

**INSTITUTE FOR
HOUSING STUDIES**
at DePaul University

ILLINOIS HOUSING MARKET forecast

Illinois Housing Market Forecast

June 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 May 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 May 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 have remained steady around 6.8 percent. In May, closed sales activity statewide and in the Chicago area declined compared to the previous year, 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 follow seasonal trends- peaking in June and declining in the late summer, remaining slightly above 2024 levels. Home prices statewide and in the Chicago region are expected to be slightly above the previous year's prices during the summer.

State of Illinois

- **Recent trends** – In April 2025, there were 12,674 closed sales of single-family homes, townhomes, and condominiums in Illinois. Prices for single-family homes in Illinois in May are 4.9 percent higher than in the same month in 2024. Single-family closed sales activity declined 3.5 percent compared to May 2024. The inventory of for-sale single-family homes grew 7.2 percent compared to the previous May, though remaining near historic lows. The average number of days on the market for a single-family home increased by 5.5 percent (2 days) compared to the previous April. Affordability conditions for single-family homebuying were lower than they were a year previously.
- **Three-month outlook** - IHS's three-month housing market forecast indicates that the level of closed sales activity will follow seasonal trends, rising 5.5 percent between May and August, with activity peaking in June. Total sales during the three-month period from June to August are expected to rise 3.7 percent compared to the same period a year ago. Single-family house prices are estimated to increase 1.6 percent between May and June, then decline during the rest of the summer, with August prices similar to May. In this projection, prices in August 2025 statewide will be 7 percent higher than they were in August 2024.

Chicago Metropolitan Area

- **Recent trends** - In May 2025, there were 8,689 closed sales of single-family homes, townhomes, and condominiums in the Chicago Metro Area. Prices for single-family homes in the Chicago Metro Area increased by 6.3 percent between May 2024 and 2025. The number of closed single-family home sales in the Chicago area dropped 3.5 percent from the previous May. The inventory of for-sale single-family homes grew 3.9 percent since the previous May. The average number of days spent on the market increased by 5.3 percent (1 day) from May 2024. Affordability conditions for single-family homebuying in the Chicago area were slightly worse the previous month, and slightly worse than May 2024.

- **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 5.1 percent between May and August, peaking in June. Total sales throughout June, July, and August are estimated to be about 3.9 percent higher than during the same period one year ago. Prices of single-family homes in the Chicago metropolitan area are projected to increase 1.6 percent between May and June, before declining during the rest of the summer, with August prices similar to May prices. This scenario would reflect a price increase of 5.4 percent between August 2024 and 2025.

City of Chicago *Single-Family Homes*

- **Recent trends** - In May 2025, there were 2,286 closed sales of single-family homes, townhomes, and condominiums in the City of Chicago. Prices for single-family homes in the City of Chicago grew 9.4 percent since May 2024. The number of closed single-family sales in Chicago decreased by 2.1 percent compared to the previous May. The inventory of for-sale homes declined by almost 16 percent compared to May 2024, while the days on market increased by 5.1 percent (2 days). Affordability conditions for single-family homebuyers in Chicago were lower than during the previous May.
- **Three-month outlook** - IHS's three-month housing market forecast indicates that the level of closed sales activity will follow seasonal trends and increase about 1 percent between May and August, peaking in June. Total sales in the three-month period from June to August are estimated to be 1.7 percent higher than the same period one year ago. Single-family house prices in the City of Chicago are expected to increase by roughly 1 percent between May and August. In this scenario, prices in August 2025 will be 4 percent higher than in May 2024.

City of Chicago *Condominiums and Townhomes*

- **Recent trends** - Prices for condos and townhomes in the City of Chicago increased by 4.4 percent between May 2024 and 2025. The number of closed condo sales in Chicago decreased by 10 percent compared to the previous May. The inventory of for-sale condos declined by 11.4 percent compared to May 2024. The number of days on market decreased by 13.4 percent (3 days) 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 6.1 percent between May and June 2025, and then take an end-of-summer dip. In this scenario, sales activity in August would be 7.5 percent lower than in May. Total condominium sales in Chicago between June and August are estimated to be 4.1 percent higher than during the same period a year ago. Condo prices are projected to decrease by 1.8 percent between May and August. Despite slight declines, these projected August prices would be about 10 percent higher than prices in August 2024.

Conditions Affecting Homebuying

The housing market has remained complex during 2025, thanks to a [variety of high-level factors](#). The [rate of inflation](#) remained stable in May, though the Federal Reserve has [kept rates steady](#), signaling caution amid economic uncertainty. The [national](#) unemployment rate also held steady in May, remaining slightly elevated compared to levels during recent years. The [Illinois](#) unemployment rate fell again between March and April, landing just below last year's rate and 0.3 percent higher than the national unemployment rate. The [consumer sentiment index](#) rebounded, though concerns about tariffs, war, and energy prices still abound. In the Chicago area, foreclosure activity is below the previous May and remains below pre-pandemic levels.¹

These indicators highlight ongoing challenges and opportunities facing the current homebuying market. Mortgage [interest rates](#) have been stable around 6.8 percent. House prices remain elevated in most parts of the country, indicated by [the Case Shiller Home Price Index](#) remaining near record-highs in March, despite a slight month-to-month dip. Inventories of for-sale homes have [continued increasing](#) nationally which may provide some house price growth relief. Nationally, homebuying sentiment [grew slightly](#), and while the majority of households still think it's a bad time to buy, less households worry about job loss than earlier in the year. In May 2025, Illinois single-family inventories experienced their 13th consecutive month of year-over year growth, but the state still has the [weakest recovery](#) to pre-pandemic inventory levels. Ongoing tight statewide inventories suggest that the market will remain highly competitive and challenging for homebuyers in the near future, but sustained inventory growth and increased days on market could lead to softening price growth. Continued economic uncertainty and interest rate instability make it difficult to predict how homebuyers will react to these trends.

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

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

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

Data Appendix

Illinois - Single Family Homes
Summary of Recent Trends

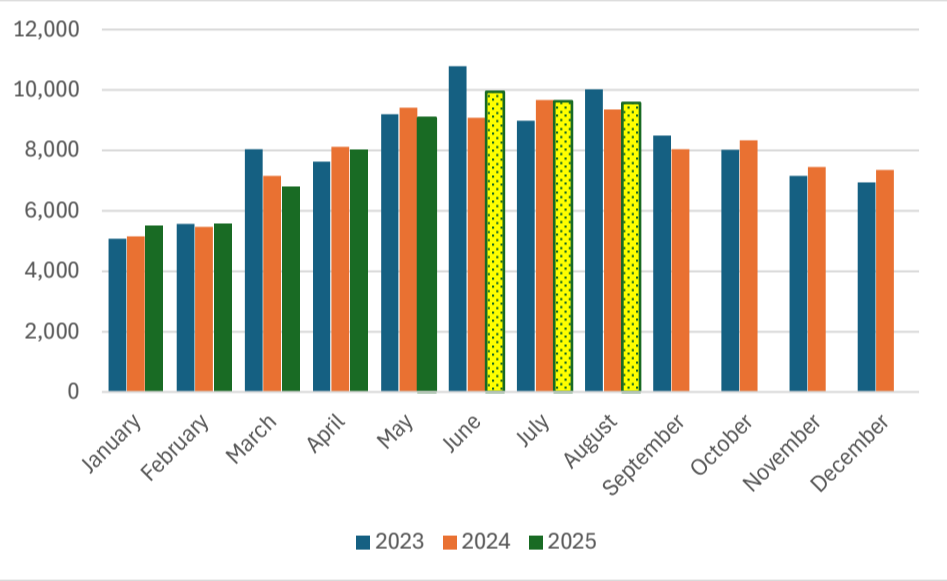
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	5,073	5,152	5,497		41	36	39		14,305	12,369	13,426		\$230,000	\$255,000	\$282,000		171	147	130	
February	5,565	5,459	5,572		45	40	41		13,107	12,240	13,091		\$235,000	\$260,150	\$280,000		162	141	133	
March	8,039	7,156	6,817		41	37	40		12,732	11,772	12,739		\$258,000	\$283,000	\$290,000		150	131	130	
April	7,632	8,108	8,025		34	31	33		12,378	12,265	13,484		\$275,000	\$290,000	\$310,000		139	124	120	
May	9,203	9,404	9,075		30	27	29		12,795	13,602	14,579		\$280,000	\$305,000	\$320,000		135	120	115	
June	10,794	9,072	9,938		25	24			13,640	14,251			\$300,000	\$325,000	\$325,276		125	114		
July	8,979	9,672	9,626		23	23			13,911	15,245			\$291,750	\$319,773	\$323,477		127	116		
August	10,019	9,363	9,570		24	25			14,635	16,112			\$285,000	\$300,000	\$321,077		126	129		
September	8,493	8,035			26	26			15,215	16,613			\$275,000	\$295,000			129	134		
October	8,020	8,331			27	28			15,385	17,080			\$265,000	\$290,000			129	131		
November	7,147	7,458			28	29			15,161	16,047			\$265,000	\$285,000			135	130		
December	6,941	7,355			31	33			13,075	14,031			\$255,000	\$286,000			148	129		

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

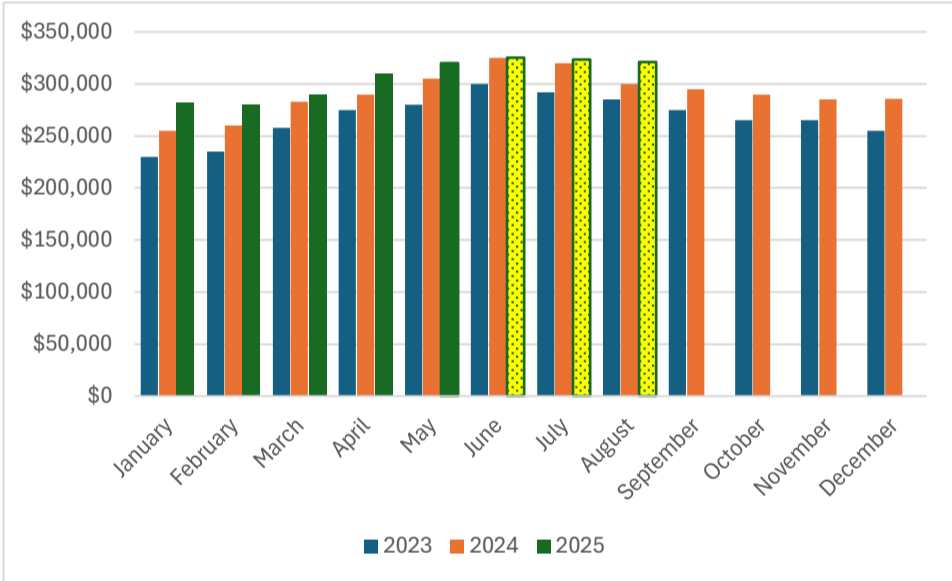
Illinois Short Term Trends - Single Family

Monthly Closed Sales

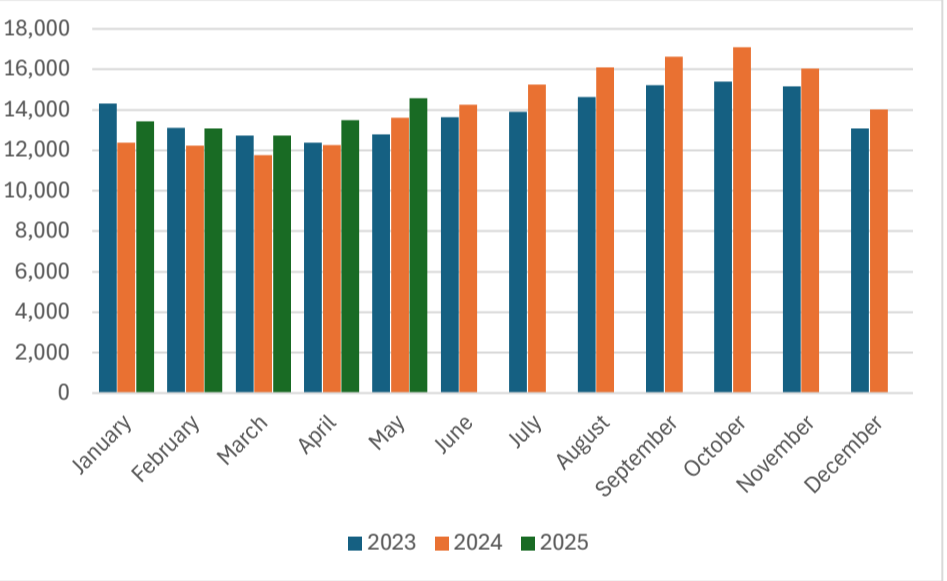


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

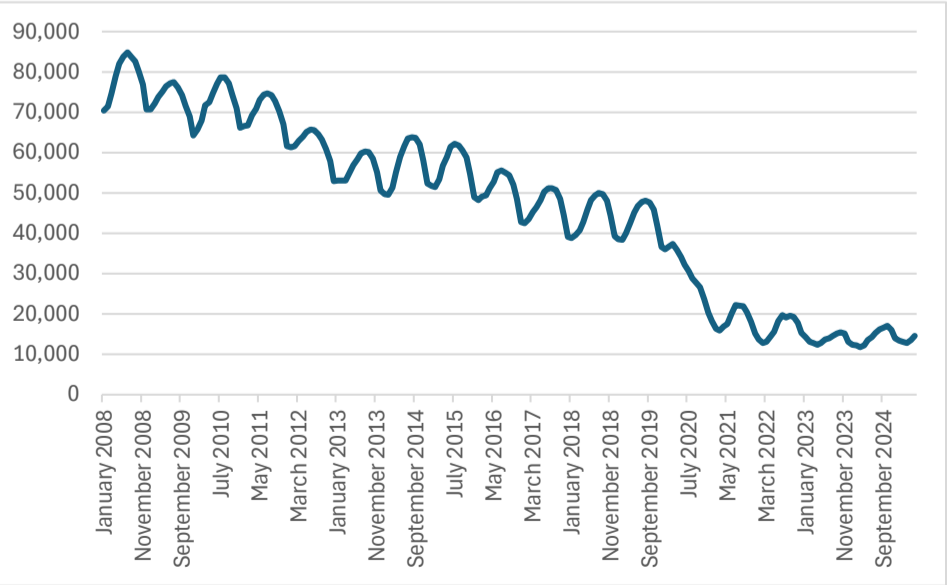


Monthly Inventory

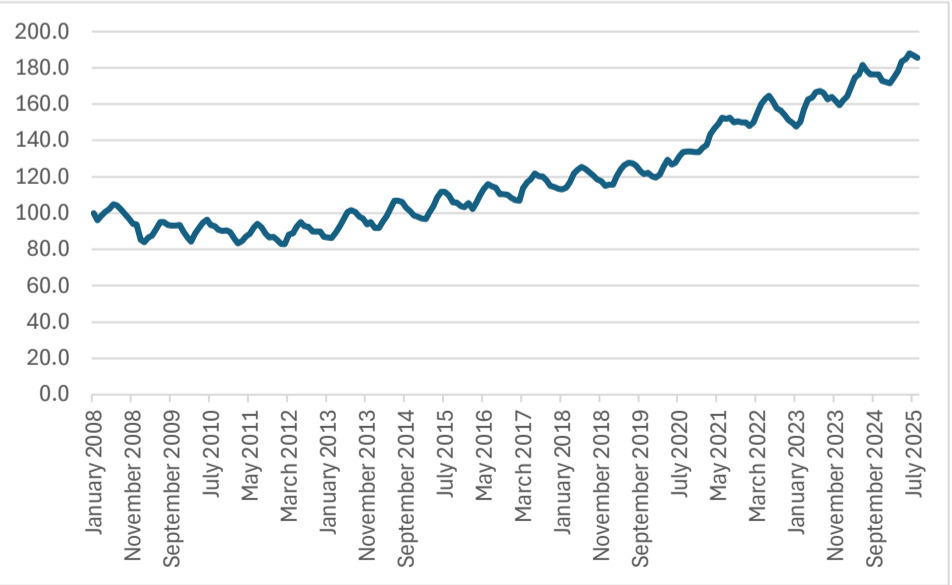


Illinois Long Term Trends - Single Family

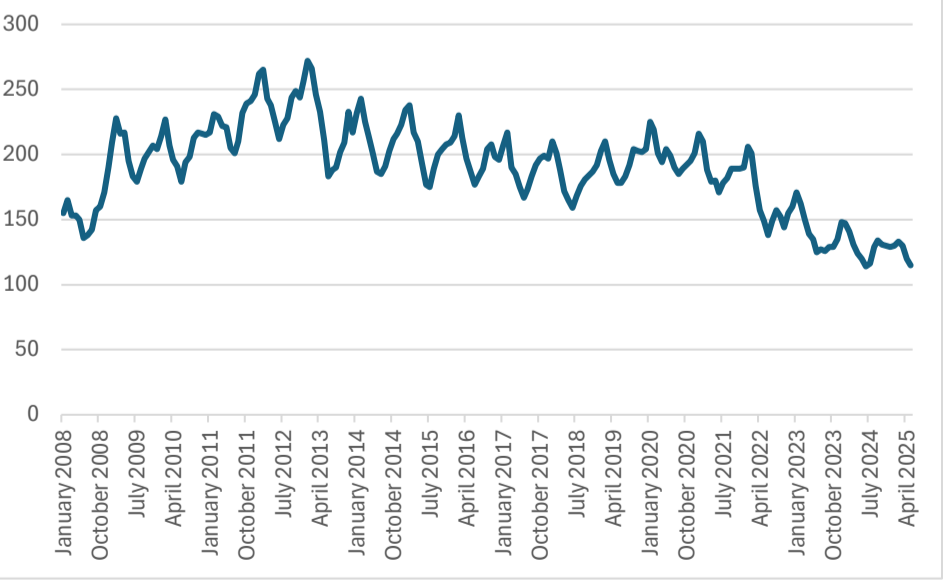
Illinois Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



Chicago Metro - Single Family Homes
Summary of Recent Trends

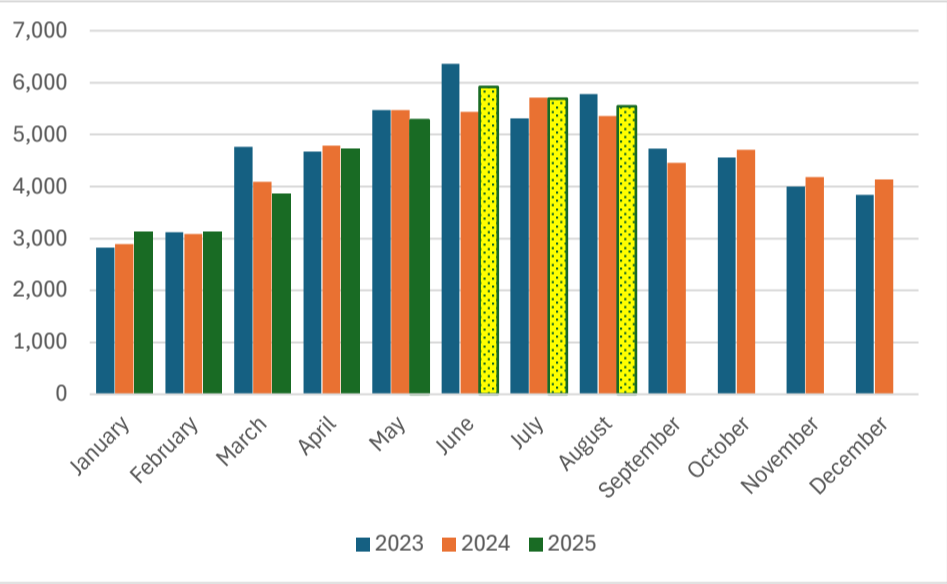
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	2,822	2,897	3,121		37	34	35		8,647	6,880	7,475		\$313,400	\$340,000	\$369,900		134	118	106	
February	3,118	3,087	3,134		41	37	35		7,959	6,934	7,418		\$315,000	\$350,000	\$375,000		129	112	106	
March	4,768	4,092	3,857		37	32	34		7,691	6,598	7,057		\$336,000	\$374,900	\$395,000		123	106	102	
April	4,678	4,789	4,728		31	26	28		7,478	6,986	7,452		\$350,000	\$386,000	\$409,990		117	100	97	
May	5,469	5,472	5,278		26	22	23		7,578	7,867	8,176		\$367,200	\$395,000	\$420,000		110	99	94	
June	6,366	5,443	5,918		21	20			8,205	8,238			\$385,000	\$419,945	\$426,798		104	94		
July	5,311	5,713	5,692		21	20			8,409	8,755			\$370,000	\$407,500	\$424,046		107	98		
August	5,775	5,358	5,545		21	20			8,717	9,336			\$375,000	\$400,000	\$421,565		102	103		
September	4,734	4,455			23	22			9,080	9,641			\$360,000	\$385,000			106	110		
October	4,557	4,707			24	24			9,025	9,802			\$350,000	\$378,000			105	107		
November	4,005	4,177			25	25			8,796	8,978			\$353,050	\$380,000			108	104		
December	3,838	4,133			28	29			7,357	7,569			\$335,000	\$378,500			120	104		

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

Short Term Trends

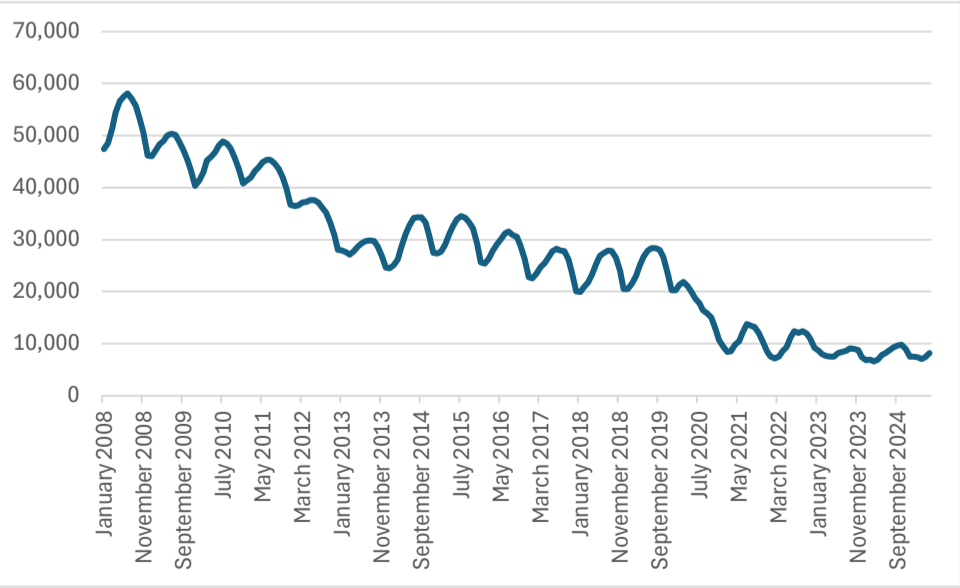
Monthly Closed Sales



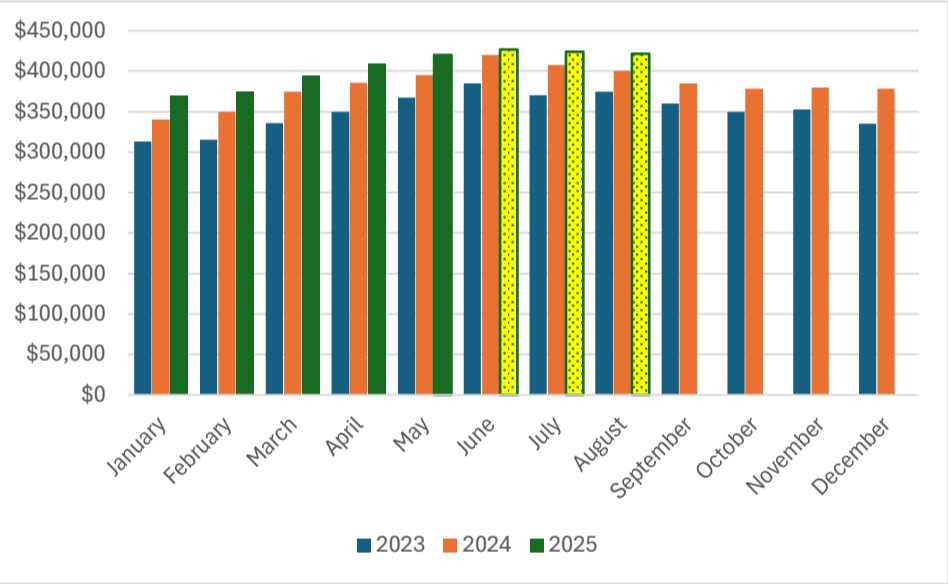
Yellow columns are projections from the IHS Three Month Outlook.

Long Term Trends

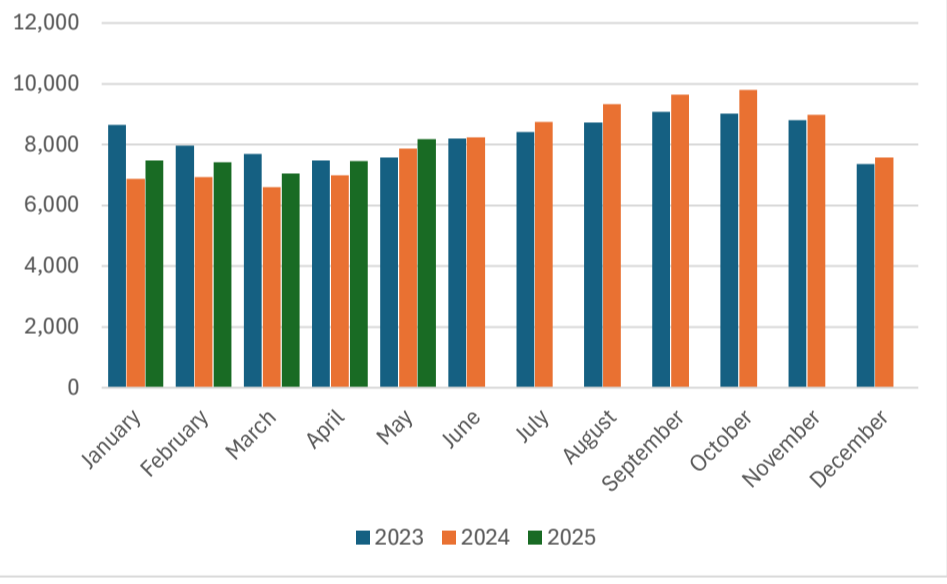
Monthly SF Inventory Trend



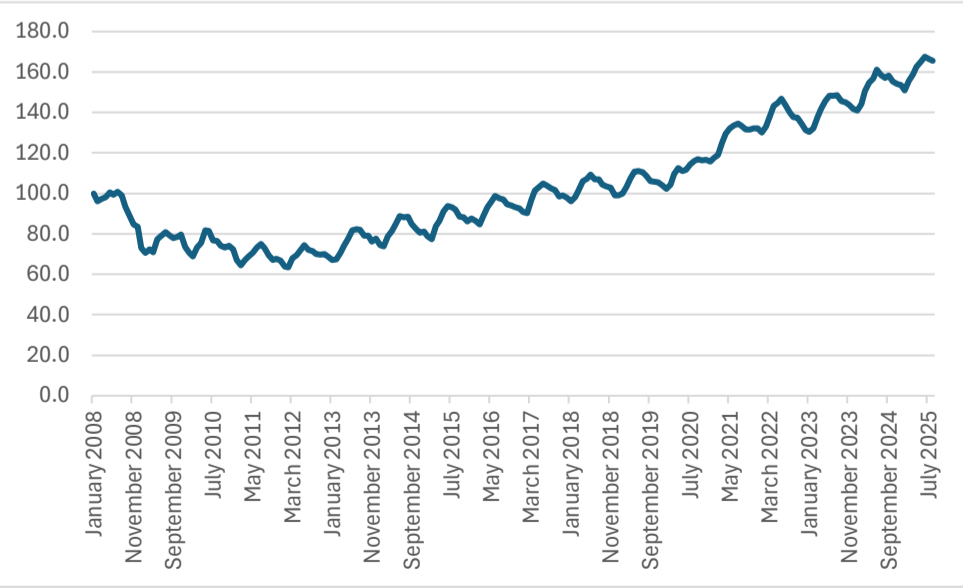
Monthly Median Sales Price



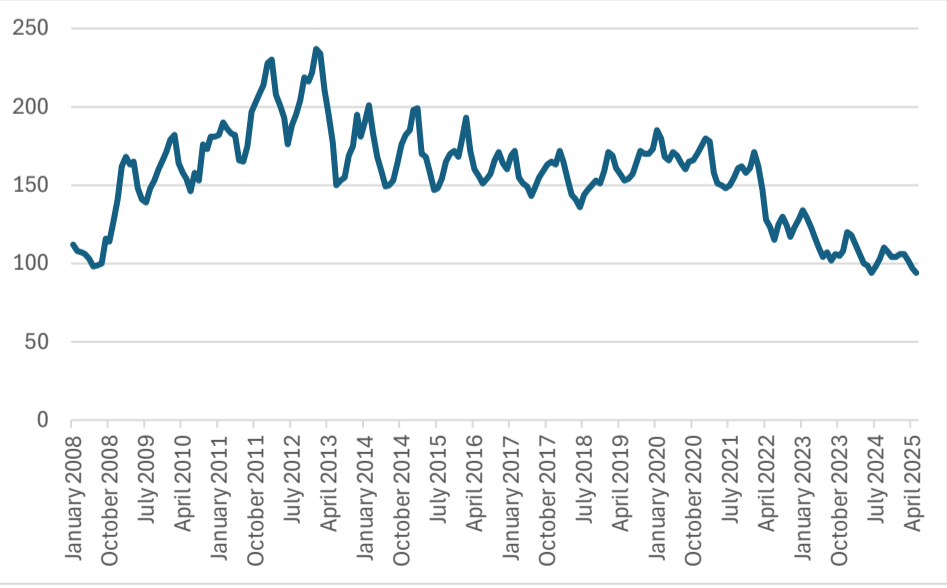
Monthly Inventory



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Single Family Homes
Summary of Recent Trends

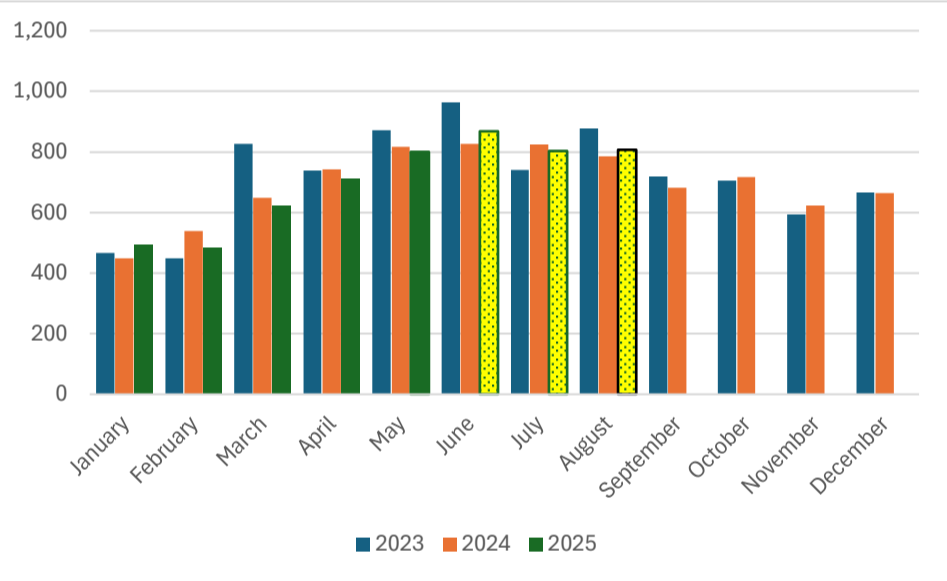
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	467	448	494		42	38	39		2,260	1,745	1,665		\$260,500	\$289,500	\$310,000		147	126	115	
February	448	538	484		48	43	38		2,162	1,761	1,617		\$290,000	\$300,000	\$319,450		128	119	113	
March	826	648	623		40	41	44		2,058	1,732	1,579		\$295,000	\$335,000	\$335,800		128	108	109	
April	738	742	712		43	37	33		2,026	1,772	1,592		\$297,500	\$340,000	\$350,500		125	103	103	
May	872	817	800		36	29	31		1,968	1,909	1,605		\$306,000	\$320,000	\$350,000		120	111	102	
June	964	826	868		29	27			2,070	1,883			\$335,000	\$365,000	\$357,743		109	98		
July	741	824	803		29	29			2,129	1,946			\$312,750	\$350,000	\$352,728		115	103		
August	877	786	807		27	29			2,180	2,017			\$315,000	\$340,000	\$353,466		111	110		
September	719	682			32	29			2,268	2,143			\$311,000	\$327,000			111	118		
October	705	717			34	31			2,294	2,148			\$300,000	\$325,000			111	114		
November	593	624			31	34			2,152	1,992			\$302,000	\$339,951			115	106		
December	667	665			34	37			1,817	1,657			\$285,000	\$324,900			129	111		

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

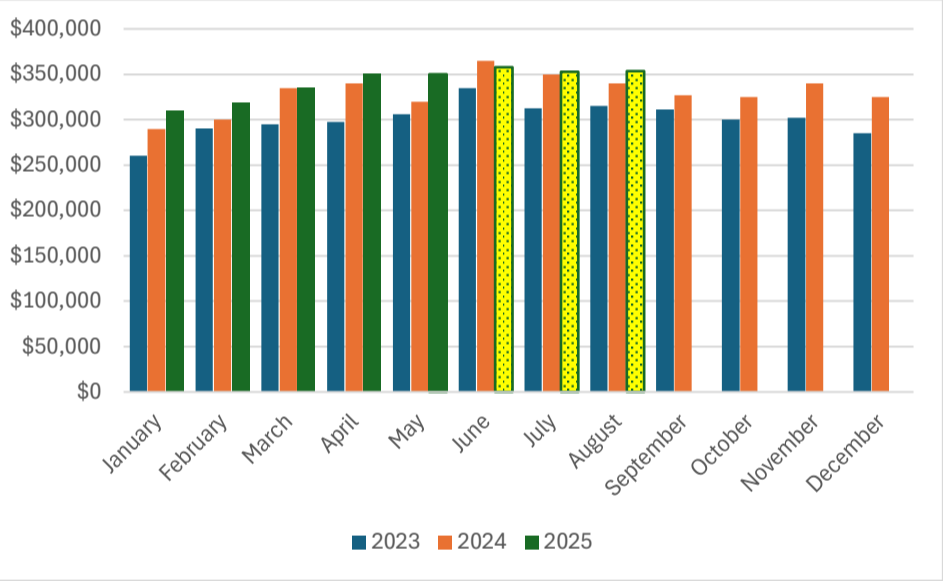
Short Term Trends

Monthly Closed Sales

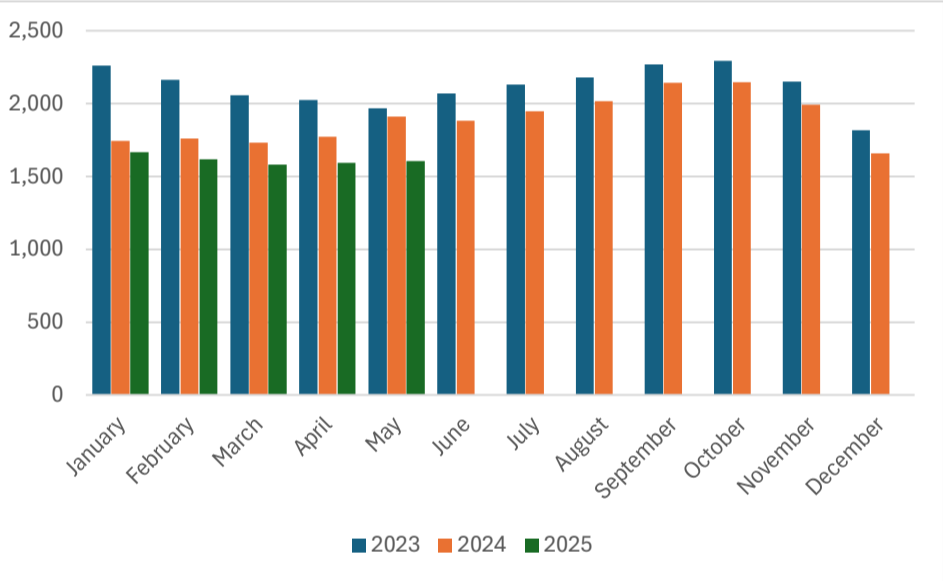


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

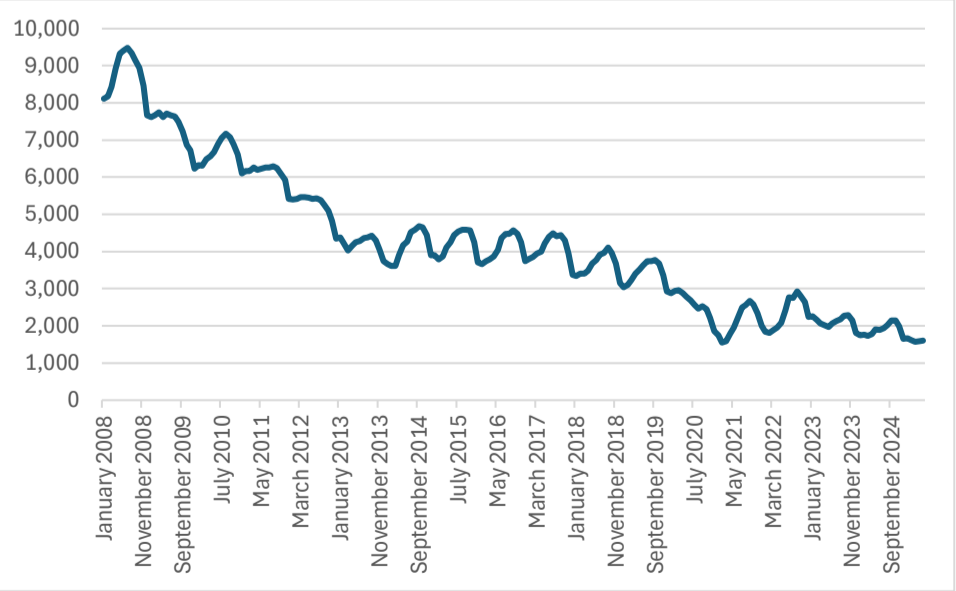


Monthly Inventory

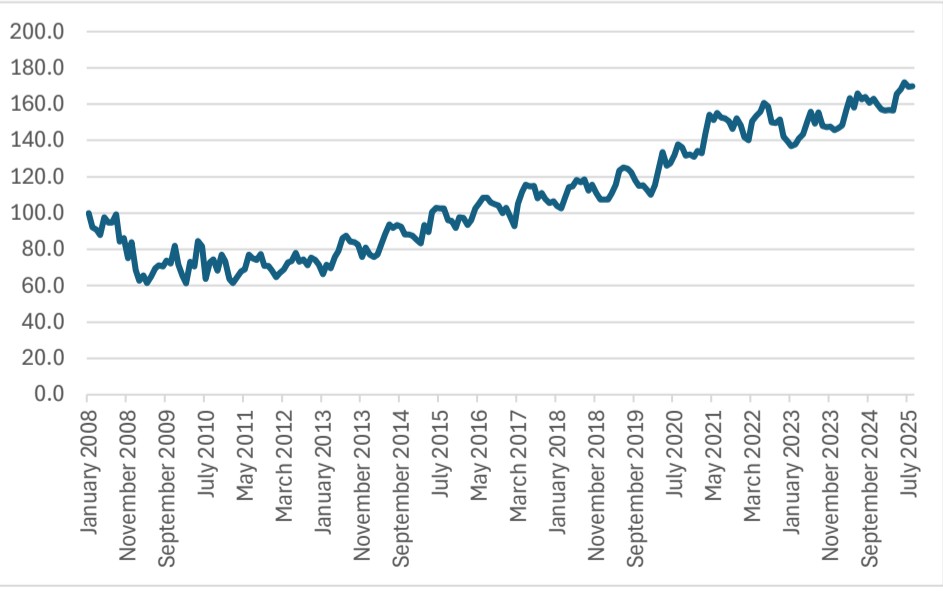


Long Term Trends

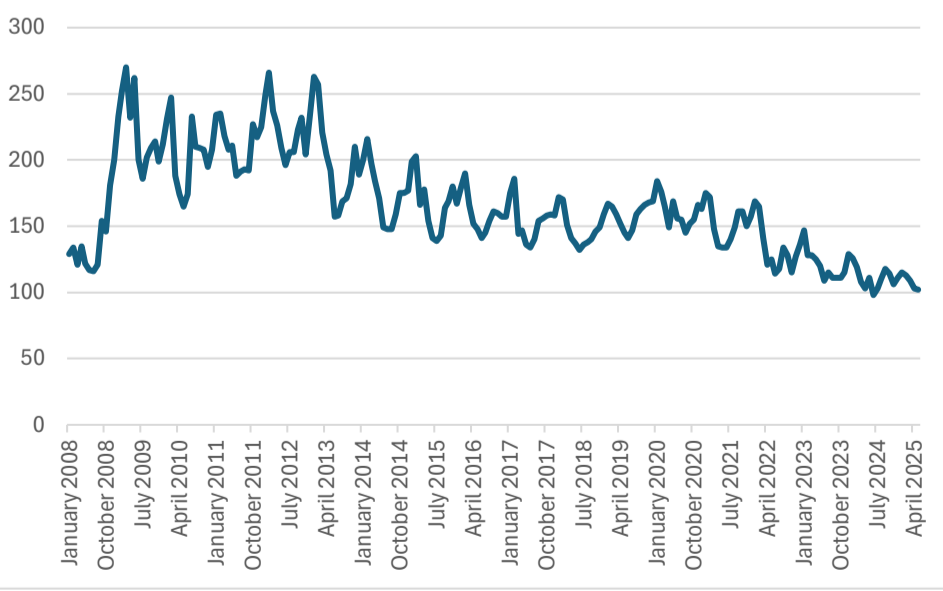
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Condominiums/Townhomes
Summary of Recent Trends

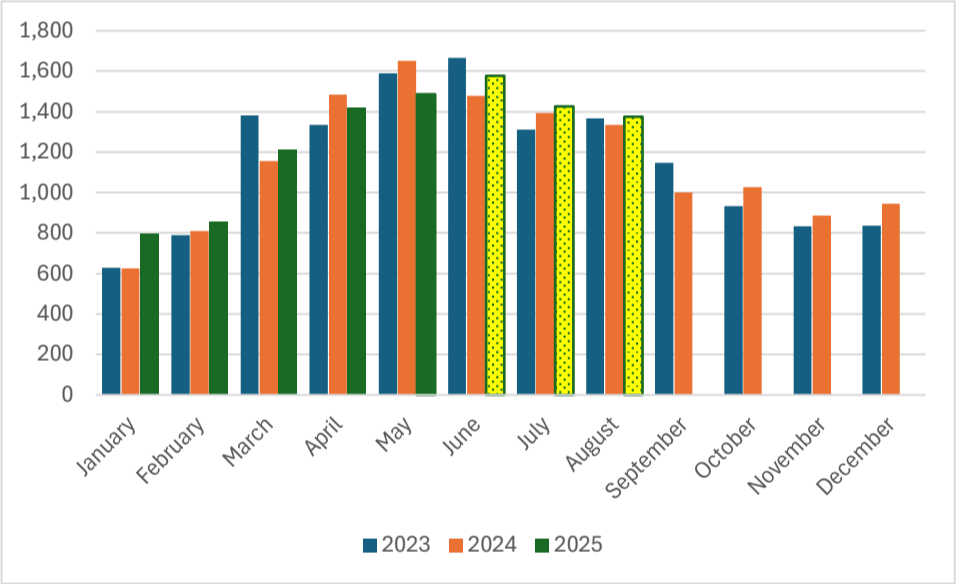
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	629	626	799		55	47	42		3,088	2,479	2,299		\$332,500	\$337,450	\$385,000		115	108	93	
February	790	810	856		47	47	45		3,010	2,717	2,313		\$320,000	\$358,000	\$385,000		116	100	94	
March	1,382	1,156	1,215		44	36	34		3,002	2,711	2,410		\$360,750	\$370,000	\$407,500		104	98	90	
April	1,336	1,485	1,419		35	28	28		2,948	2,882	2,680		\$380,000	\$384,000	\$420,000		98	91	86	
May	1,590	1,651	1,486		33	26	23		3,112	3,025	2,679		\$359,900	\$395,000	\$412,250		102	90	87	
June	1,666	1,479	1,577		27	24			3,215	3,027			\$375,000	\$390,000	\$420,841		97	92		
July	1,311	1,392	1,426		28	27			3,222	3,090			\$365,000	\$375,000	\$417,426		99	96		
August	1,366	1,336	1,375		27	25			3,259	3,116			\$349,000	\$368,250	\$405,006		100	102		
September	1,148	1,001			28	29			3,507	3,340			\$336,000	\$360,000			103	107		
October	932	1,026			30	29			3,434	3,248			\$345,000	\$367,250			96	101		
November	835	886			34	31			3,053	2,870			\$345,000	\$399,500			101	90		
December	836	944			35	36			2,364	2,246			\$335,000	\$371,000			110	97		

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

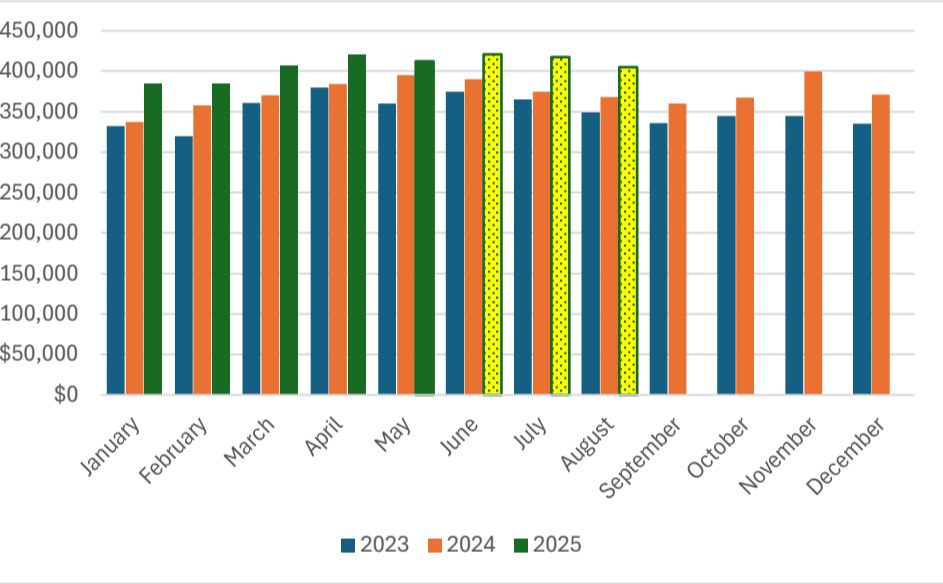
Short Term Trends

Monthly Closed Sales

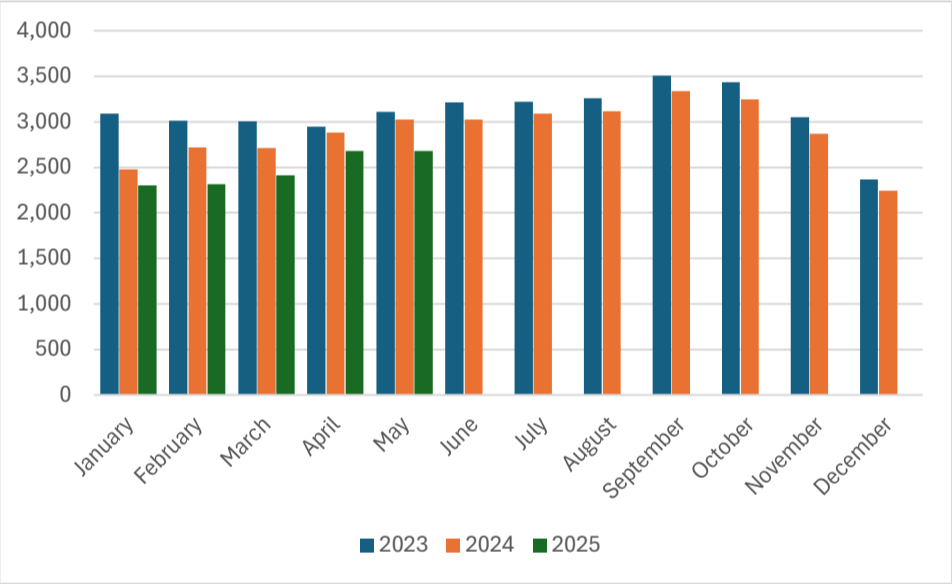


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

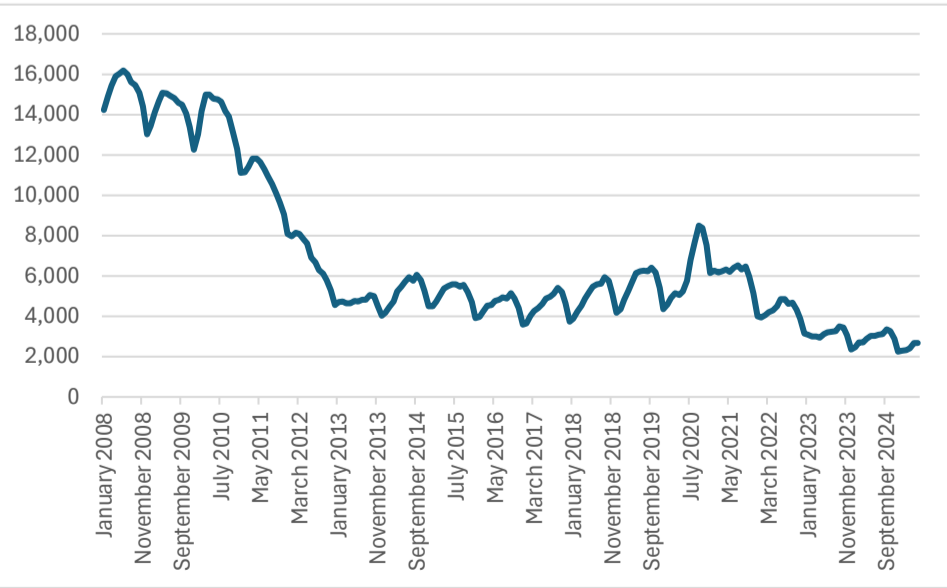


Monthly Inventory

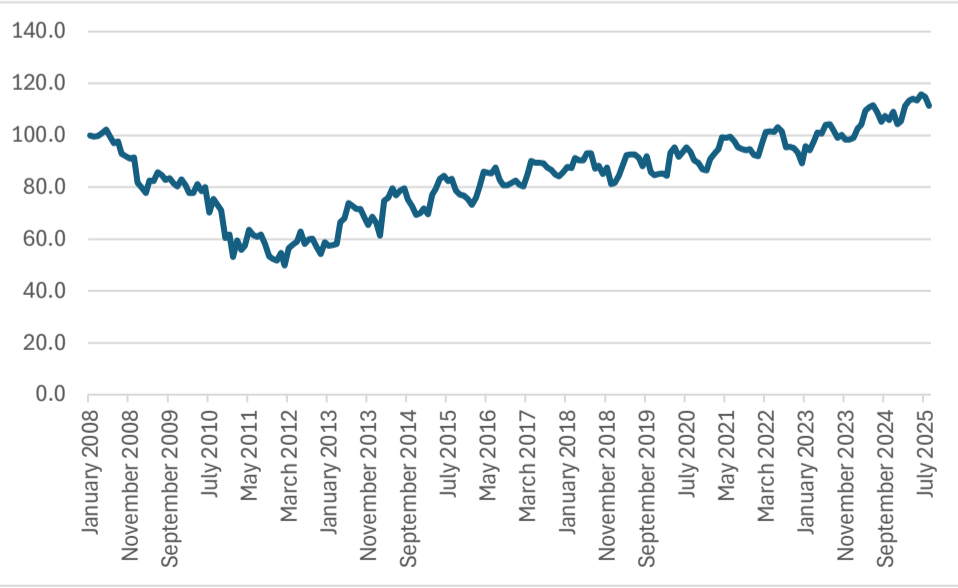


Long Term Trends

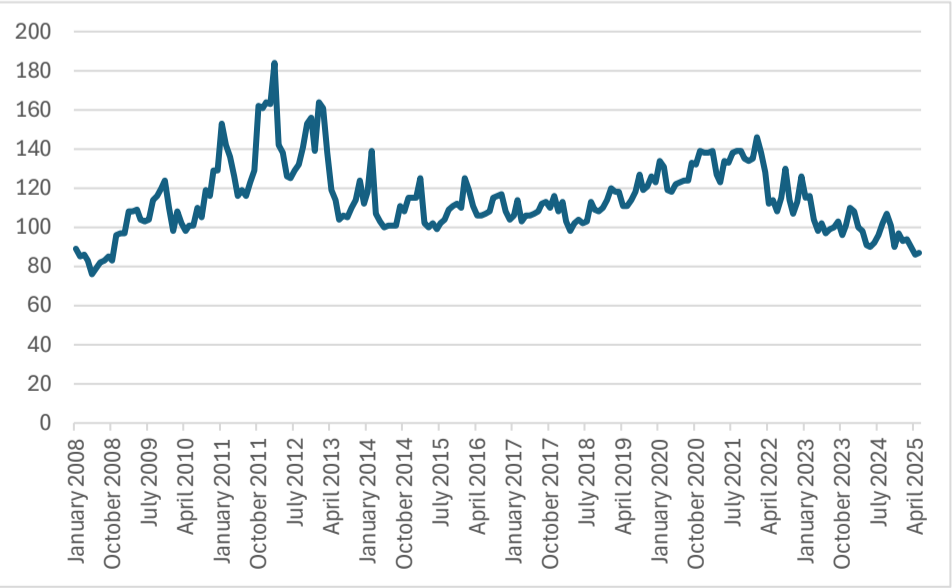
Monthly Condo/Townhome Inventory Trend



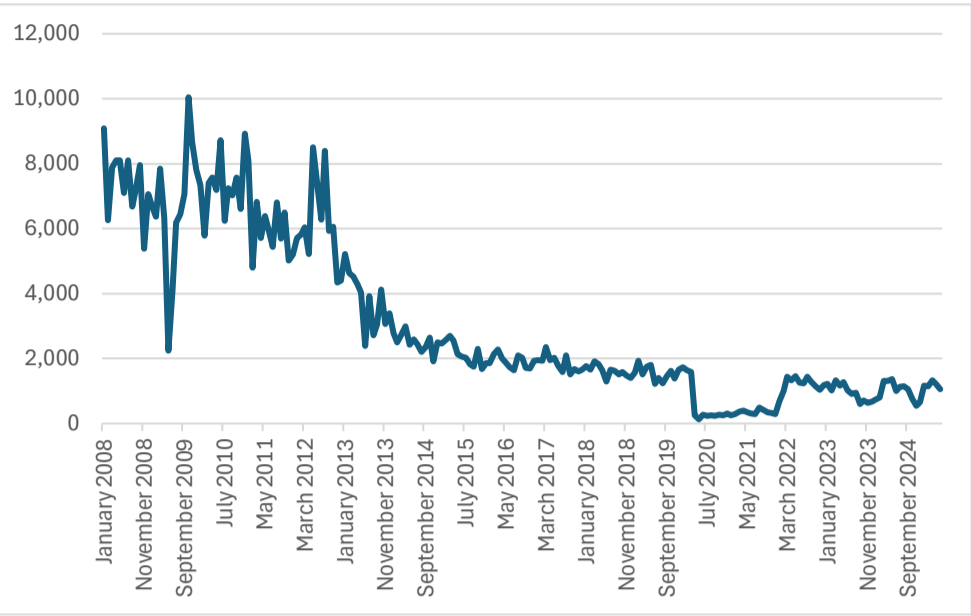
Condo/Townhome Monthly House Price Index



Monthly Affordability Conditions



Monthly Foreclosure Filings - Chicago Metro



Monthly Foreclosure Filings - City of Chicago

