

**INSTITUTE FOR  
HOUSING STUDIES**  
at DePaul University

# **ILLINOIS HOUSING MARKET** forecast

## Illinois Housing Market Forecast August 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 July 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 July 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 dropped slightly throughout the summer but remain near 6.5 percent. In July, closed sales activity statewide remained similar to the previous year. Sales prices statewide and in the Chicago region were generally 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 and decline throughout the summer and early fall, remaining slightly above 2024 levels. Home prices statewide and in the Chicago region are expected to be slightly above the previous year's prices in October.

## State of Illinois

- **Recent trends** – In July 2025, there were 13,262 closed sales of single-family homes, townhomes, and condominiums in Illinois. Prices for single-family homes in Illinois in July were 3.5 percent higher than in the same month in 2024. Single-family closed sales activity remained even with levels in July 2024. The inventory of for-sale single-family homes grew 5.2 percent compared to the previous July, though remaining near historic lows. The average number of days on the market for a single-family home increased by 1 day compared to the previous July. Affordability conditions for single-family homebuying were slightly lower than they were a year ago.
- **Three-month outlook** - IHS's three-month housing market forecast indicates that the level of closed sales activity will follow seasonal trends, dropping 15.6 percent between July and October. Total sales during the three-month period from August to October are expected to rise 1.1 percent compared to the same period a year ago. Single-family house prices are estimated to decrease 1.8 percent between July and October. In this projection, statewide prices in October 2025 will be 11.4 percent higher than they were in October 2024.

## Chicago Metropolitan Area

- **Recent trends** - In July 2025, there were 9,028 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 3.1 percent between July 2024 and 2025. The number of closed single-family home sales in the Chicago area decreased 1.2 percent from the previous July. The inventory of for-sale single-family homes grew 3.4 percent since the previous July. The average number of days spent on the market increased 1 day from July 2024. Affordability conditions for single-family homebuying in the Chicago area were slightly below last year's levels.

- **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 decline 18.7 percent between July and October. Total sales throughout August, September, and October are estimated to be about 1.2 percent higher than during the same period one year ago. Prices of single-family homes in the Chicago metropolitan area are projected to decline 2.2 percent between July and October. This scenario would reflect a price increase of 8.7 percent between October 2024 and 2025.

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

- **Recent trends** - In July 2025, there were 2,158 closed sales of single-family homes, townhomes, and condominiums in the City of Chicago. Prices for single-family homes in the City of Chicago were roughly the same as they were in July 2024. The number of closed single-family sales in Chicago fell by 2.2 percent compared to the previous July. The inventory of for-sale homes declined by 16 percent compared to July 2024, while the time on market decreased by 3 days. Affordability conditions for single-family homebuyers in Chicago were slightly better than the previous July.
- **Three-month outlook** - IHS's three-month housing market forecast indicates that the level of closed sales activity will follow seasonal trends and decrease 7.9 percent between July and October. Total sales throughout the three-month period from July to September are estimated to be 3.7 percent higher than during the same period one year ago. Single-family house prices in the City of Chicago are expected to decrease by about 2.5 percent between July and October. In this scenario, prices in October 2025 will be 5 percent higher than in October 2024.

### **City of Chicago** *Condominiums and Townhomes*

- **Recent trends** - Prices for condos and townhomes in the City of Chicago increased by 5.3 percent between July 2024 and 2025. The number of closed condo sales in Chicago decreased by almost 3 percent compared to the previous July. The inventory of for-sale condos declined by almost 17 percent compared to July 2024. The number of days on market decreased by 2 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 decrease by 26.4 percent between July and October. Total condominium sales in Chicago between August and October are estimated to be equal to the same period a year ago. Condo prices are projected to decrease by 3.5 percent between July and October. Despite declines, these projected October prices would be about 3.8 percent higher than prices in October 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 steady in July, assuaging some fears of tariff-driven inflation. The Federal Reserve has [kept rates consistent](#) throughout the year, suggesting caution as the effects of new tariff policies [begin to appear](#). The [national](#) unemployment rate grew narrowly in July, remaining slightly elevated compared to levels during recent years. The [Illinois](#) unemployment fell slightly between May and June, landing 0.5 percent below last year's rate and 0.5 percent higher than the national unemployment rate. The [consumer sentiment index](#) fell between July and August as consumers worried about inflation. Foreclosure activity levels remained similar to the previous year in both the City of Chicago and the Chicago metropolitan area. Overall, foreclosure activity remains below pre-pandemic levels.<sup>1</sup>

These indicators highlight ongoing challenges and opportunities in the current homebuying market. Mortgage [interest rates](#) have fallen slightly throughout the summer but remain above 6.5 percent. Elevated house prices persist in most parts of the country as indicated by [the Case Shiller Home Price Index](#) remaining near record-highs in May, despite slight decreases since February. Inventories of for-sale homes have [continued increasing](#) nationally which may provide some house price growth relief. Nationally, [homebuying sentiment](#) rebounded in July, though the majority of households still say that it's a bad time to buy and more households worry about job loss than one year ago. In July 2025, Illinois single-family inventories experienced their 15<sup>th</sup> consecutive month of year-over year growth, but the state still has the [among the weakest recoveries](#) to pre-pandemic inventory levels. The ongoing statewide inventory shortage suggests that the market will remain highly competitive and challenging for homebuyers in the near future, but sustained inventory growth could indicate the potential for softening price growth. Continued economic uncertainty and interest rate instability make it difficult to predict how homebuyers will react to these trends.

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<sup>1</sup> 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

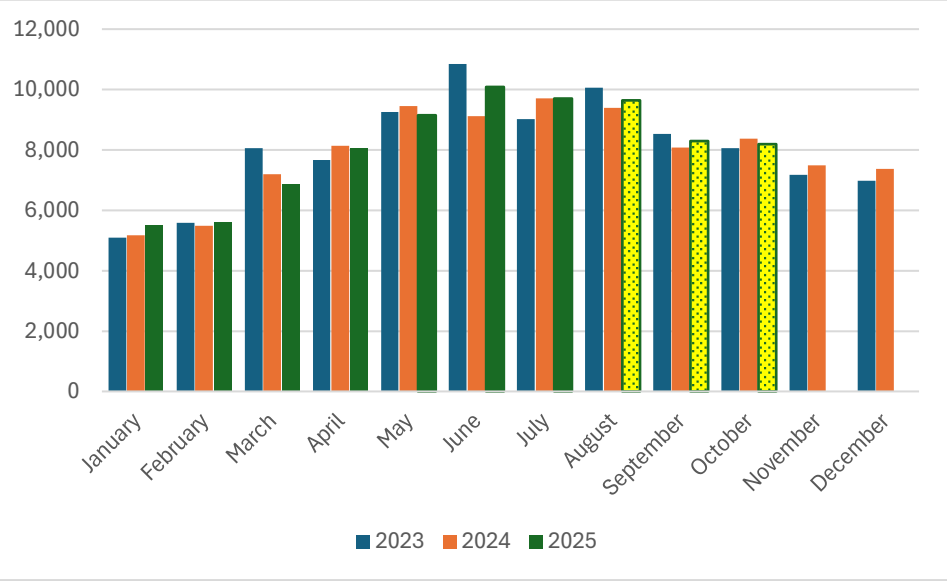
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	5,093	5,169	5,528		41	36	39		14,360	12,470	13,641		\$230,000	\$255,000	\$280,000		171	147	131	
February	5,592	5,495	5,600		44	40	41		13,193	12,341	13,335		\$235,000	\$260,000	\$280,000		162	141	133	
March	8,064	7,189	6,854		41	37	40		12,818	11,890	13,027		\$256,950	\$281,000	\$290,000		151	132	130	
April	7,657	8,145	8,066		34	31	33		12,462	12,406	13,887		\$275,000	\$290,000	\$310,000		139	124	120	
May	9,246	9,448	9,148		30	27	28		12,869	13,725	15,216		\$280,000	\$305,000	\$320,000		135	120	115	
June	10,843	9,122	10,085		25	24	24		13,735	14,385	15,769		\$300,000	\$325,000	\$332,000		125	114	112	
July	9,019	9,715	9,701		23	23	24		14,032	15,381	16,185		\$290,000	\$318,000	\$329,000		128	117	114	
August	10,057	9,401	9,641		24	25			14,750	16,275			\$285,000	\$300,000	\$326,614		126	129		
September	8,528	8,076	8,293		26	26			15,356	16,778			\$273,000	\$295,000	\$323,520		130	134		
October	8,062	8,366	8,190		27	28			15,507	17,261			\$265,000	\$290,000	\$323,086		129	131		
November	7,181	7,493			28	29			15,284	16,222			\$265,000	\$285,000			135	130		
December	6,970	7,378			31	33			13,181	14,198			\$255,000	\$285,250			148	130		

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

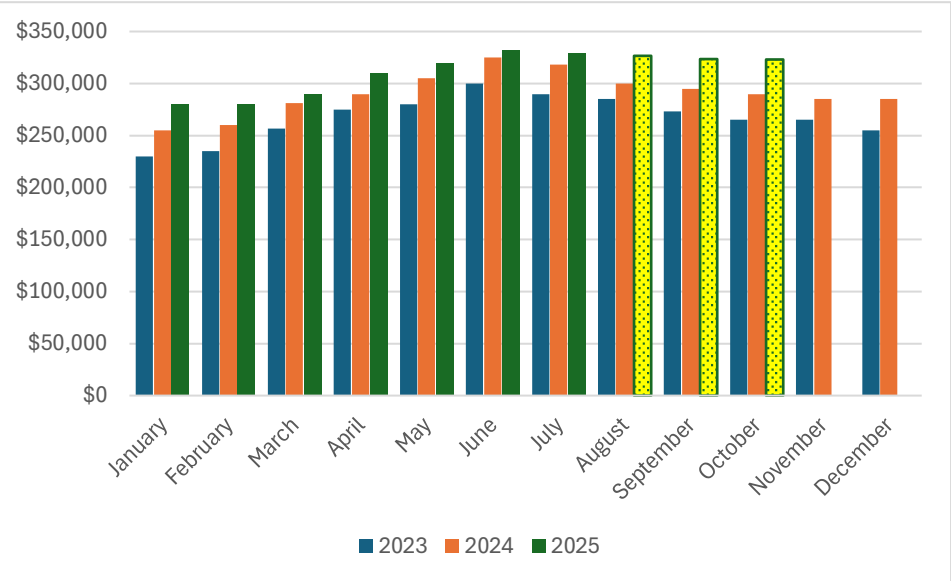
Illinois Short Term Trends - Single Family

Monthly Closed Sales

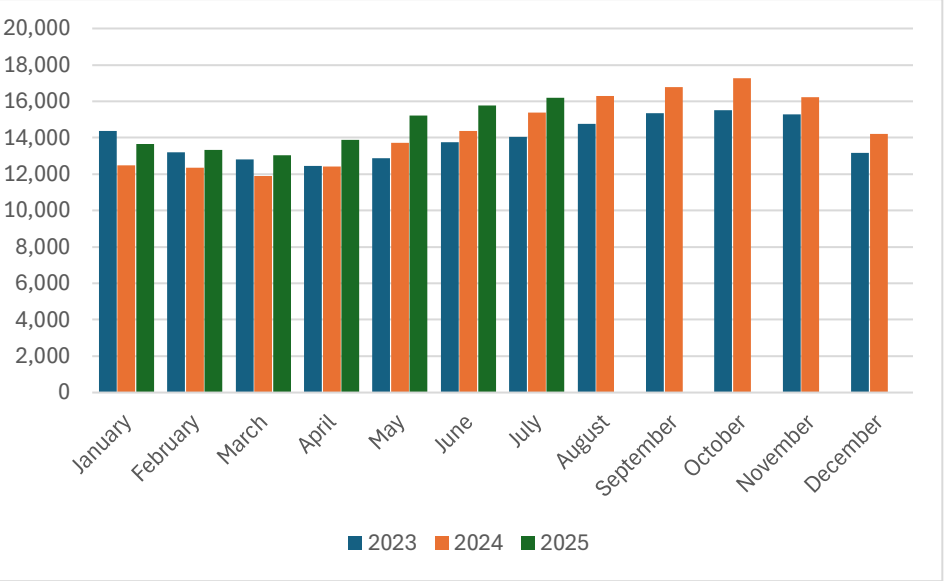


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

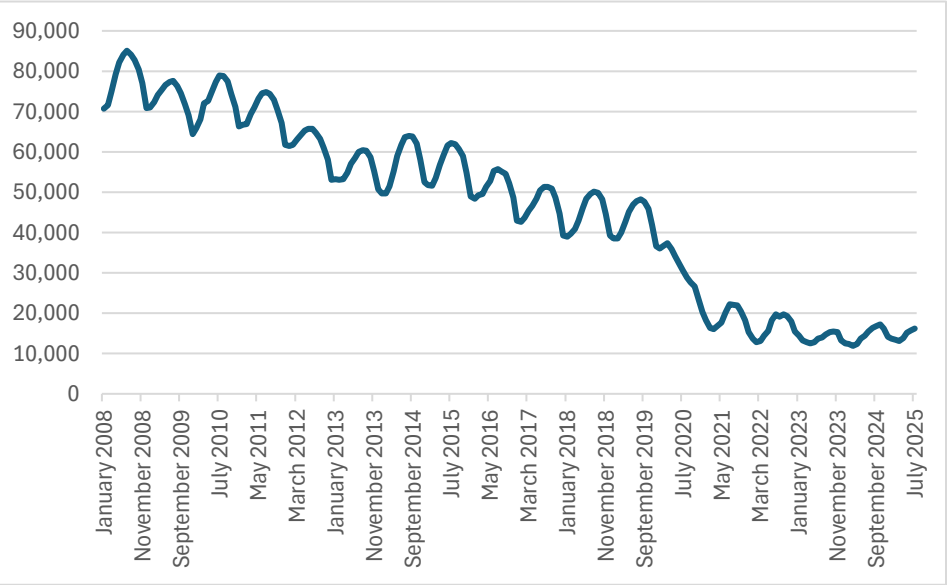


Monthly Inventory

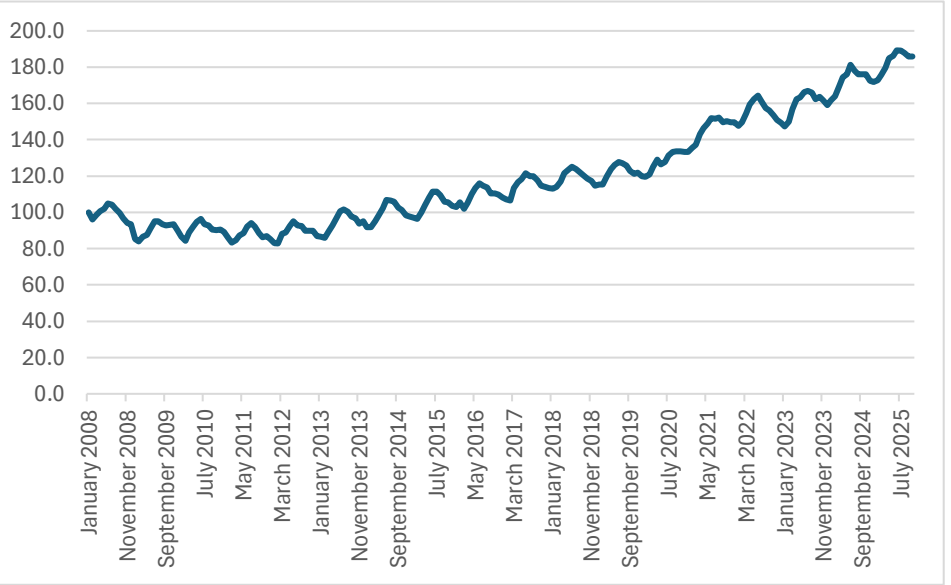


Illinois Long Term Trends - Single Family

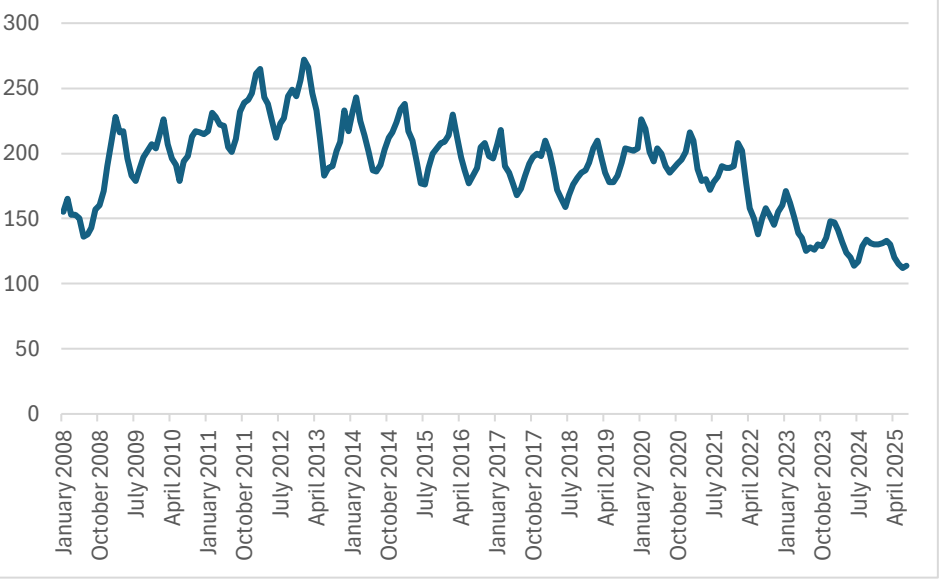
Illinois Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions





Chicago Metro - Single Family Homes  
Summary of Recent Trends

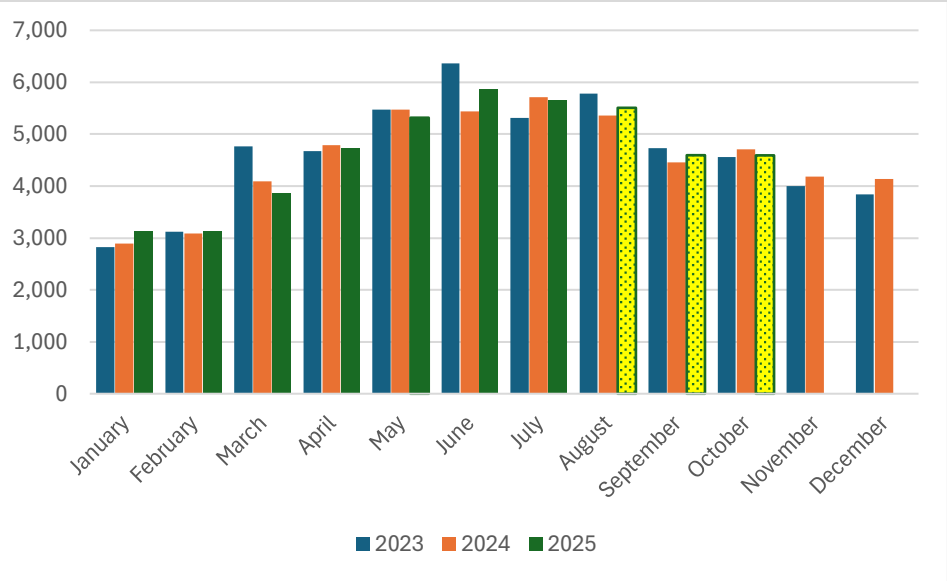
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	2,822	2,897	3,122		37	34	35		8,650	6,884	7,576		\$313,400	\$340,000	\$369,900		134	118	106	
February	3,118	3,087	3,136		41	37	35		7,962	6,939	7,557		\$315,000	\$350,000	\$375,000		129	112	106	
March	4,768	4,092	3,860		37	32	34		7,695	6,604	7,249		\$336,000	\$374,900	\$395,000		123	106	102	
April	4,678	4,789	4,731		31	26	28		7,481	6,991	7,750		\$350,000	\$386,000	\$409,900		117	100	97	
May	5,469	5,472	5,316		26	22	23		7,580	7,871	8,698		\$367,200	\$395,000	\$420,000		110	99	94	
June	6,366	5,443	5,865		21	20	19		8,207	8,246	8,949		\$385,000	\$419,945	\$430,000		104	94	93	
July	5,311	5,714	5,645		21	20	21		8,412	8,766	9,062		\$370,000	\$407,500	\$420,000		107	98	95	
August	5,775	5,358	5,507		21	20			8,722	9,354			\$375,000	\$400,000	\$417,379		102	103		
September	4,734	4,455	4,594		23	22			9,085	9,665			\$360,000	\$385,000	\$413,595		106	110		
October	4,557	4,707	4,591		24	24			9,030	9,840			\$350,000	\$378,000	\$410,864		105	107		
November	4,005	4,177			25	25			8,801	9,028			\$353,050	\$380,000			108	104		
December	3,838	4,133			28	29			7,362	7,631			\$335,000	\$379,000			120	104		

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

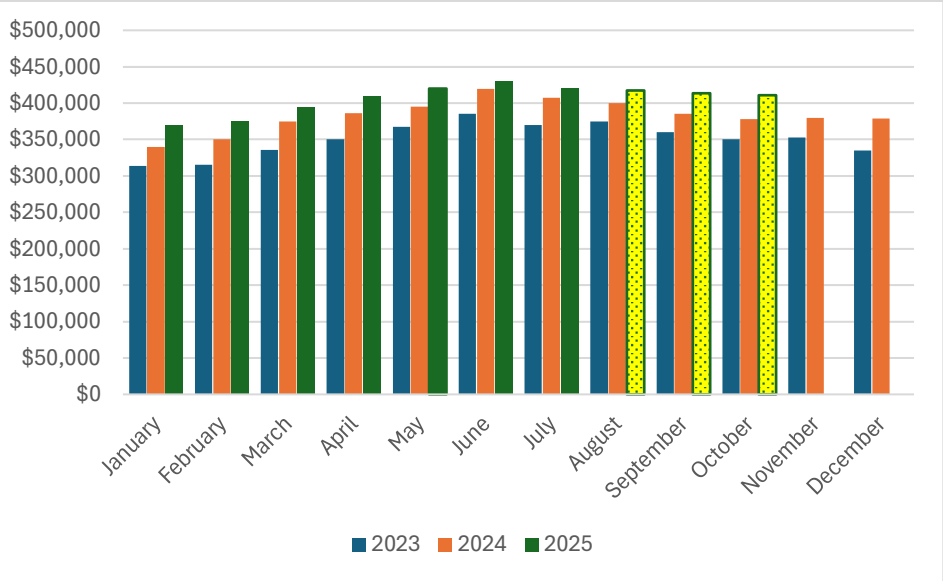
Short Term Trends

Monthly Closed Sales

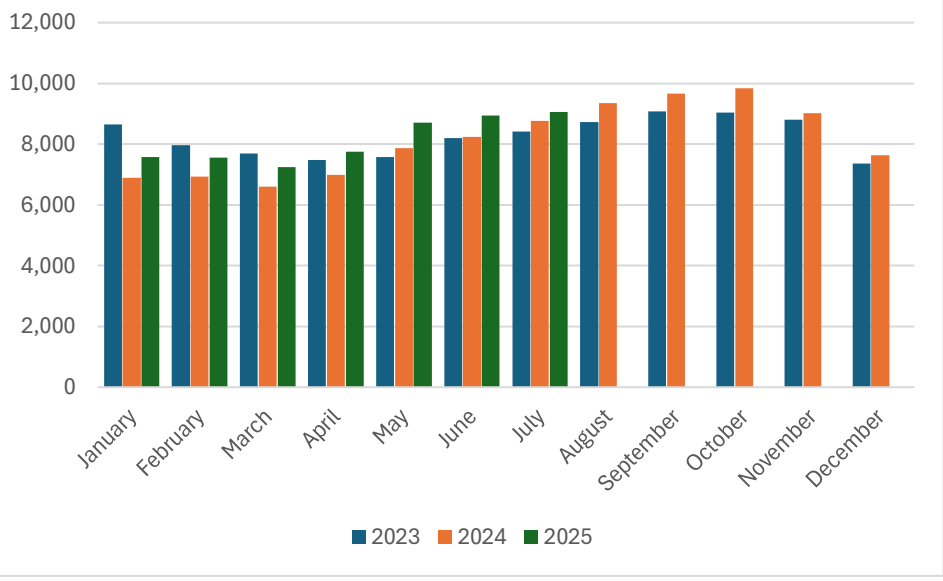


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

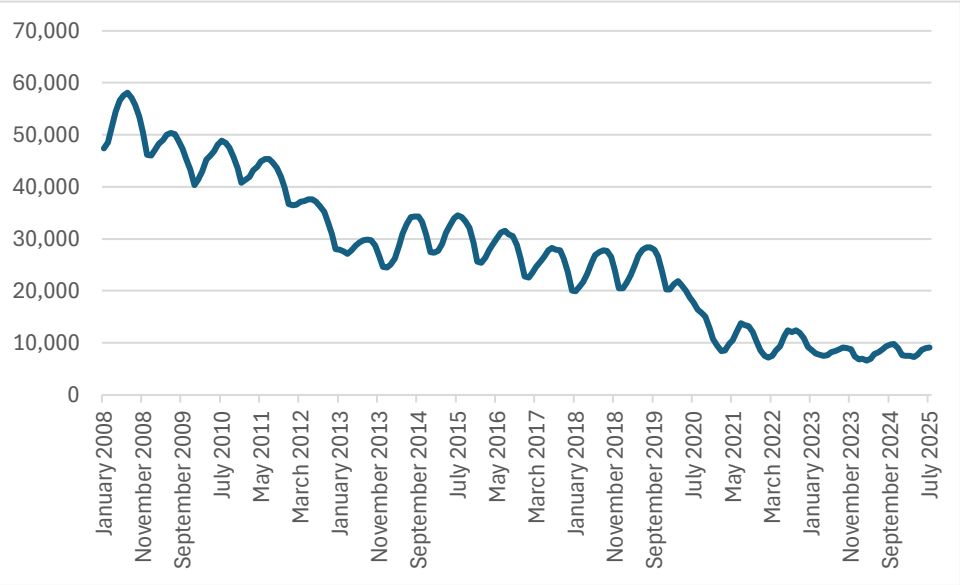


Monthly Inventory

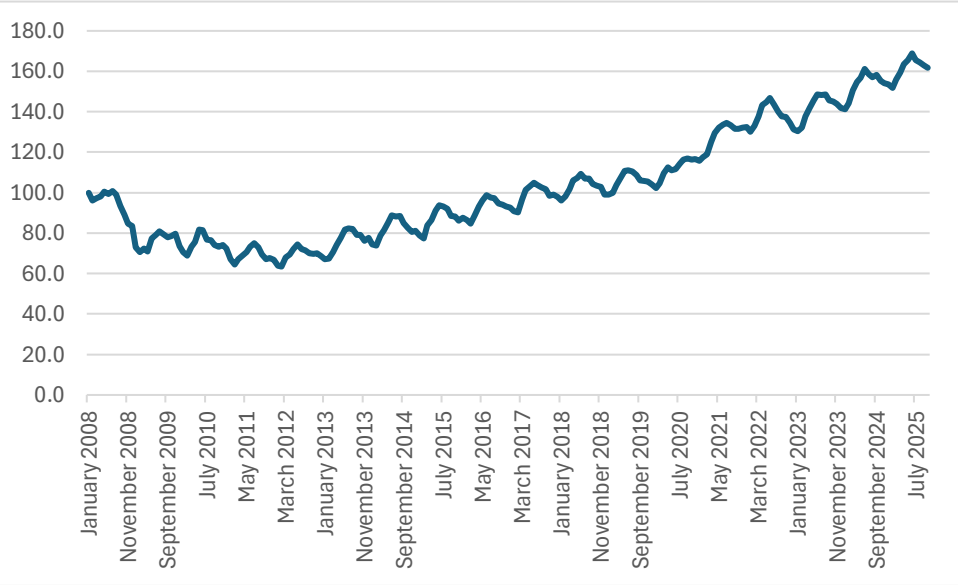


Long Term Trends

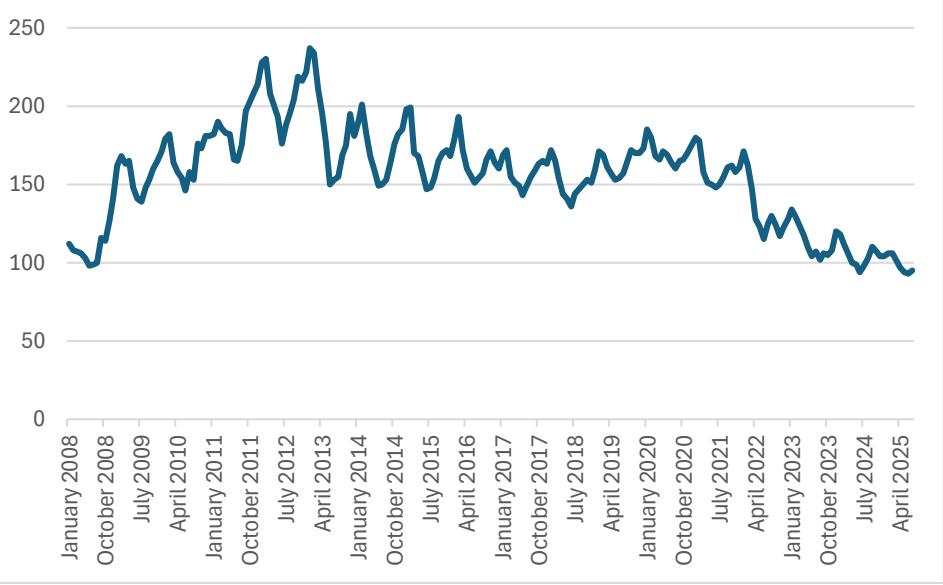
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Single Family Homes  
Summary of Recent Trends

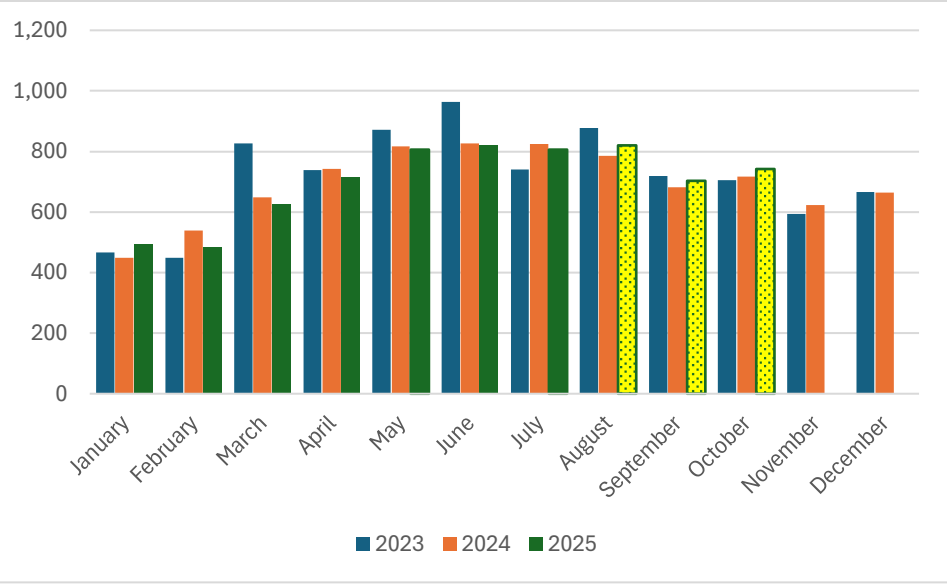
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	467	448	494		42	38	39		2,261	1,747	1,691		\$260,500	\$289,500	\$310,000		147	126	115	
February	448	538	484		48	43	38		2,163	1,763	1,652		\$290,000	\$300,000	\$319,450		128	119	113	
March	826	648	625		40	41	44		2,059	1,734	1,628		\$295,000	\$335,000	\$335,800		128	108	109	
April	738	742	714		43	37	33		2,026	1,774	1,666		\$297,500	\$340,000	\$350,000		125	103	103	
May	872	817	806		36	29	31		1,968	1,911	1,762		\$306,000	\$320,000	\$350,000		120	111	102	
June	964	826	819		29	27	27		2,070	1,888	1,701		\$335,000	\$365,000	\$370,000		109	98	98	
July	741	824	806		29	29	26		2,129	1,951	1,639		\$312,750	\$350,000	\$350,000		115	103	104	
August	877	786	820		27	29			2,181	2,024			\$315,000	\$340,000	\$349,156		111	110		
September	719	682	703		32	29			2,269	2,150			\$311,000	\$327,000	\$342,544		111	118		
October	705	717	742		34	31			2,295	2,155			\$300,000	\$325,000	\$341,349		111	114		
November	593	624			31	34			2,153	2,004			\$302,000	\$339,951			115	106		
December	667	665			34	37			1,819	1,675			\$285,000	\$324,900			129	111		

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

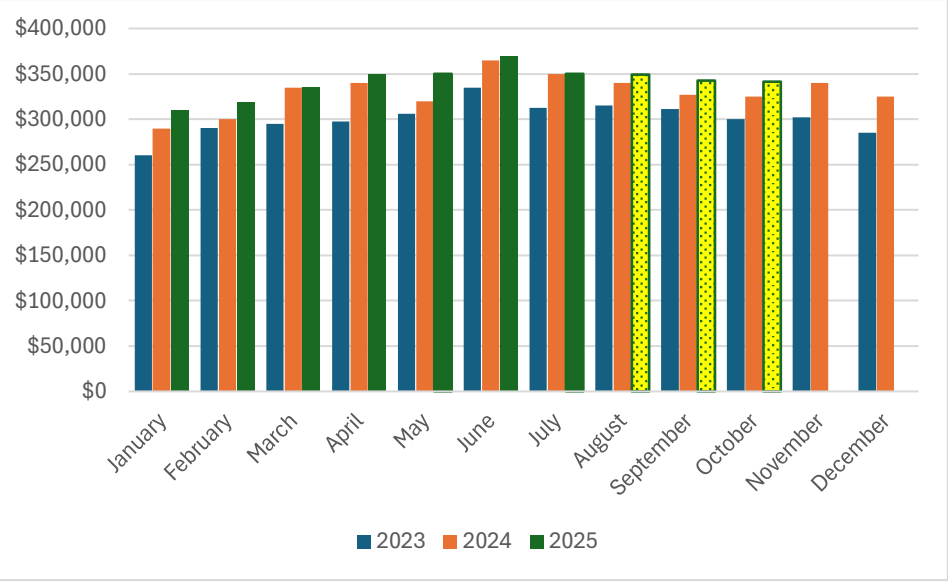
Short Term Trends

Monthly Closed Sales

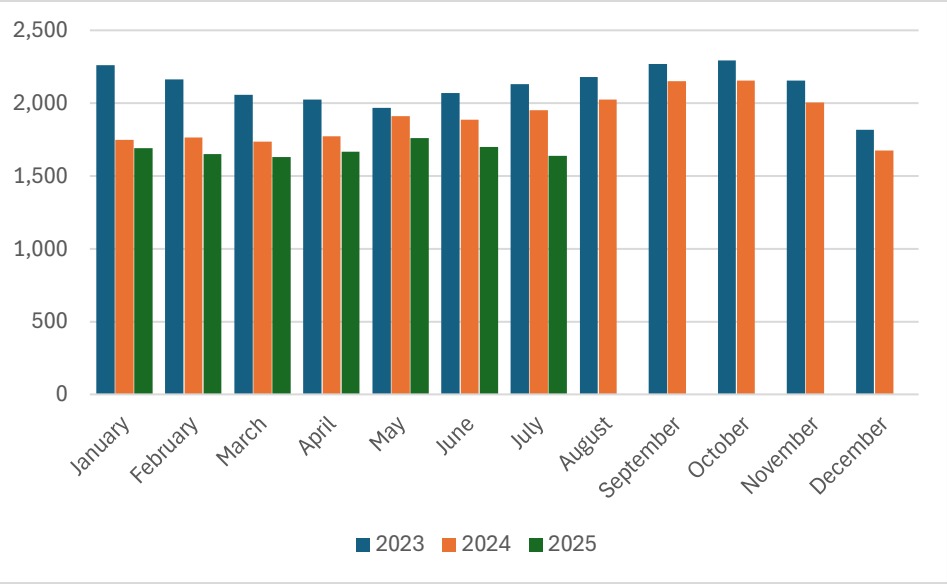


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

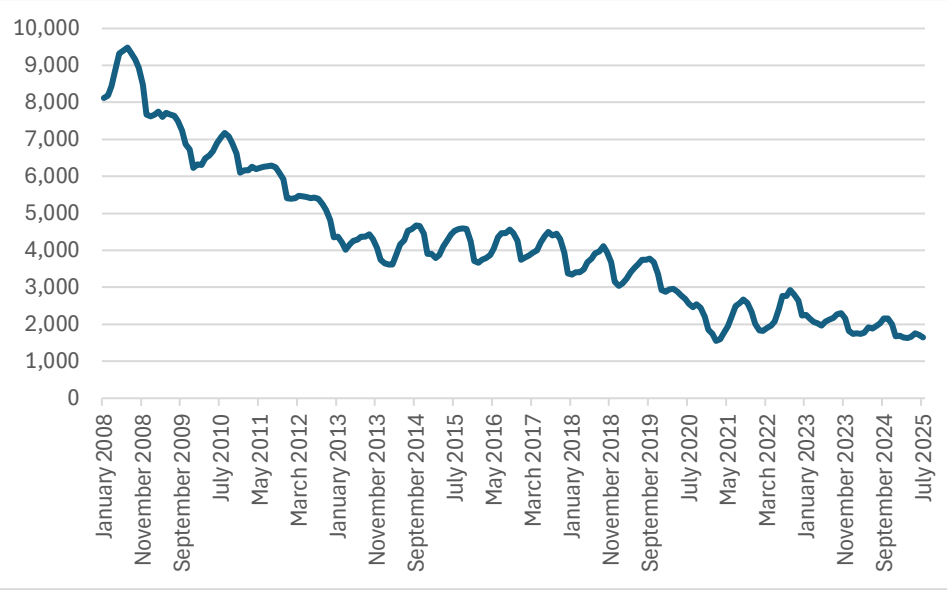


Monthly Inventory

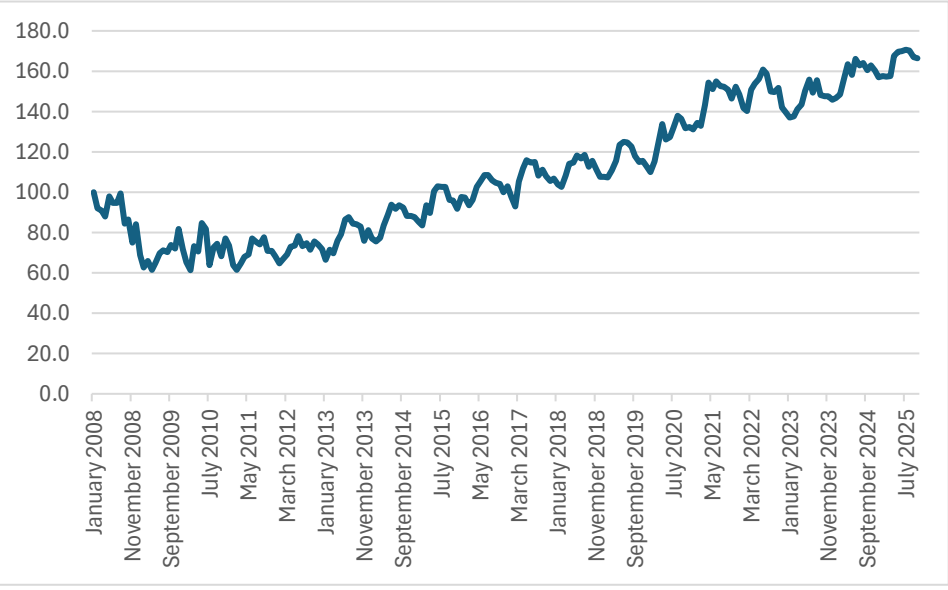


Long Term Trends

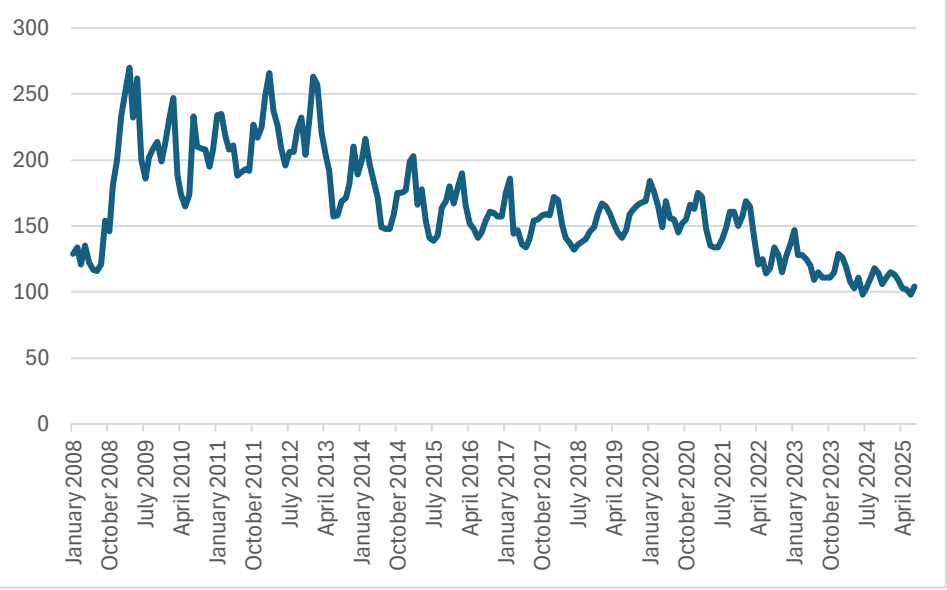
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Condominiums/Townhomes  
Summary of Recent Trends

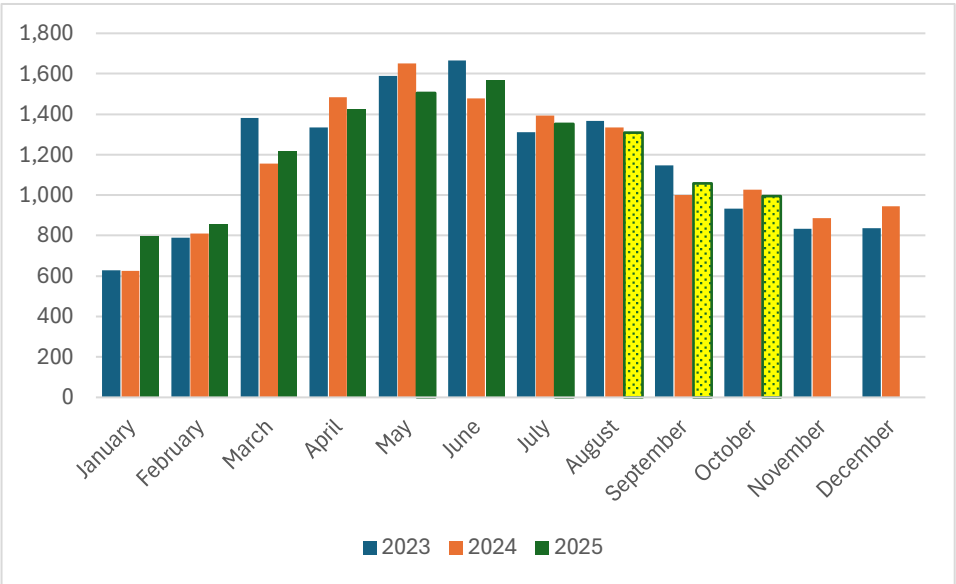
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	629	626	799		55	47	42		3,090	2,482	2,317		\$332,500	\$337,450	\$385,000		115	108	93	
February	790	810	857		47	47	46		3,012	2,720	2,343		\$320,000	\$358,000	\$385,000		116	100	94	
March	1,382	1,156	1,217		44	36	34		3,005	2,714	2,453		\$360,750	\$370,000	\$407,500		104	98	90	
April	1,336	1,485	1,427		35	28	28		2,951	2,886	2,740		\$380,000	\$384,000	\$420,000		98	91	86	
May	1,590	1,651	1,505		33	26	23		3,115	3,029	2,798		\$359,900	\$395,000	\$412,000		102	90	87	
June	1,666	1,479	1,568		27	24	23		3,218	3,032	2,680		\$375,000	\$390,000	\$415,250		97	92	87	
July	1,311	1,392	1,352		28	27	25		3,224	3,096	2,573		\$365,000	\$375,000	\$395,000		99	96	92	
August	1,366	1,336	1,309		27	25			3,261	3,125			\$349,000	\$368,250	\$385,429		100	102		
September	1,148	1,001	1,058		28	29			3,510	3,350			\$336,000	\$360,000	\$382,549		103	107		
October	932	1,026	995		30	29			3,436	3,260			\$345,000	\$367,250	\$381,155		96	101		
November	835	886			34	31			3,055	2,884			\$345,000	\$399,500			101	90		
December	836	944			35	36			2,367	2,262			\$335,000	\$371,000			110	97		

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

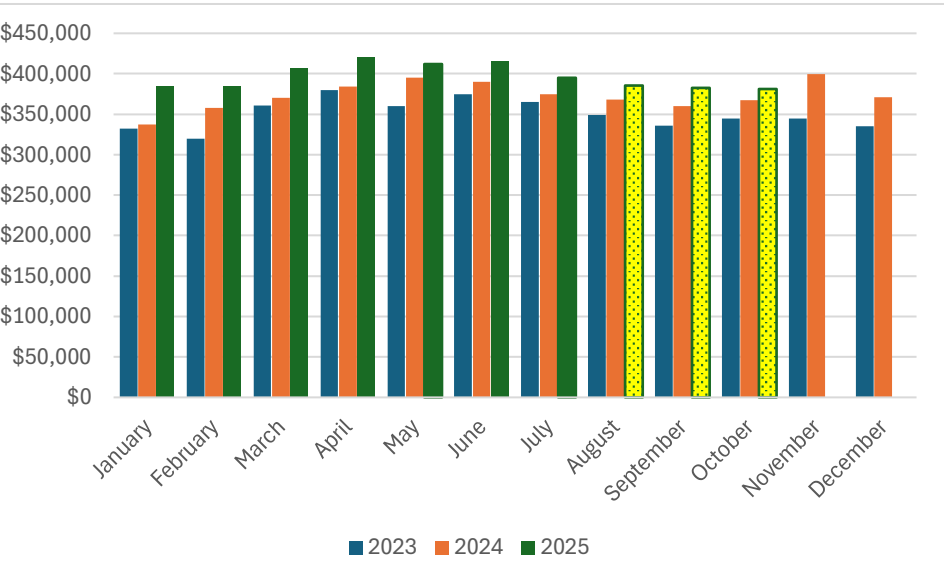
Short Term Trends

Monthly Closed Sales

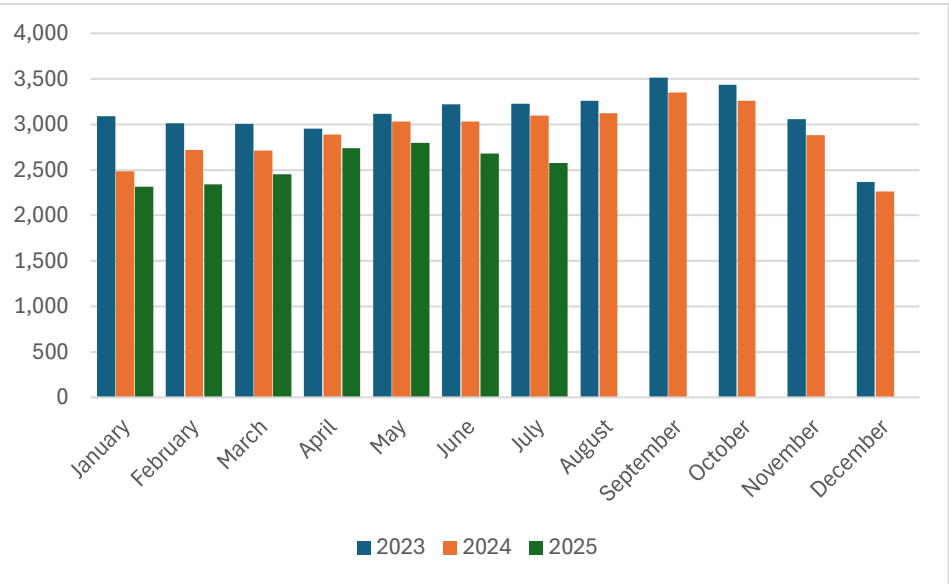


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

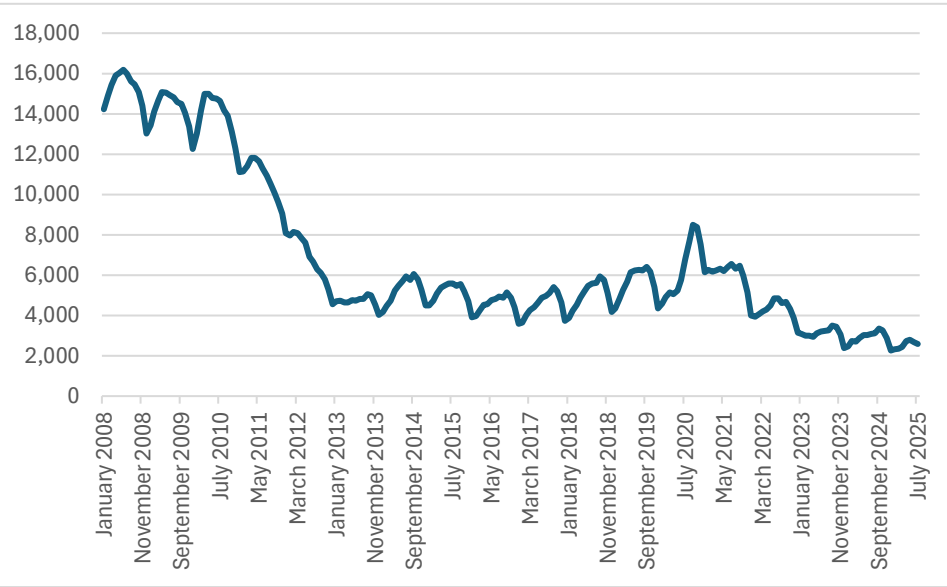


Monthly Inventory

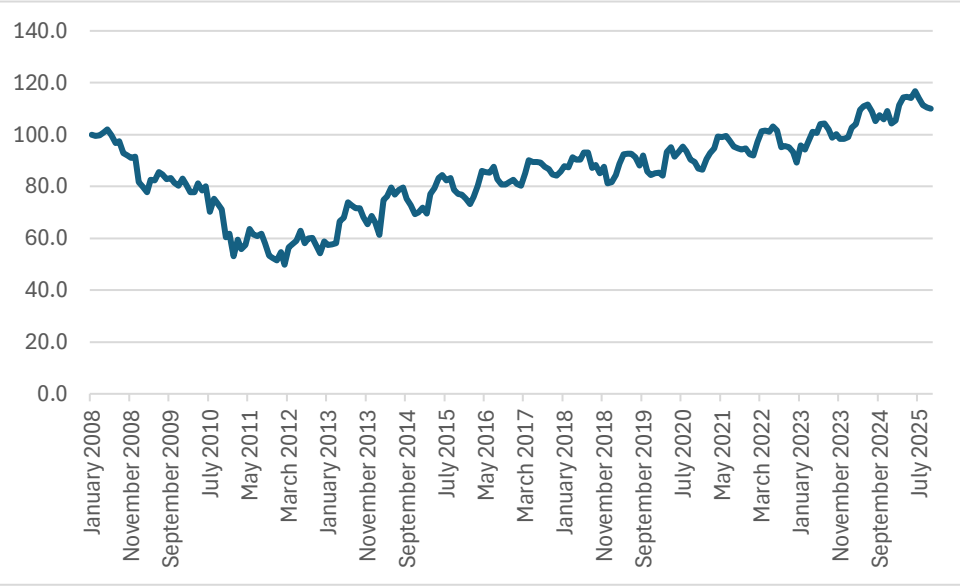


Long Term Trends

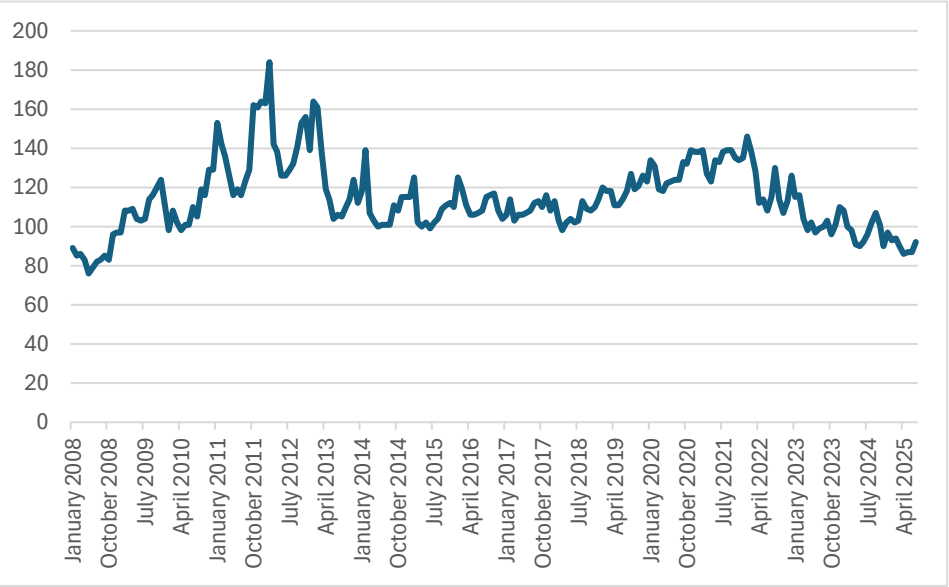
Monthly Condo/Townhome Inventory Trend



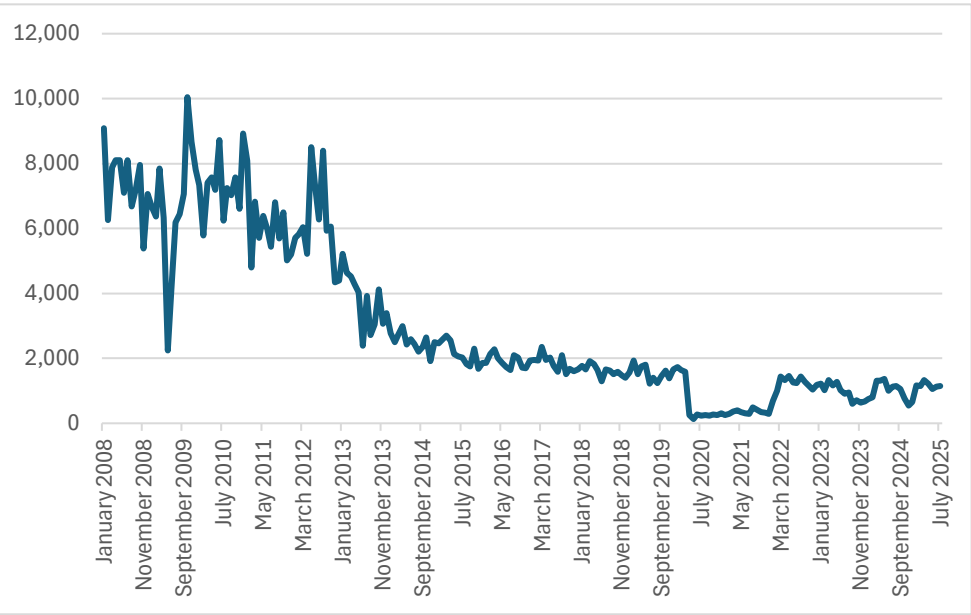
Condo/Townhome Monthly House Price Index



Monthly Affordability Conditions



Monthly Foreclosure Filings - Chicago Metro



Monthly Foreclosure Filings - City of Chicago

