

Housing Price Forecasts

Illinois MSAs

Fourth Quarter, 2018

Presented To

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Introduction

This report provides analysis of the housing market in the Third Quarter of 2018 with forecasts for the Fourth 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 2,800 jobs in September 2018. Compared to September 2017, Illinois has added 50,300 jobs. The three-month moving average, a more stable measure of labor market, showed an increase of 100 jobs per month. The state of Illinois now has 139,700 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 541,200 new jobs.

The Illinois MSAs

Illinois Rural area added 5,600 jobs at 0.75% this month, compared to a revised 600-job gain in August 2018. At the same time, Metro lost 2,800 jobs at -0.05% in September, compared to a revised 3,700-job loss in the previous month. Chicago lost 700-job at -0.02% in September 2018, compared to a revised 5,400-job loss in August 2018. Meanwhile, Downstate added 3,500 jobs at 0.18%, compared to a revised 2,300-job gain in the previous month. In terms of the 12-month aggregated account, Metro registered a positive 0.68% growth by adding 36,100 jobs whereas Rural added 14,200 jobs at 1.91%. Chicago added 27,800 jobs at 0.67% and Downstate added 22,500 jobs at 1.18%.

Through September 2018, the cumulative job growth for Metro, Rural, Chicago and Downstate compared to January 1990 stood at 16.48%, 14.69%, 17.58% and 13.48% respectively. (Table 1). Table 2 provides the monthly and 12-month changes for each of the metro areas; in terms of growth performances, two MSAs posted net improvements from August to September and five declined in terms of rank. Seven out of ten MSAs recorded a 12-month increase in the number of jobs.

Table 3 provides a league table for the MSAs. Metro-East (4th to 9th) experienced the deepest fall in September 2018. The most remarkable upward move in September was recorded for Chicago (8th to 4th) and Decatur (9th to 5th). In the 12-month growth league table, upward move was recorded for Davenport-Rock Island-Moline (4th to 2nd), Rockford (5th to 4th), and Chicago (7th to 5th). Downward moves were recorded for Metro-East (2nd to 3rd) and Champaign-Urbana-Rantoul (3rd to 7th). In the 12-month growth league table, Springfield remained in last place while Kankakee remained in the first place.

The Illinois MSAs' Housing Market

Overview

In the Third quarter of 2018, overall sales in Illinois decreased compared to last year. Positive growth was recorded in four MSAs and negative growth in six MSAs. For the Fourth quarter of 2018, the overall sales in Illinois are forecast to decrease at a mild rate. Five MSAs are forecast to experience decrease in their sales, while Bloomington-Normal, Champaign-Urbana, Davenport-Moline-Rock Island, Metro-East, and Peoria-Pekin are forecast to experience year-over-year increases.

Increasing median prices for Illinois are found in eight MSAs (except Champaign-Urbana and Springfield) in the Third quarter. The overall median price for Illinois is forecast to increase with positive growth in nine MSAs, the exception being Decatur.

Housing Market Conditions

In the Third quarter of 2018, Illinois experienced decreases in sales, and six out of ten MSAs experienced annual decreases in sales with varying degree. The overall sales for Illinois decreased by -2.1% compared to a year ago. Four MSAs experienced positive changes in sales: Bloomington-Normal (18.1%), Davenport-Moline-Rock Island (3.1%), Metro-East (0.2%), Peoria-Pekin (15.6%); six MSAs experienced negative changes in sales: Champaign-Urbana (-7.2%), Chicago PMSA (-3.7%), Decatur (-4.6%), Kankakee (-5.1%), Rockford (-1.0%), and Springfield (-9.4%).

In terms of housing prices, the overall median prices for Illinois presented moderate annual gains with a growth rate of 2.5%. The positive growth was led by eight MSAs: Bloomington-Normal (3.6%), Chicago PMSA (2.1%), Davenport-Moline-Rock Island (9.3%), Decatur (23.3%), Kankakee (10.0%), Metro-East (5.2%), Peoria-Pekin (1.9%), Rockford (9.7%). Champaign-Urbana (-0.1%) and Springfield (-3.6%) experienced negative changes in prices.

While the overall quarter's supply for Illinois remains at the same level of 1.5 quarters as a year ago, seven out of ten MSAs experienced decreases in the quarter's supply for homes with some variations. One MSA experienced an increase: Springfield (to 1.4 from 1.3 quarters). Seven MSAs experienced decreases: Bloomington-Normal (to 1.3 from 1.6 quarters), Champaign-Urbana (to 1.6 from 1.9 quarters), Davenport-Moline-Rock Island (to 1.4 from 1.6 quarters), Decatur (to 2.6 from 2.8 quarters), Metro-East (to 0.9 from 1.0 quarters), Peoria-Pekin (to 1.8 from 2.2 quarters), and Rockford (to 1.0 from 1.1 quarters). Chicago PMSA (to 1.2 from 1.2 quarters) and Kankakee (to 1.4 from 1.4 quarters) remained the same as a year ago.

Housing Market Forecasts

Table 4 provides the median price forecasts for the Fourth quarter of 2018. The forecasts indicate an overall positive annual growth for the state as a whole (3.6%). Nine out of ten MSAs are forecast to experience positive changes in the Fourth quarter of 2018: Bloomington-Normal (4.7%), Champaign-Urbana (0.1%), Chicago PMSA (4.3%), Davenport-Moline-Rock Island

(9.1%), Kankakee (10.4%), Metro-East (6.1%), Peoria-Pekin (1.6%), Rockford (9.9%), and Springfield (1.1%). Only Decatur (-0.3%) is forecast to decrease in its median price.

Table 5 provides the sales forecast for the Fourth quarter of 2018. The overall sales in Illinois are forecast to decrease by -2.5% to -3.4% compared to a year ago. Five MSAs are forecast to experience gains in sales: Bloomington-Normal (11.1% to 15.0%), Champaign-Urbana (2.9% to 3.9%), Davenport-Moline-Rock Island (1.7% to 2.3%), Metro-East (0.8% to 1.0%), and Peoria-Pekin (4.6% to 6.3%). Five MSAs are forecast to decrease their sales: Chicago (-3.6% to -4.9%), Decatur (-7.0% to -9.5%), Kankakee (-3.6% to -4.9%), Rockford (-3.5% to -4.7%), and Springfield (-4.3% to -5.9%).

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 3.0% to 4.2% in Q4 2018.
- Sales volume in Q4 2018 is forecast to change by an annual rate of -2.5% to -3.4%.
- Median prices in Q3 2018 were 2.5% higher on a yearly basis.
- Sales volume in Q3 2018 was 2.1% lower than a year ago.
- In Q3 2018, the decreases in market shares are concentrated on homes priced less than 100K. Homes priced below \$100K captured 15.6% of the market against 16.7% a year ago.
- By Q3 2018, the overall quarter's supply remains at the same level of 1.5 quarters as a year ago.

Chicago

- Median price forecast indicates a positive trend with annual rates of change of 4.0% to 4.4% in Q4 2018.
- Sales volume in Q4 2018 is forecast to change by -3.6% to -4.9% on a yearly basis.
- Median prices in Q3 2018 were 1.1% higher on a yearly basis.
- Sales volume in Q3 2018 was 3.7% lower than a year ago.
- In Q3 2018, market shares of homes priced less than \$100K experienced the largest change, decreasing from 6.6% a year ago to 8.0%.
- By Q3 2018, the overall quarter's supply remains at the same level of 1.2 quarters as a year ago.

Bloomington-Normal

- Median price forecast indicates a mixed trend with an annual change rate of -1.0% to 11.1% in Q4 2018.
- Sales volume in Q4 2018 is forecast to change by 11.1% to 15.0% on a yearly basis.
- Median prices in Q3 2018 experienced a change of 3.6% on a yearly basis.
- Sales volume in Q3 2018 was 18.1% higher than a year ago.

- In Q3 2018, the decreases in market shares are concentrated on homes priced at \$100-200K. Homes priced below \$100-200K captured 48.1% of the market against 50.8% a year ago.
- By Q3 2018, the overall quarter's supply is 1.3 quarters, decreasing from 1.6 a year ago.

Champaign-Urbana

- Median price forecast indicates mixed growth trend with rates of change between -3.4% and 6.6% in Q4 2018.
- Sales volume in Q4 2018 is forecast to change by 2.9% to 3.9% on a yearly basis.
- Median prices in Q3 2018 experienced a change of 0.1% on a yearly basis.
- Sales volume in Q3 2018 was 7.2% lower than a year ago.
- In Q3 2018, market shares of homes priced at \$100-200K experienced the largest change, decreasing from 46.6% to 42.4%.
- By Q3 2018, the overall quarter's supply is 1.6 quarters, decreasing from 1.9 a year ago.

Davenport-Moline-Rock Island

- Median price forecast indicates mixed rates of change between -3.9% and 19.5% in Q4 2018.
- Sales volume in Q4 2018 is forecast to experience a change of 1.7% to 2.3%.
- Median prices in Q3 2018 experienced a change of 9.1% on a yearly basis.
- Sales volume in Q3 2018 was 3.1% higher than a year ago.
- In Q3 2018, market shares of homes priced less than \$100K experienced the largest change, decreasing from 46.9% to 38.9%.
- By Q3 2018, the overall quarter's supply is 1.4 quarters, decreasing from 1.6 a year ago.

Decatur

- Median price forecast indicates mixed rates of change between -7.2% and 7.8% in Q4 2018.
- Sales volume in Q4 2018 is forecast to experience a change of -7.0% to -9.5%.
- Median prices in Q3 2018 experienced a change of 23.2% on a yearly basis.
- Sales volume in Q3 2018 was 4.6% lower than a year ago.
- In Q3 2018, market shares of homes priced less than \$100K experienced the largest change, decreasing from 56.3% to 47.9%.
- By Q3 2018, the overall quarter's supply is 2.6 quarters, decreasing from 2.8 a year ago.

Kankakee

- Median price forecast indicates a positive trend with rates of change between 0.8% and 23.5% in Q4 2018.
- Sales volume in Q4 2018 is forecast to change by -3.6% to -4.9% on a yearly basis.
- Median prices in Q3 2018 experienced a change of 10.4% on a yearly basis.
- Sales volume in Q3 2018 was 5.1% lower than a year ago.
- In Q3 2018, market shares of homes priced less than \$100K experienced the largest change, decreasing from 28.7% to 25.7%.
- By Q3 2018, the overall quarter's supply remains at the same level of 1.4 quarters as a year ago.

Metro East

- Median price forecast indicates a positive trend with rates of change between 2.5% and 9.7% in Q4 2018.
- Sales volume in Q4 2018 is forecast to change between 0.8% to 1.0% on an annual basis.
- Median prices in Q3 2018 experienced a change of 6.1% on a yearly basis.
- Sales volume in Q3 2018 was 0.2% higher than a year ago.
- In Q3 2018, market shares of homes priced less than \$100K experienced the largest change, decreasing from 33.3% to 31.9%.
- By Q3 2018, the overall quarter's supply is 0.9 quarters, decreasing from 1.0 a year ago.

Peoria-Pekin

- Median price forecast indicates mixed rates of change between -3.1% and 5.6% in Q4 2018.
- Sales volume in Q4 2018 is forecast to change by 4.6% to 6.3% on an annual basis.
- Median prices in Q3 2018 experienced a change of 1.6% on a yearly basis.
- Sales volume in Q3 2018 was 15.6% higher than a year ago.
- In Q3 2018, market shares of homes priced less than \$100K experienced the largest change, decreasing from 36.1% to 32.7%.
- By Q3 2018, the overall quarter's supply is 1.8 quarters, down from 2.2 quarters a year ago.

Rockford

- Median price forecast indicates a positive trend with rates of change between 8.9% and 11.8% in Q4 2018.
- Sales volume in Q4 2018 is forecast to change by -3.5% to -4.7% on a yearly basis.
- Median prices in Q3 2018 experienced a change of 9.9% on a yearly basis.
- Sales volume in Q3 2018 was 1.0% lower than a year ago.
- In Q3 2018, market shares of homes priced less than \$100K experienced the largest change, decreasing from 40.2 % to 33.7%.
- By Q3 2018, the overall quarter's supply is 1.0 quarters, down from 1.1 quarters a year ago.

Springfield

- Median price forecast indicates mixed rates of change between -3.8% and 3.7% in Q4 2018.
- Sales volume in Q4 2018 is forecast to change between -4.3% and -5.9% on a yearly basis.
- Median prices in Q3 2018 experienced a change of 1.1% on a yearly basis.
- Sales volume in Q3 2018 was 9.4% lower compared to a year ago.
- In Q3 2018, market shares of homes priced at \$200-300K experienced the largest change, decreasing from 19.4% to 15.9%.
- By Q3 2018, the overall quarter's supply is 1.4 quarters, up from 1.3 quarters a year ago.

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

Sep 2018	Total non-farm employment	Sep 2018 Number of Jobs	Aug 2018 – Sep 2018		Last 12 months	
			Growth Rate (%)	Number of Jobs	Growth Rate (%)	Number of Jobs
	Nation	149,500,000	0.09	134,000	1.73	2,537,000
	Rest of Midwest (RMW)	20,701,800	0.02	4,500	1.44	294,500
	Illinois	6,124,900	0.05	2,800	0.83	50,300
	Illinois Metro	5,367,400	-0.05	-2,800	0.68	36,100
	Illinois non-Metro (Rural)	757,500	0.75	5,600	1.91	14,200
	Illinois Chicago (Upstate)	4,198,400	-0.02	-700	0.67	27,800
	Illinois non-Chicago	1,926,500	0.18	3,500	1.18	22,500

Table 2: MSA Growth Rates, June 2018 and Last 12 Months

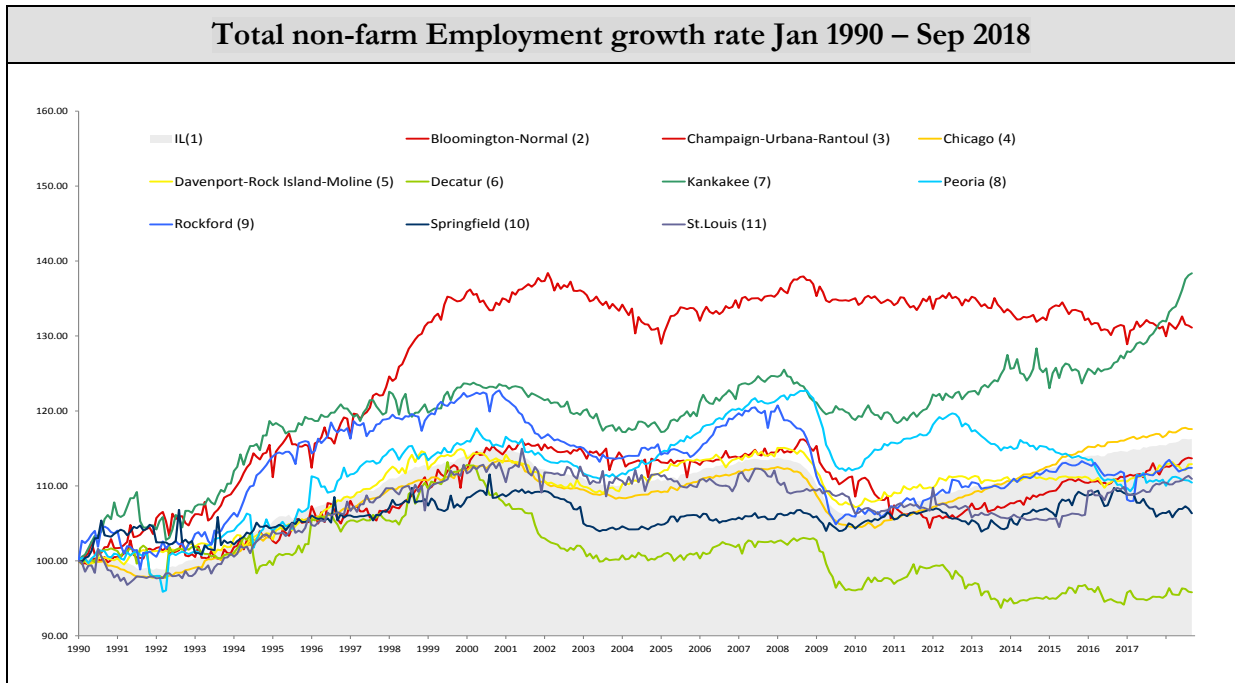
Market Area	Sep 2018 Number of Jobs	Aug 2018 – Sep 2018			Last 12 months	
		Growth compared to Illinois	Growth Rate %	Number Of Jobs	Growth Rate %	Number of Jobs
Bloomington-Normal (B-N)	93,500	-	-0.21	-200	-0.46	-400
Champaign-Urbana (C-U-R)	112,100	-	-0.09	-100	0.55	600
Chicago	4,198,400	-	-0.02	-700	0.67	27,800
Davenport-Rock Island-Moline (D-R-M)	186,900	-	0.03	100	1.23	2,300
Decatur	51,500	-	-0.08	-50	0.60	300
Kankakee	49,700	+	0.20	100	6.19	2,900
Peoria	171,300	-	-0.25	-400	-0.12	-200
Rockford	151,500	-	-0.01	-50	0.89	1,300
Springfield	112,400	-	-0.57	-600	-0.54	-600
Metro-East	240,200	-	-0.37	-900	0.90	2,100
Illinois			0.05	2,800	0.83	50,300

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

Rank	August 2018	September 2018	Rank	Change**
1	Davenport-Rock Island-Moline(0.52%)	Kankakee(0.2%)	1	↑(+1)
2	Kankakee(0.36%)	Davenport-Rock Island-Moline(0.03%)	2	↓(-1)
3	Rockford (0.33%)	Rockford (-0.01%)	3	←(+0)
4	Metro-East(0.24%)	Chicago(-0.02%)	4	↑(+4)
5	Champaign-Urbana-Rantoul(0.2%)	Decatur(-0.08%)	5	↑(+4)
6	Bloomington-Normal(0.01%)	Champaign-Urbana-Rantoul(-0.09%)	6	↓(-1)
7	Peoria(-0.06%)	Bloomington-Normal(-0.21%)	7	↓(-1)
8	Chicago(-0.2%)	Peoria(-0.25%)	8	↓(-1)
9	Decatur(-0.37%)	Metro-East(-0.37%)	9	↓(-5)
10	Springfield (-0.43%)	Springfield (-0.57%)	10	←(+0)

Growth over last 12-months:

Rank	August 2018	September 2018	Rank	Change**
1	Kankakee (6.25%)	Kankakee (6.19%)	1	←(+0)
2	Metro-East (1.95%)	Davenport-Rock Island-Moline (1.23%)	2	↑(+2)
3	Champaign-Urbana-Rantoul (1.57%)	Metro-East (0.9%)	3	↓(-1)
4	Davenport-Rock Island-Moline (1.15%)	Rockford (0.89%)	4	↑(+1)
5	Rockford (1.04%)	Chicago (0.67%)	5	↑(+2)
6	Decatur (1%)	Decatur (0.6%)	6	←(+0)
7	Chicago (0.7%)	Champaign-Urbana-Rantoul (0.55%)	7	↓(-4)
8	Peoria (-0.01%)	Peoria (-0.12%)	8	←(+0)
9	Bloomington-Normal (-0.17%)	Bloomington-Normal (-0.46%)	9	←(+0)
10	Springfield (-0.28%)	Springfield (-0.54%)	10	←(+0)



* 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.

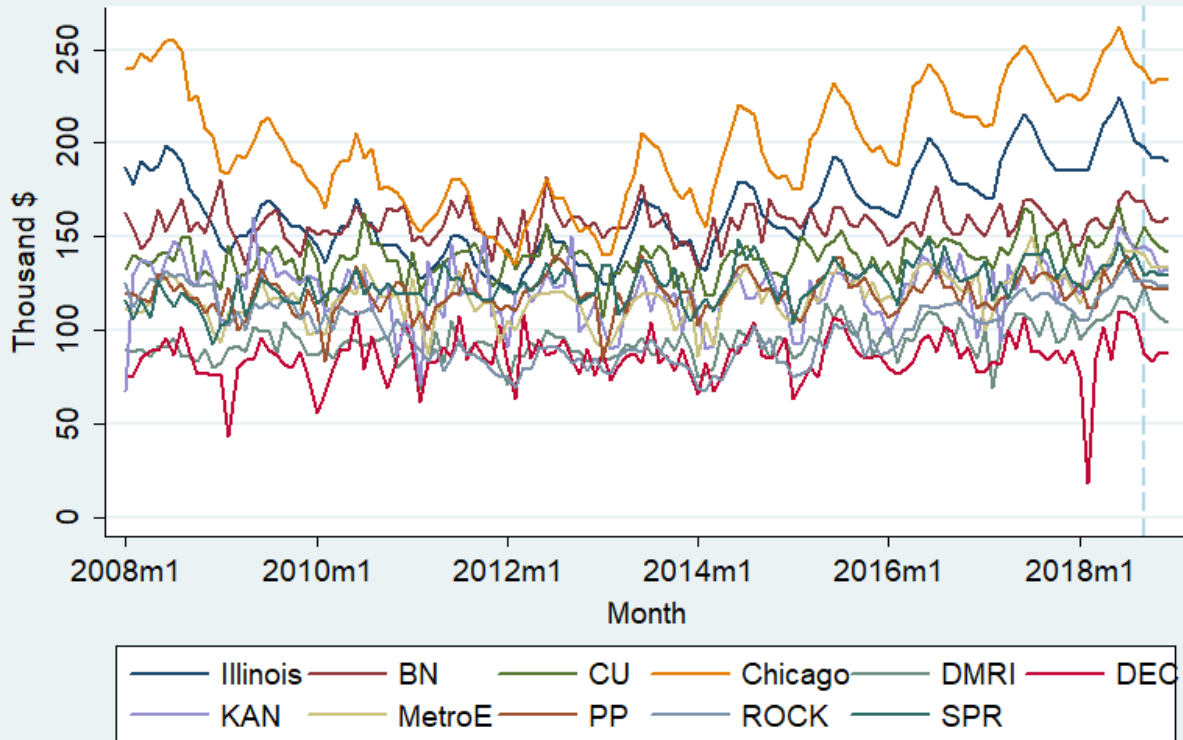
Table 4: Median Prices Forecast for the Fourth Quarter 2018 and Median Prices for the Third Quarter 2018

	2018 Q4 Forecast	Price (forecast)	Annually	2018 Q3	Price	Annually
IL State	Oct-18	191,760	3.7%	Jul-18	214,000	1.9%
	Nov-18	192,728	4.2%	Aug-18	201,000	0.5%
	Dec-18	190,628	3.0%	Sep-18	198,000	3.1%
	3M Average	191,705	3.6%	3M	205,000	2.5%
Bloomington-Normal	Oct-18	159,572	4.1%	Jul-18	174,000	2.5%
	Nov-18	157,414	-1.0%	Aug-18	169,250	2.3%
	Dec-18	159,939	11.1%	Sep-18	168,750	5.8%
	3M Average	158,975	4.7%	3M	170,000	3.6%
Champaign- Urbana	Oct-18	148,324	-3.1%	Jul-18	149,000	-8.6%
	Nov-18	143,946	6.6%	Aug-18	143,250	6.1%
	Dec-18	142,042	-3.4%	Sep-18	155,000	3.3%
	3M Average	144,771	0.1%	3M	149,900	-0.1%
Chicago PMSA	Oct-18	231,860	4.4%	Jul-18	250,800	1.3%
	Nov-18	234,725	4.3%	Aug-18	243,000	1.7%
	Dec-18	233,991	4.0%	Sep-18	239,000	3.9%
	3M Average	233,525	4.3%	3M	245,000	2.1%
Davenport-Moline-Rock Island	Oct-18	111,169	19.5%	Jul-18	117,000	11.4%
	Nov-18	106,881	11.6%	Aug-18	110,000	13.4%
	Dec-18	104,553	-3.9%	Sep-18	123,000	11.8%
	3M Average	107,534	9.1%	3M	115,000	9.3%
Decatur	Oct-18	83,069	-7.2%	Jul-18	109,500	23.7%
	Nov-18	88,659	7.8%	Aug-18	107,000	21.6%
	Dec-18	87,722	-1.4%	Sep-18	87,550	3.7%
	3M Average	86,484	-0.3%	3M	105,000	23.2%
Kankakee	Oct-18	141,436	23.5%	Jul-18	149,950	19.0%
	Nov-18	130,983	0.8%	Aug-18	143,000	2.2%
	Dec-18	132,345	7.0%	Sep-18	145,000	7.6%
	3M Average	134,921	10.4%	3M	147,000	10.0%
Metro-East	Oct-18	133,468	6.1%	Jul-18	142,000	-5.3%
	Nov-18	133,169	2.5%	Aug-18	142,500	5.6%
	Dec-18	133,444	9.7%	Sep-18	140,000	10.0%
	3M Average	133,360	6.1%	3M	142,000	5.2%
Peoria-Pekin	Oct-18	122,866	-3.1%	Jul-18	139,995	12.1%
	Nov-18	121,999	5.6%	Aug-18	130,000	0.0%
	Dec-18	122,524	2.2%	Sep-18	123,000	-5.3%
	3M Average	122,463	1.6%	3M	131,500	1.9%
Rockford	Oct-18	125,552	9.2%	Jul-18	135,000	16.4%
	Nov-18	123,006	8.9%	Aug-18	126,000	5.9%
	Dec-18	123,000	11.8%	Sep-18	126,250	5.3%
	3M Average	123,853	9.9%	3M	130,000	9.7%
Springfield	Oct-18	131,890	3.2%	Jul-18	134,900	-4.3%
	Nov-18	129,413	-3.8%	Aug-18	141,000	0.8%
	Dec-18	130,172	3.7%	Sep-18	129,000	-10.0%
	3M Average	130,492	1.1%	3M	135,000	-3.6%

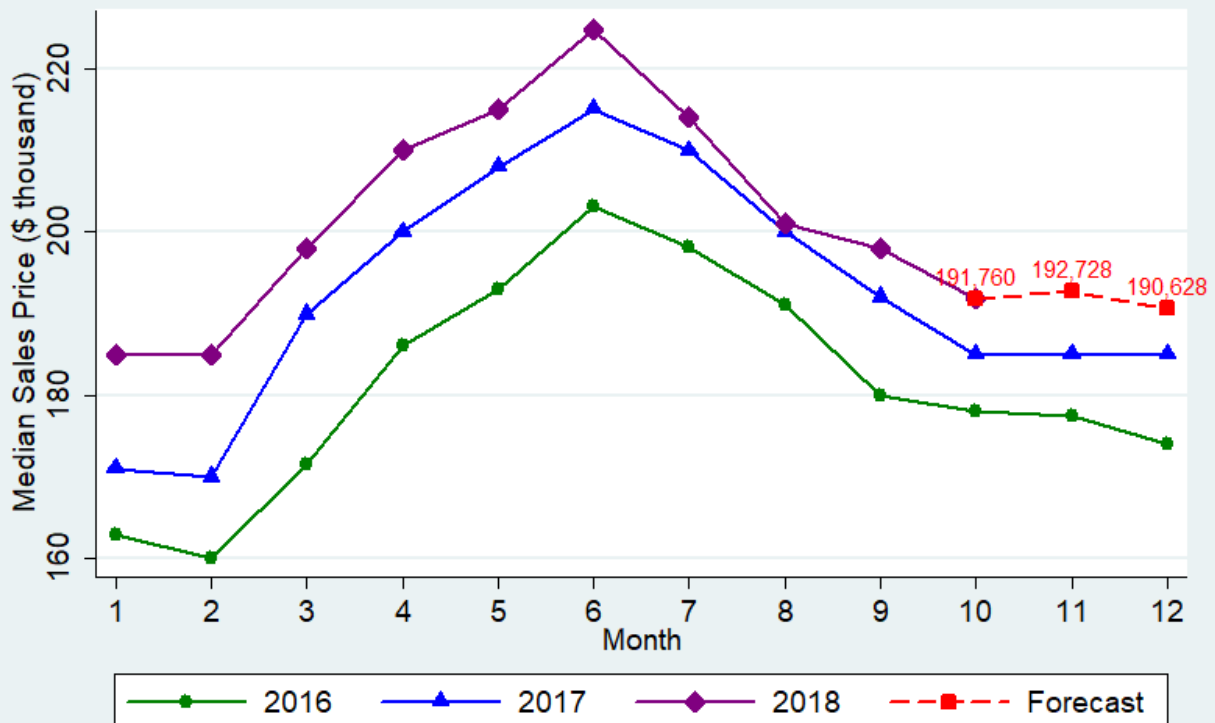
Table 5: Sales Forecast for the Fourth Quarter 2018 & Sales Percentage Change for the Third Quarter 2018

	2018 Q4 Forecast	Annual		Monthly		2018 Q3	Annual	Monthly
IL State	Oct-18	-4.5%	-6.1%	-0.4%	-0.6%	Jul-18	1.6%	-12.7%
	Nov-18	-3.9%	-5.3%	-7.6%	-10.3%	Aug-18	1.4%	2.8%
	Dec-18	1.0%	1.3%	4.3%	5.8%	Sep-18	-10.4%	-25.6%
	3M	-2.5%	-3.4%	-1.4%	-1.9%	3M	-2.1%	-10.3%
Bloomington-Normal	Oct-18	11.2%	15.1%	-15.5%	-21.0%	Jul-18	27.3%	-9.1%
	Nov-18	7.5%	10.2%	-9.9%	-13.3%	Aug-18	24.5%	7.3%
	Dec-18	14.8%	20.0%	0.3%	0.4%	Sep-18	2.1%	-23.2%
	3M	11.1%	15.0%	-9.2%	-12.4%	3M	18.1%	7.7%
Champaign- Urbana	Oct-18	0.2%	0.2%	-3.6%	-4.9%	Jul-18	-8.8%	-17.6%
	Nov-18	3.8%	5.1%	-2.4%	-3.2%	Aug-18	2.6%	-3.4%
	Dec-18	4.8%	6.5%	10.5%	14.2%	Sep-18	-17.2%	-35.3%
	3M	2.9%	3.9%	1.3%	1.8%	3M	-7.2%	-16.6%
Chicago	Oct-18	-6.0%	-8.2%	-0.5%	-0.7%	Jul-18	1.1%	-14.0%
	Nov-18	-4.8%	-6.5%	-7.5%	-10.1%	Aug-18	-1.3%	0.6%
	Dec-18	0.2%	0.2%	4.9%	6.6%	Sep-18	-12.1%	-26.8%
	3M	-3.6%	-4.9%	-1.2%	-1.6%	3M	-3.7%	-13.3%
Davenport-Moline-Rock Island	Oct-18	-4.0%	-5.4%	0.6%	0.8%	Jul-18	28.9%	24.1%
	Nov-18	0.8%	1.1%	0.7%	1.0%	Aug-18	-7.9%	-11.4%
	Dec-18	9.2%	12.4%	2.0%	2.7%	Sep-18	-9.7%	-24.0%
	3M	1.7%	2.3%	1.1%	1.5%	3M	3.1%	-5.7%
Decatur	Oct-18	-13.9%	-18.8%	-3.9%	-5.3%	Jul-18	20.0%	-11.4%
	Nov-18	6.2%	8.4%	-14.5%	-19.7%	Aug-18	-23.9%	-20.5%
	Dec-18	-9.0%	-12.2%	8.6%	11.6%	Sep-18	-5.0%	8.6%
	3M	-7.0%	-9.5%	-4.0%	-5.4%	3M	-4.6%	-13.8%
Kankakee	Oct-18	-6.9%	-9.3%	3.0%	4.0%	Jul-18	-4.4%	-23.4%
	Nov-18	-6.2%	-8.4%	-4.5%	-6.0%	Aug-18	-3.1%	13.9%
	Dec-18	3.2%	4.3%	1.4%	1.9%	Sep-18	-8.0%	-16.3%
	3M	-3.6%	-4.9%	-0.1%	-0.1%	3M	-5.1%	-7.0%
Metro-East	Oct-18	-1.5%	-2.1%	2.2%	3.0%	Jul-18	-0.9%	-12.7%
	Nov-18	0.0%	0.0%	-6.2%	-8.4%	Aug-18	9.0%	10.0%
	Dec-18	4.0%	5.5%	5.6%	7.5%	Sep-18	-8.3%	-23.9%
	3M	0.8%	1.0%	0.4%	0.5%	3M	0.2%	-8.5%
Peoria-Pekin	Oct-18	7.7%	10.5%	-15.5%	-21.0%	Jul-18	14.3%	-9.1%
	Nov-18	6.0%	8.1%	-9.9%	-13.3%	Aug-18	19.1%	7.3%
	Dec-18	-0.1%	-0.1%	0.3%	0.4%	Sep-18	13.4%	-23.2%
	3M	4.6%	6.3%	-6.7%	-9.0%	3M	15.6%	5.6%
Rockford	Oct-18	-4.1%	-5.6%	6.0%	8.1%	Jul-18	-7.0%	-11.3%
	Nov-18	-5.8%	-7.9%	-10.1%	-13.6%	Aug-18	15.7%	22.9%
	Dec-18	-0.4%	-0.5%	3.7%	5.0%	Sep-18	-13.0%	-32.7%
	3M	-3.5%	-4.7%	-0.4%	-0.6%	3M	-1.0%	0.0%
Springfield	Oct-18	-0.7%	-0.9%	4.2%	5.7%	Jul-18	-9.5%	-6.7%
	Nov-18	-7.5%	-10.2%	-9.2%	-12.4%	Aug-18	2.6%	13.0%
	Dec-18	-4.9%	-6.6%	2.1%	2.9%	Sep-18	-22.0%	-28.8%
	3M	-4.3%	-5.9%	-1.2%	-1.6%	3M	-9.4%	-6.7%

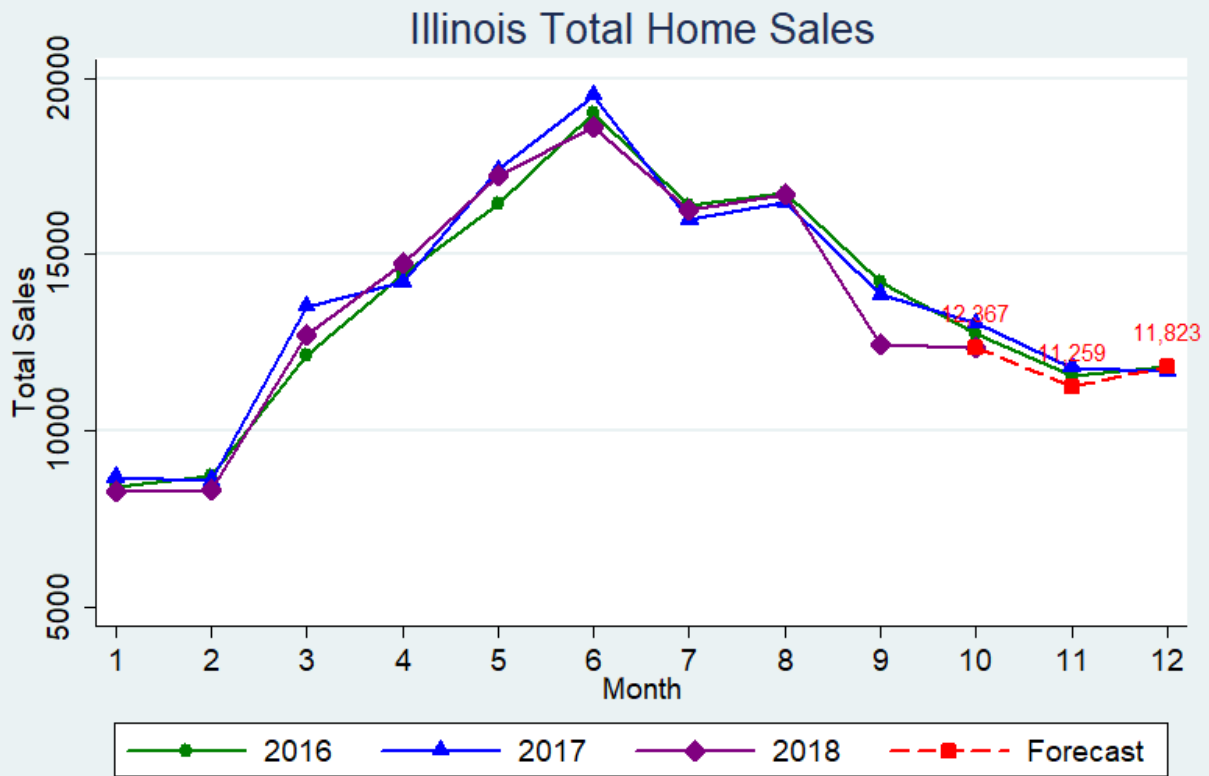
Median Price MSAs and Illinois



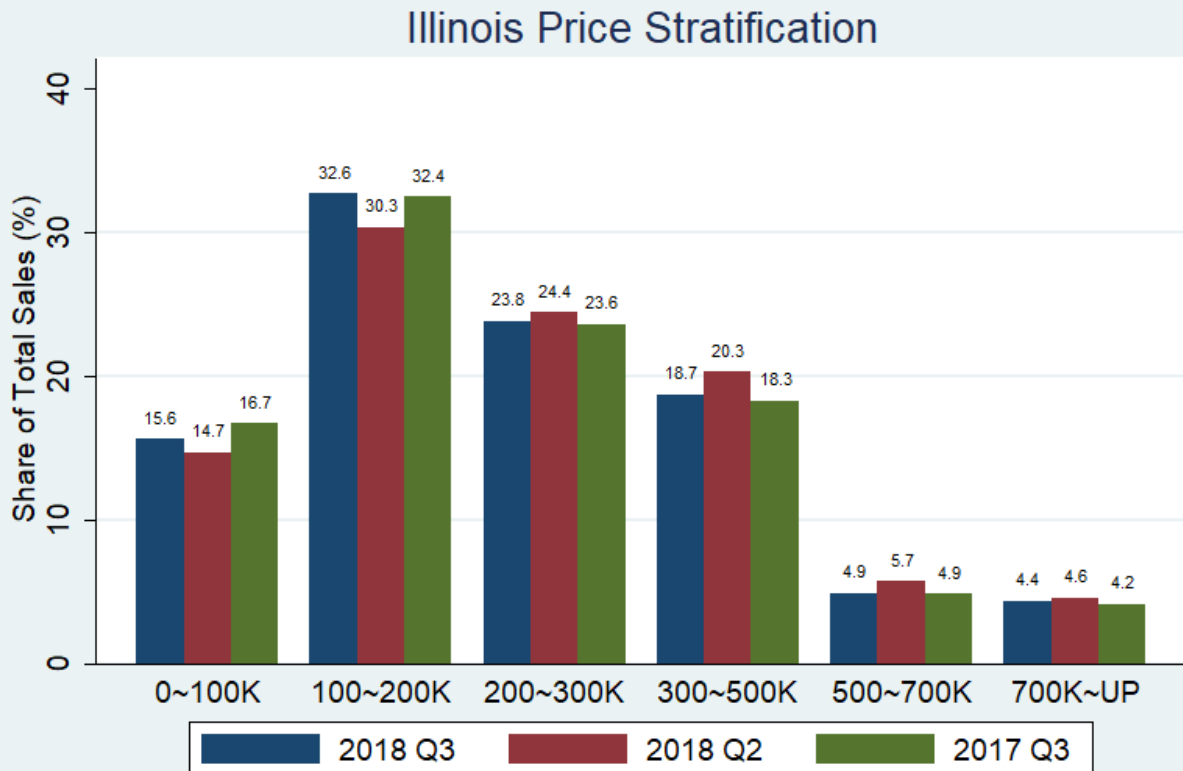
Illinois Median Home Sales Price



Source: University of Illinois REAL, Illinois REALTORS

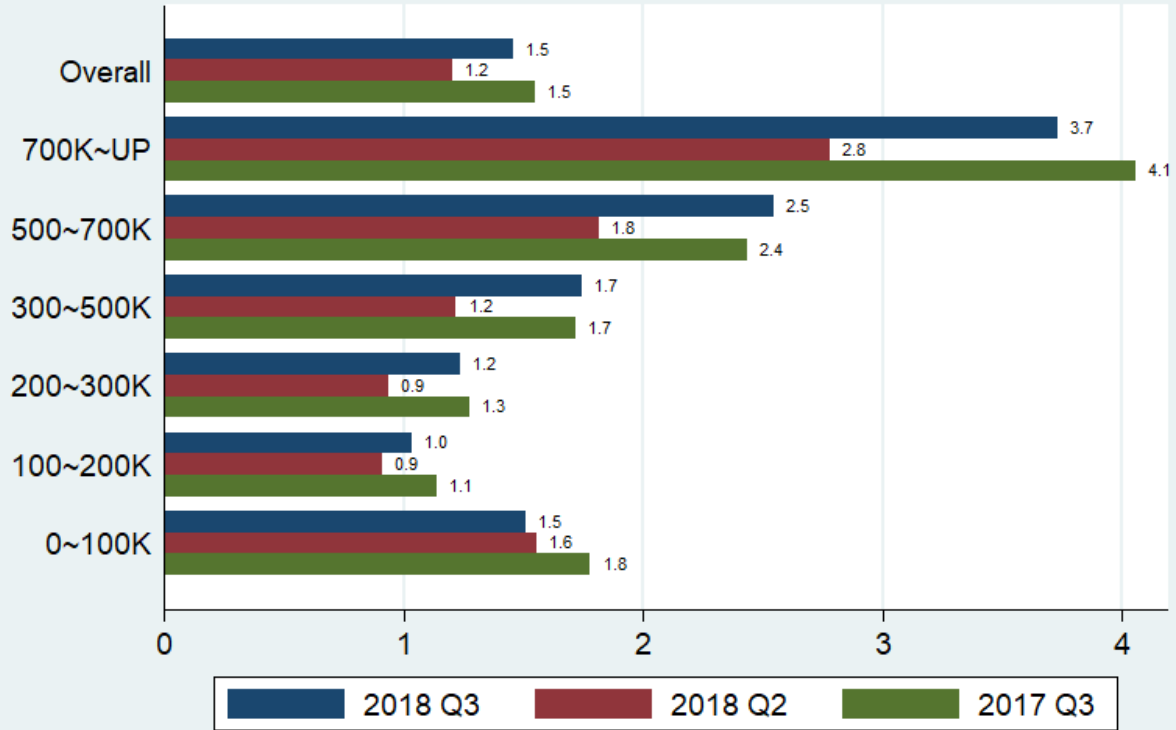


Source: University of Illinois REAL, Illinois REALTORS



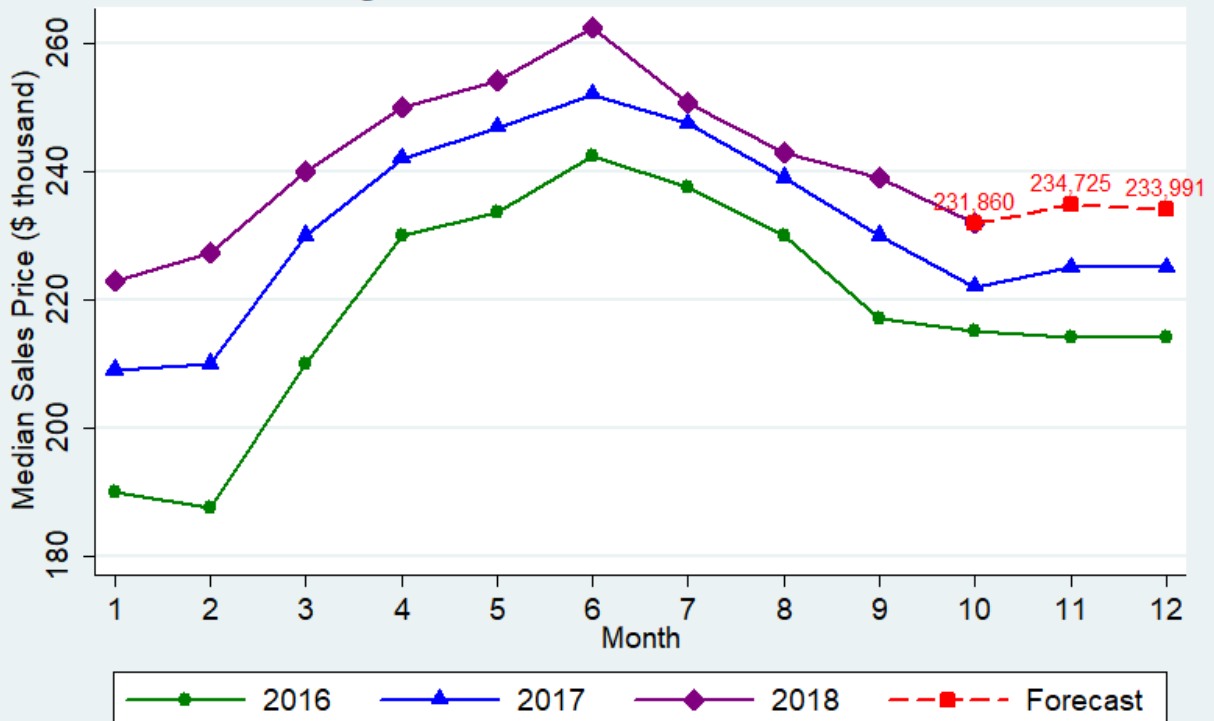
Source: University of Illinois REAL, Illinois REALTORS

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

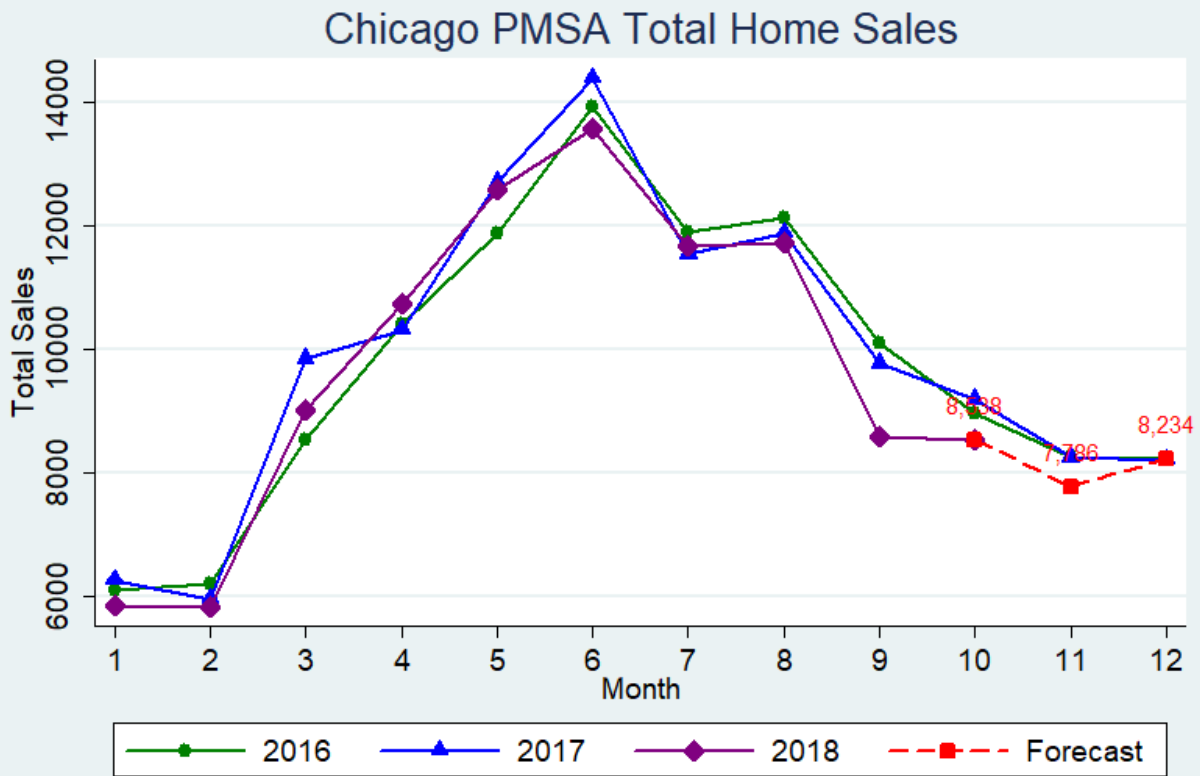


Source: University of Illinois REAL, Illinois REALTORS

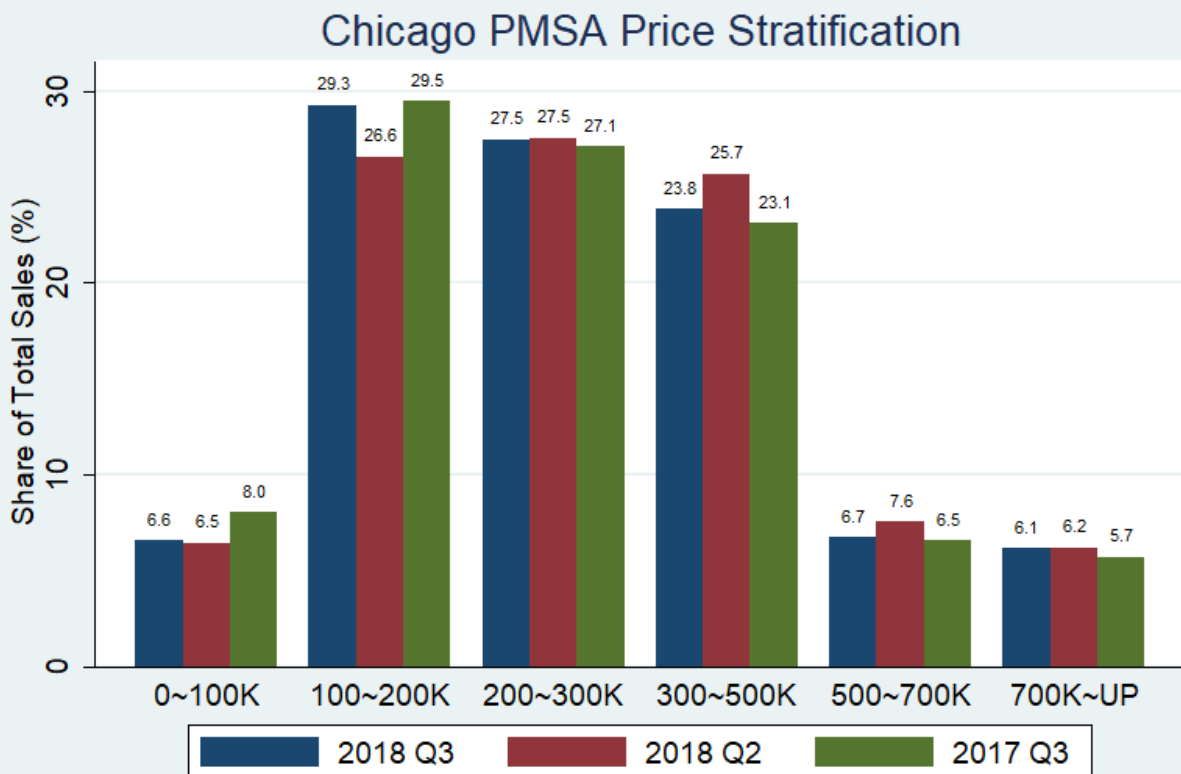
Chicago PMSA Median Home Sales Price



Source: University of Illinois REAL, Illinois REALTORS

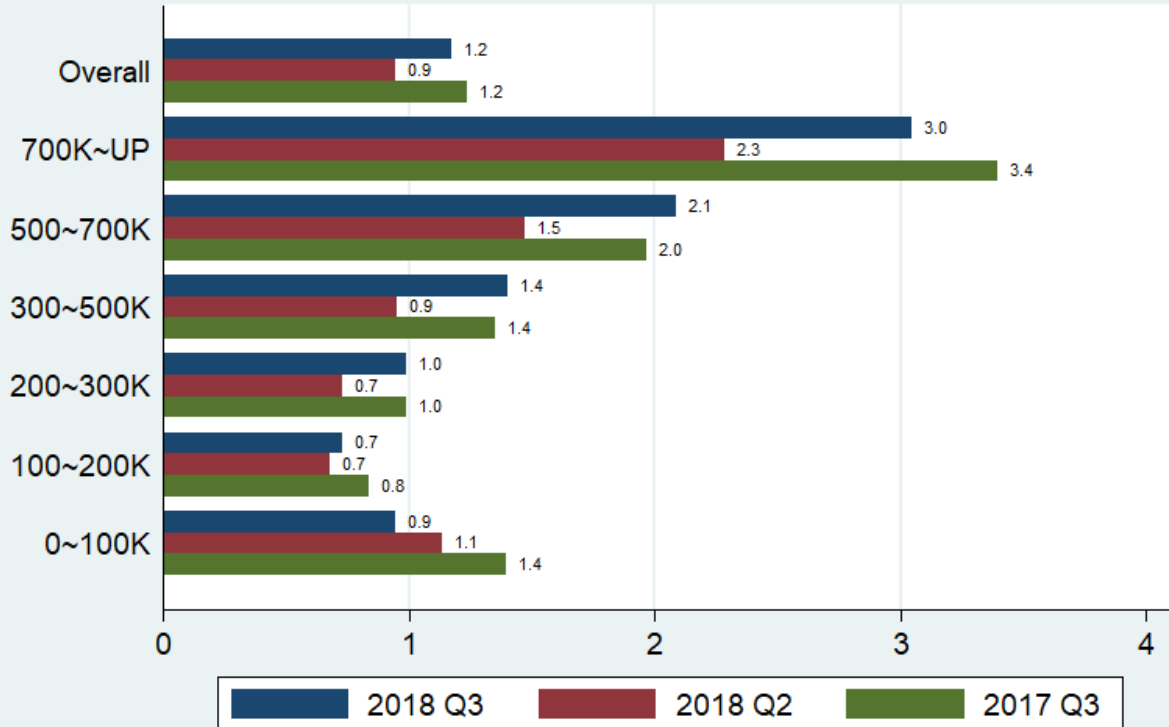


Source: University of Illinois REAL, Illinois REALTORS



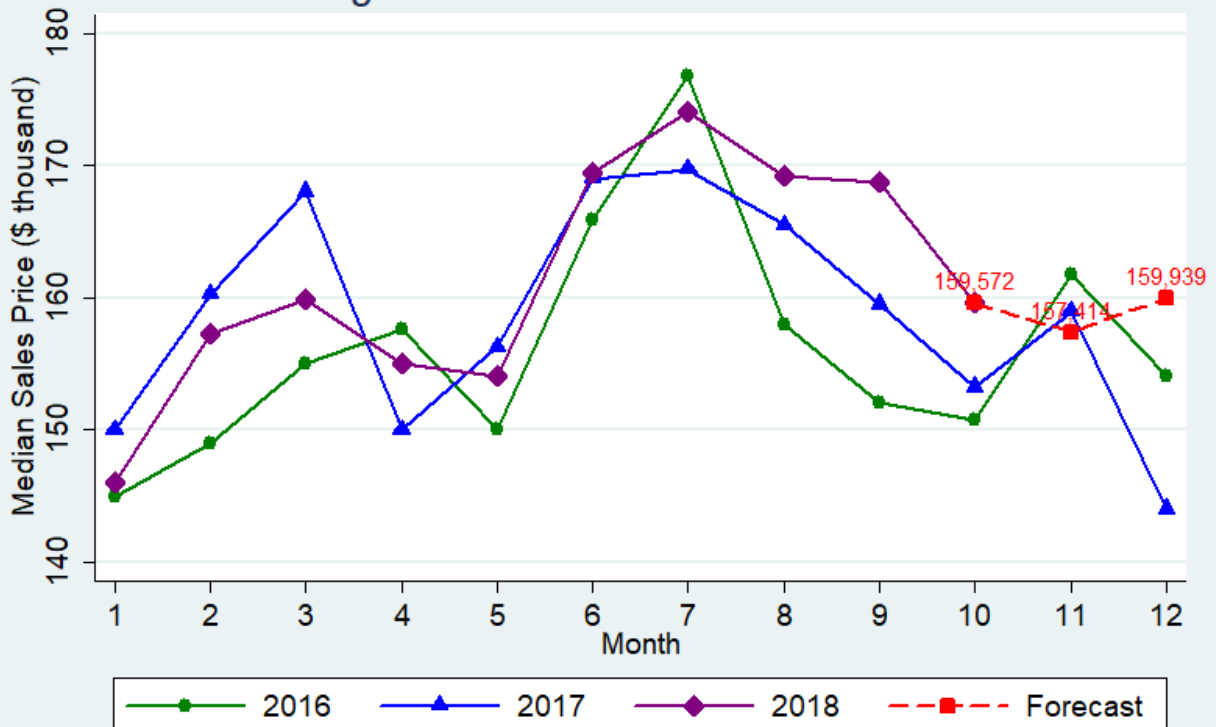
Source: University of Illinois REAL, Illinois REALTORS

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



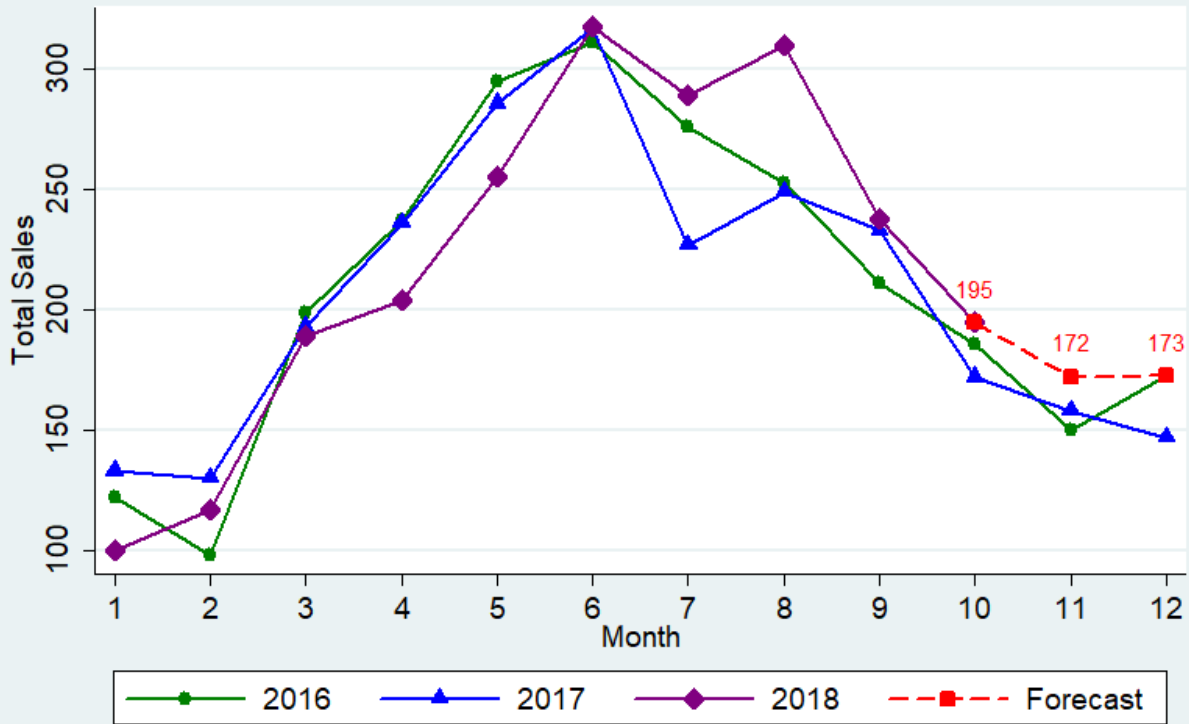
Source: University of Illinois REAL, Illinois REALTORS

Bloomington-Normal Median Home Sales Price



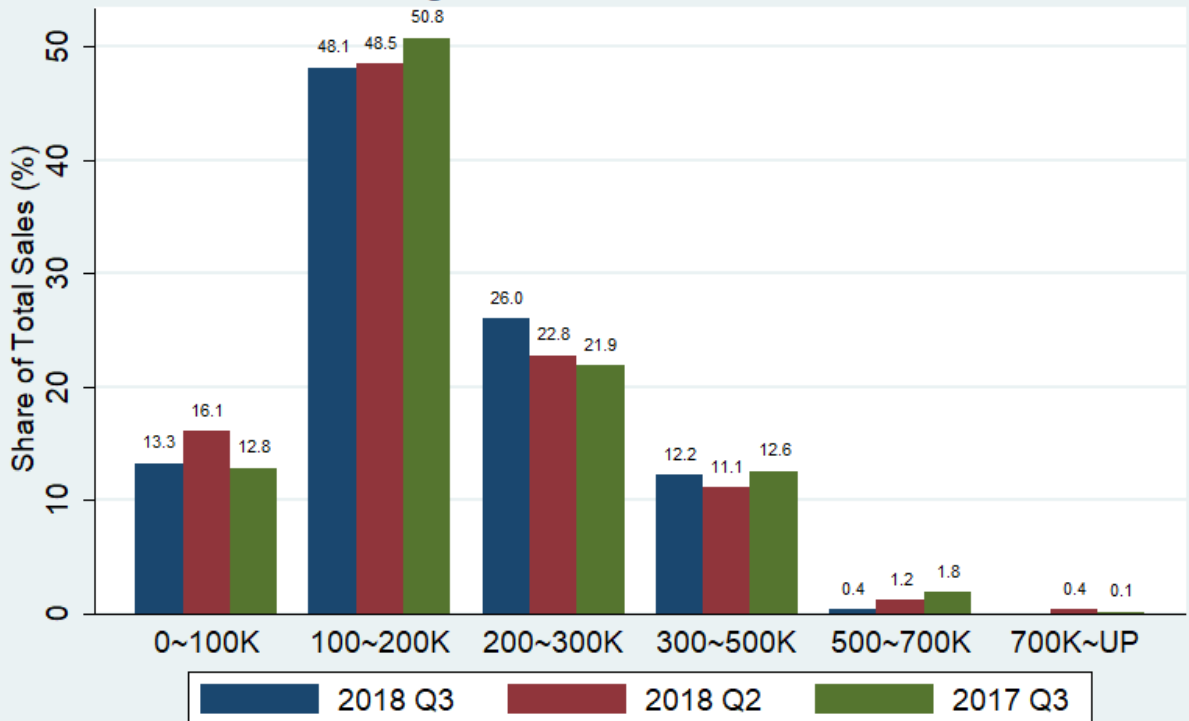
Source: University of Illinois REAL, Illinois REALTORS

Bloomington-Normal Total Home Sales



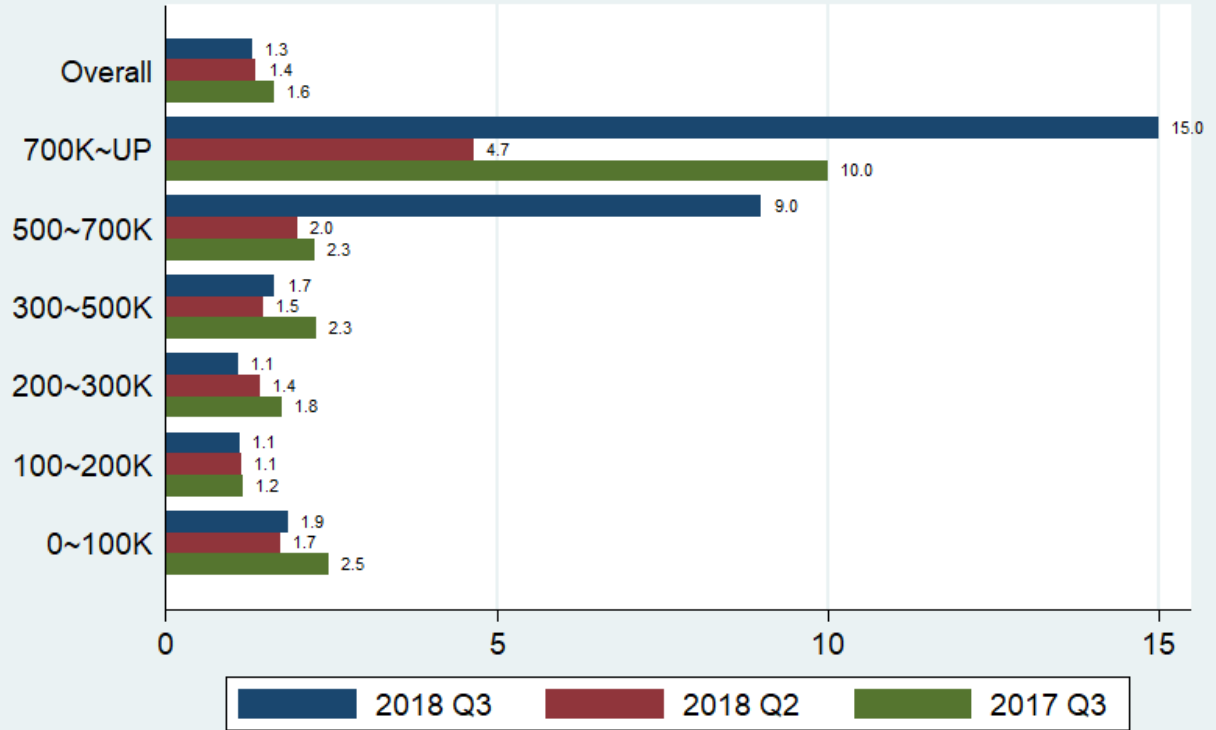
Source: University of Illinois REAL, Illinois REALTORS

Bloomington-Normal Price Stratification



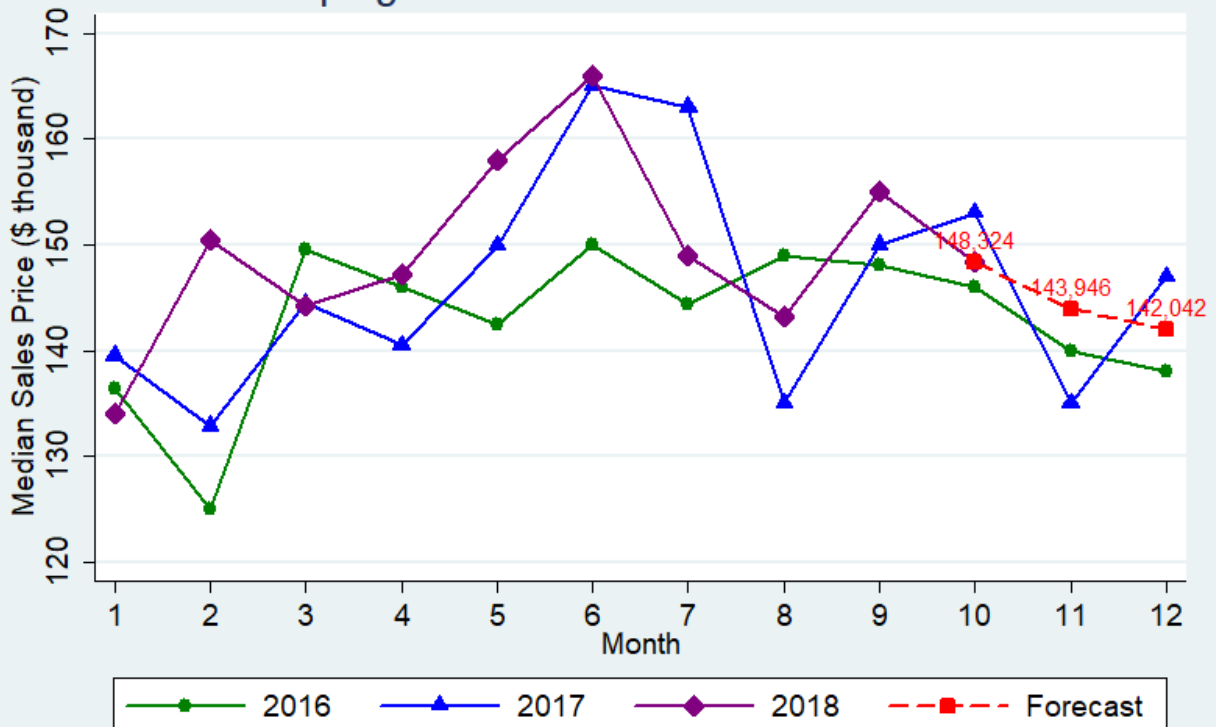
Source: University of Illinois REAL, Illinois REALTORS

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



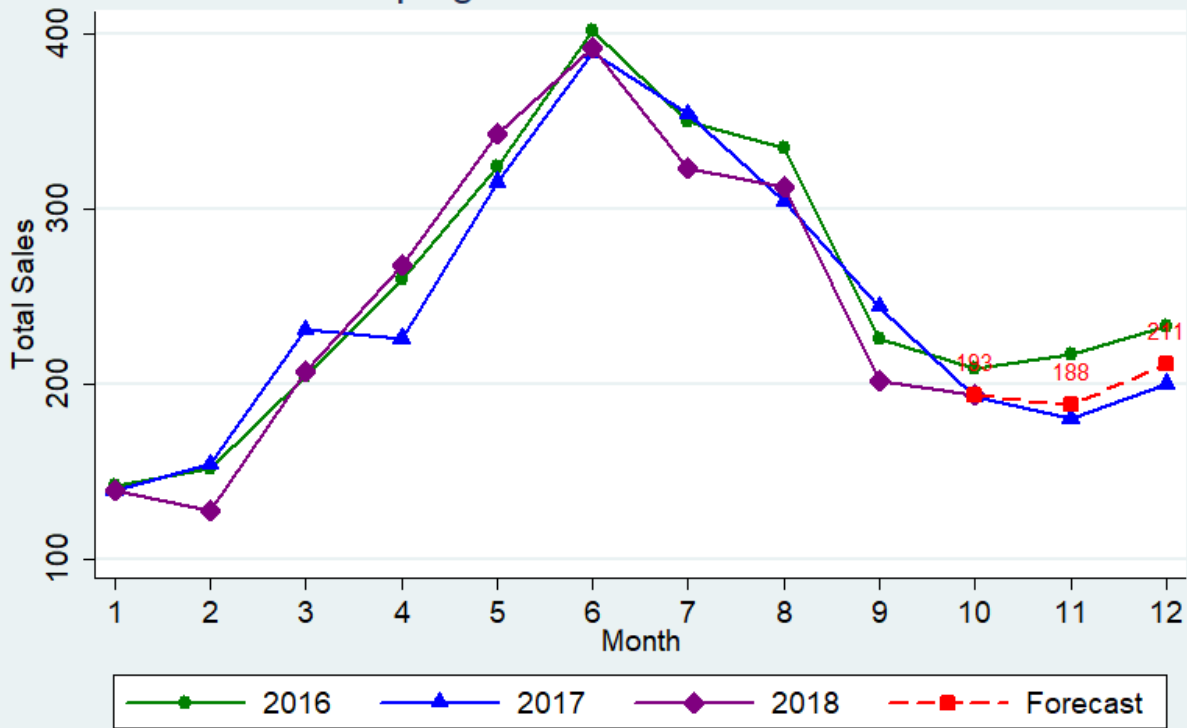
Source: University of Illinois REAL, Illinois REALTORS

Champaign-Urbana Median Home Sales Price



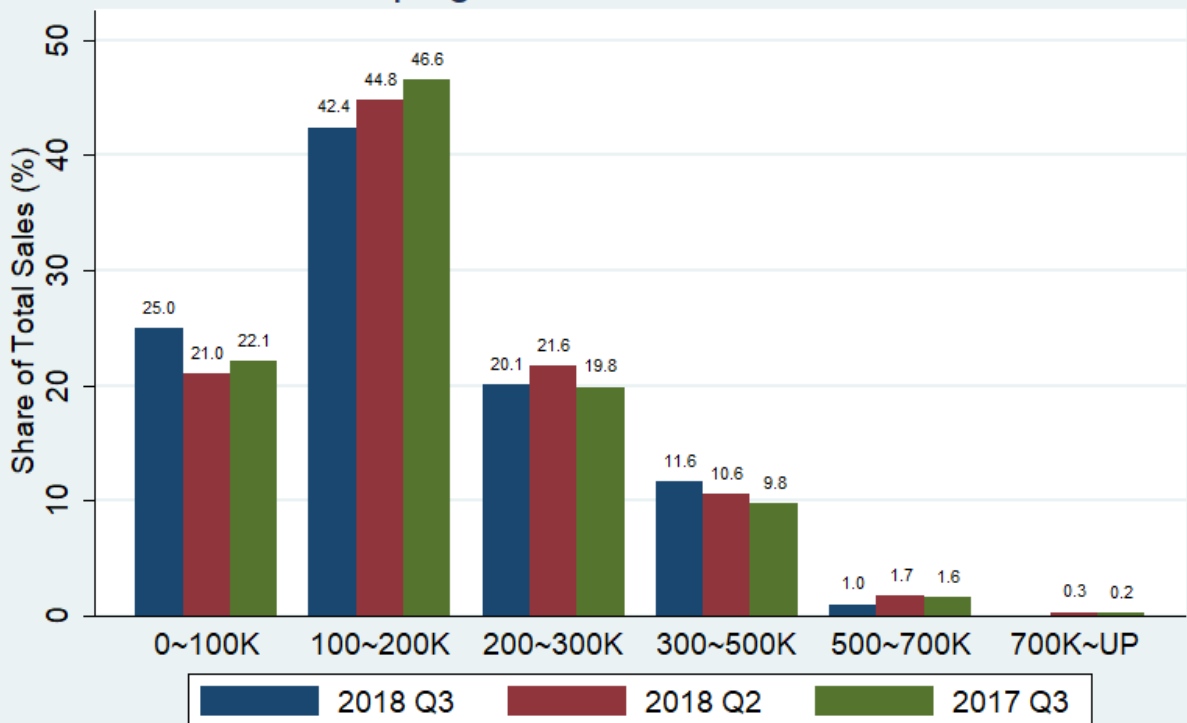
Source: University of Illinois REAL, Illinois REALTORS

Champaign-Urbana Total Home Sales



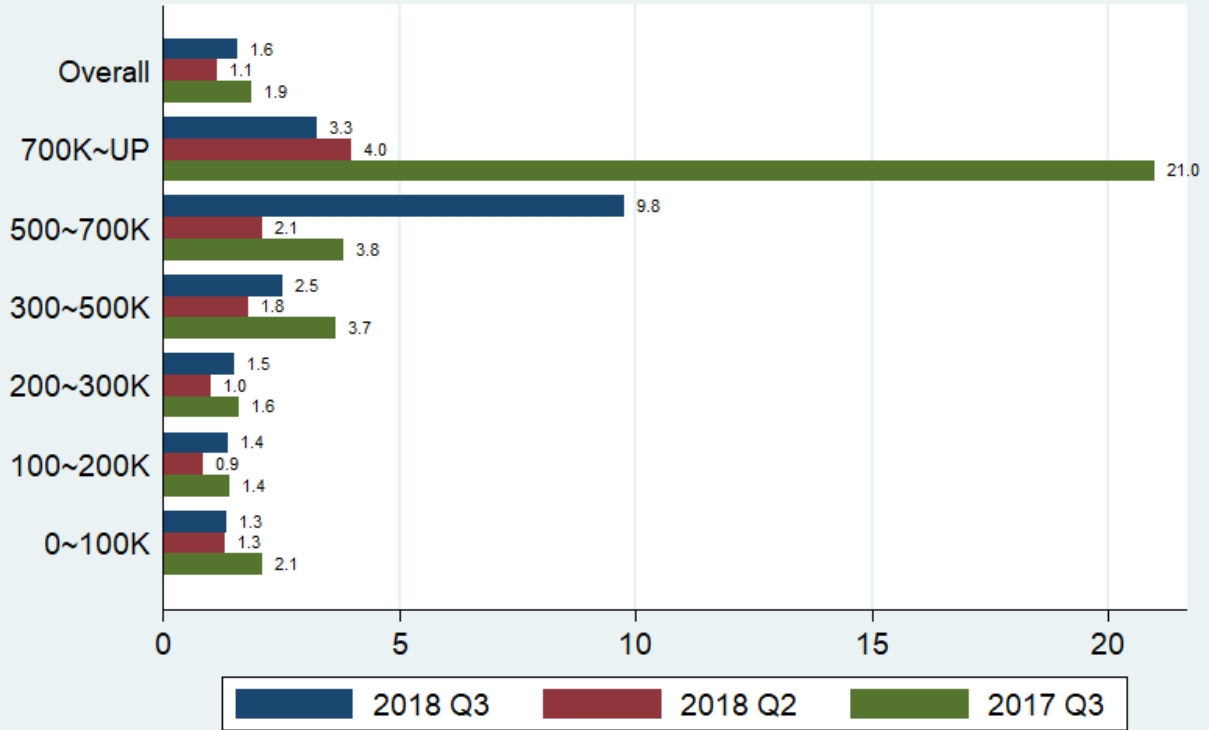
Source: University of Illinois REAL, Illinois REALTORS

Champaign-Urbana Price Stratification



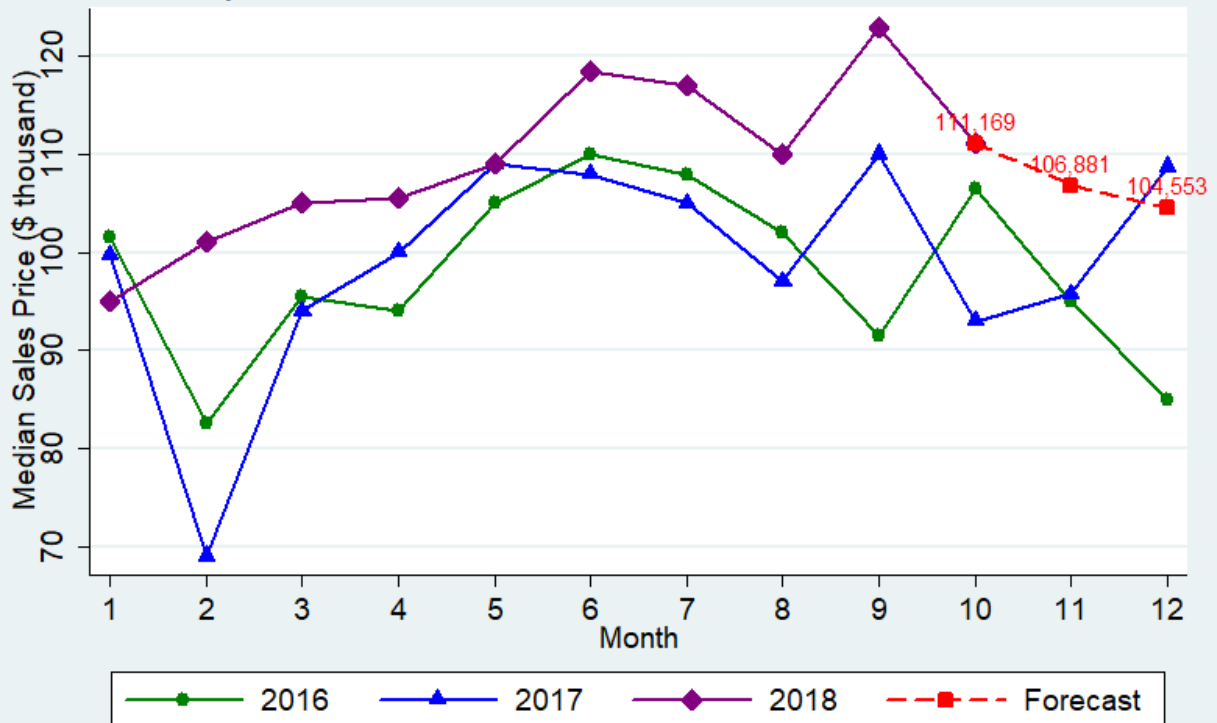
Source: University of Illinois REAL, Illinois REALTORS

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



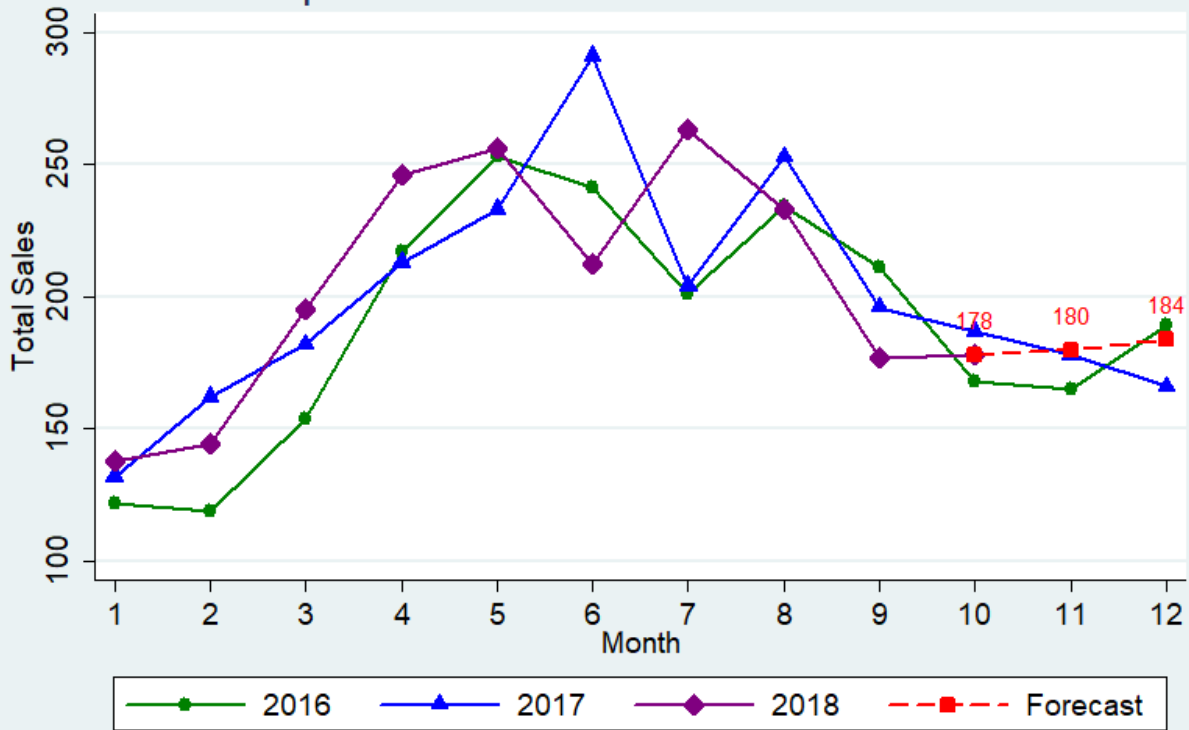
Source: University of Illinois REAL, Illinois REALTORS

Davenport-Rock Island-Moline Median Home Sales Price



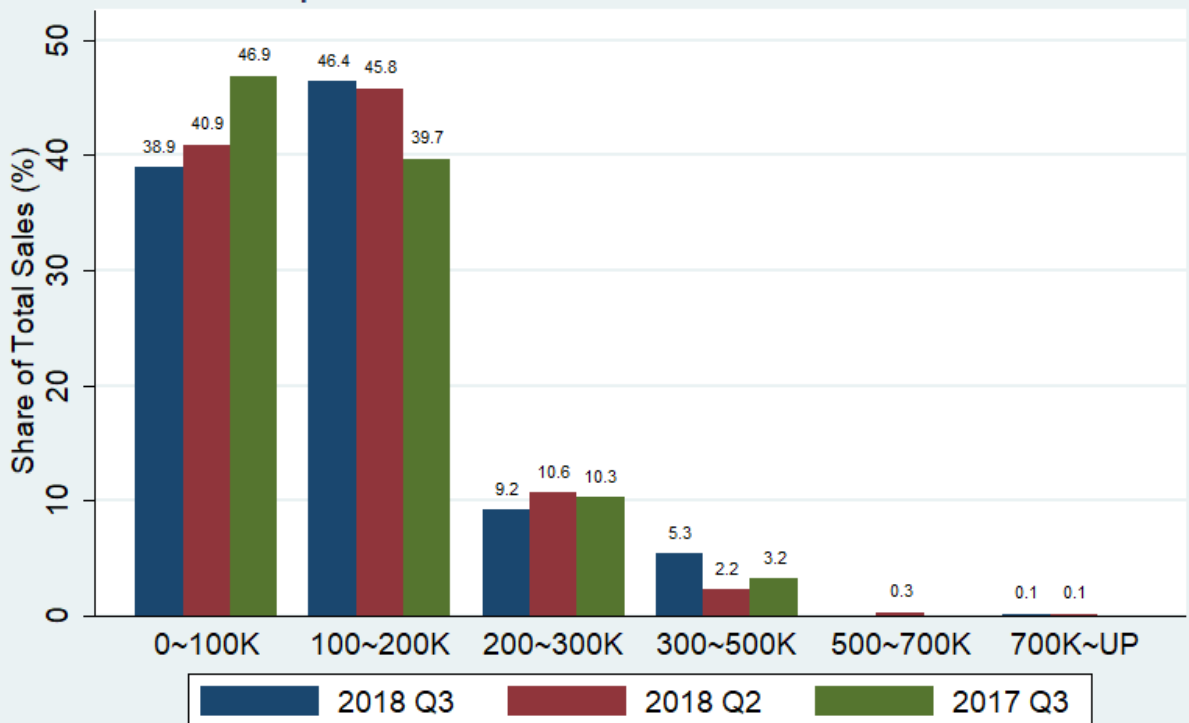
Source: University of Illinois REAL, Illinois REALTORS

Davenport-Rock Island-Moline Total Home Sales



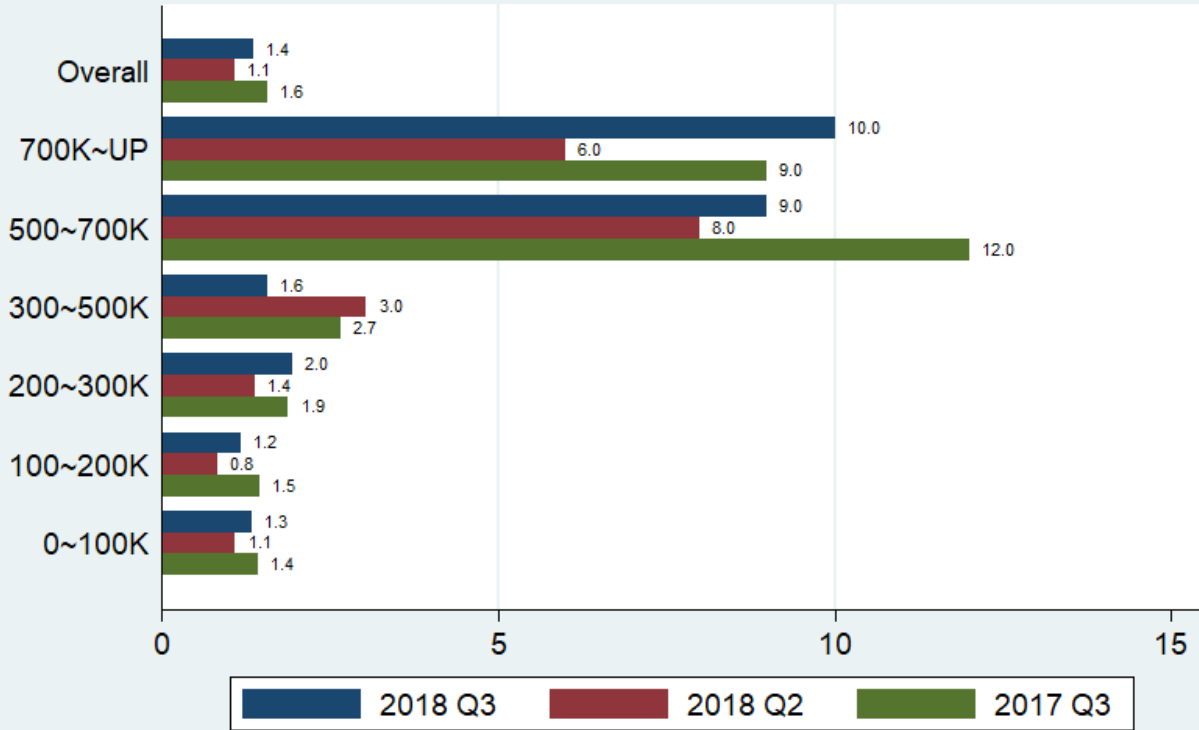
Source: University of Illinois REAL, Illinois REALTORS

Davenport-Rock Island-Moline Price Stratification



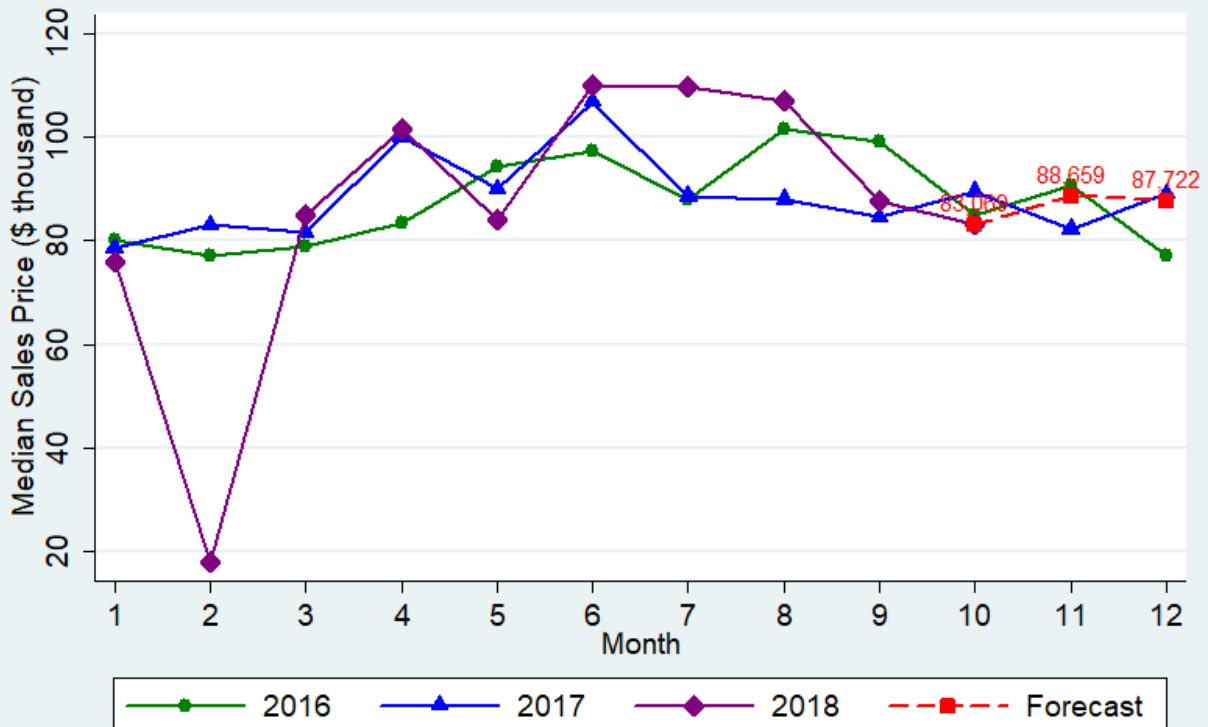
Source: University of Illinois REAL, Illinois REALTORS

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

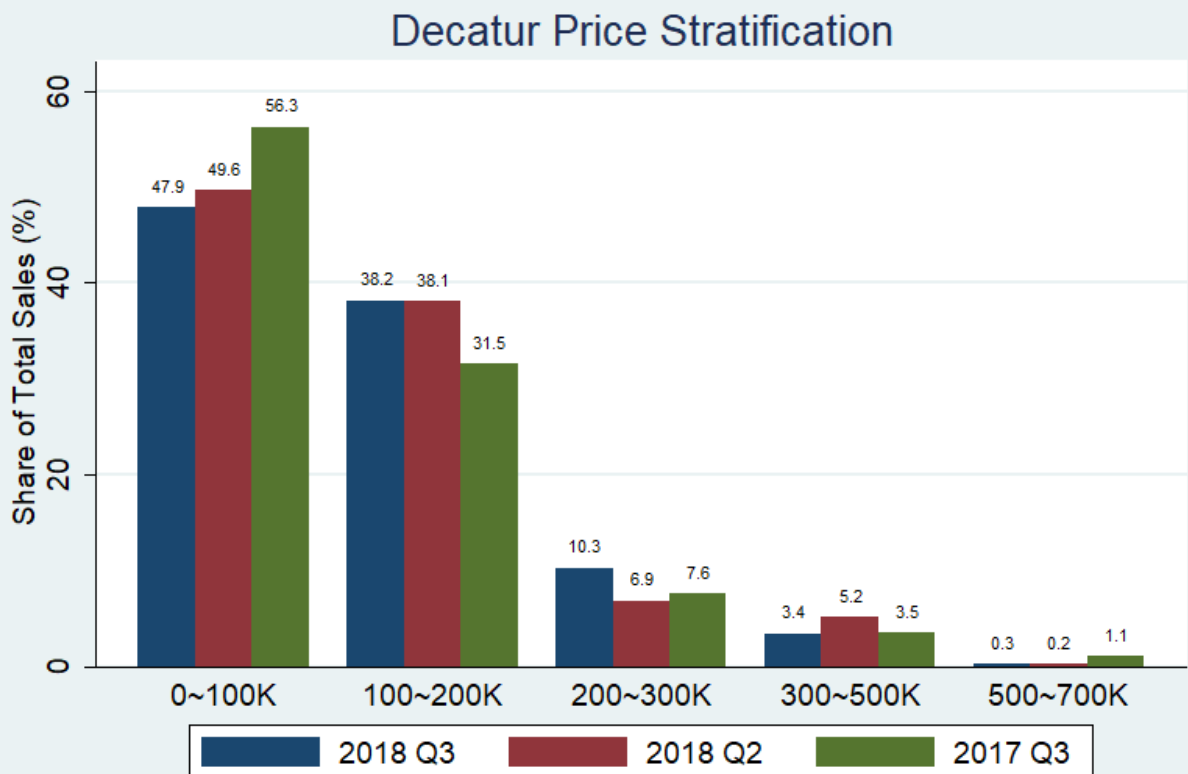
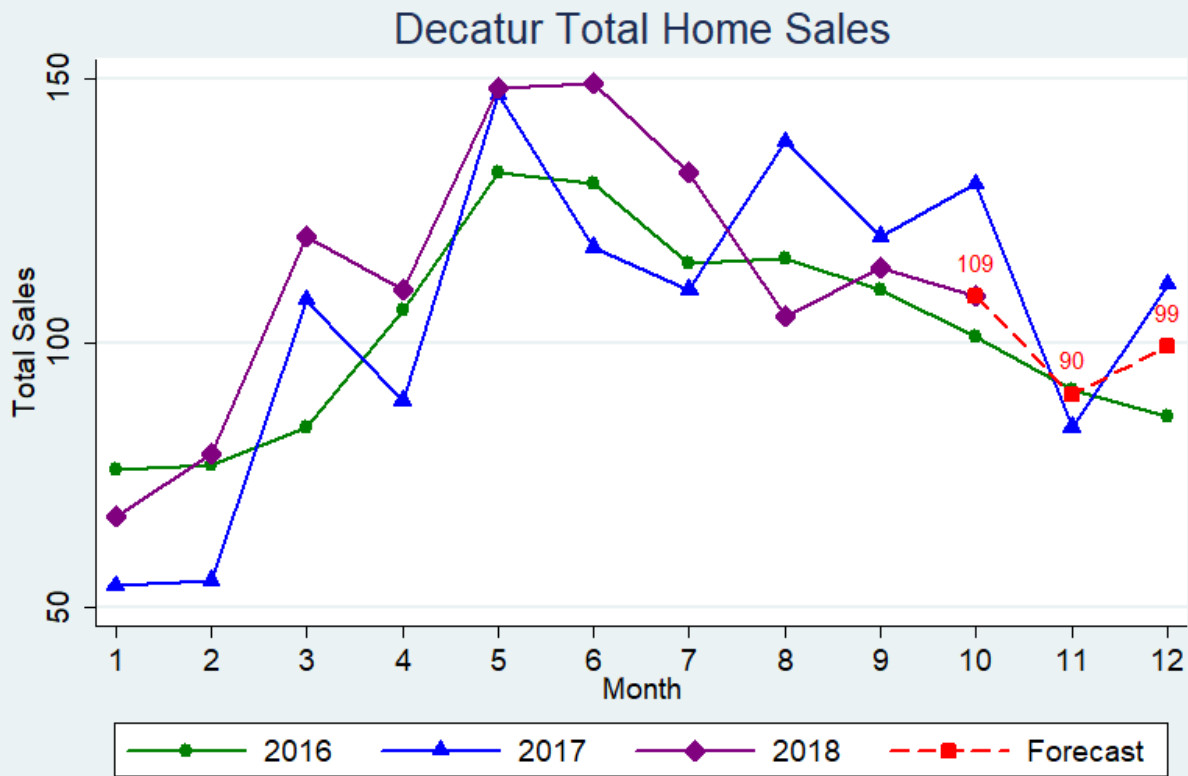


Source: University of Illinois REAL, Illinois REALTORS

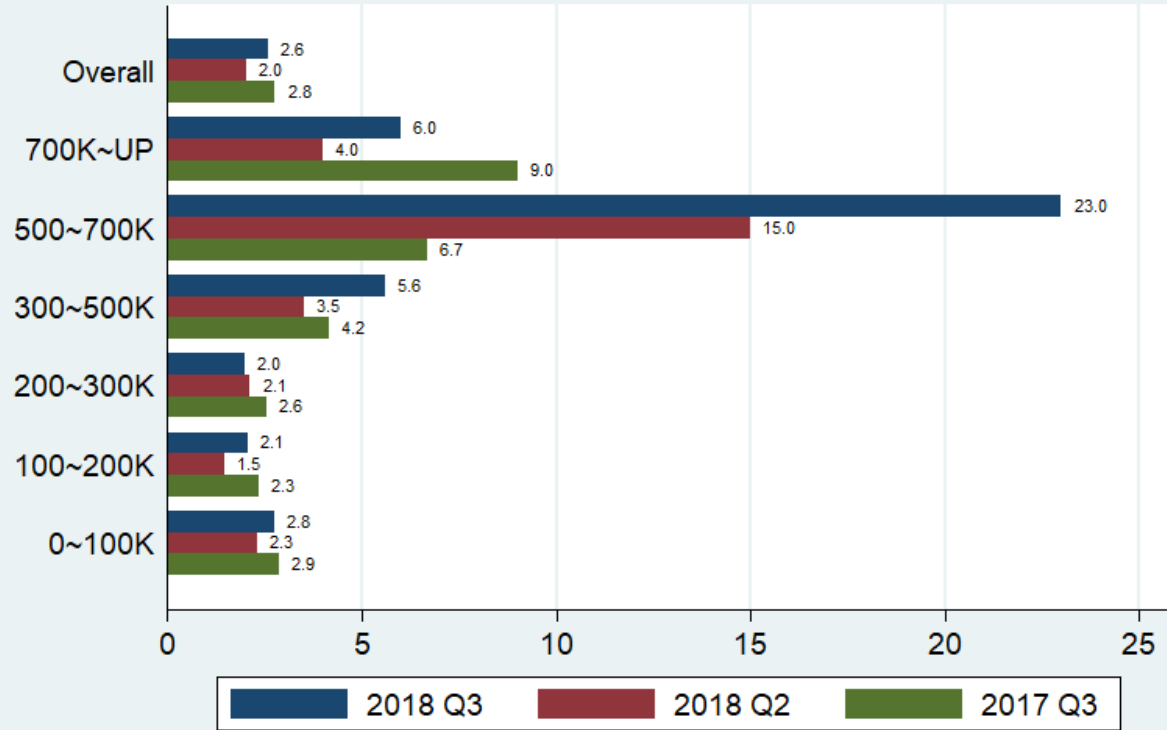
Decatur Median Home Sales Price



Source: University of Illinois REAL, Illinois REALTORS

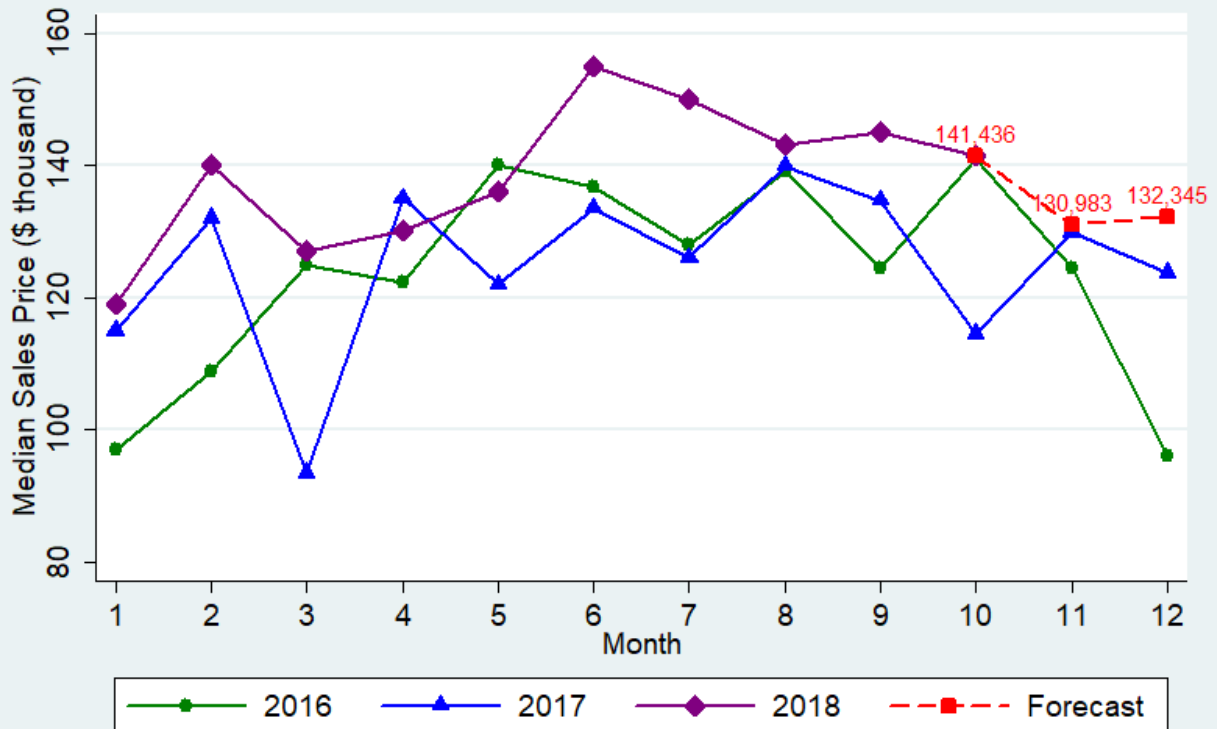


Decatur Unsold Inventory by Price Range (Quarter's Supply)

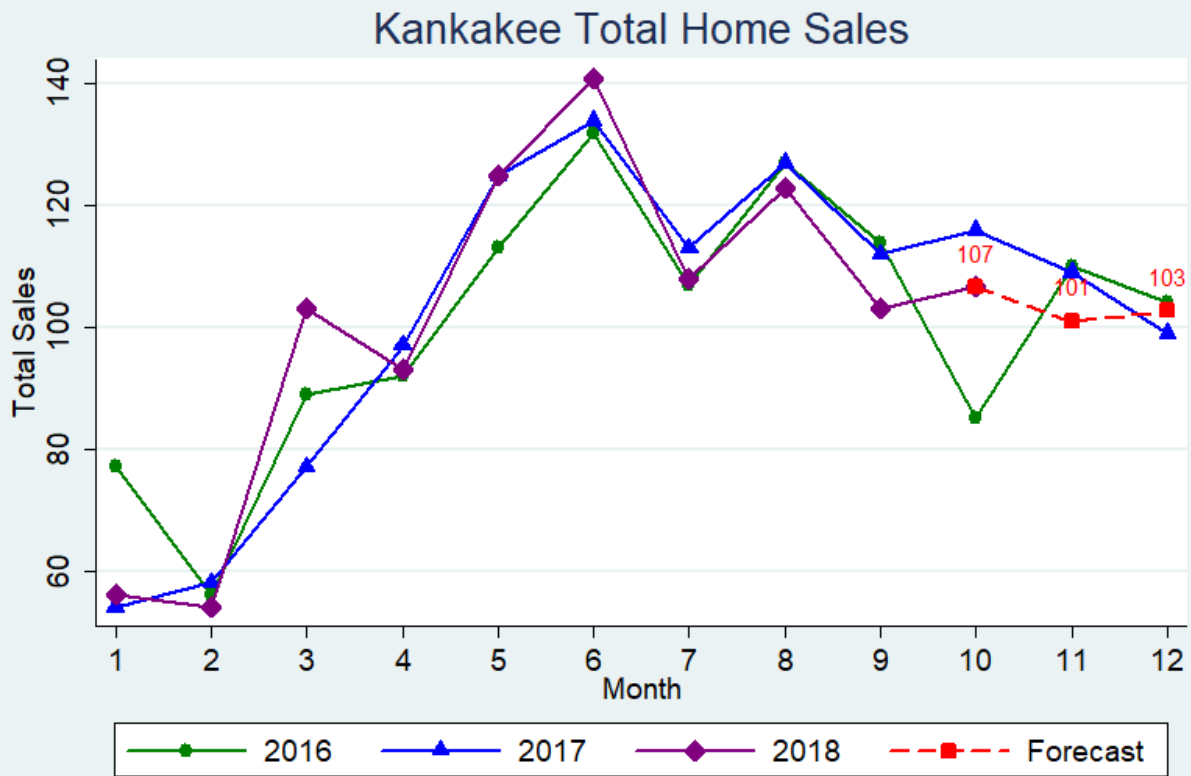


Source: University of Illinois REAL, Illinois REALTORS

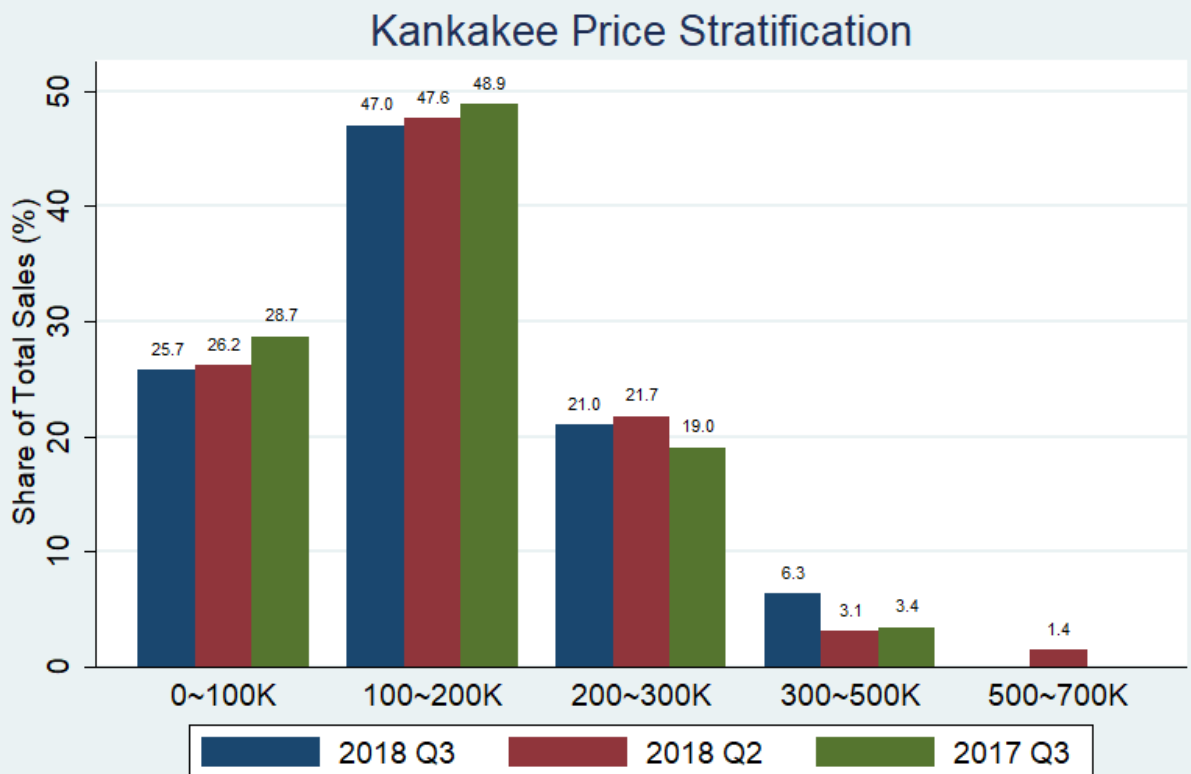
Kankakee Median Home Sales Price



Source: University of Illinois REAL, Illinois REALTORS

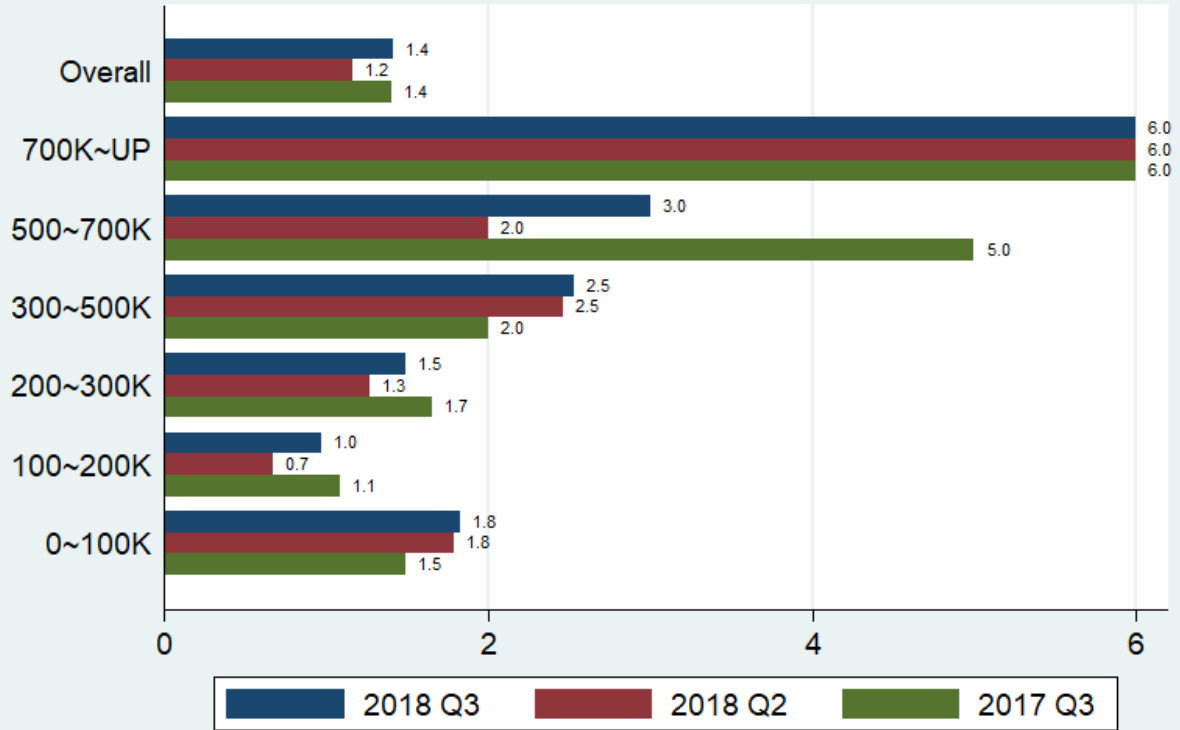


Source: University of Illinois REAL, Illinois REALTORS



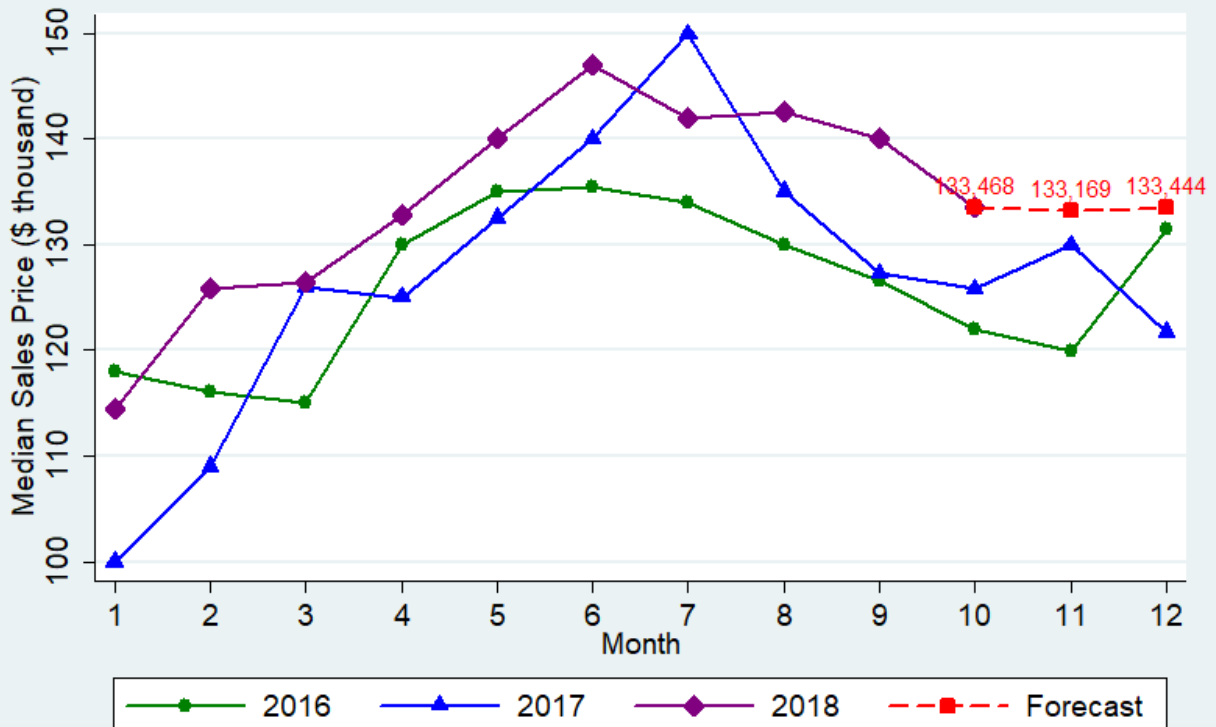
Source: University of Illinois REAL, Illinois REALTORS

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

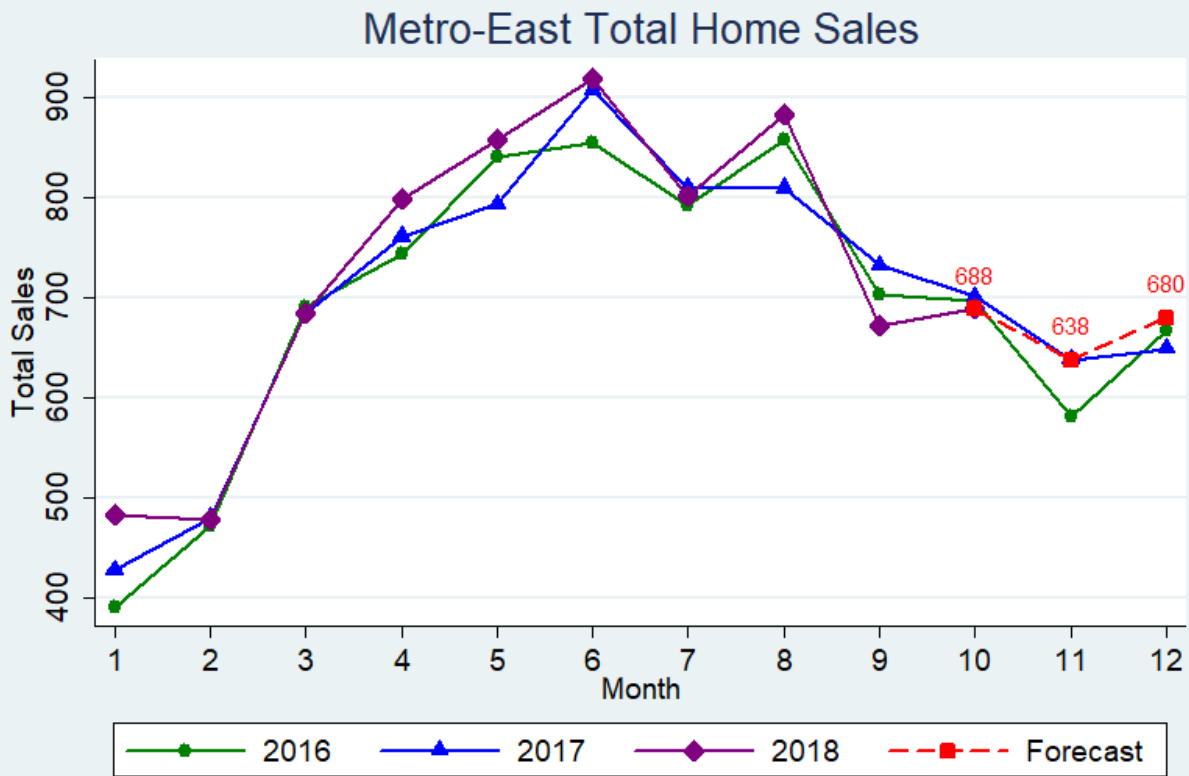


Source: University of Illinois REAL, Illinois REALTORS

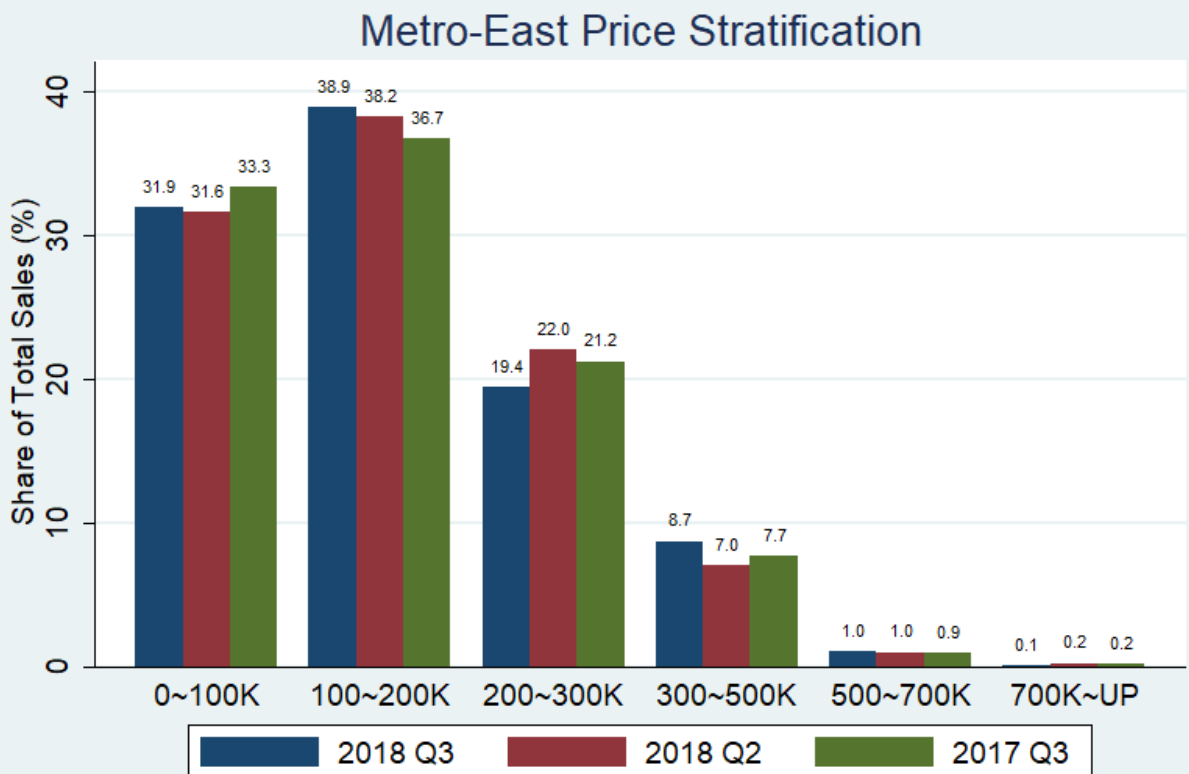
Metro-East Median Home Sales Price



Source: University of Illinois REAL, Illinois REALTORS

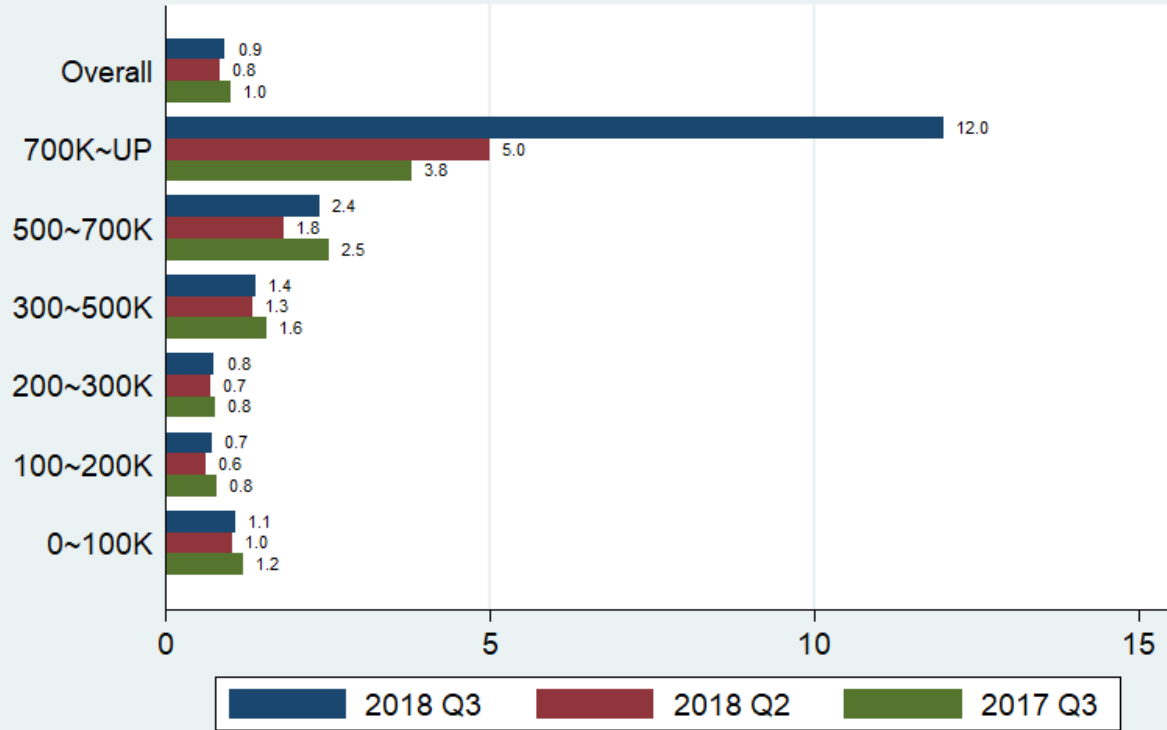


Source: University of Illinois REAL, Illinois REALTORS



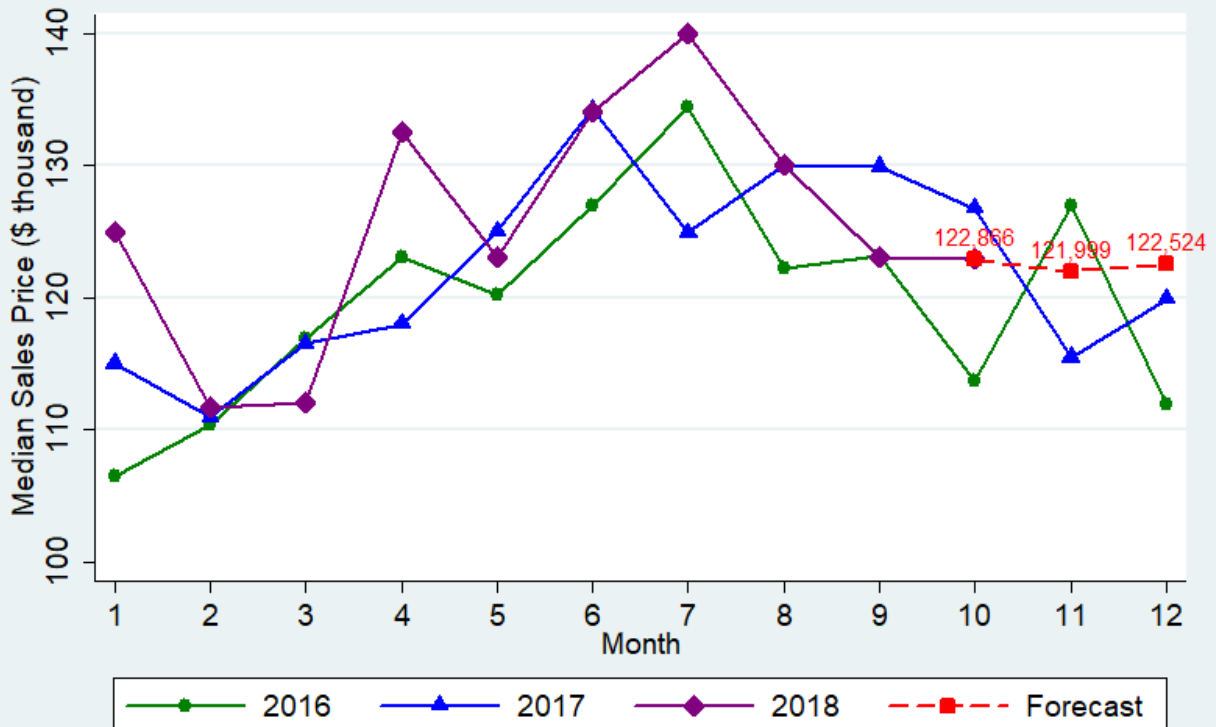
Source: University of Illinois REAL, Illinois REALTORS

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

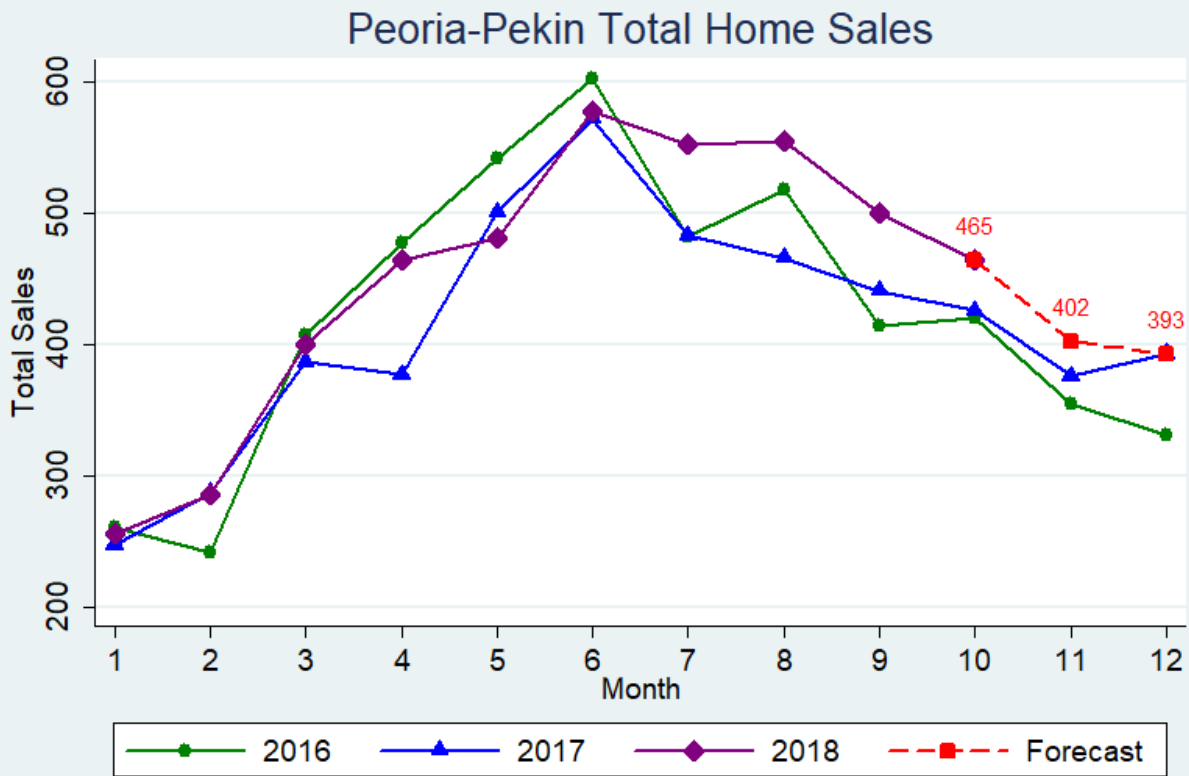


Source: University of Illinois REAL, Illinois REALTORS

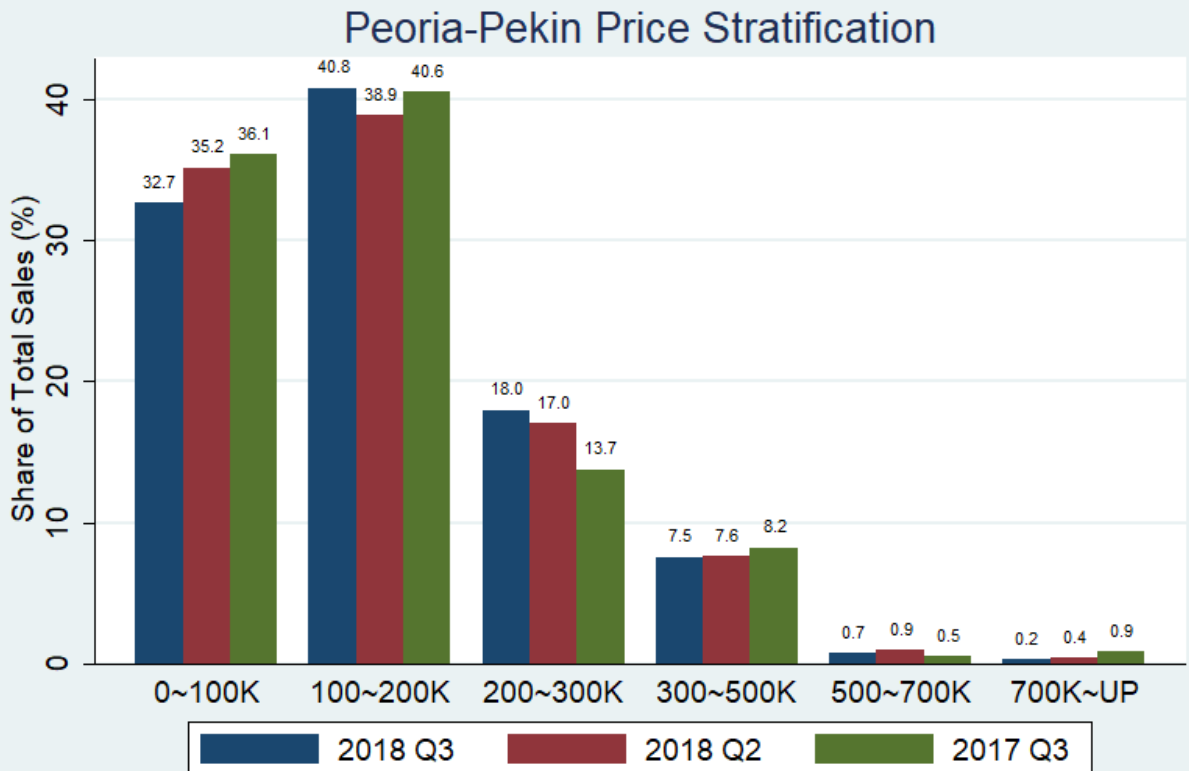
Peoria-Pekin Median Home Sales Price



Source: University of Illinois REAL, Illinois REALTORS

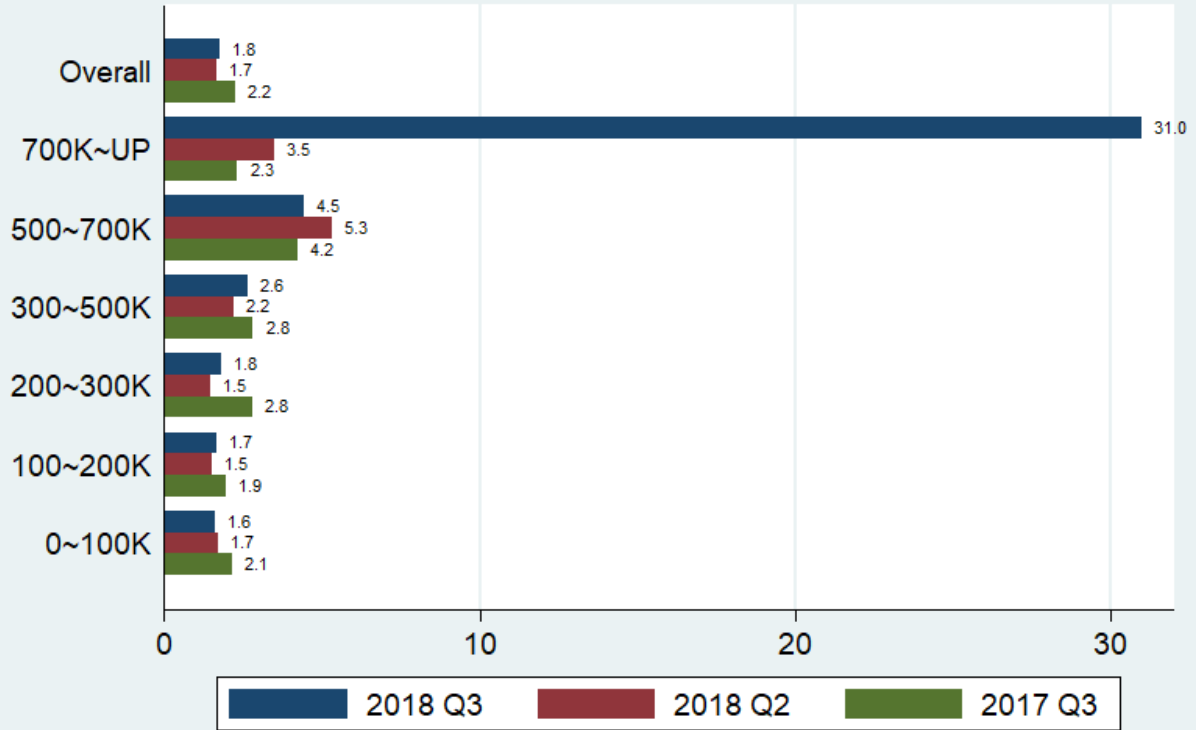


Source: University of Illinois REAL, Illinois REALTORS



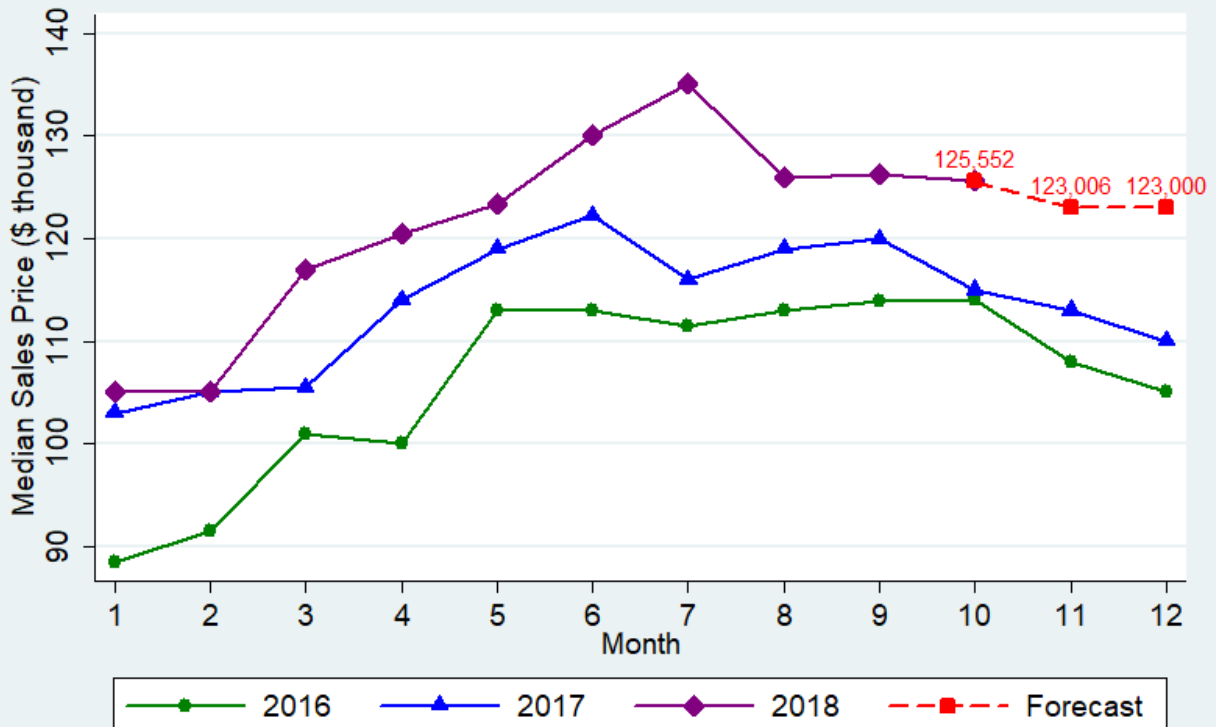
Source: University of Illinois REAL, Illinois REALTORS

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

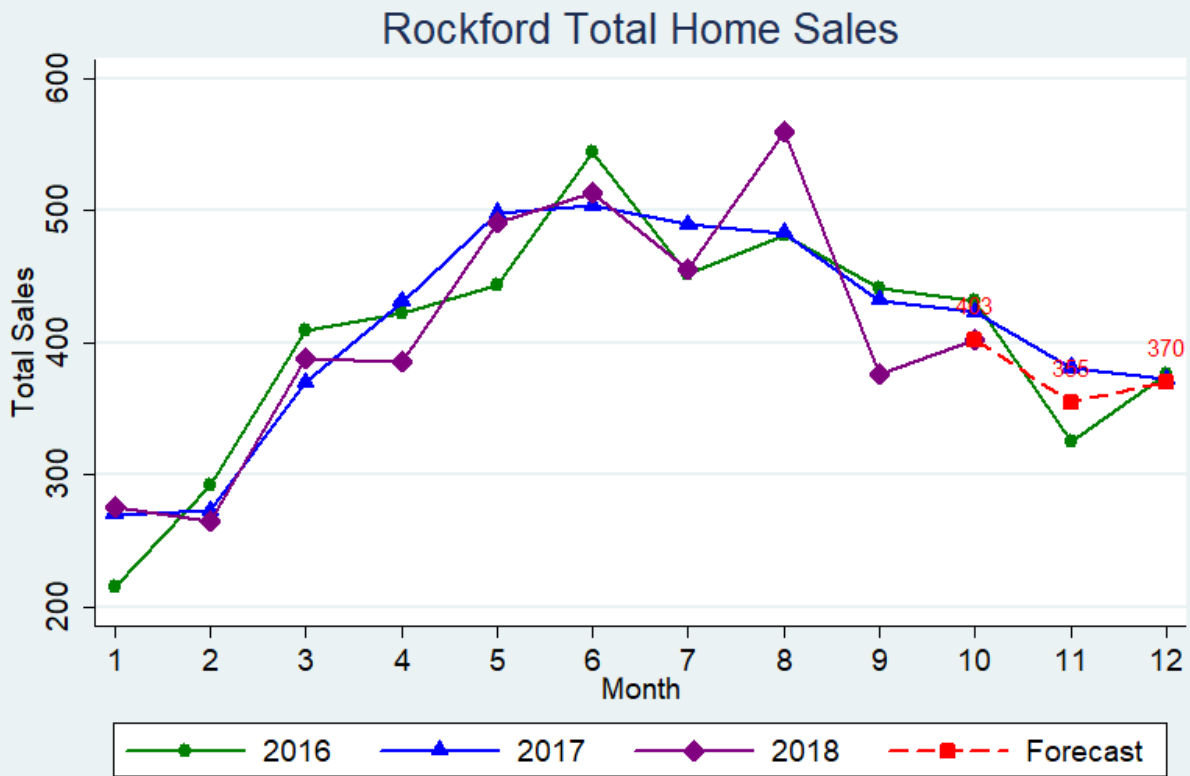


Source: University of Illinois REAL, Illinois REALTORS

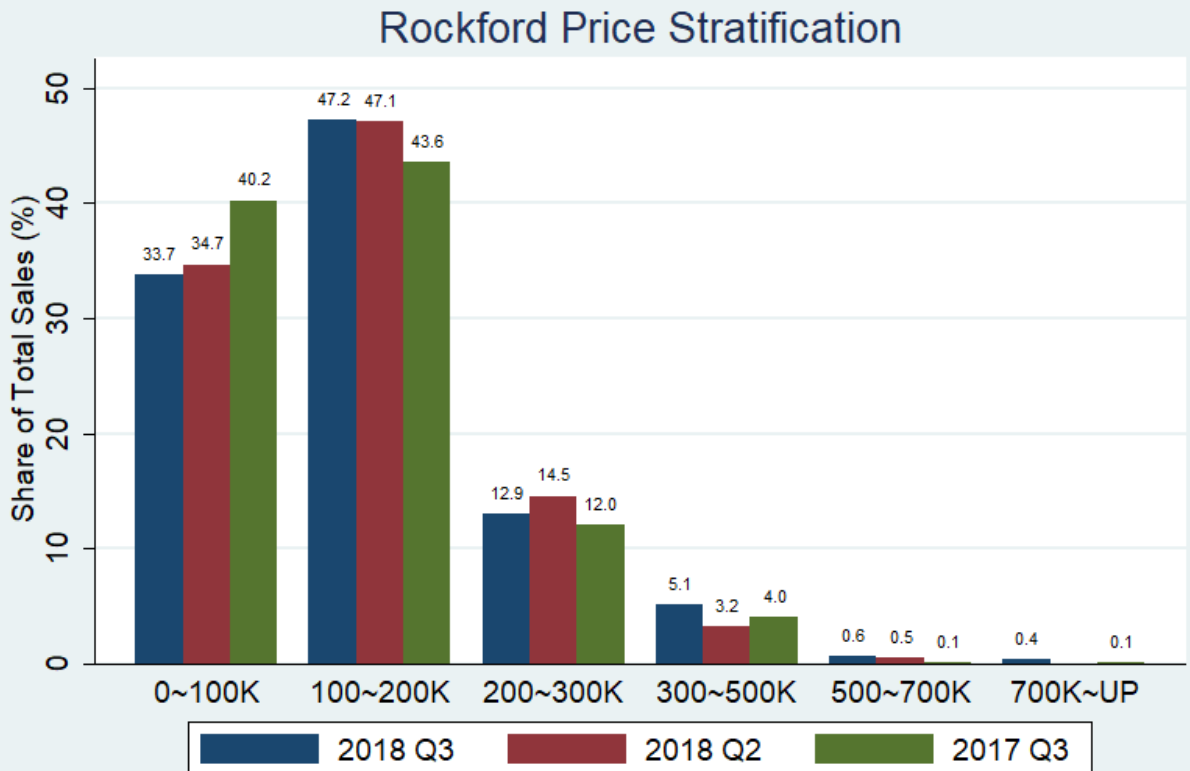
Rockford Median Home Sales Price



Source: University of Illinois REAL, Illinois REALTORS

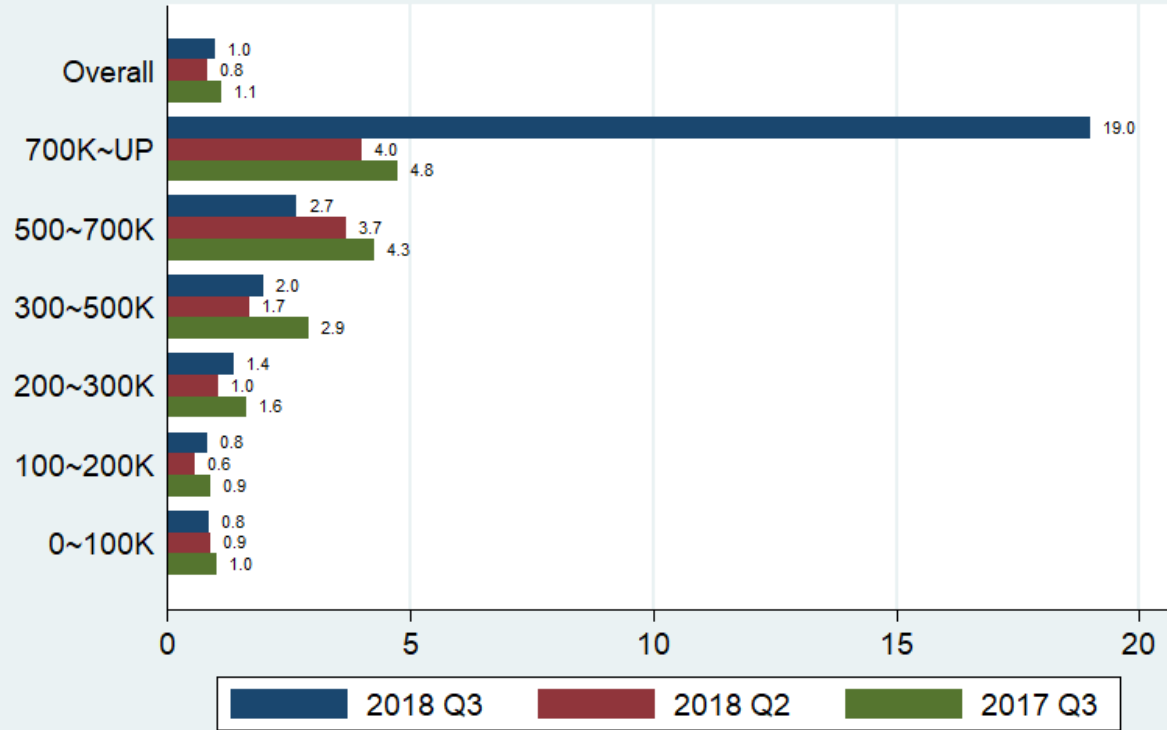


Source: University of Illinois REAL, Illinois REALTORS



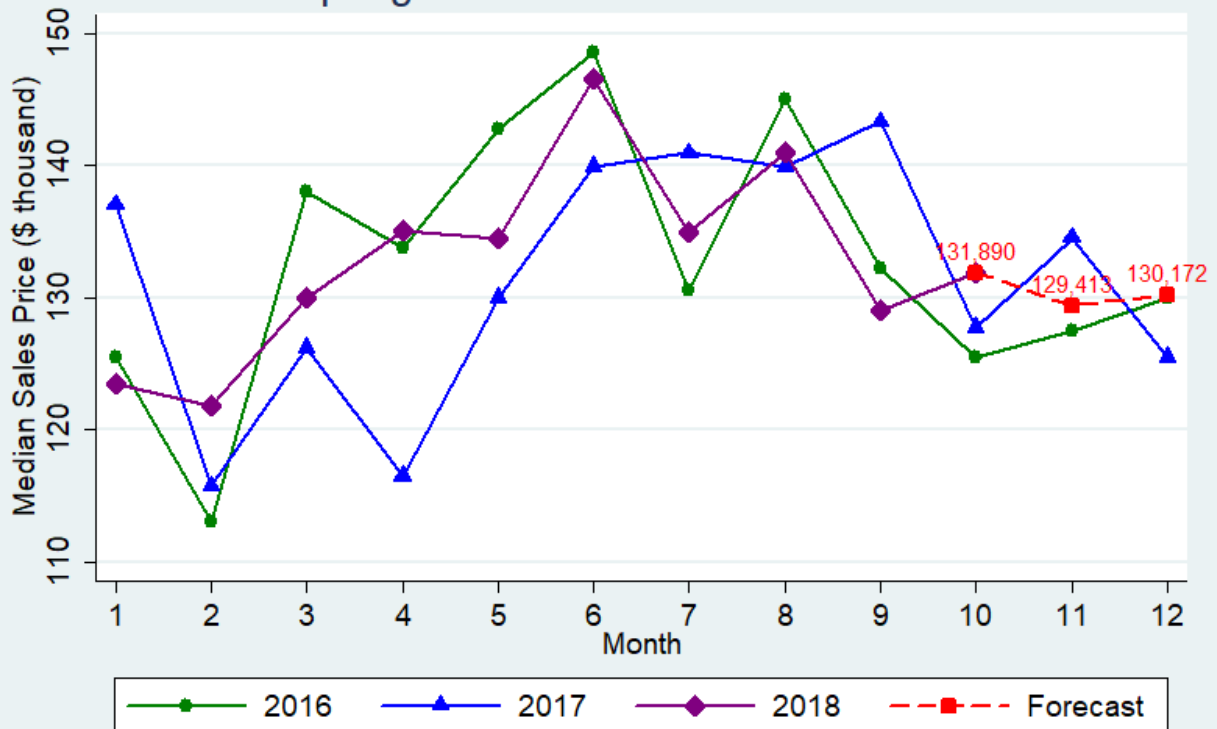
Source: University of Illinois REAL, Illinois REALTORS

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

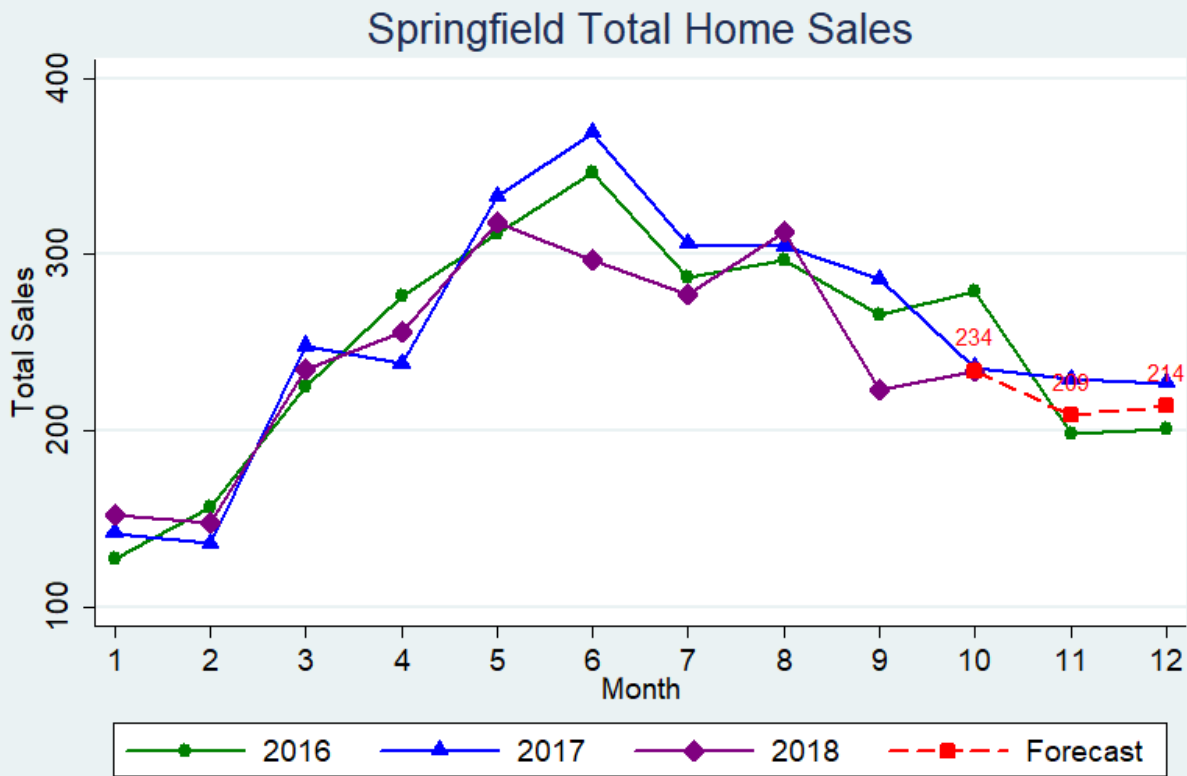


Source: University of Illinois REAL, Illinois REALTORS

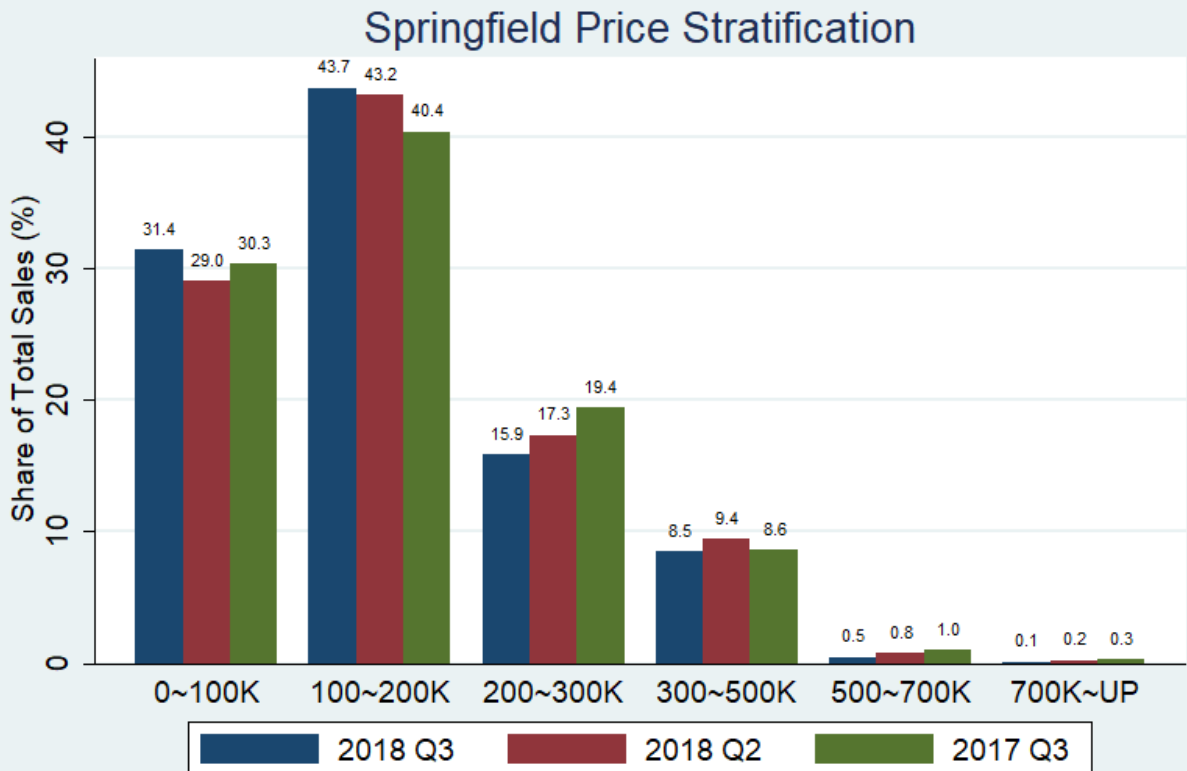
Springfield Median Home Sales Price



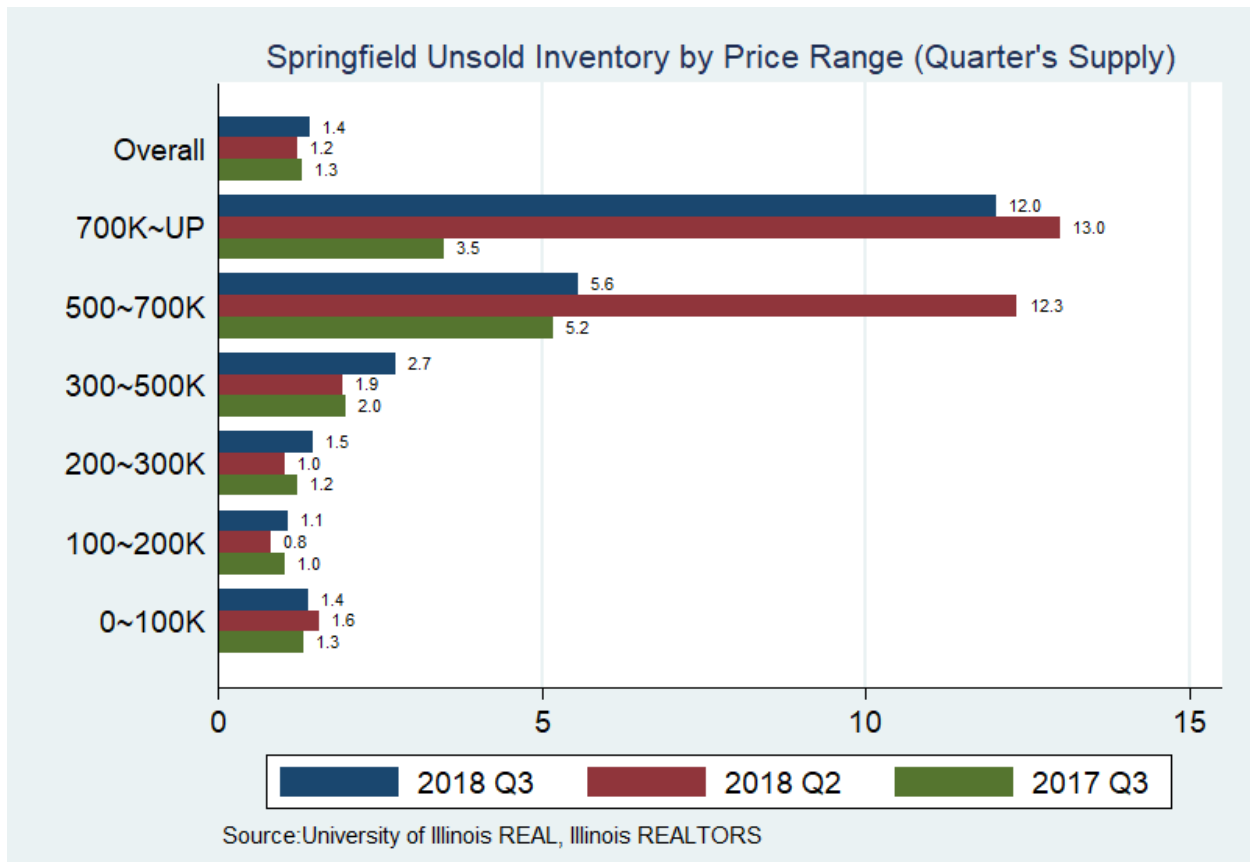
Source: University of Illinois REAL, Illinois REALTORS



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.