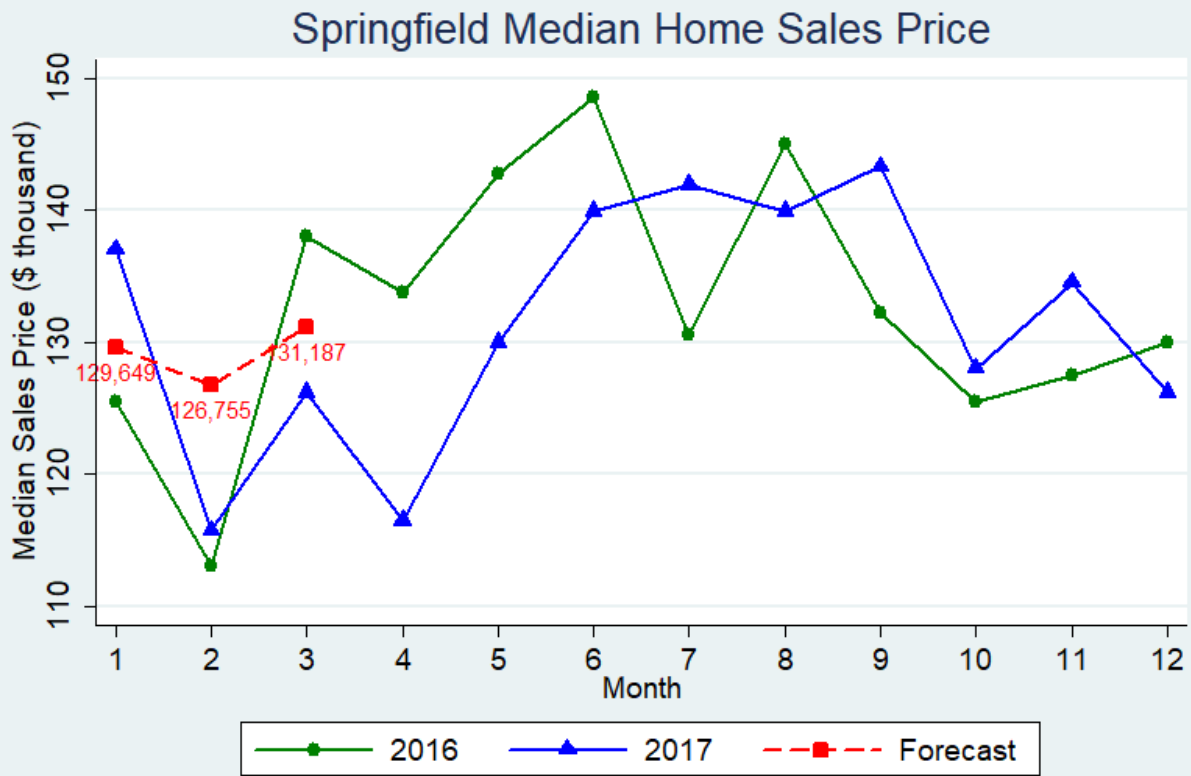
Source: University of Illinois REAL, Illinois REALTORS

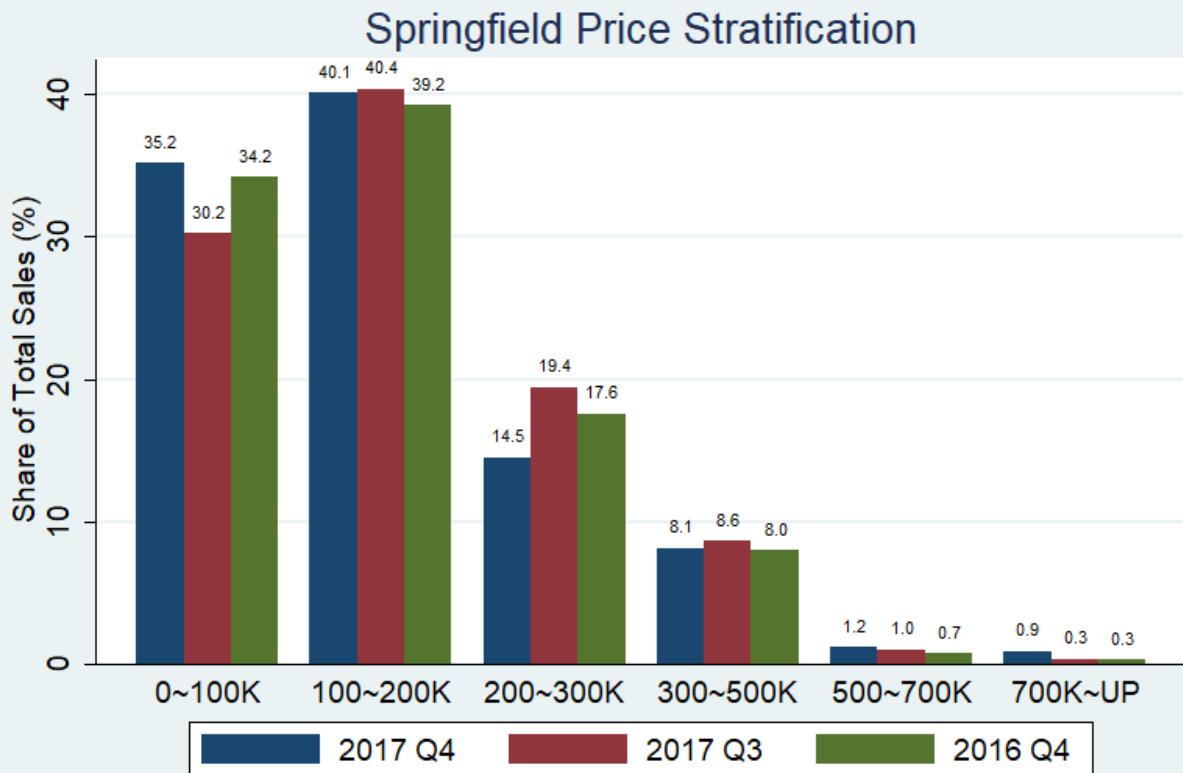


Source: University of Illinois REAL, Illinois REALTORS

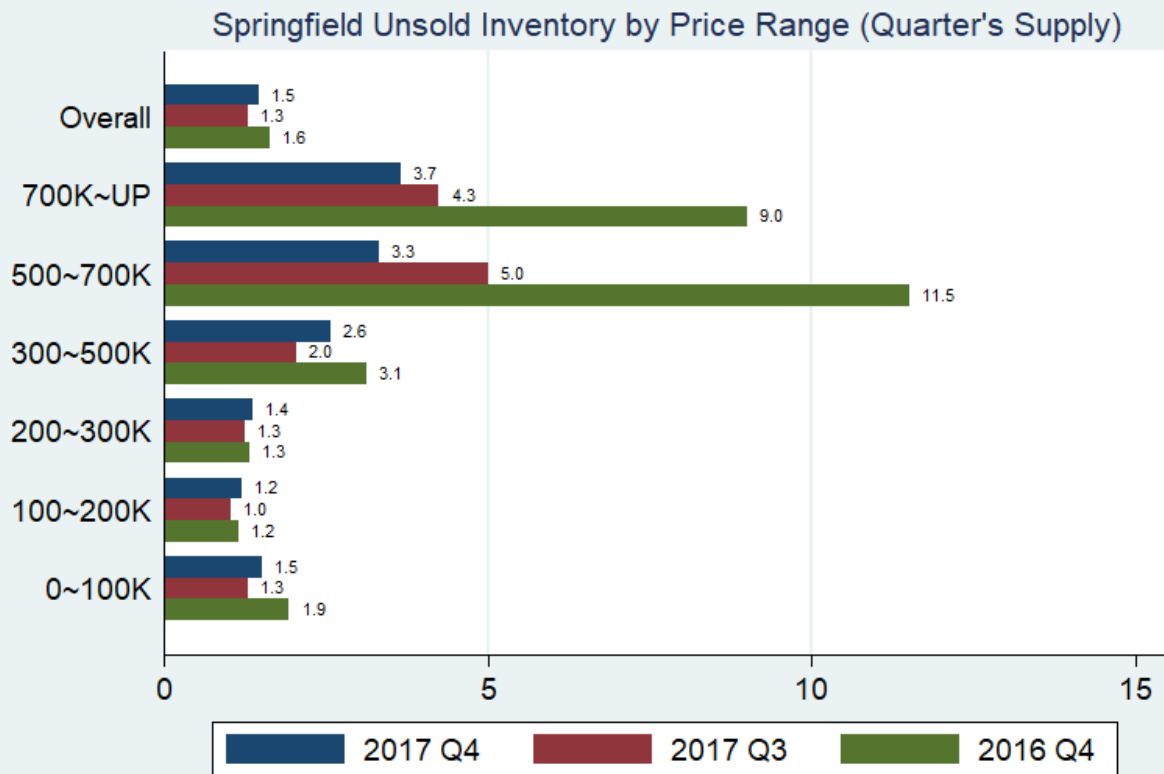


Source: University of Illinois REAL, Illinois REALTORS





Source: University of Illinois REAL, Illinois REALTORS



Source: University of Illinois REAL, Illinois REALTORS

Leading economists from the University of Illinois Regional Economics Applications Laboratory (REAL) developed the Illinois housing price forecast using an augmented distributed lag model as the framework to relate house pricing and the economic business cycle. This “ARIMA” model is considered a highly accurate forecasting method and one that can be easily updated with data provided by the Illinois Association of REALTORS® each month and quarter and selected monthly economic data available for the state and metropolitan regions. Leading the research team is Dr. Geoffrey J.D. Hewings, director of REAL and a professor of Geography, Economics and Urban and Regional Planning.