

**INSTITUTE FOR  
HOUSING STUDIES**  
at DePaul University

# **ILLINOIS HOUSING MARKET** forecast

## Illinois Housing Market Forecast September 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 August 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 August 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 above 6 percent. In August, closed sales activity declined statewide and in the Chicago region compared to the previous year. At the same time, 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 fall, with less sales activity than during the same period in 2024. Home prices statewide and in the Chicago region are expected to be slightly above the previous year's prices in November.

## State of Illinois

- **Recent trends** – In August 2025, there were 12,560 closed sales of single-family homes, townhomes, and condominiums in Illinois. August prices for single-family homes in Illinois were 8.3 percent higher than in the same month in 2024. Single-family closed sales activity was 2.4 percent lower than levels in August 2024. The inventory of for-sale single-family homes grew 1.2 percent compared to the previous August, though remaining near historic lows. The average number of days on the market for a single-family home stayed consistent with the previous August. Affordability conditions for single-family homebuying were 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 25.1 percent between August and November. Total sales during the three-month period from September to November are expected to fall 5.0 percent compared to the same period a year ago. Single-family house prices are estimated to decrease 2.1 percent between August and November. In this projection, statewide prices in November 2025 will be 11.7 percent higher than they were in November 2024.

## Chicago Metropolitan Area

- **Recent trends** - In August 2025, there were 8,395 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 5.5 percent between August 2024 and 2025. The number of closed single-family home sales in the Chicago area decreased 2.5 percent from the previous August. The inventory of for-sale single-family homes fell 3.0 percent since the previous August. The average number of days spent on the market increased 1 day from August 2024. Affordability conditions for single-family homebuying in the Chicago area were 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 27.0 percent between August and November. Total sales throughout September, October, and November are estimated to be about 5.7 percent lower than during the same period one year ago. Prices of single-family homes in the Chicago metropolitan area are projected to decline 2.1 percent between August and November. This scenario would reflect a price increase of 8.8 percent between November 2024 and 2025.

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

- **Recent trends** - In August 2025, there were 1,920 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 up 7.4 percent from August 2024. The number of closed single-family sales in Chicago fell by 8.5 percent compared to the previous August. The inventory of for-sale homes declined by 20.8 percent compared to August 2024, while the time on market decreased by 3 days. Affordability conditions for single-family homebuyers in Chicago were lower than the previous August.
- **Three-month outlook** - IHS's three-month housing market forecast indicates that the level of closed sales activity will follow seasonal trends and decrease 18.1 percent between August and November. Total sales throughout the three-month period from August to October are estimated to be 4.8 percent lower than during the same period one year ago. Single-family house prices in the City of Chicago are expected to decrease by about 3.6 percent between August and November. In this scenario, prices in November 2025 would be 3.5 percent higher than in November 2024.

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

- **Recent trends** - Prices for condos and townhomes in the City of Chicago increased 5.6 percent between August 2024 and 2025. The number of closed condo sales in Chicago decreased by about 10 percent compared to the previous August. The inventory of for-sale condos declined by about 20 percent compared to August 2024. The number of days on market increased by 1 day 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 36.3 percent between August and November. Total condominium sales activity in Chicago between August and November are estimated to be about 9.4 percent less than activity in the same period in 2024. Condo prices are projected to decrease by 2.4 percent between August and November. These projected November prices would be about 5 percent lower than prices in November 2024.

## Conditions Affecting Homebuying

The housing market has remained complex during 2025, thanks to a variety of high-level factors. The [rate of inflation](#) rose in August as tariff-related price hikes [began to appear](#). In September, the Federal Reserve [cut interest rates](#) for the first time since last year in response to falling hiring numbers. The [national](#) unemployment rate continued to grow in August, remaining elevated compared to levels during recent years. The [Illinois](#) unemployment rate fell between July and August, landing 0.6 percent below last year's rate and just 0.1 percent higher than the national unemployment rate. The [consumer sentiment index](#) fell between August and September as consumers worried about inflation and job loss. Foreclosure activity levels remained similar to the previous year in both the City of Chicago and the Chicago metropolitan area, though nationwide foreclosure activity was [higher than last year](#). Overall, Chicago area 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](#) fell throughout the summer, but they remain between 6 and 7 percent and interest rate cuts are [unlikely to lower mortgage rates](#). Inventories of for-sale homes have [continued increasing](#) nationally. In response, house prices have been [falling in several metro areas](#). Despite month-over-month drops in nationwide house price since February, [the Case Shiller Home Price Index](#) still remains near record highs. Nationally, [homebuying sentiment](#) fell slightly in August, with the majority of households still saying that it's a bad time to buy. In July 2025, Illinois single-family inventories experienced their 16<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 during 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

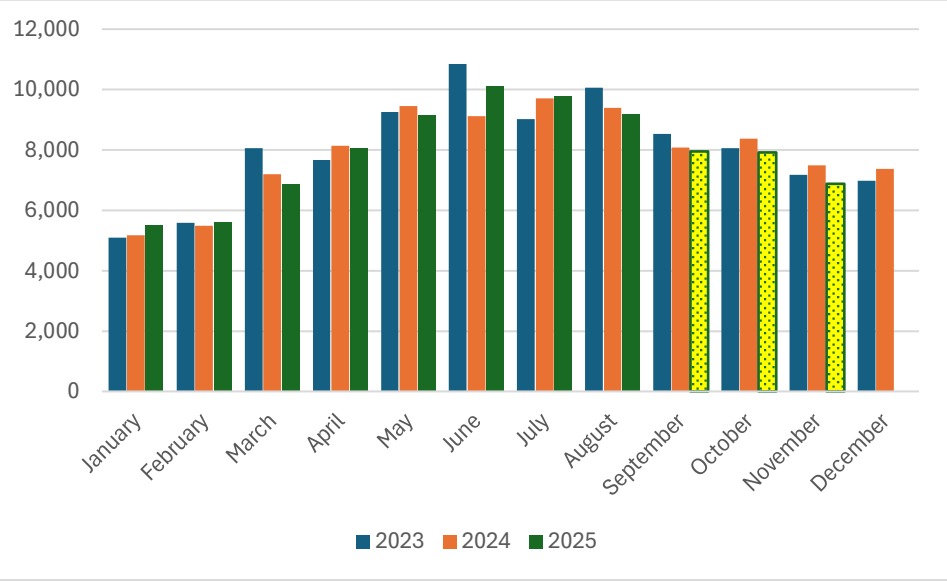
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	5,093	5,169	5,528		41	36	39		14,361	12,477	13,682		\$230,000	\$255,000	\$280,000		171	147	131	
February	5,592	5,495	5,599		44	40	41		13,195	12,347	13,393		\$235,000	\$260,000	\$280,000		162	141	133	
March	8,064	7,190	6,855		41	37	40		12,821	11,896	13,113		\$256,950	\$281,000	\$290,000		151	132	130	
April	7,657	8,145	8,070		34	31	33		12,465	12,411	14,007		\$275,000	\$290,000	\$310,000		139	124	120	
May	9,246	9,448	9,150		30	27	28		12,872	13,732	15,372		\$280,000	\$305,000	\$320,000		135	120	115	
June	10,843	9,122	10,118		25	24	24		13,738	14,392	16,014		\$300,000	\$325,000	\$331,000		125	114	113	
July	9,019	9,715	9,787		23	23	24		14,035	15,389	16,737		\$290,000	\$318,000	\$327,500		128	117	114	
August	10,057	9,401	9,180		24	25	25		14,754	16,289	16,492		\$285,000	\$300,000	\$325,000		126	129	117	
September	8,528	8,076	7,949		26	26			15,361	16,798			\$273,000	\$295,000	\$322,149		130	134		
October	8,062	8,366	7,916		27	28			15,512	17,289			\$265,000	\$290,000	\$321,525		129	131		
November	7,181	7,493	6,877		28	29			15,290	16,254			\$265,000	\$285,000	\$318,246		135	130		
December	6,970	7,378			31	33			13,187	14,236			\$255,000	\$285,250			148	130		

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

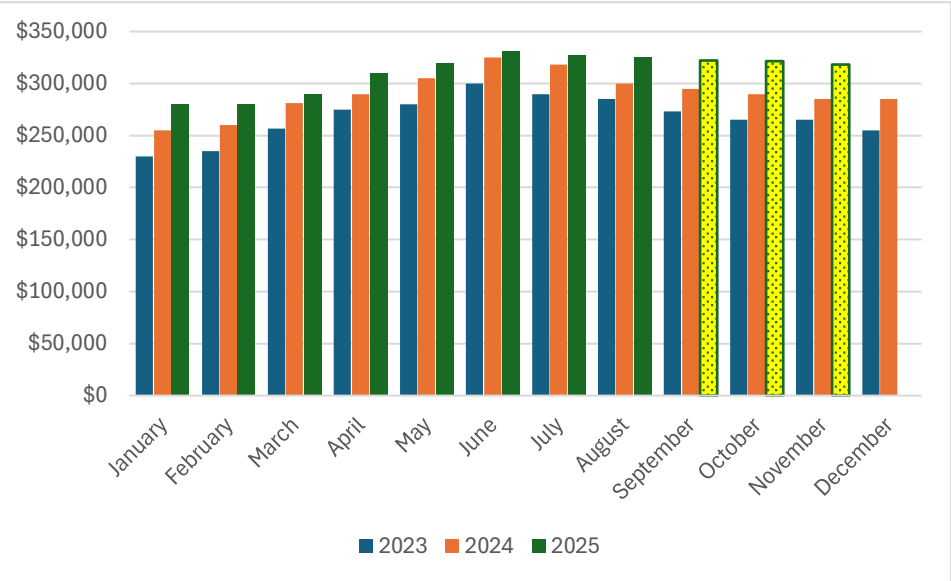
Illinois Short Term Trends - Single Family

Monthly Closed Sales

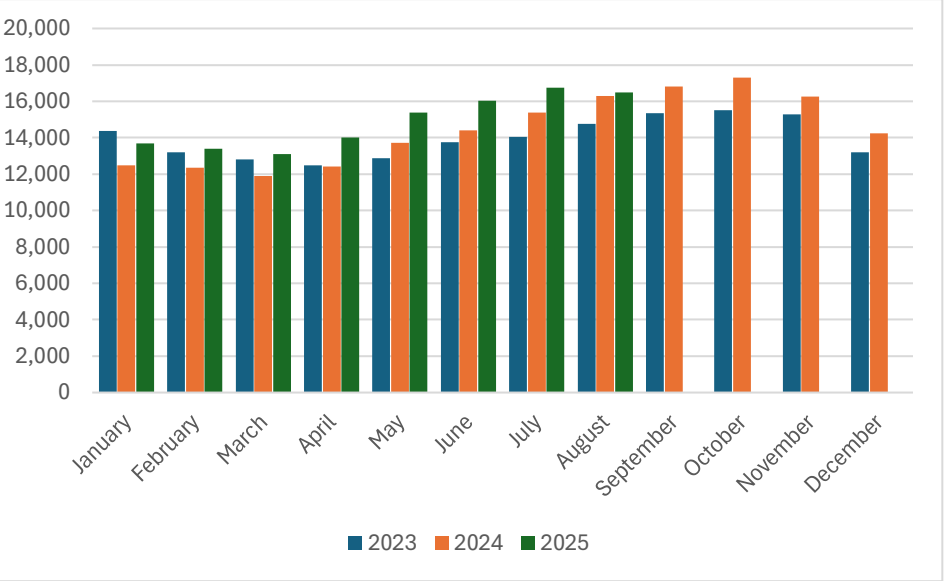


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

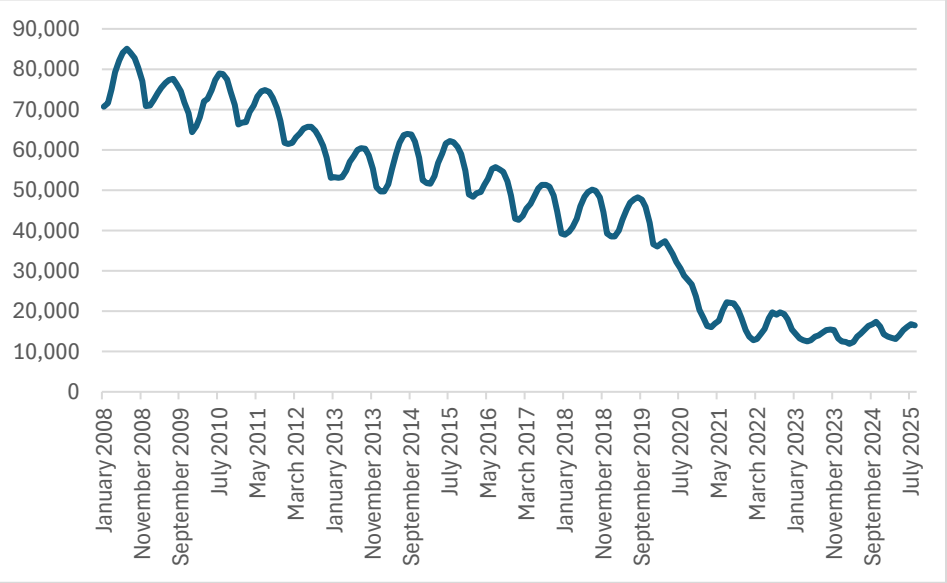


Monthly Inventory

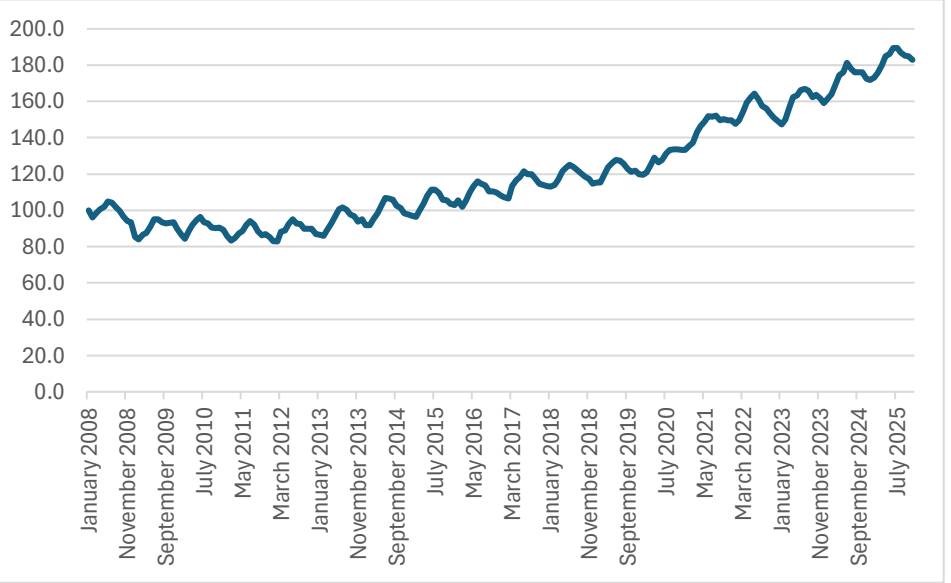


Illinois Long Term Trends - Single Family

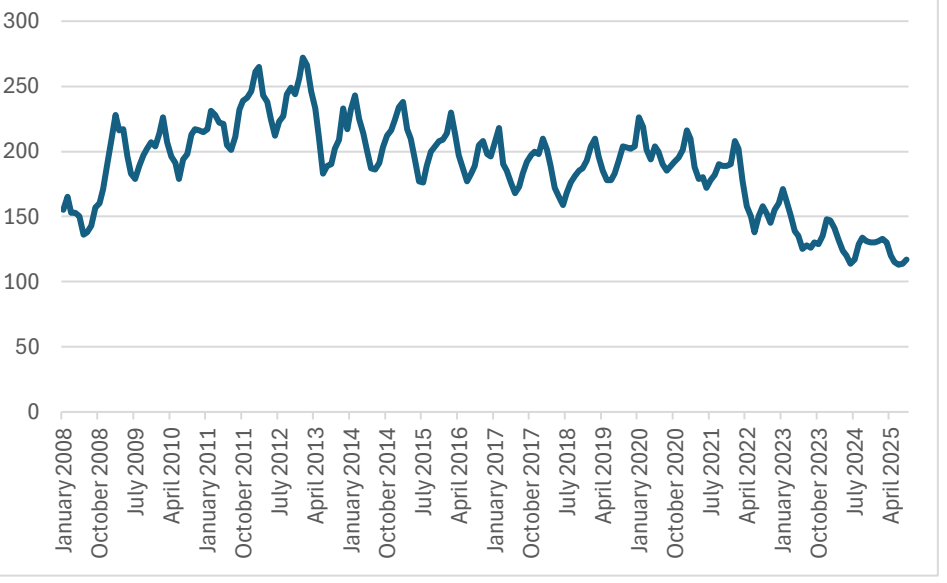
Illinois Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions





Chicago Metro - Single Family Homes  
Summary of Recent Trends

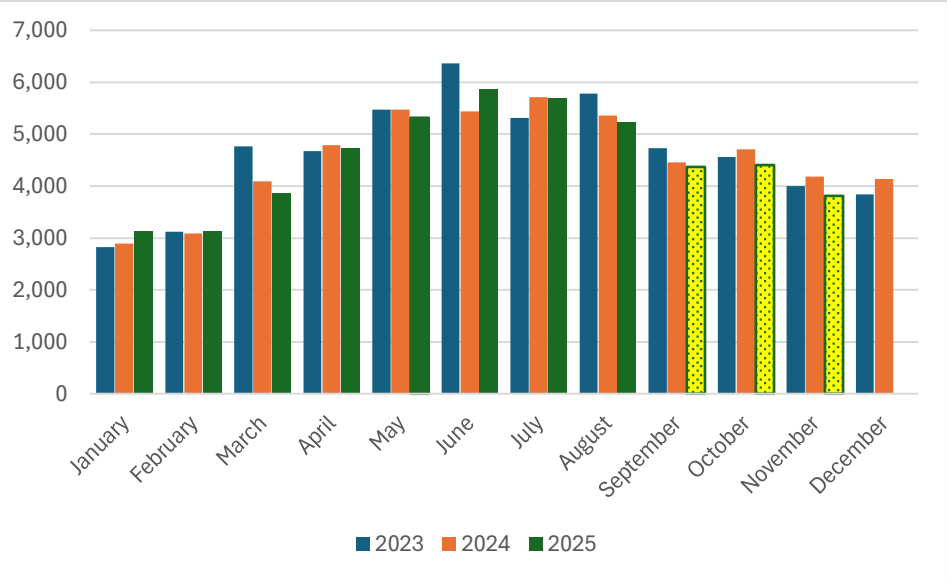
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	2,822	2,897	3,122		37	34	35		8,650	6,889	7,601		\$313,400	\$340,000	\$369,900		134	118	106	
February	3,118	3,087	3,136		41	37	35		7,963	6,944	7,594		\$315,000	\$350,000	\$375,000		129	112	106	
March	4,768	4,092	3,861		37	32	34		7,697	6,609	7,307		\$336,000	\$374,900	\$395,000		123	106	102	
April	4,678	4,789	4,732		31	26	28		7,483	6,996	7,842		\$350,000	\$386,000	\$409,900		117	100	97	
May	5,469	5,472	5,315		26	22	23		7,582	7,878	8,808		\$367,200	\$395,000	\$420,000		110	99	94	
June	6,366	5,443	5,871		21	20	19		8,209	8,253	9,134		\$385,000	\$419,945	\$430,000		104	94	93	
July	5,311	5,714	5,700		21	20	21		8,414	8,774	9,483		\$370,000	\$407,500	\$420,000		107	98	95	
August	5,775	5,358	5,224		21	20	21		8,725	9,367	9,083		\$375,000	\$400,000	\$422,000		102	103	96	
September	4,734	4,455	4,368		23	22			9,089	9,683			\$360,000	\$385,000	\$418,424		106	110		
October	4,557	4,707	4,405		24	24			9,034	9,862			\$350,000	\$378,000	\$415,920		105	107		
November	4,005	4,177	3,811		25	25			8,806	9,050			\$353,050	\$380,000	\$413,340		108	104		
December	3,838	4,133			28	29			7,367	7,657			\$335,000	\$379,000			120	104		

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

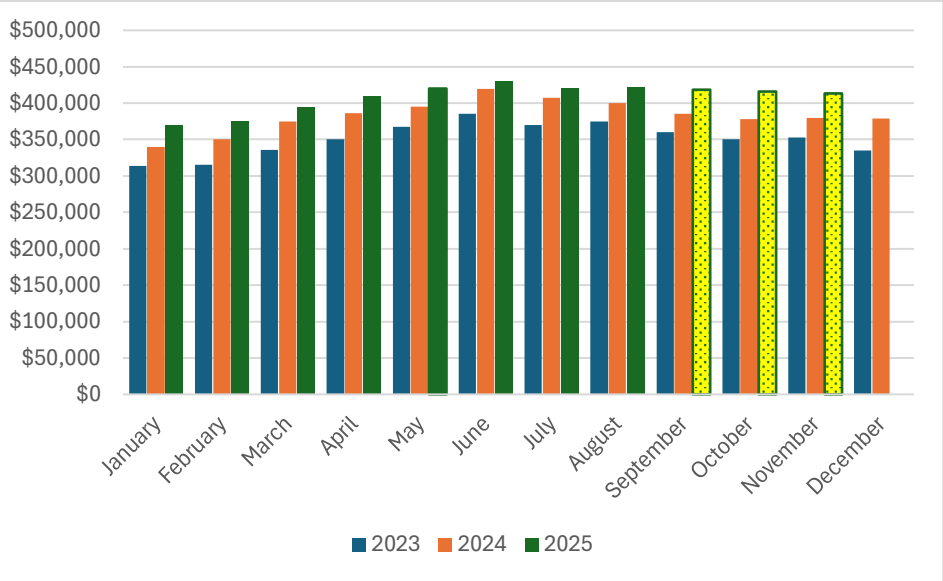
Short Term Trends

Monthly Closed Sales

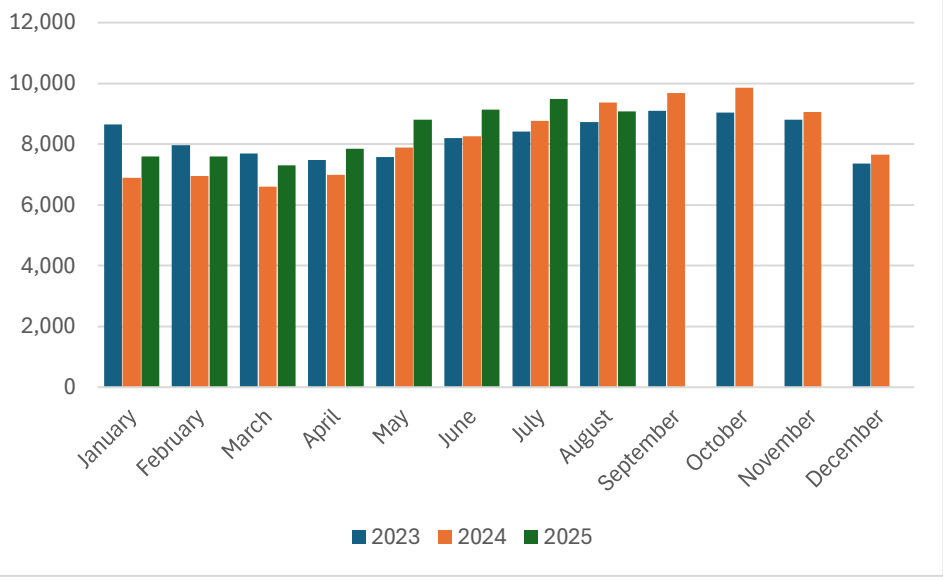


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

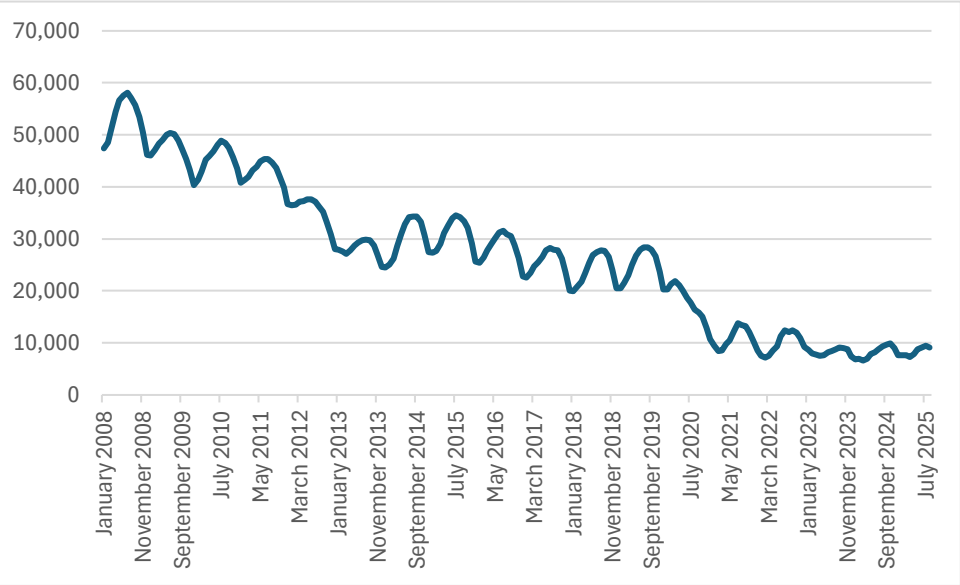


Monthly Inventory

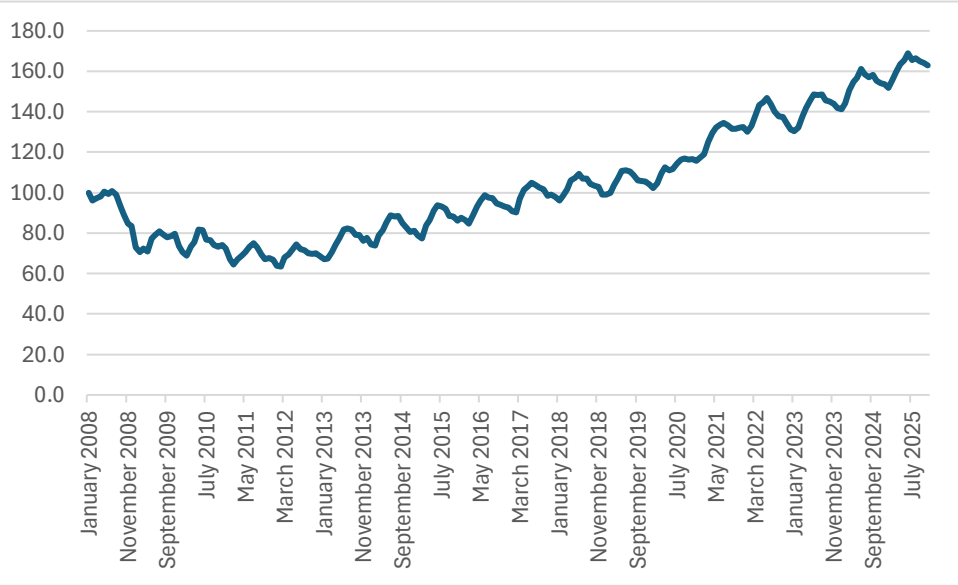


Long Term Trends

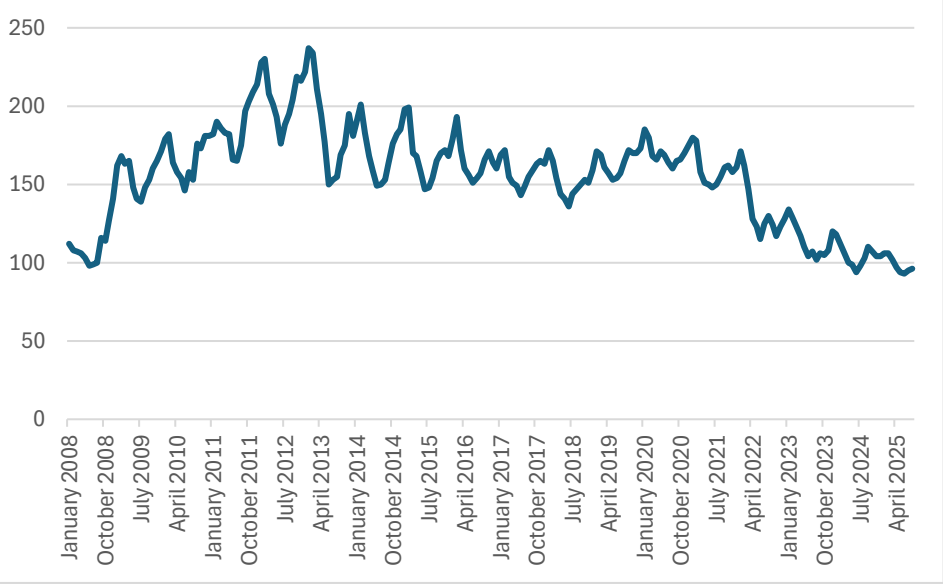
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Single Family Homes  
Summary of Recent Trends

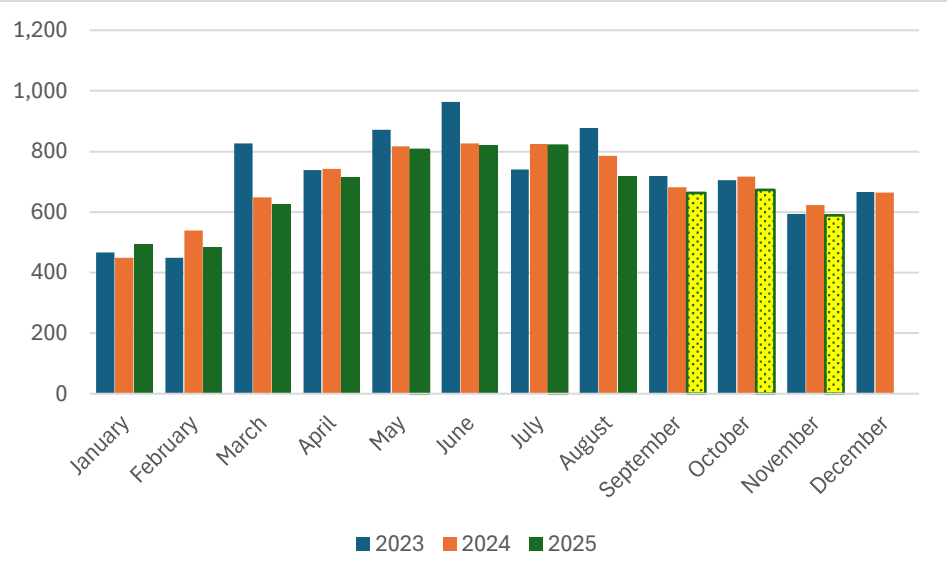
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	467	448	494		42	38	39		2,261	1,749	1,700		\$260,500	\$289,500	\$310,000		147	126	115	
February	448	538	484		48	43	38		2,163	1,765	1,666		\$290,000	\$300,000	\$319,450		128	119	113	
March	826	648	625		40	41	44		2,060	1,736	1,648		\$295,000	\$335,000	\$335,800		128	108	109	
April	738	742	714		43	37	33		2,027	1,776	1,692		\$297,500	\$340,000	\$350,000		125	103	103	
May	872	817	805		36	29	31		1,969	1,914	1,796		\$306,000	\$320,000	\$350,000		120	111	102	
June	964	826	820		29	27	27		2,071	1,892	1,758		\$335,000	\$365,000	\$370,000		109	98	98	
July	741	824	819		29	29	26		2,130	1,956	1,765		\$312,750	\$350,000	\$350,000		115	103	104	
August	877	786	719		27	29	26		2,182	2,031	1,609		\$315,000	\$340,000	\$365,000		111	110	101	
September	719	682	663		32	29			2,271	2,159			\$311,000	\$327,000	\$356,644		111	118		
October	705	717	673		34	31			2,297	2,164			\$300,000	\$325,000	\$355,451		111	114		
November	593	624	589		31	34			2,155	2,014			\$302,000	\$339,951	\$351,777		115	106		
December	667	665			34	37			1,821	1,685			\$285,000	\$324,900			129	111		

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

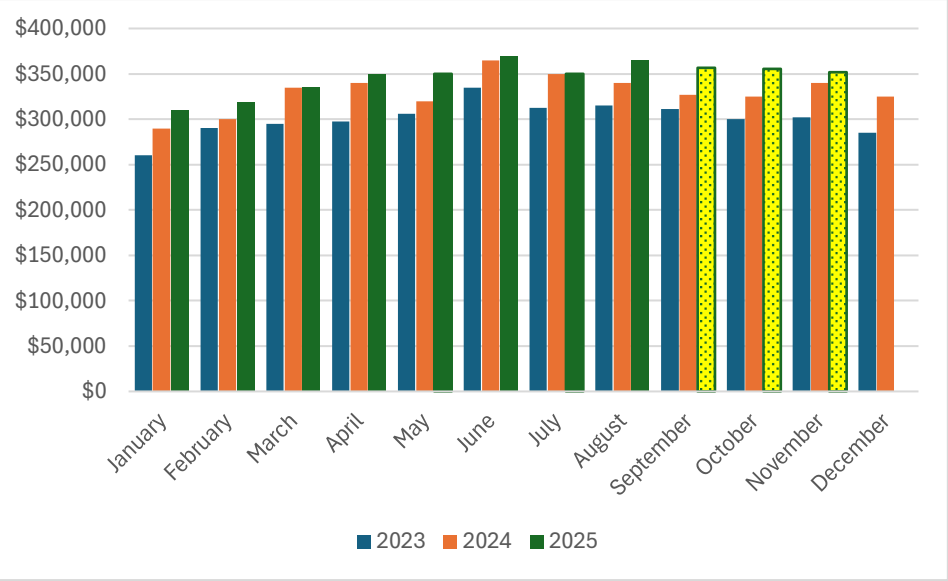
Short Term Trends

Monthly Closed Sales

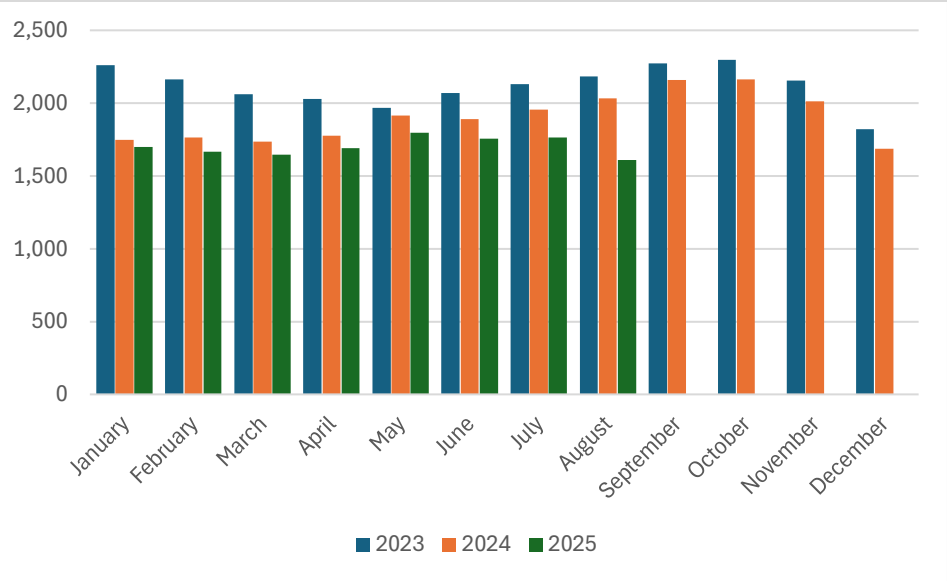


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

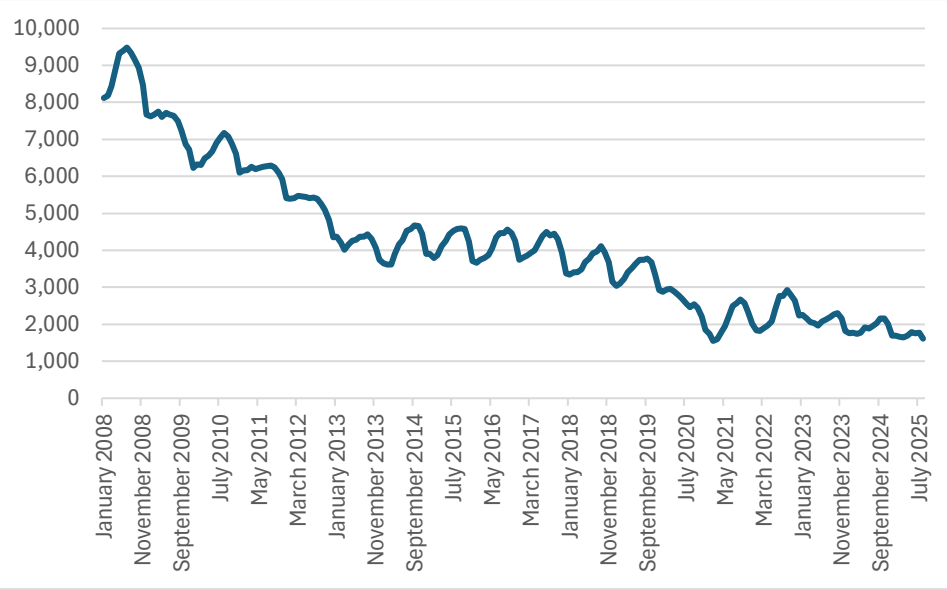


Monthly Inventory

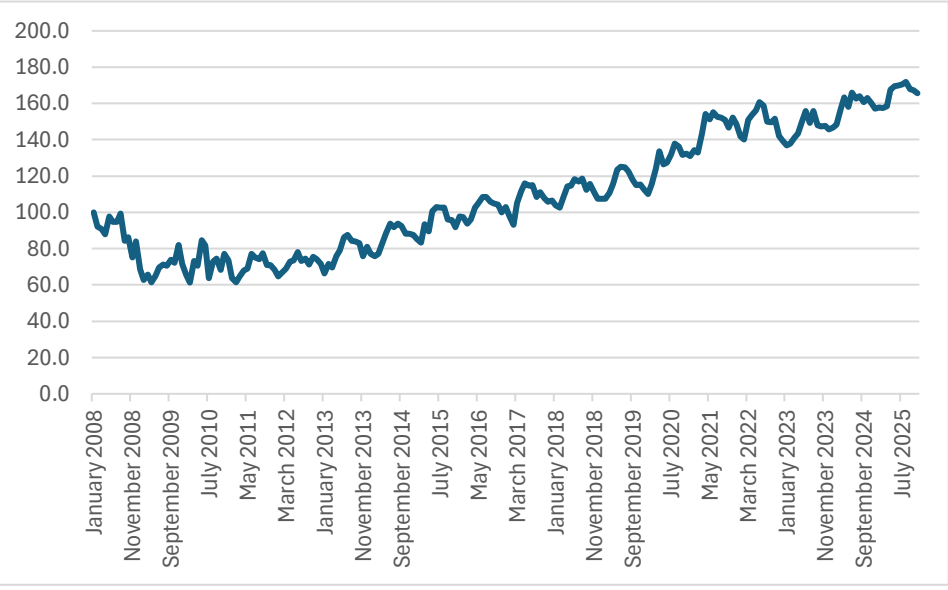


Long Term Trends

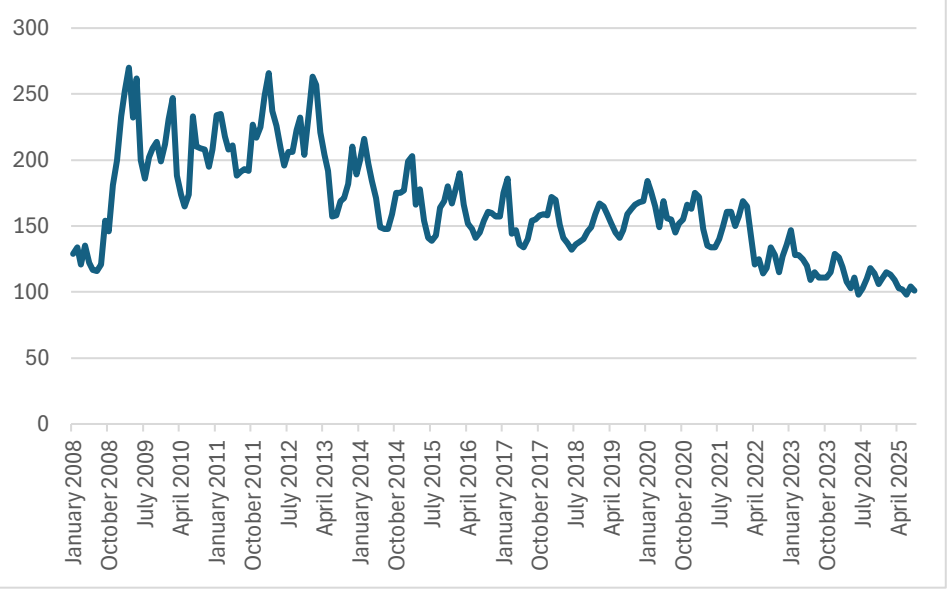
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Condominiums/Townhomes  
Summary of Recent Trends

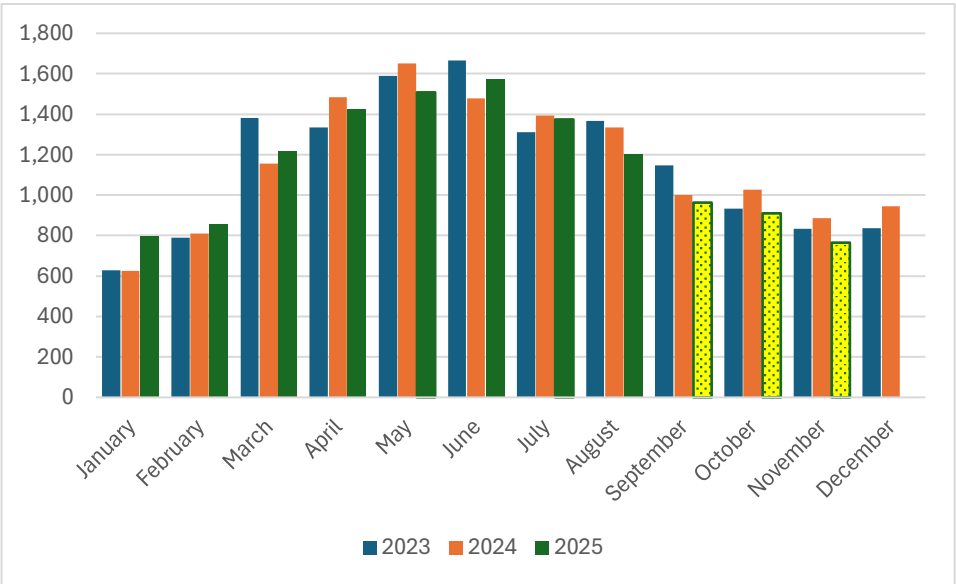
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	629	626	799		55	47	42		3,090	2,482	2,329		\$332,500	\$337,450	\$385,000		115	108	93	
February	790	810	857		47	47	46		3,012	2,720	2,357		\$320,000	\$358,000	\$385,000		116	100	94	
March	1,382	1,156	1,217		44	36	34		3,005	2,714	2,469		\$360,750	\$370,000	\$407,500		104	98	90	
April	1,336	1,485	1,427		35	28	28		2,951	2,886	2,762		\$380,000	\$384,000	\$420,000		98	91	86	
May	1,590	1,651	1,508		33	26	23		3,115	3,029	2,827		\$359,900	\$395,000	\$412,000		102	90	87	
June	1,666	1,479	1,572		27	24	23		3,218	3,032	2,738		\$375,000	\$390,000	\$415,000		97	92	87	
July	1,311	1,392	1,374		28	27	25		3,224	3,097	2,695		\$365,000	\$375,000	\$395,000		99	96	92	
August	1,366	1,336	1,201		27	25	26		3,261	3,127	2,500		\$349,000	\$368,250	\$389,000		100	102	95	
September	1,148	1,001	963		28	29			3,510	3,353			\$336,000	\$360,000	\$382,134		103	107		
October	932	1,026	910		30	29			3,436	3,266			\$345,000	\$367,250	\$381,433		96	101		
November	835	886	765		34	31			3,055	2,892			\$345,000	\$399,500	\$379,740		101	90		
December	836	944			35	36			2,367	2,273			\$335,000	\$371,000			110	97		

IHS Three Month Outlook

Sources: ShowingTime Data and IHS Housing Market Forecast

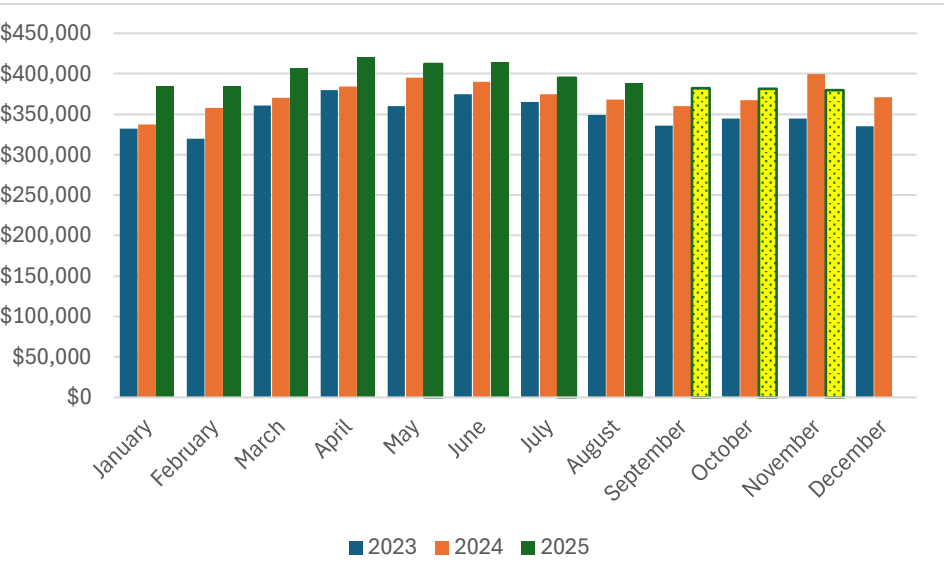
Short Term Trends

Monthly Closed Sales

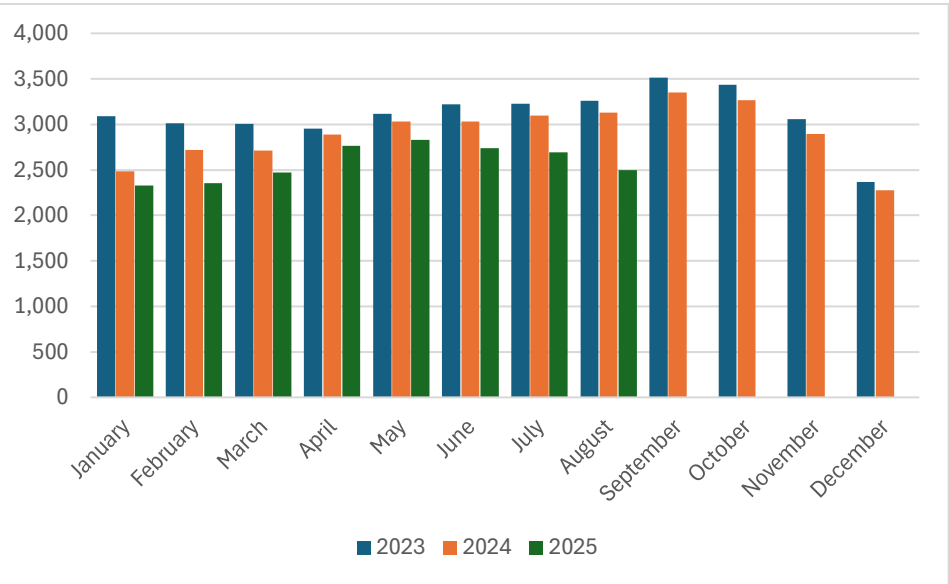


Yellow columns are projections from the IHS Three Month Outlook.

Monthly Median Sales Price

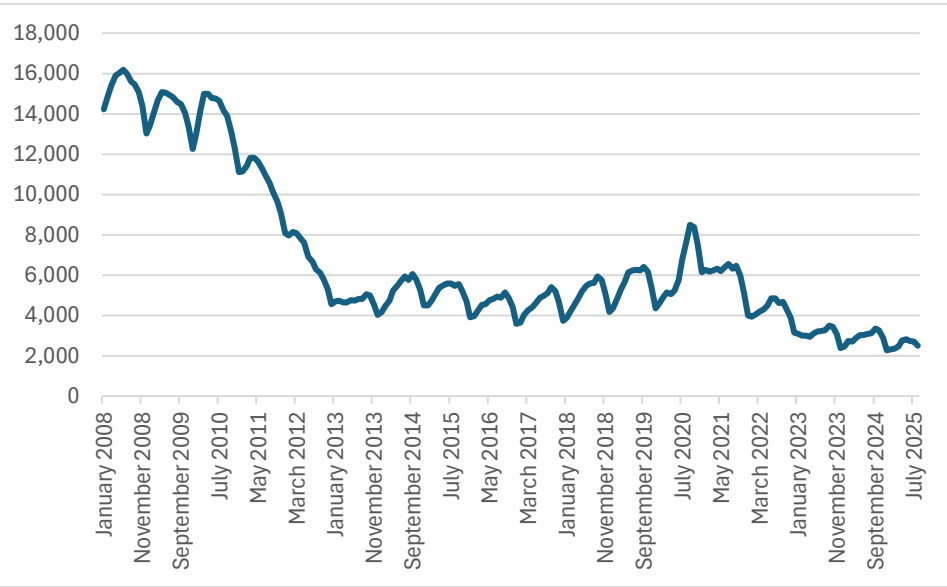


Monthly Inventory

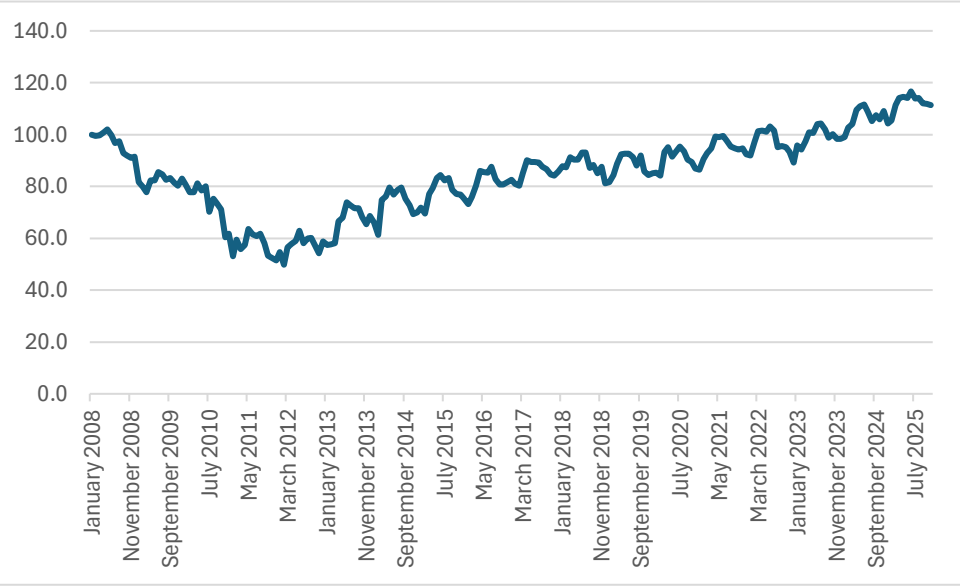


Long Term Trends

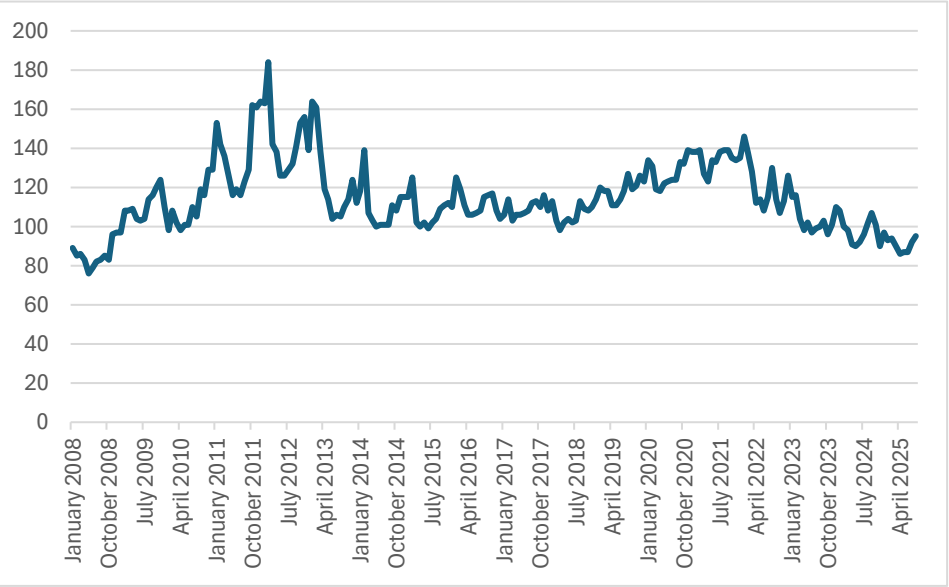
Monthly Condo/Townhome Inventory Trend



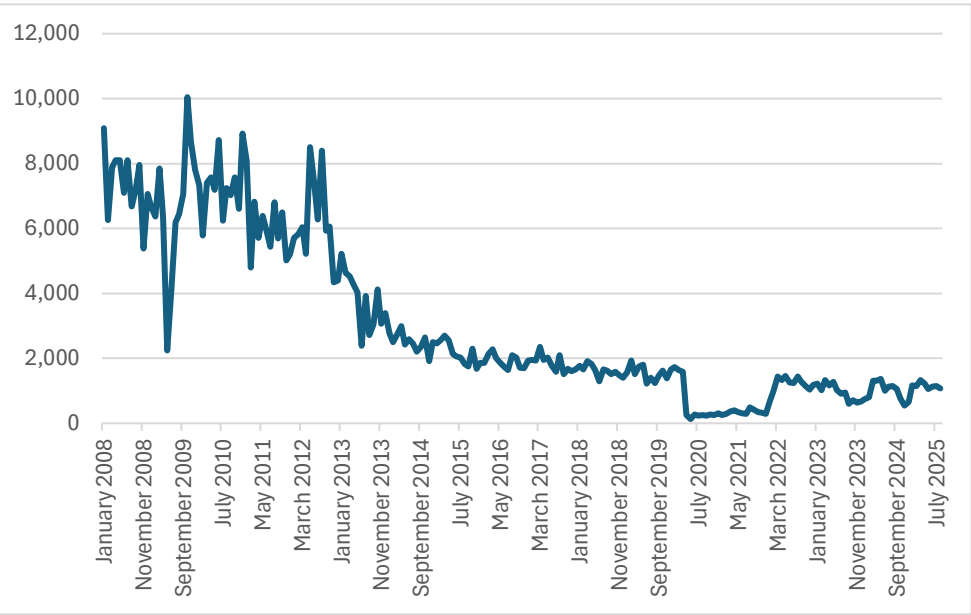
Condo/Townhome Monthly House Price Index



Monthly Affordability Conditions



Monthly Foreclosure Filings - Chicago Metro



Monthly Foreclosure Filings - City of Chicago

