

**INSTITUTE FOR  
HOUSING STUDIES**  
at DePaul University

# **ILLINOIS HOUSING MARKET** forecast

## Illinois Housing Market Forecast

### March 2025

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

This report highlights trends in housing market activity through February 2025 for the State of Illinois, the Chicago Metro Area, and the City of Chicago. For each geographic area, this report summarizes 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 February 2025 data highlight the continuation of recent trends where a still-limited supply of for-sale housing (as indicated by persistently low inventories) and competitive real estate markets (as indicated by short time on market) are leading to continued rising prices in Illinois, the Chicago region, and the City of Chicago. Mortgage rates declined modestly in February, but still hover just below 7 percent. In February, closed sales activity statewide and in the Chicago area was generally stable compared to the previous February, and sales prices statewide and in the Chicago region were consistently higher than they were a year ago. In the coming months, levels of single-family sales activity statewide and in the Chicago region are expected to rise following seasonal trends and surpass levels seen during the same period in 2024. House prices in the Chicago region are expected to be higher compared to the same period one year ago, though single-family home prices for Illinois at-large are expected to remain slightly below the previous year's prices during the spring.

## State of Illinois

- **Recent trends** – In February 2025, there were 7,698 closed sales of single-family homes, townhomes, and condominiums in Illinois. Prices for single-family homes in Illinois dipped slightly in February, but are still 7.7 percent higher than prices in the same month in 2024. Single-family closed sales activity rose slightly compared to February 2024. In February 2025, the inventory of for-sale single-family homes remained flat compared to the previous year, still near historic lows. The average number of days on the market for a single-family home increased by about 1.3 percent compared to the previous February. Affordability conditions for single-family homebuying were lower than they were a year previously, and similar with the last six months.
- **Three-month outlook** - IHS's three-month housing market forecast indicates that the level of closed sales activity will follow seasonal trends, rising 75.3 percent between February and May. Total sales during the three-month period from March to May are expected to rise 2.9 percent compared to the same period a year ago. Single-family house prices are estimated to increase 7.3 percent between February and May. However, in this projection, prices in May 2025 statewide would be 1.5 percent lower than they were in May 2024.

## Chicago Metropolitan Area

- **Recent trends** - In February 2025, there were 5,160 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 7.5 percent in February 2025 compared to February 2024. The number of closed single-family home sales in the Chicago area was consistent with the previous February. The inventory of for-sale single-family homes dropped slightly compared to a year earlier. The average number of days spent on the market decreased by 5.4 percent compared to February 2024. Affordability conditions for single-family homebuying in the Chicago area stayed consistent with the previous month, but were slightly worse than the previous February.

- **Three-month outlook** - IHS's three-month housing market forecast indicates that the level of closed sales activity for single-family homes will follow seasonal trends and increase 81.3 percent between February and May. Total sales between March and May 2025 are estimated to be 2.6 percent higher than during the same period one year ago. Prices of single-family homes in the Chicago metropolitan area are projected to increase 8.0 percent between January and April. This scenario would reflect a price increase of 2.9 percent between April 2024 and 2025.

### City of Chicago *Single-Family Homes*

- **Recent trends** - In February 2025, there were 1,306 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 6.3 percent in February 2025 compared to February 2024. The number of closed single-family sales in Chicago decreased by 12.5 percent compared to the previous February. The inventory of for-sale homes declined by 15.6 percent compared to February 2024, and the days on market declined by 10.6 percent. Affordability conditions for single-family homebuyers in Chicago worsened modestly compared to the previous February.
- **Three-month outlook** - IHS's three-month housing market forecast indicates that the level of closed sales activity will follow seasonal trends and increase 67.1 percent between February and May. Total sales in the three-month period from February to April are estimated to be 2.1 percent lower than the same period one year ago. Single-family house prices in the City of Chicago are expected to increase by roughly 9.4 percent between January and April. This scenario would reflect an increase of 9.0 percent between May 2024 and 2025.

## City of Chicago

### *Condominiums and Townhomes*

- **Recent trends** - Prices for condos and townhomes in the City of Chicago increased by 7.5 percent in February 2025 compared to February 2024. The number of closed condo sales in Chicago increased by 3.1 percent compared to the previous February. The inventory of for-sale condos declined by 19.6 percent compared to February 2024. The number of days on market decreased by 4.6 percent compared to the previous year.
- **Three-month outlook** - IHS's three-month housing market forecast indicates that the level of closed condominium sales activity will follow seasonal trends and increase by almost 102 percent between February and May 2025. Total condominium sales in Chicago between March and May are estimated to be 4.7 percent higher compared to the same period a year ago. Condo prices are projected to increase by 5.0 percent between February and May. These projected May prices would be 2.1 percent higher than prices in May 2024.

## Conditions Affecting Homebuying

Evolving economic and housing market conditions continue to paint a complex picture for homebuyers and sellers in 2025. The February [rate of inflation](#) slowed slightly compared to January, but the slew of tariffs, both [enacted](#) and [proposed](#), from the Trump Administration suggest that inflation could grow [at a faster rate](#) later in the year. Amid inflation uncertainty, it's hard to predict if the Federal Reserve will continue cutting rates; immediate cuts [are unlikely](#), though it's possible that rate cuts [will resume](#) in June. The [national](#) unemployment rate rose slightly in February, remaining elevated compared to levels during recent years. The [Illinois](#) unemployment rate was stable between December and January, remaining similar compared to the previous year and 0.9 percent higher than the national unemployment rate. The [consumer sentiment index](#) fell 10 percent in February, mostly due to worries about tariffs and the subsequent inflation. In the Chicago area, foreclosure activity increased compared to the previous February but remained low relative to pre-pandemic levels.<sup>1</sup>

These economic indicators highlight ongoing challenges and opportunities facing the current homebuying market. Mortgage [interest rates](#) remained high during the winter, but began dropping in mid-January. House prices continue to grow in most parts of the country, indicated by

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<sup>1</sup> For Chicago area data on foreclosure activity, see the Appendix

[the Case Shiller Home Price Index](#) reaching another all-time high in December 2024. Inventories of for-sale homes have [continued increasing](#) nationally which may provide some house price growth relief. Nationally, homebuying sentiment [has fallen](#) as fewer households believe that mortgage rates will decline in the near future, and the sentiment index is down 1.2 points compared to February 2024. Additional data show that the [cancellation of pending](#) sales in January reached the highest level for this time of year since 2017, indicating housing market uncertainty. In February 2025, inventories remained flat and historically low statewide and in the Chicago PMSA while declining in the City of Chicago. Tight inventories continue to suggest that the market will be highly competitive and challenging for homebuyers in the near future. Continued economic uncertainty and interest rate instability make it difficult to predict how homebuyers will react to these trends.

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

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

# Data Appendix

Illinois - Single Family Homes  
Summary of Recent Trends

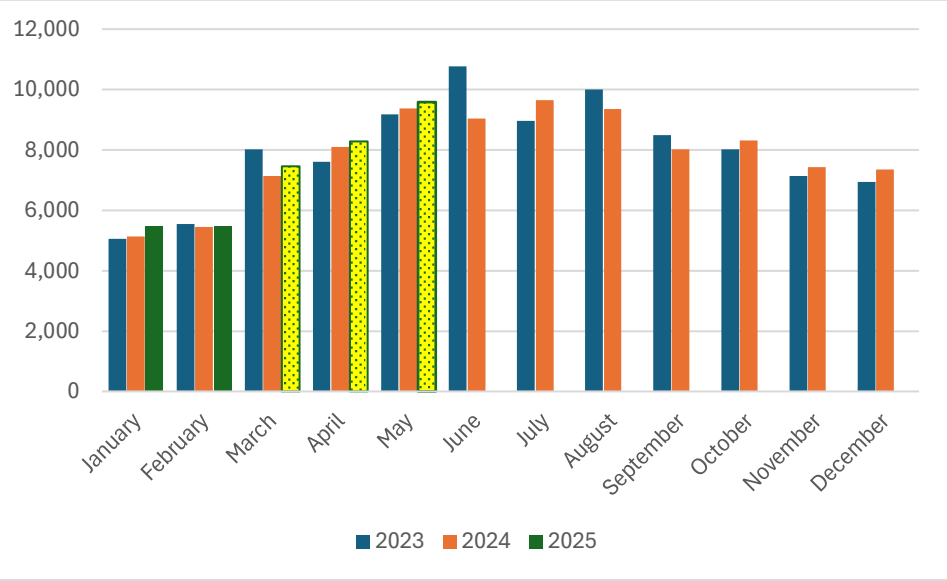
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	5,061	5,137	5,482		41	36	39		14,219	12,284	12,837		\$229,900	\$255,000	\$282,000		172	147	130	
February	5,549	5,444	5,466		44	40	41		13,032	12,161	12,177		\$235,000	\$260,000	\$280,000		163	142	133	
March	8,022	7,138	7,457		41	37			12,714	11,731			\$255,550	\$280,170	\$290,156		152	133		
April	7,598	8,093	8,281		34	31			12,425	12,241			\$275,000	\$290,000	\$297,671		140	125		
May	9,173	9,381	9,583		29	27			12,806	13,557			\$280,000	\$305,000	\$300,517		136	120		
June	10,763	9,043			25	23			13,615	14,223			\$300,000	\$325,000			125	114		
July	8,965	9,655			23	23			13,941	15,147			\$290,000	\$319,000			128	117		
August	10,000	9,344			24	24			14,583	16,006			\$285,000	\$300,000			126	129		
September	8,486	8,022			25	26			15,210	16,487			\$273,000	\$295,000			131	134		
October	8,009	8,304			26	28			15,312	16,852			\$265,000	\$290,000			130	131		
November	7,140	7,437			28	29			15,026	15,807			\$265,000	\$285,000			135	131		
December	6,934	7,349			31	33			12,950	13,655			\$255,000	\$285,000			148	130		

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

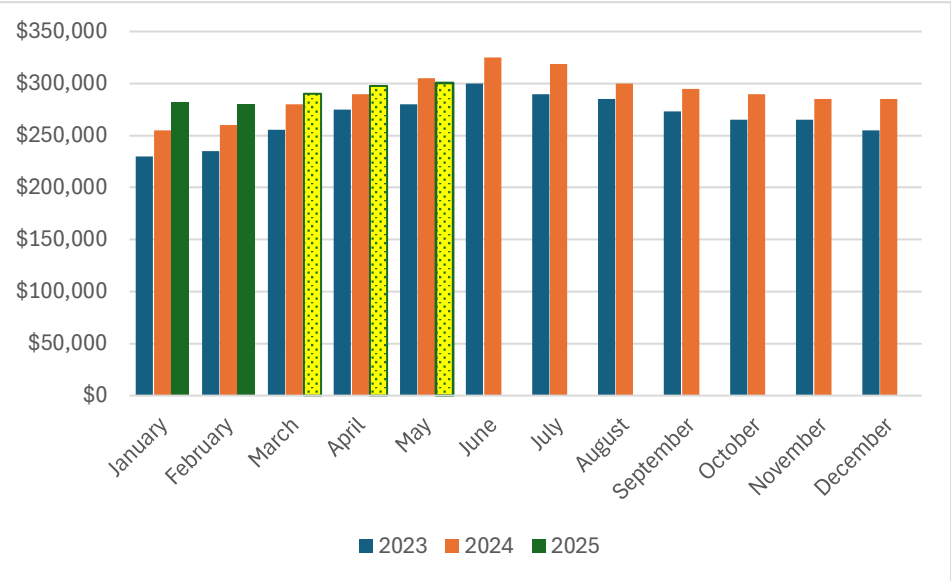
Illinois Short Term Trends - Single Family

Monthly Closed Sales

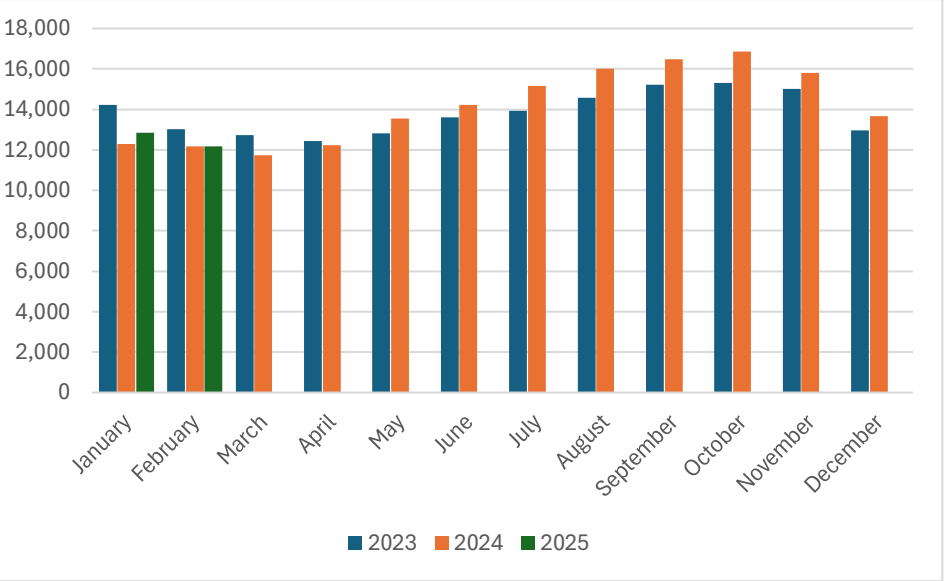


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

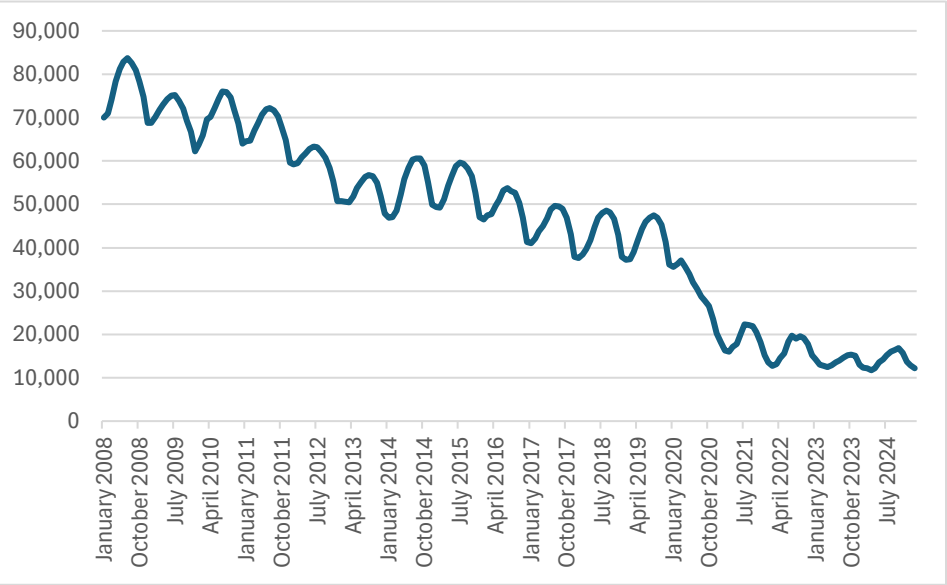


Monthly Inventory

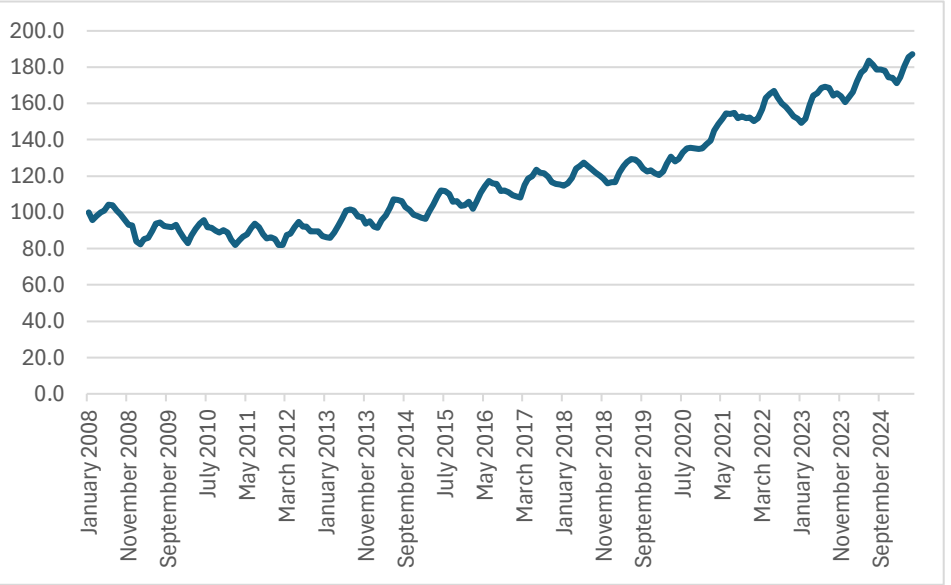


Illinois Long Term Trends - Single Family

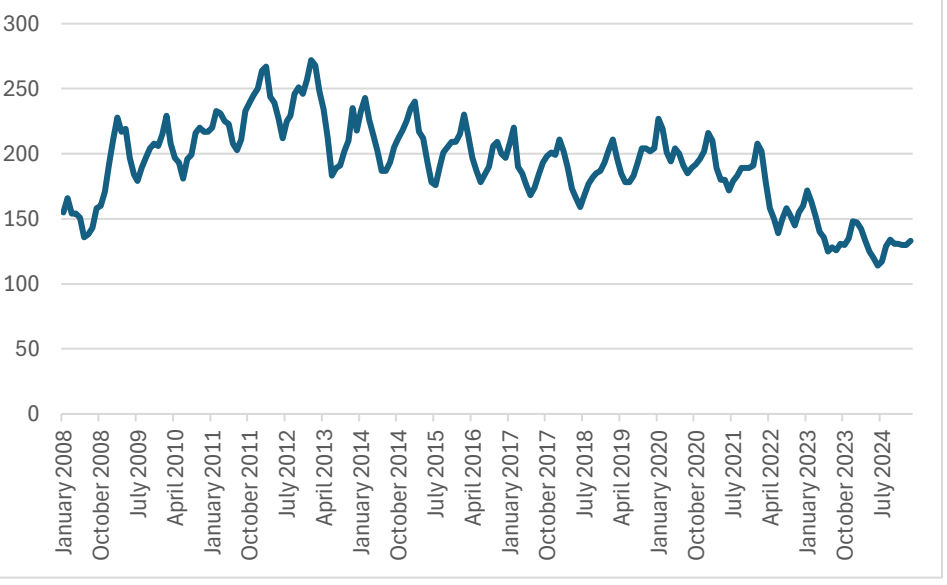
Illinois Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions





Chicago Metro - Single Family Homes  
Summary of Recent Trends

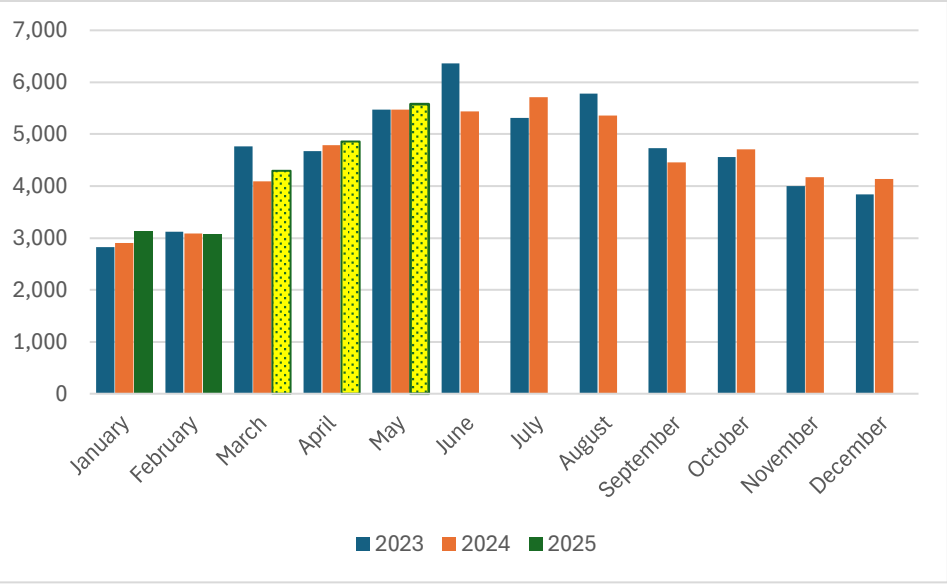
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	2,822	2,898	3,115		37	34	35		8,646	6,872	7,127		\$313,400	\$340,000	\$369,450		134	118	106	
February	3,118	3,087	3,076		41	37	35		7,958	6,924	6,885		\$315,000	\$350,000	\$376,250		129	112	106	
March	4,768	4,091	4,294		37	32			7,690	6,585			\$336,000	\$374,900	\$389,919		123	106		
April	4,678	4,787	4,858		31	26			7,477	6,964			\$350,000	\$386,000	\$400,901		117	100		
May	5,469	5,473	5,578		26	22			7,577	7,844			\$367,200	\$395,000	\$406,515		110	99		
June	6,366	5,443			21	20			8,202	8,204			\$385,000	\$419,945			104	94		
July	5,311	5,713			21	20			8,406	8,710			\$370,000	\$407,500			107	98		
August	5,775	5,359			21	20			8,714	9,272			\$375,000	\$400,000			102	103		
September	4,734	4,455			23	21			9,077	9,559			\$360,000	\$385,000			106	110		
October	4,557	4,705			24	24			9,021	9,683			\$350,000	\$378,500			105	107		
November	4,005	4,176			25	25			8,792	8,804			\$353,050	\$380,000			108	104		
December	3,838	4,132			28	29			7,353	7,340			\$335,000	\$378,500			120	104		

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

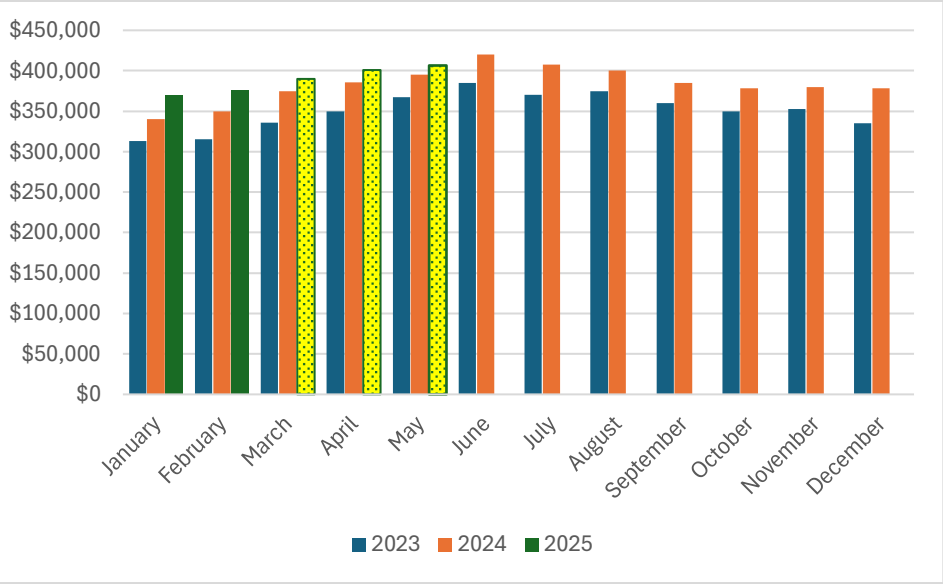
Short Term Trends

Monthly Closed Sales

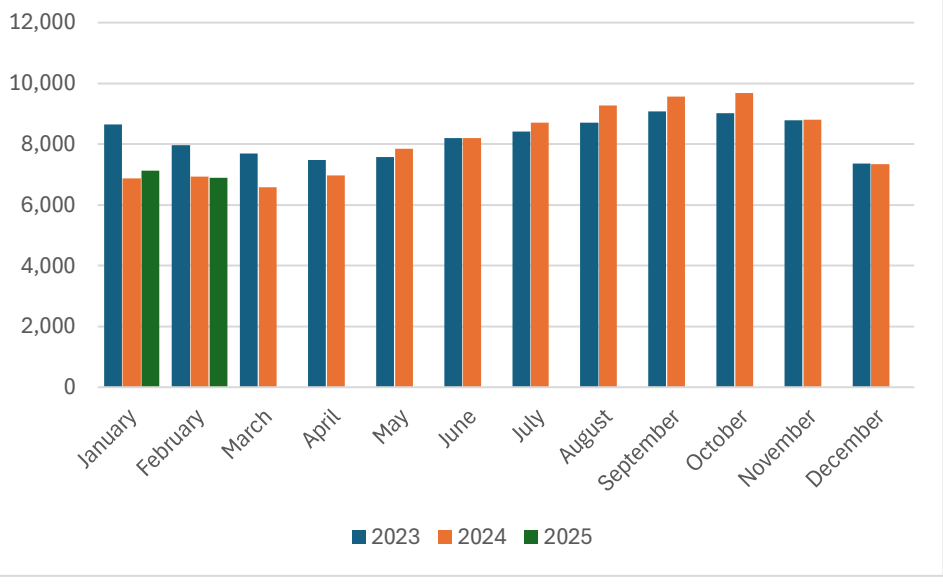


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

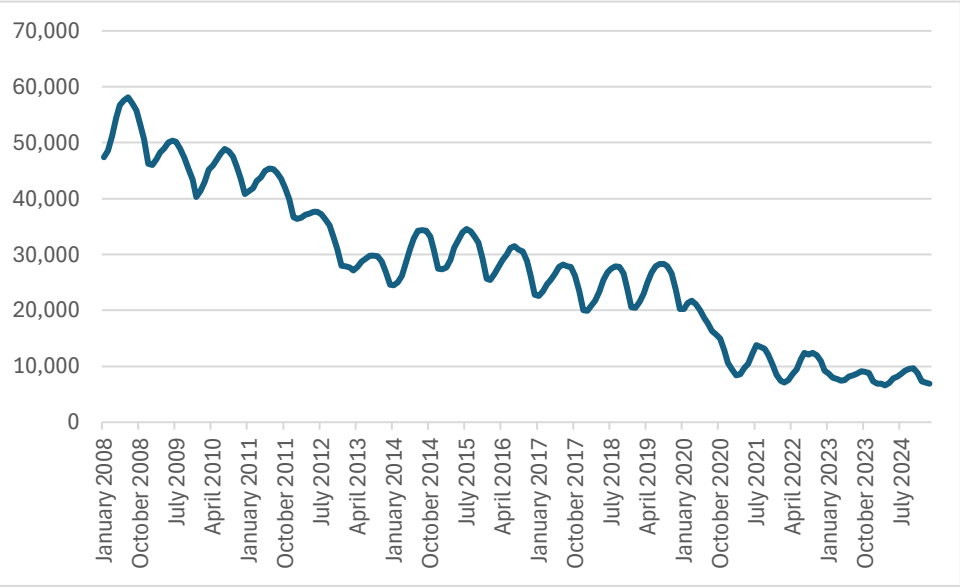


Monthly Inventory

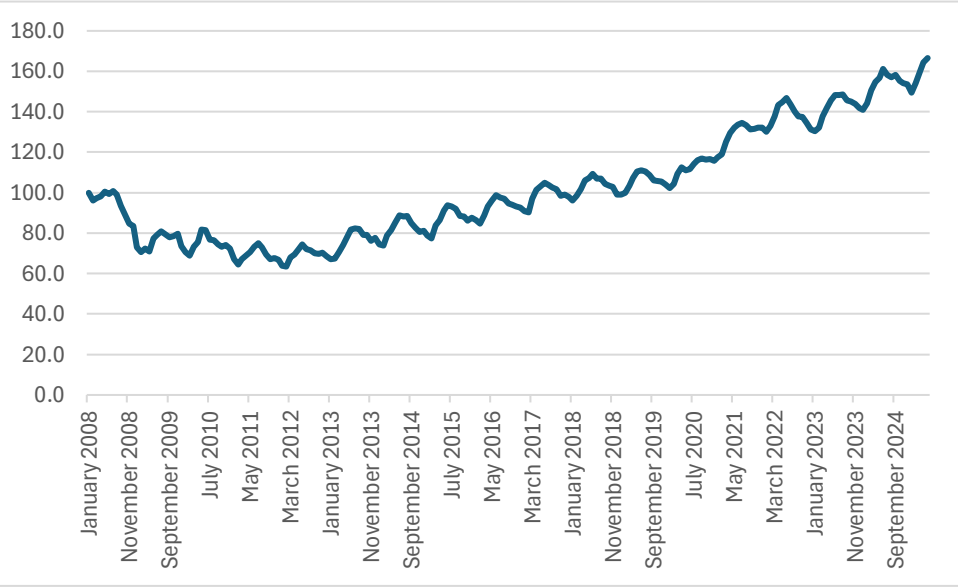


Long Term Trends

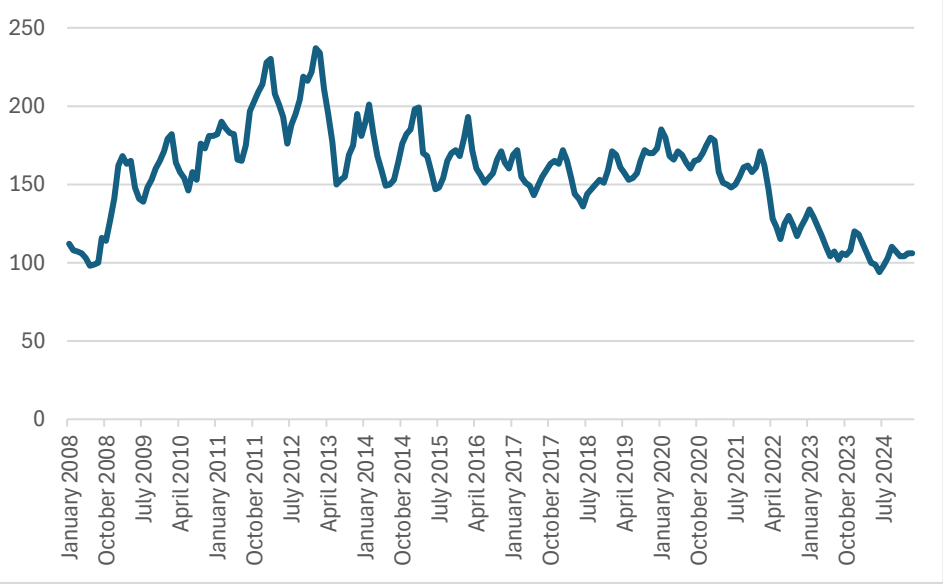
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Single Family Homes  
Summary of Recent Trends

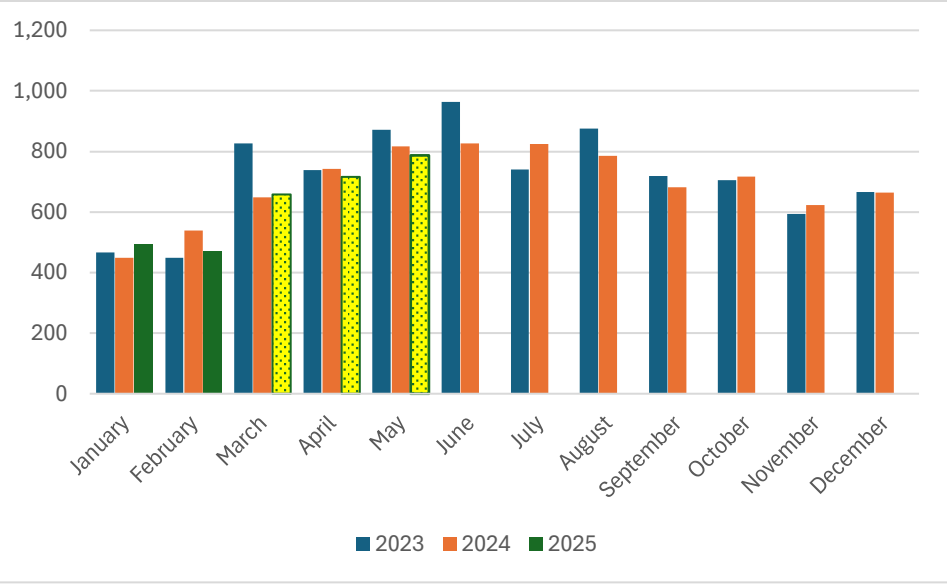
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	467	449	493		42	37	39		2,259	1,743	1,576		\$260,500	\$289,500	\$310,000		147	126	115	
February	448	538	471		48	43	39		2,161	1,759	1,485		\$290,000	\$300,000	\$319,000		128	119	114	
March	826	648	658		40	41			2,057	1,729			\$295,000	\$335,000	\$335,830		128	108		
April	738	742	716		43	37			2,025	1,767			\$297,500	\$340,000	\$346,949		125	103		
May	872	817	787		36	29			1,967	1,905			\$306,000	\$320,000	\$348,953		120	111		
June	964	826			29	27			2,069	1,880			\$335,000	\$365,000			109	98		
July	741	824			29	29			2,128	1,939			\$312,750	\$350,000			115	103		
August	876	786			27	29			2,179	2,005			\$317,500	\$340,000			110	110		
September	719	681			32	29			2,267	2,129			\$311,000	\$328,000			111	117		
October	705	717			34	31			2,293	2,121			\$300,000	\$325,000			111	114		
November	593	624			31	34			2,151	1,953			\$302,000	\$339,951			115	106		
December	667	665			34	37			1,816	1,605			\$285,000	\$324,950			129	111		

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

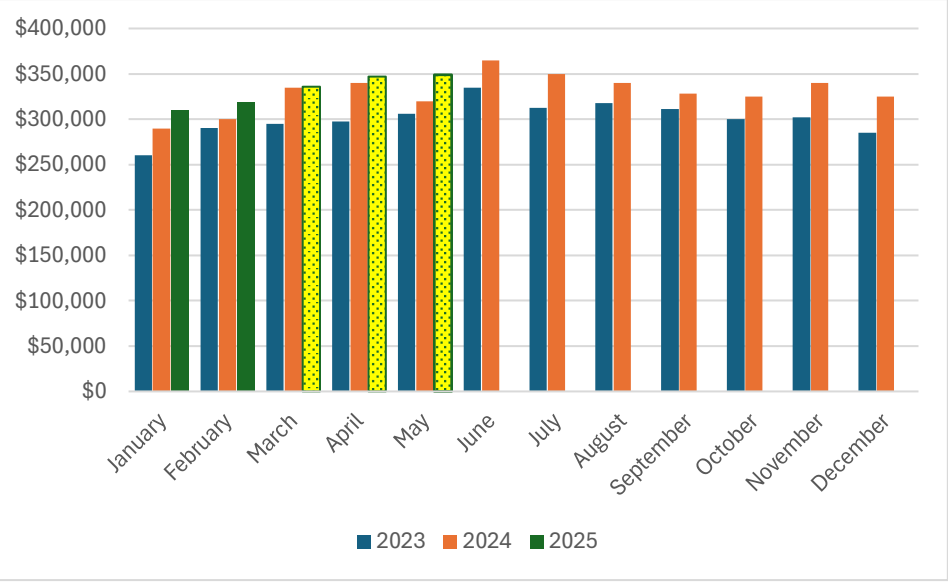
Short Term Trends

Monthly Closed Sales

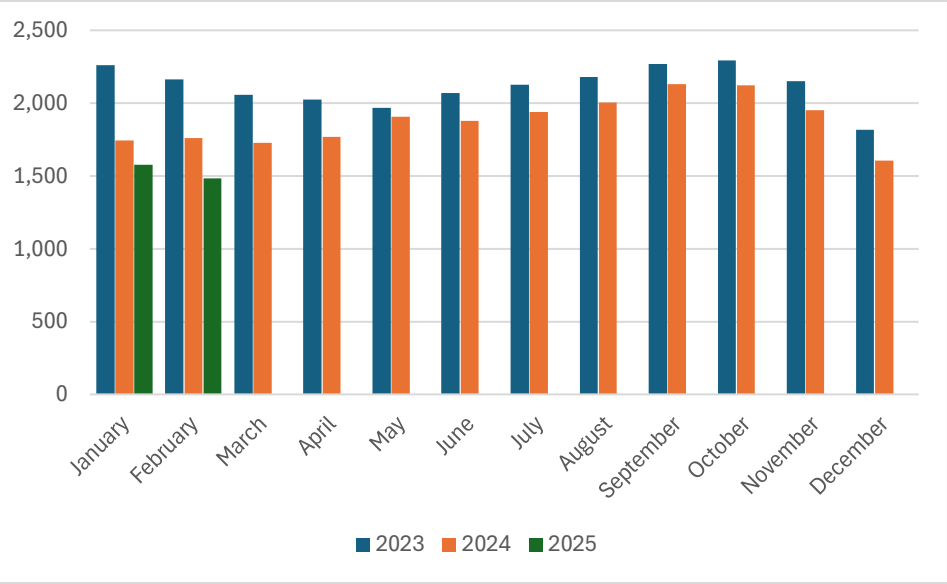


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

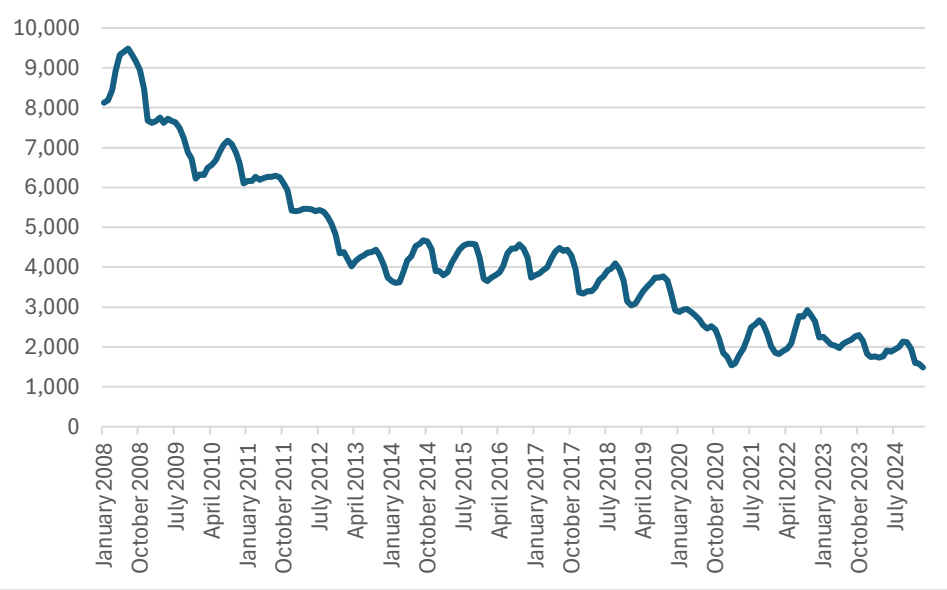


Monthly Inventory

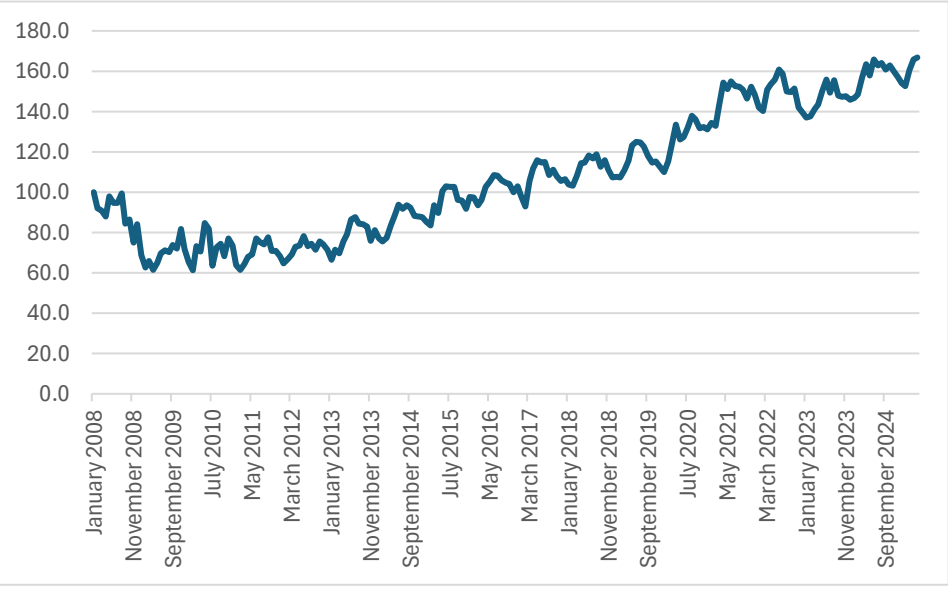


Long Term Trends

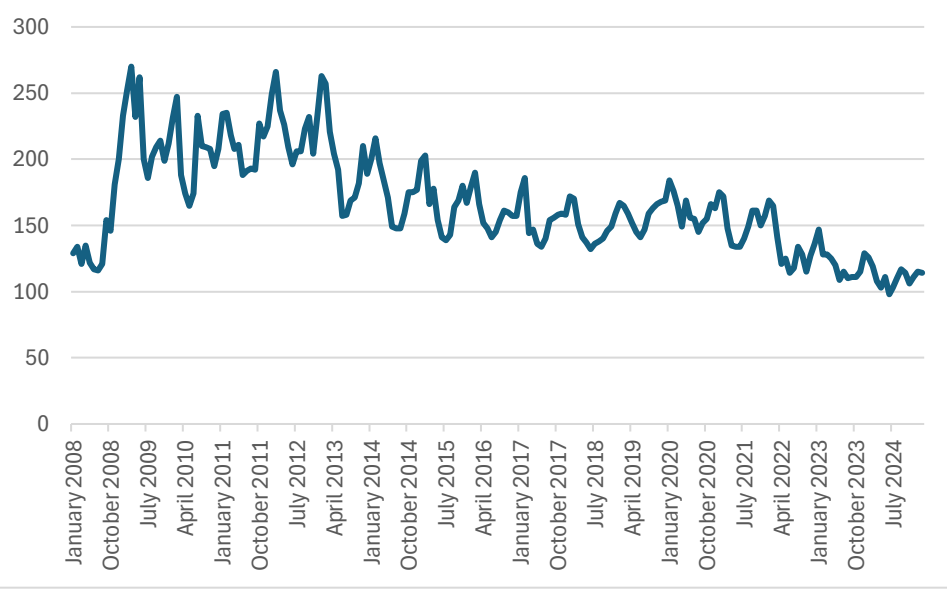
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Condominiums/Townhomes  
Summary of Recent Trends

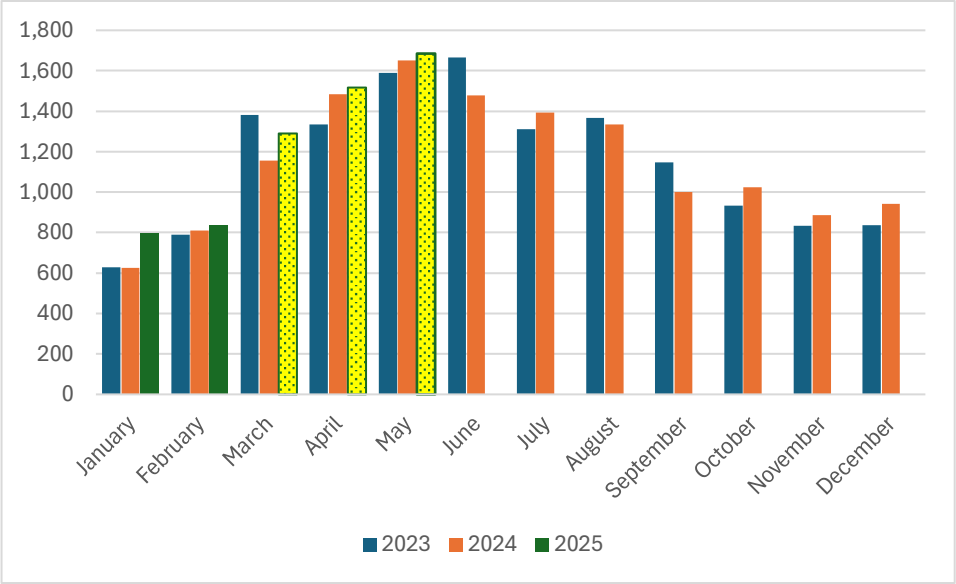
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	629	626	799		55	47	42		3,087	2,476	2,195		\$332,500	\$337,450	\$385,000		115	108	93	
February	790	810	835		47	47	45		3,008	2,711	2,179		\$320,000	\$358,000	\$385,000		116	100	94	
March	1,382	1,156	1,290		44	36			3,000	2,705			\$360,750	\$370,000	\$392,789		104	98		
April	1,336	1,485	1,517		35	28			2,946	2,876			\$380,000	\$384,000	\$405,002		98	91		
May	1,590	1,650	1,685		33	26			3,110	3,019			\$359,900	\$396,000	\$404,121		102	89		
June	1,666	1,479			27	24			3,213	3,019			\$375,000	\$390,000			97	92		
July	1,311	1,392			28	27			3,220	3,077			\$365,000	\$375,000			99	96		
August	1,366	1,336			27	25			3,257	3,100			\$349,000	\$368,250			100	102		
September	1,148	1,001			28	29			3,505	3,313			\$336,000	\$360,000			103	107		
October	932	1,025			30	29			3,432	3,208			\$345,000	\$367,500			96	101		
November	835	885			34	31			3,050	2,821			\$345,000	\$400,000			101	90		
December	836	943			35	36			2,361	2,177			\$335,000	\$370,000			110	97		

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

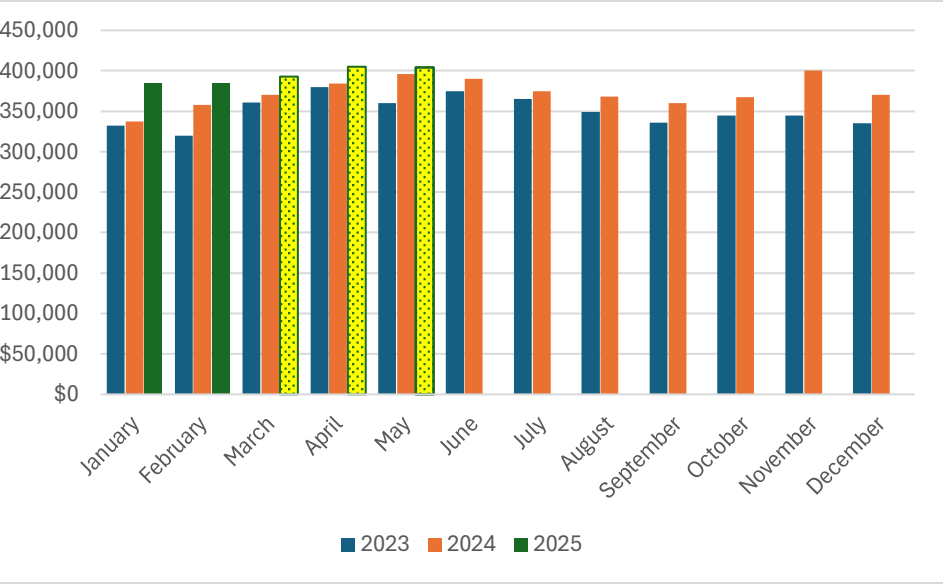
Short Term Trends

Monthly Closed Sales

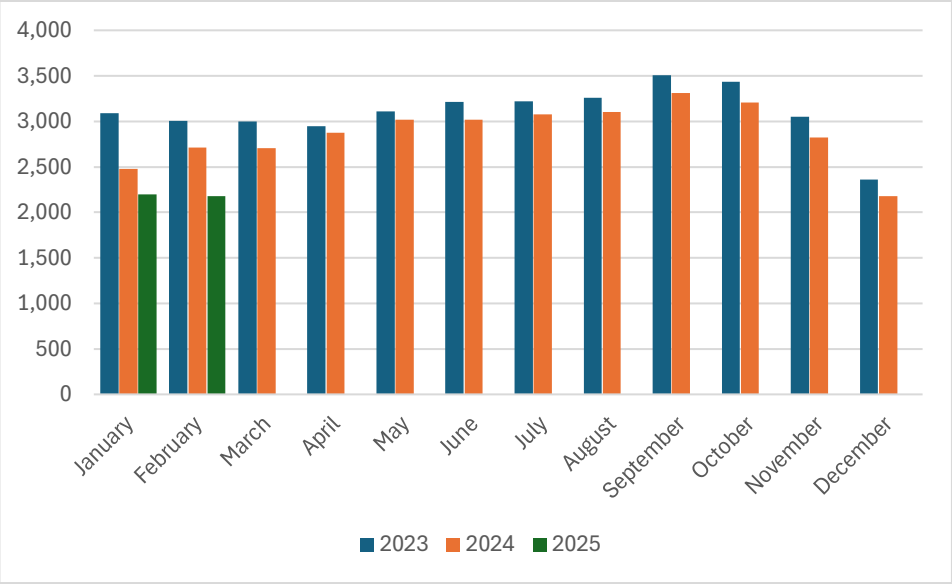


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

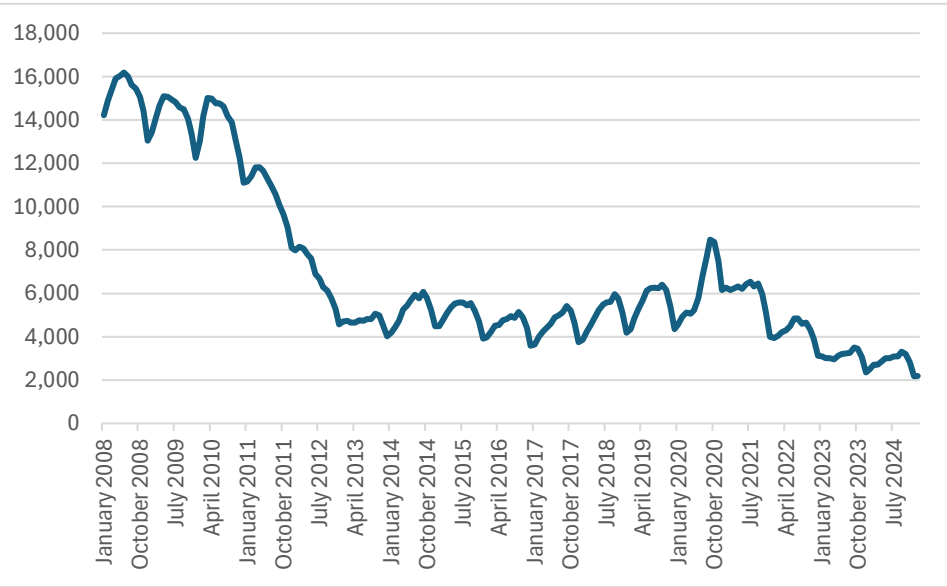


Monthly Inventory

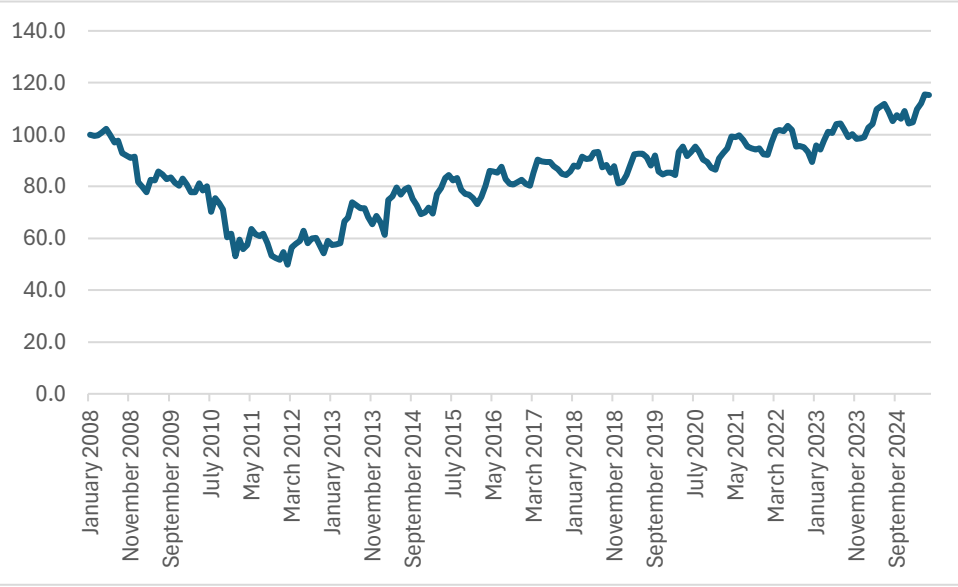


Long Term Trends

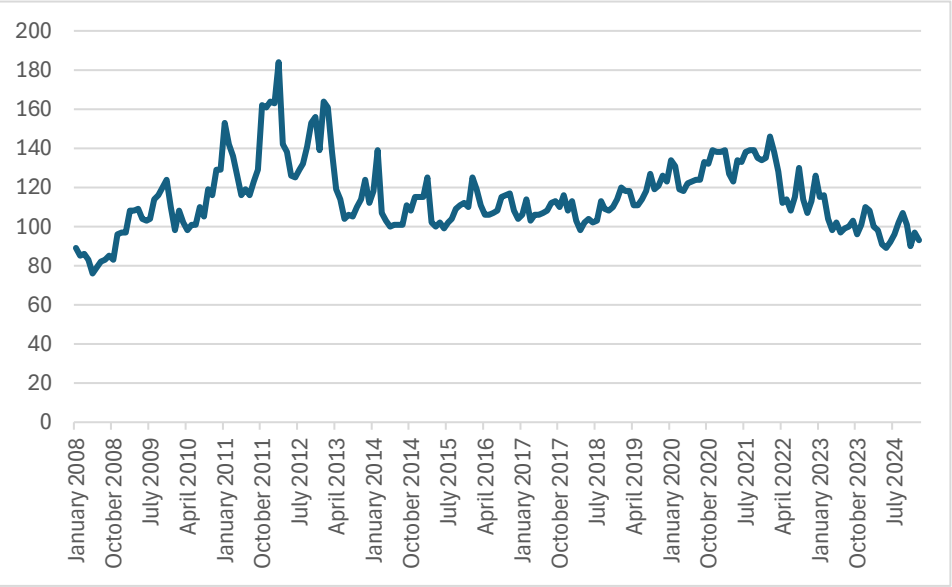
Monthly Condo/Townhome Inventory Trend



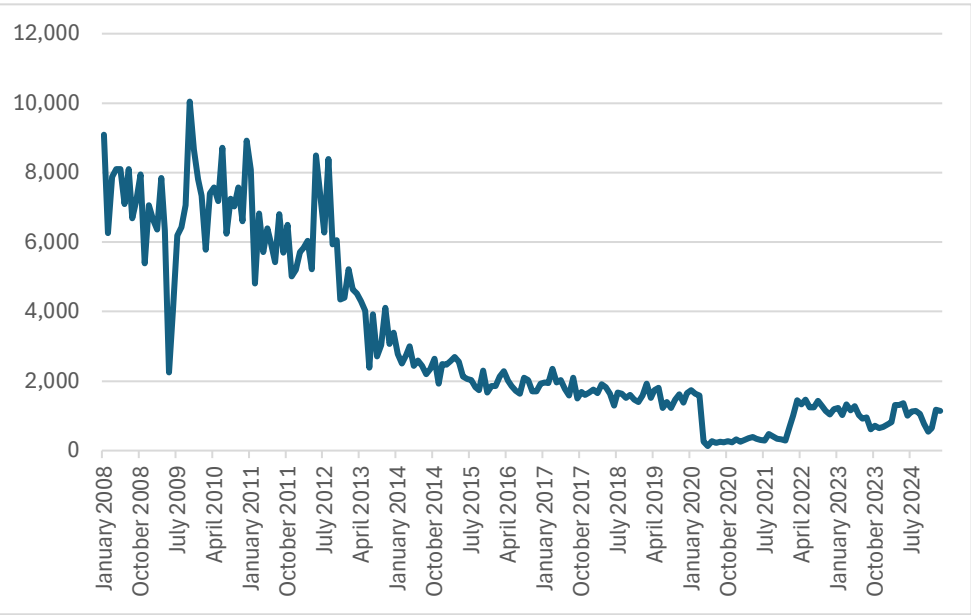
Condo/Townhome Monthly House Price Index



Monthly Affordability Conditions



Monthly Foreclosure Filings - Chicago Metro



Monthly Foreclosure Filings - City of Chicago

