INSTITUTE FOR HOUSING STUDIES at DePaul University

ILLINOIS HOUSING MARKET forecast

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Illinois Housing Market Forecast
July 2026

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 June 2026 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 June 2026 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 contributing to continued rising prices in Illinois, the Chicago region, and the City of Chicago. Mortgage rates, after falling for most of 2025, have fluctuated throughout the first half of 2026. Closed sales activity statewide and in the Chicago region were slightly above levels during June 2025. Single family sales prices statewide and in the Chicago region were higher than they were a year ago. In the coming months, single-family sales activity statewide and in the Chicago region is expected to follow seasonal trends and fall throughout the rest of summer, with more anticipated sales activity than during the same period a year earlier. Home prices statewide are expected to show year-over-year growth through September 2026.

State of Illinois

- **Recent trends –** In June 2026, there were 14,374 closed sales of single-family homes, townhomes, and condominiums in Illinois. June prices for single-family homes in Illinois were over 8 percent higher than prices a year earlier. Single-family closed sales activity levels were about 1.7 percent higher than levels in June 2025. The inventory of for-sale single-family homes fell about 6.4 percent compared to the previous June, remaining near historic lows. The average number of days on the market for a single-family home was one day more than during the previous June. Affordability conditions for single-family homebuying were modestly worse than the previous year.

- **Three-month outlook –** IHS's three-month housing market forecast indicates that closed sales activity levels will follow seasonal trends and fall about 19.4 percent between June and September. Total sales activity during the three-month period from July through September is expected to be about 1 percent higher than during the same period a year earlier. Single-family house prices are estimated to fall almost 7 percent between June and September. In this projection, statewide prices in September 2026 will be about 8.7 percent higher than in September 2025.

Chicago Metropolitan Area

- **Recent trends –** In June 2026, there were 9,927 closed sales of single-family homes, townhomes, and condominiums in the Chicago Metro Area. Prices for single-family homes in the Chicago Metro Area rose about 7 percent between June 2025 and 2026. The number of closed single-family home sales in the Chicago area grew 4.3 percent from the previous June. The inventory of for-sale single-family homes fell about 16 percent since the previous June. The average time spent on the market grew by 1 day compared to June 2025. Affordability conditions for single-family homebuying in the Chicago Metro Area were slightly worse than 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 drop about 23 percent between June and September. Total sales throughout July, August, and September are estimated to be about 2.5 percent higher than during the same period a year earlier. Prices of single-family homes in the Chicago metropolitan area are projected to fall about 6.6 percent between June and September. In this scenario, prices in September 2026 would be approximately 7.4 percent higher than in September 2025.

City of Chicago
Single-Family Homes

- **Recent trends –** In June 2026, there were 2,417 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 about 11 percent higher than in June 2025. The number of closed single-family sales in Chicago grew by almost 7 percent compared to the previous June. The inventory of for-sale homes declined by about 31 percent compared to June 2025, and the number of days on market fell by 1 day compared to a year earlier. Affordability conditions for single-family homebuyers in Chicago were worse than the previous June.

- **Three-month outlook -** IHS's three-month housing market forecast indicates that closed sales activity levels will follow seasonal trends and fall about 17.4 percent between June and September. Total sales activity during the three-month period from July through September is estimated to be about 3.3 percent higher than during the same period a year earlier. Single-family house prices in the City of Chicago are expected to fall by about 9.7 percent between June and September. However, September 2026 prices would still be about 7.6 percent higher than in September 2025.

City of Chicago
Condominiums and Townhomes

- **Recent trends –** Prices for condos and townhomes in the City of Chicago rose 6.0 percent between June 2025 and 2026. The number of closed condo sales in Chicago fell by about 2 percent compared to the previous June. The inventory of for-sale condos declined by about 27.6 percent compared to June 2025. The number of days on market was two days fewer than during the previous June. Affordability conditions for condo and townhome homebuyers in Chicago were slightly worse than 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 fall almost 30 percent between June and September. Total condominium sales activity in Chicago from July through September is estimated to be about 0.3 percent higher than during the same period a year earlier. Condo prices are projected to fall about 6.5 percent between July and September. However, these projected September prices would still be about 9.7 percent higher than in September 2025.

Conditions Affecting Homebuying

The housing market remained complex throughout the first half of 2026 due to a variety of high-level factors. In June, the rate of inflation dropped significantly during a pause in the conflict with Iran. This decline occurred after months of inflation concerns driven by the conflict and its effects on energy costs. After hitting a record low in May, the consumer sentiment index grew modestly in June. Despite this growth, concerns about inflation have kept the index 18.5 percentage points below the June 2025 reading. Amid this economic uncertainty, the Federal Reserve kept interest rates consistent during its first four meetings of 2026. In June, hiring numbers dropped after a strong spring. National unemployment fell 0.1 percentage points between May and June, remaining above the previous year's rate. The Illinois unemployment rate was flat between May and June, landing 0.8 percentage points above last year's rate and 0.9 percentage points higher than the national unemployment rate. Foreclosure activity levels were slightly above last year's levels in the Chicago metropolitan area and below last year's levels in the City of Chicago. Overall, Chicago area foreclosure activity remains below pre-pandemic levels.[1] However, as of May 2026, nationwide foreclosure activity during was up 14 percent from a year earlier.

These indicators highlight ongoing challenges and opportunities in the current homebuying market. Mortgage rates have fluctuated throughout the spring due to the conflict in Iran, remaining near 6.5 percent during the spring. Prices are still elevated nationally, with the Case Shiller Home Price Index maintaining year-over-year growth as of April. National inventories of for-sale homes have also maintained year-over-year growth, though this growth is slowing. In June 2026, Illinois single-family inventories continued to show year-over-year declines. Furthermore, Illinois continued to have 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 throughout the near future. Continued economic uncertainty makes it difficult to predict how homebuyers will react to these trends.

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

INSTITUTE FOR HOUSING STUDIES at DePaul University

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.

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Data Appendix

Illinois - Single Family Homes
Summary of Recent Trends

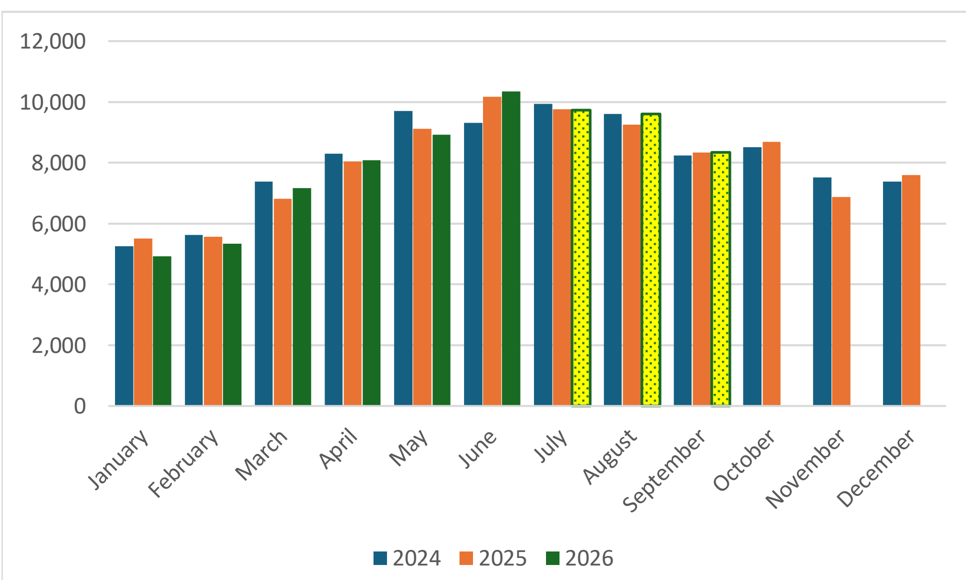
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend
January	5,256	5,506	4,919		37	39	40		13,274	14,125	14,493		$252,250	$281,000	$280,000		155	136	147	
February	5,616	5,572	5,336		40	41	44		13,155	13,899	14,187		$255,850	$280,000	$290,000		150	139	144	
March	7,374	6,816	7,161		37	40	41		12,704	13,664	13,897		$275,000	$290,000	$310,250		141	136	130	
April	8,301	8,037	8,093		31	33	34		13,260	14,313	14,864		$285,000	$310,000	$332,000		132	125	123	
May	9,694	9,109	8,926		28	28	29		14,574	15,586	15,235		$300,000	$320,000	$342,000		127	120	116	
June	9,311	10,169	10,346		24	24	25		15,244	16,334	15,289		$320,000	$330,000	$357,000		121	118	112	
July	9,930	9,770	9,731		23	25			16,250	17,307			$314,950	$329,000	$352,661		123	119		
August	9,600	9,254	9,604		25	25			17,192	17,551			$299,000	$325,000	$344,859		135	122		
September	8,241	8,341	8,342		26	28			17,522	18,068			$290,000	$305,750	$332,289		142	132		
October	8,516	8,679			29	29			17,911	18,414			$287,900	$307,500			138	133		
November	7,524	6,881			30	31			16,820	17,365			$285,000	$299,900			136	136		
December	7,386	7,589			34	34			14,655	15,202			$285,000	$299,000			136	137		

IHS Three Month Outlook

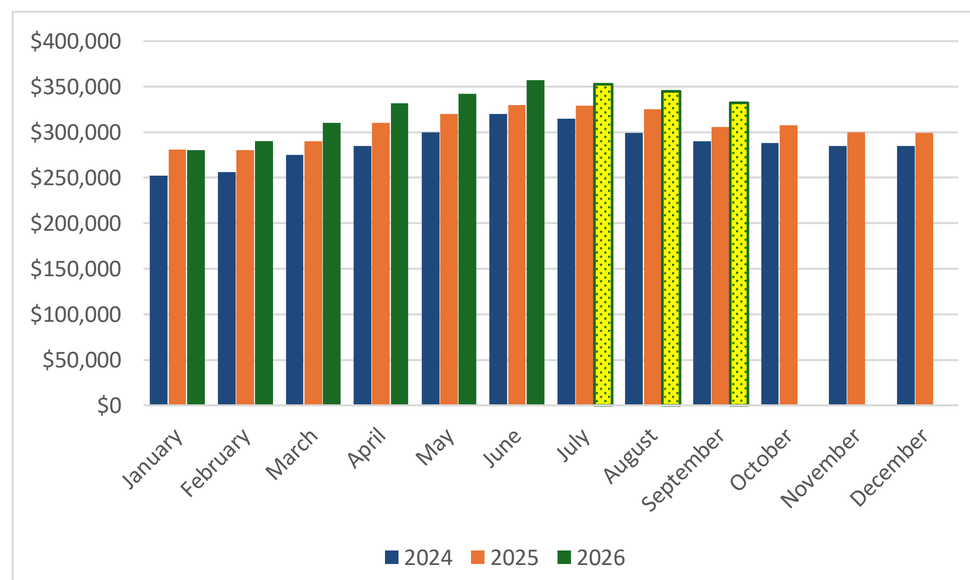
Sources: ShowingTime Data and IHS Housing Market Forecast

Illinois Short Term Trends - Single Family

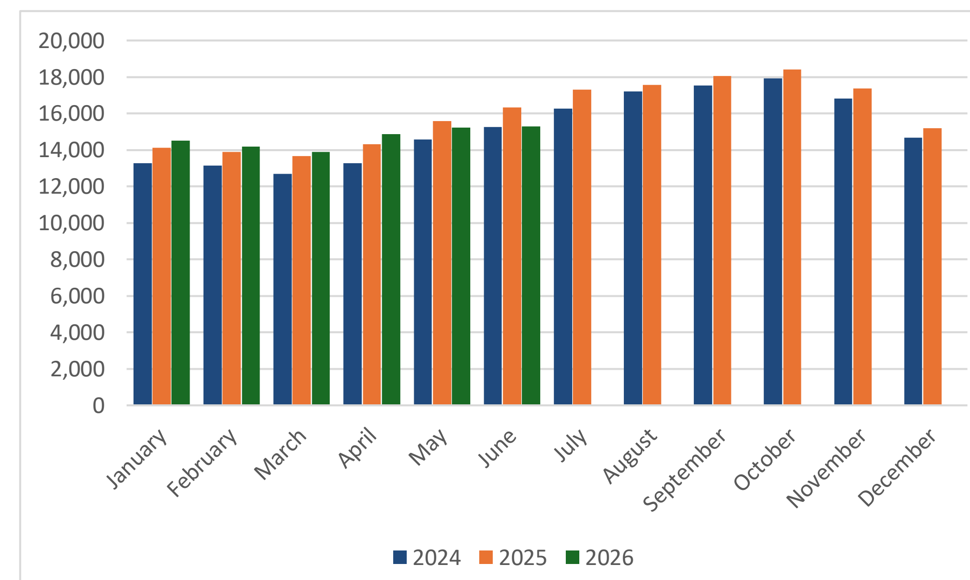
Monthly Closed Sales



Monthly Median Sales Price



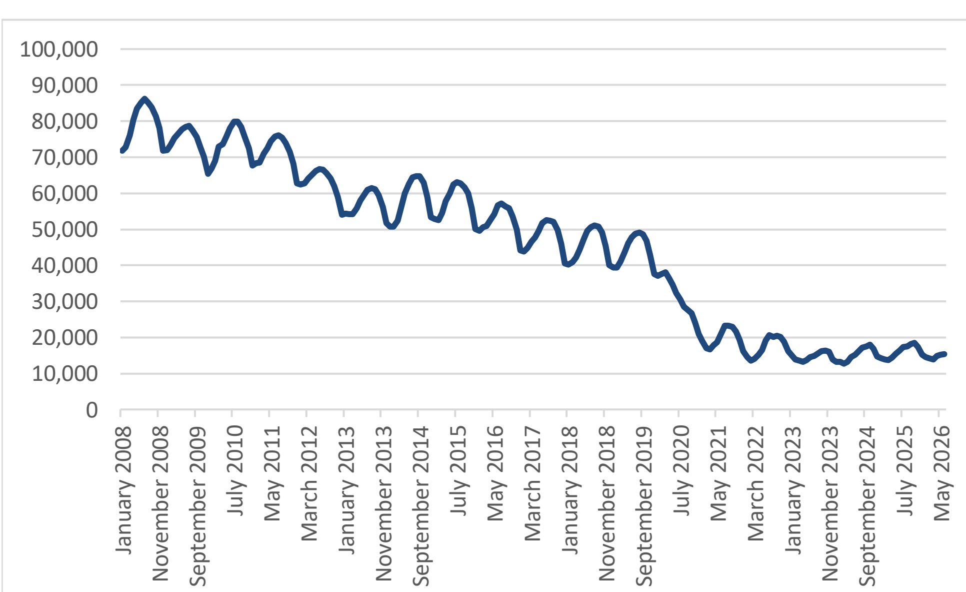
Monthly Inventory



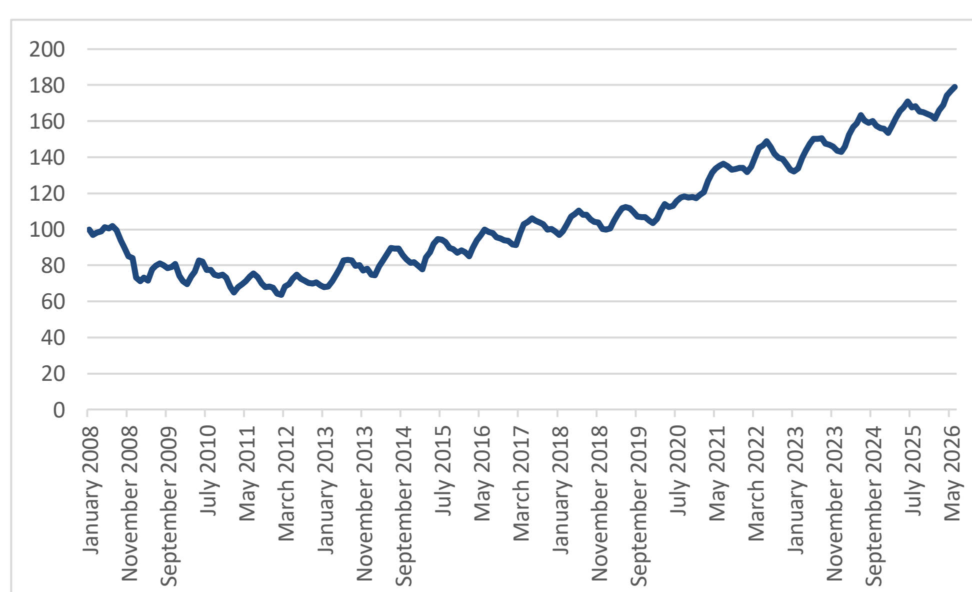
Yellow columns are projections from the IHS Three Month Outlook.

Illinois Long Term Trends - Single Family

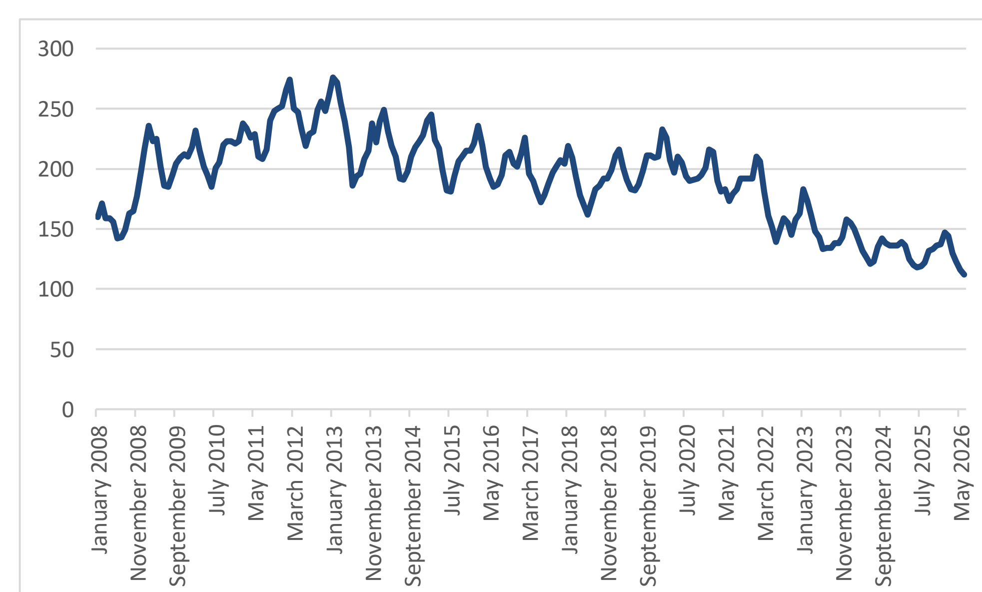
Illinois Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



Chicago Metro - Single Family Homes
Summary of Recent Trends

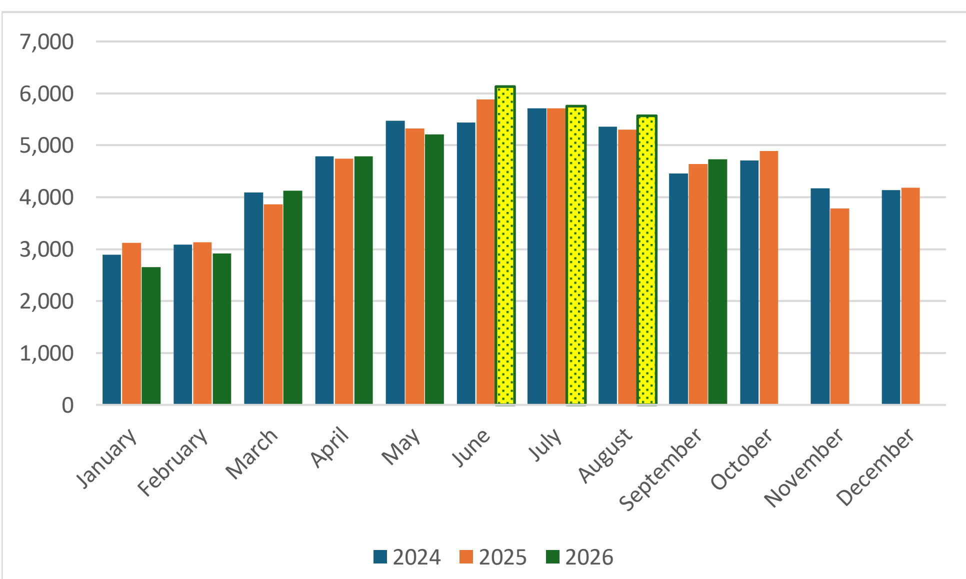
	Closed Sales			Monthly YoY Trend	Days on Market			Monthly YoY Trend	Inventory			Monthly YoY Trend	Median Sales Price			Monthly YoY Trend	Affordability			Monthly YoY Trend
	2024	2025	2026		2024	2025	2026		2024	2025	2026		2024	2025	2026		2024	2025	2026	
January	2,897	3,123	2,653		34	35	33		6,904	7,676	7,564		$340,000	$369,900	$380,000		123	111	116	
February	3,085	3,135	2,920		37	35	37		6,961	7,699	7,552		$350,000	$375,000	$395,000		117	111	113	
March	4,091	3,861	4,131		32	34	32		6,628	7,447	7,205		$374,900	$395,000	$405,306		111	106	106	
April	4,786	4,740	4,786		26	28	27		7,015	8,031	7,888		$386,999	$409,990	$430,000		104	101	101	
May	5,470	5,320	5,215		22	23	22		7,899	9,045	8,114		$395,000	$420,000	$440,000		103	98	96	
June	5,441	5,880	6,131		20	19	20		8,276	9,478	7,966		$419,945	$430,000	$459,900		98	97	93	
July	5,712	5,712	5,754		20	21			8,798	10,041			$407,250	$420,000	$447,506		102	99		
August	5,357	5,306	5,568		20	21			9,392	10,017			$400,000	$420,000	$445,938		108	101		
September	4,452	4,639	4,729		22	25			9,710	10,158			$385,000	$399,900	$429,632		115	108		
October	4,706	4,896			24	25			9,901	10,171			$378,000	$405,000			112	108		
November	4,175	3,788			25	26			9,093	9,166			$380,000	$400,000			109	109		
December	4,133	4,184			29	28			7,712	7,770			$379,000	$389,900			109	112		

IHS Three Month Outlook

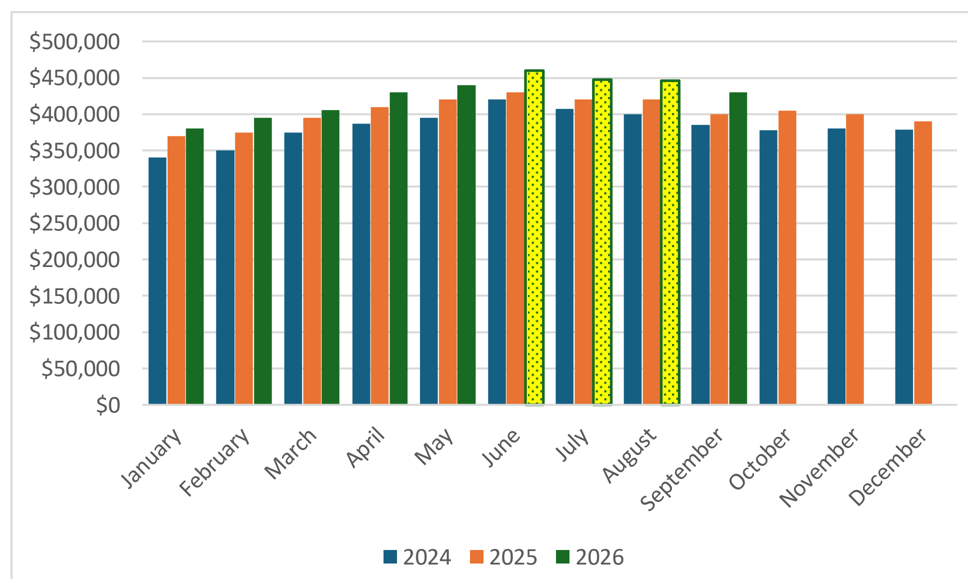
Sources: ShowingTime Data and IHS Housing Market Forecast

Chicago Metro Short Term Trends - Single Family

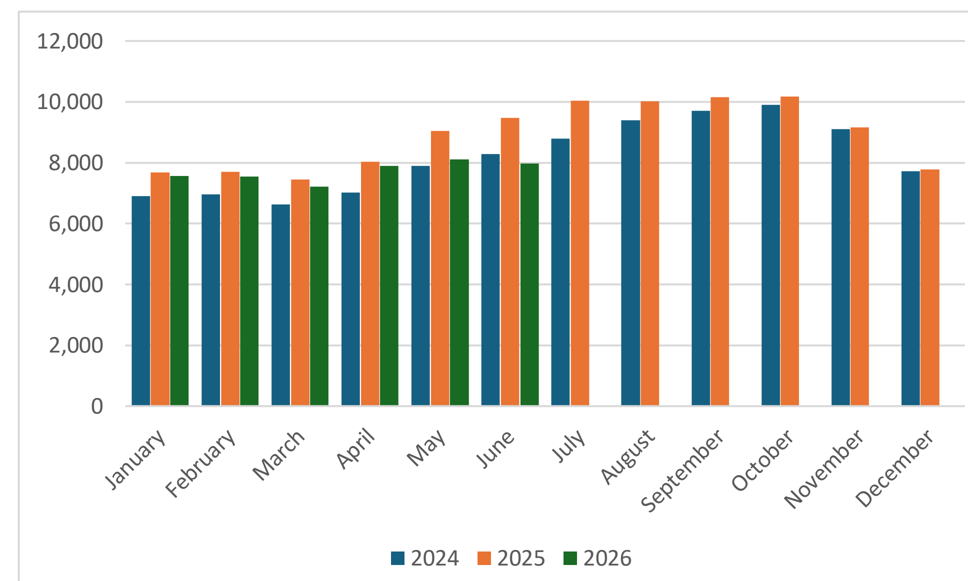
Monthly Closed Sales



Monthly Median Sales Price



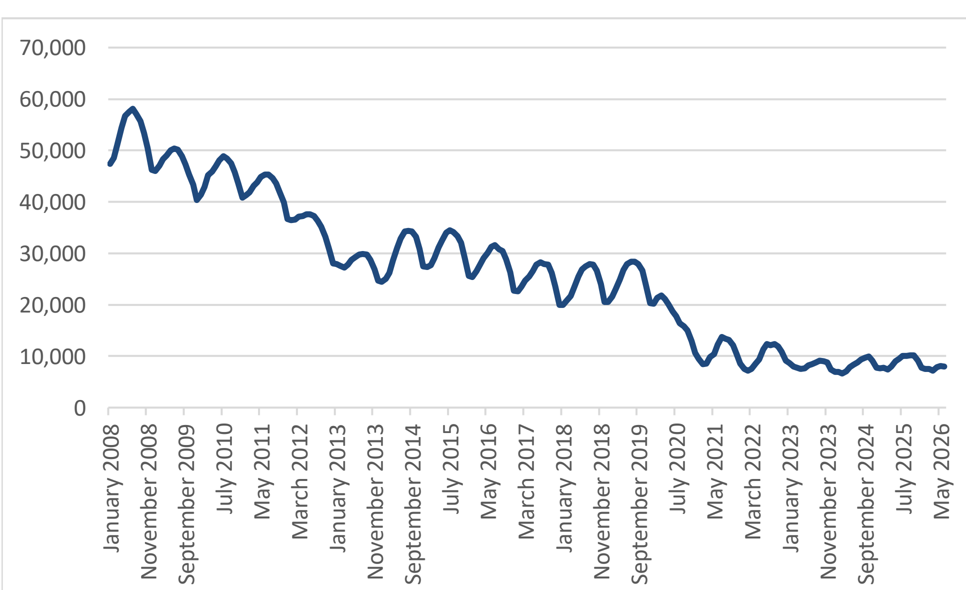
Monthly Inventory



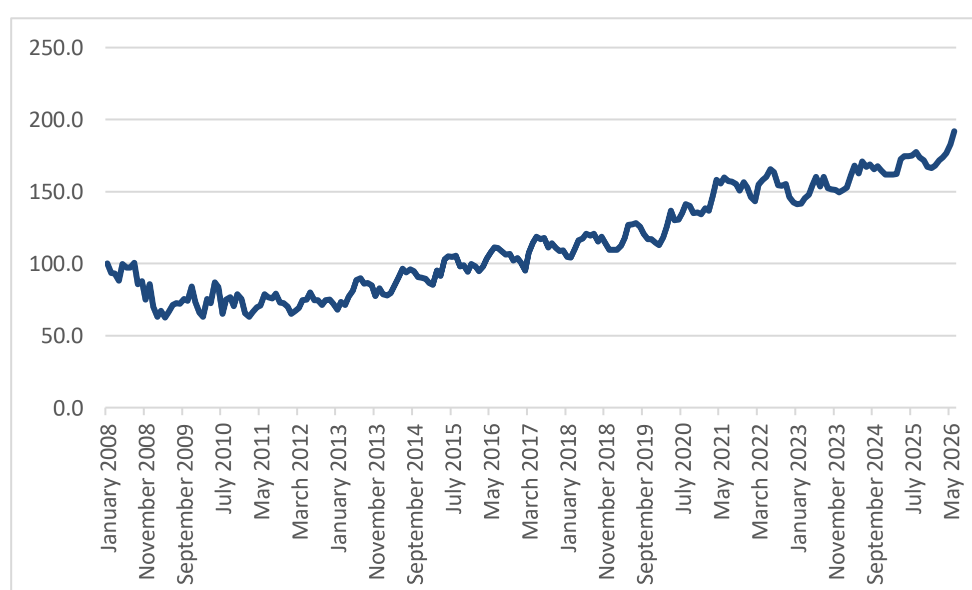
Yellow columns are projections from the IHS Three Month Outlook.

Chicago Metro Long Term Trends - Single Family

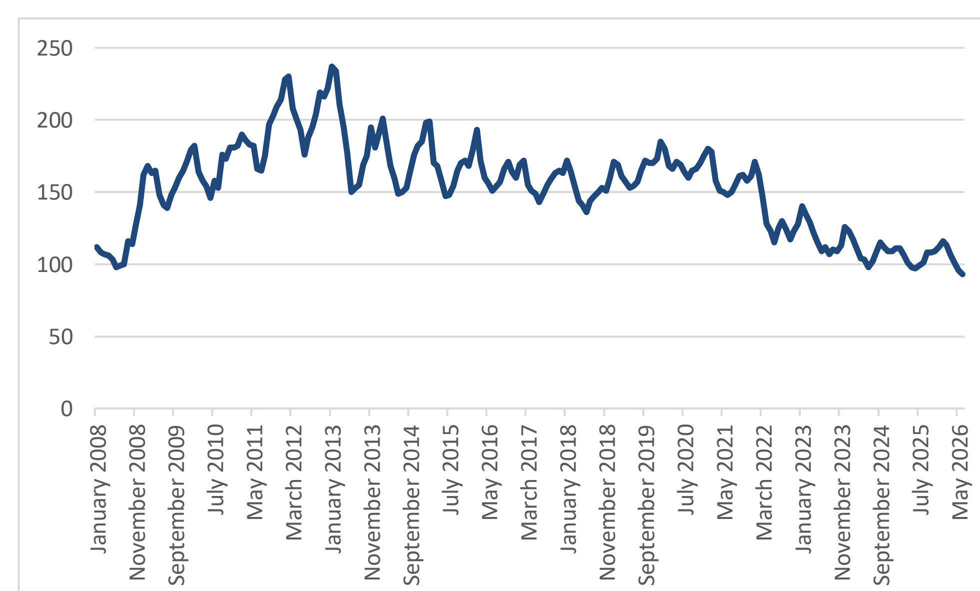
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Single Family Homes
Summary of Recent Trends

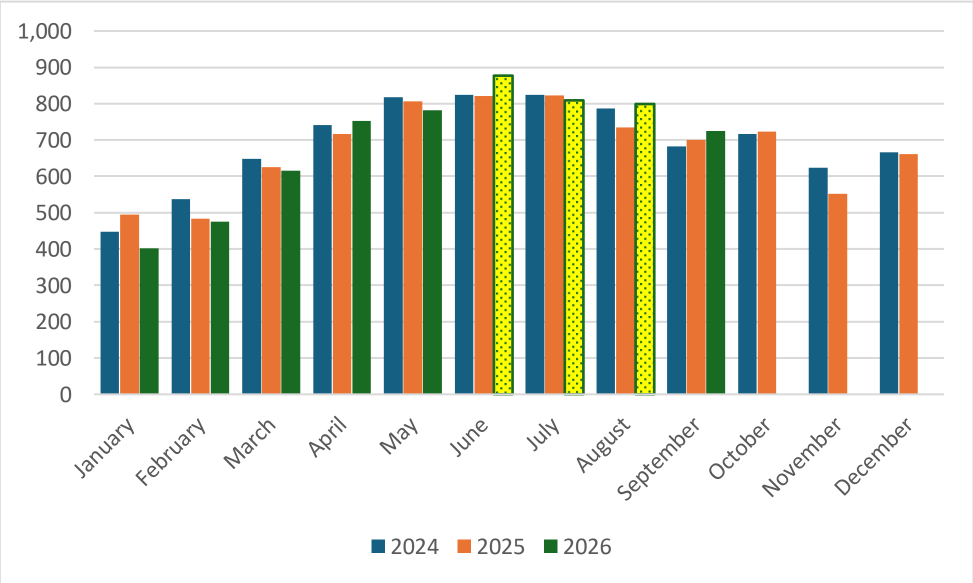
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend
January	448	494	402		38	39	36		1,751	1,722	1,540		$289,500	$310,000	$306,450		132	121	131	
February	538	484	476		43	38	38		1,767	1,699	1,521		$300,000	$319,450	$345,000		125	119	118	
March	648	625	615		41	44	36		1,737	1,687	1,395		$335,000	$335,800	$339,000		113	114	116	
April	741	716	752		37	33	31		1,777	1,747	1,407		$340,000	$350,000	$363,500		108	108	109	
May	817	806	781		29	31	28		1,915	1,859	1,379		$320,000	$350,000	$375,000		116	107	103	
June	825	821	877		27	27	26		1,893	1,848	1,277		$363,000	$370,000	$411,000		104	103	95	
July	824	822	809		29	26			1,957	1,901			$350,000	$350,000	$392,201		108	109		
August	786	735	799		29	26			2,035	1,883			$340,000	$362,500	$383,341		116	107		
September	682	701	724		29	32			2,164	1,911			$327,000	$345,000	$371,063		123	115		
October	717	723			31	31			2,172	1,900			$325,000	$350,000			119	114		
November	624	552			34	32			2,024	1,782			$339,951	$335,000			111	119		
December	666	661			37	29			1,701	1,553			$325,000	$310,000			116	129		

IHS Three Month Outlook

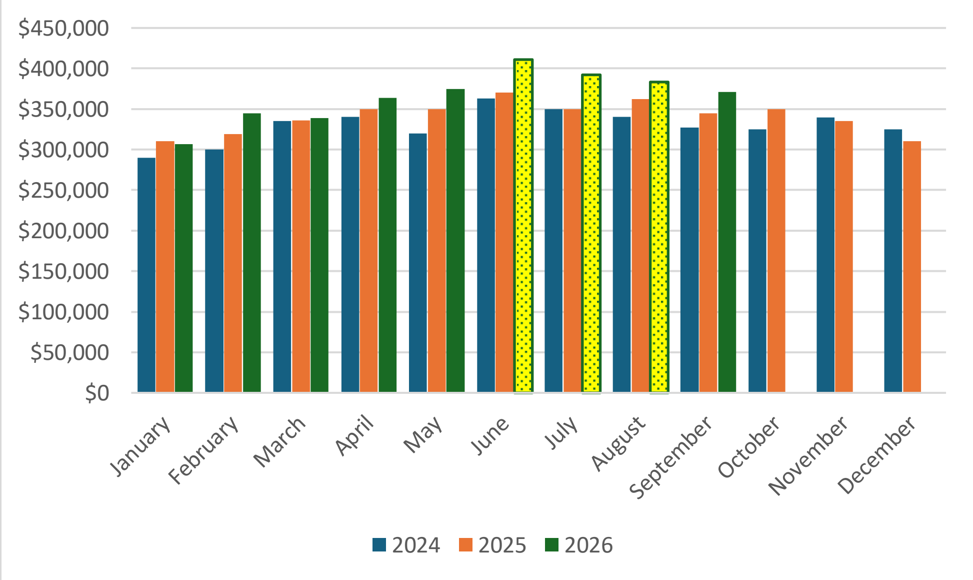
Sources: ShowingTime Data and IHS Housing Market Forecast

City of Chicago Short Term Trends - Single Family

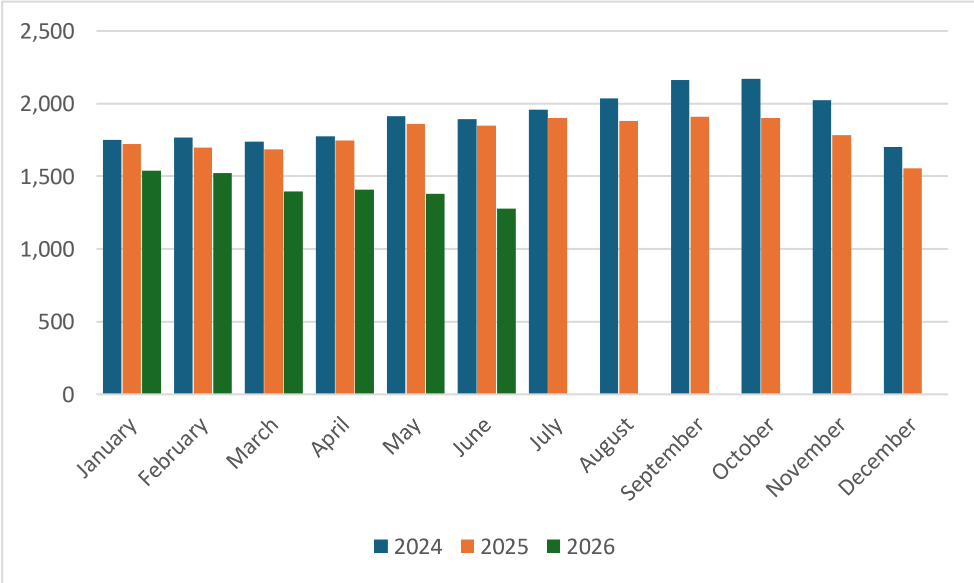
Monthly Closed Sales



Monthly Median Sales Price



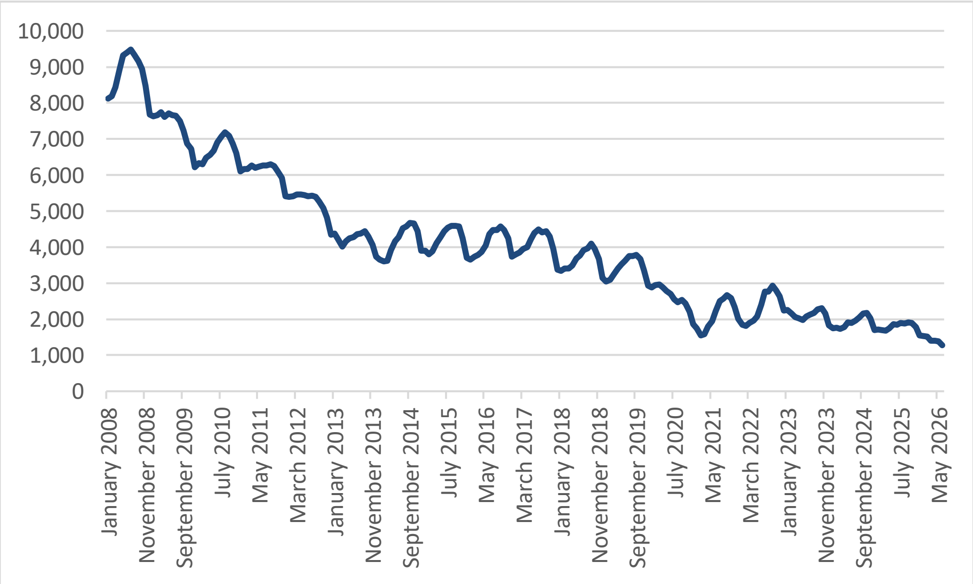
Monthly Inventory



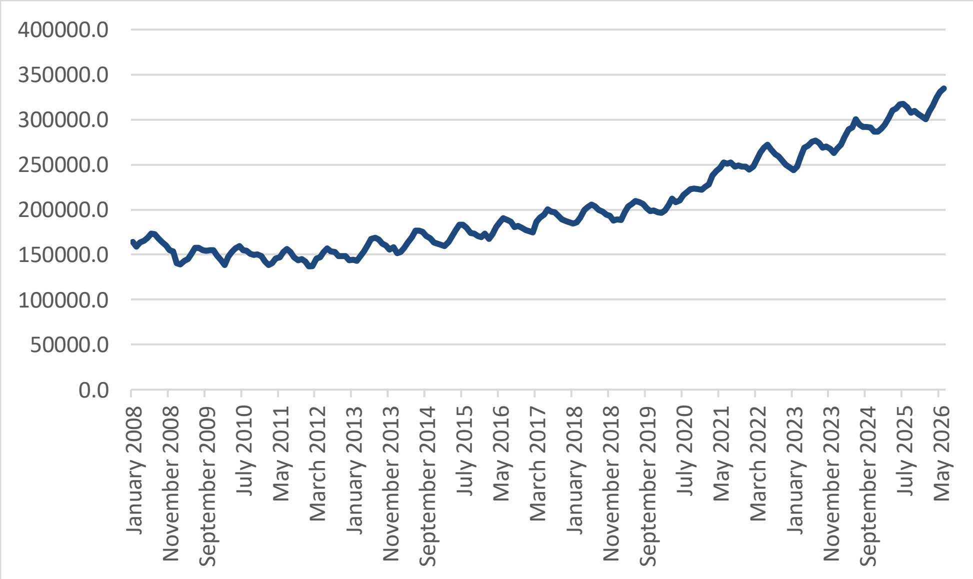
Yellow columns are projections from the IHS Three Month Outlook.

City of Chicago Long Term Trends - Single Family

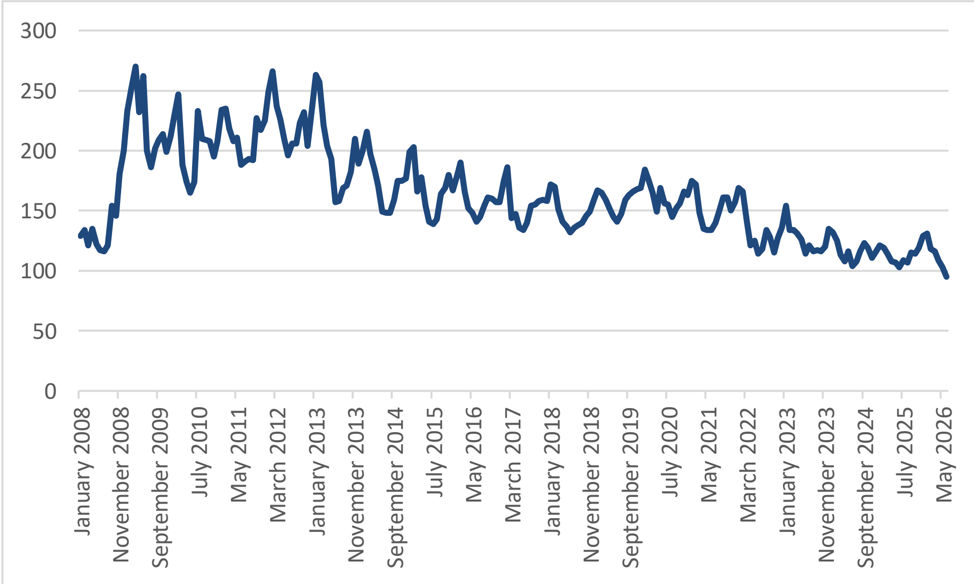
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Condominiums/Townhomes
Summary of Recent Trends

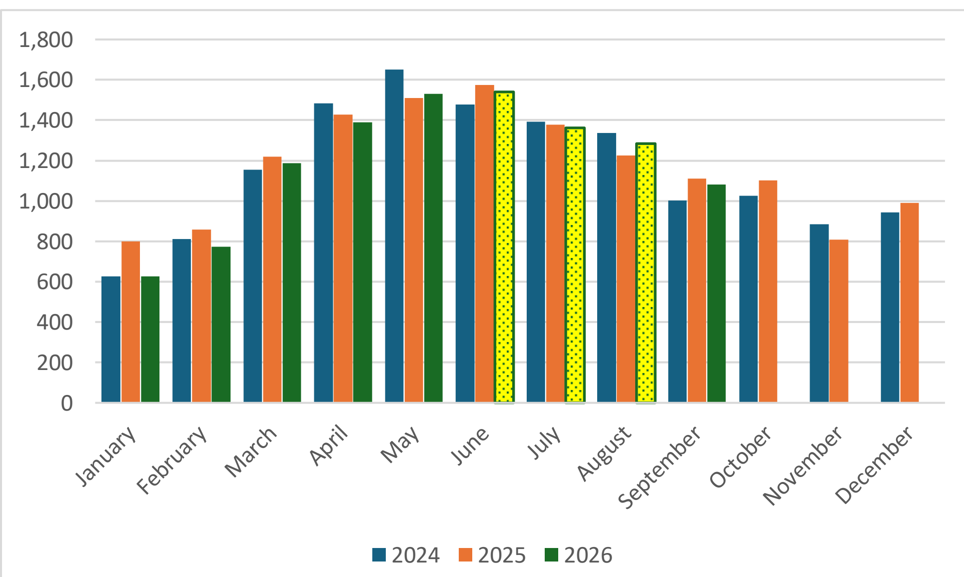
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend
January	626	799	626		47	42	39		2,486	2,357	1,879		$337,450	$385,000	$382,500		113	97	105	
February	810	857	772		47	46	38		2,724	2,391	1,955		$358,000	$385,000	$408,750		105	99	99	
March	1,156	1,220	1,186		36	34	29		2,722	2,511	1,963		$370,000	$408,750	$440,000		103	94	89	
April	1,485	1,428	1,390		28	28	23		2,895	2,817	2,131		$384,000	$420,000	$440,000		96	90	90	
May	1,651	1,511	1,531		26	23	23		3,038	2,908	2,129		$395,000	$412,500	$453,000		94	91	86	
June	1,479	1,575	1,540		24	23	21		3,042	2,845	2,061		$390,000	$415,000	$440,000		97	92	88	
July	1,392	1,379	1,362		27	26			3,106	2,847			$375,000	$395,000	$430,775		101	96		
August	1,336	1,225	1,284		25	26			3,139	2,725			$368,250	$388,000	$418,600		107	100		
September	1,001	1,111	1,082		29	30			3,367	2,867			$360,000	$375,000	$411,453		112	105		
October	1,026	1,101			29	28			3,282	2,739			$367,250	$385,000			105	104		
November	886	808			31	29			2,913	2,375			$399,500	$392,500			95	101		
December	944	991			36	34			2,294	1,835			$371,000	$380,000			102	105		

IHS Three Month Outlook

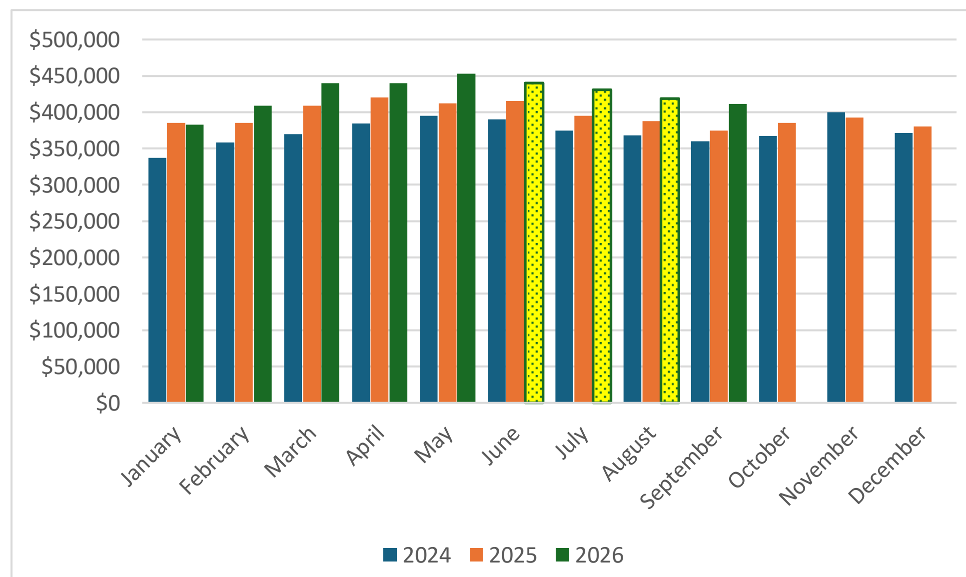
Sources: ShowingTime Data and IHS Housing Market Forecast

City of Chicago Short Term Trends - Condominiums/Townhomes

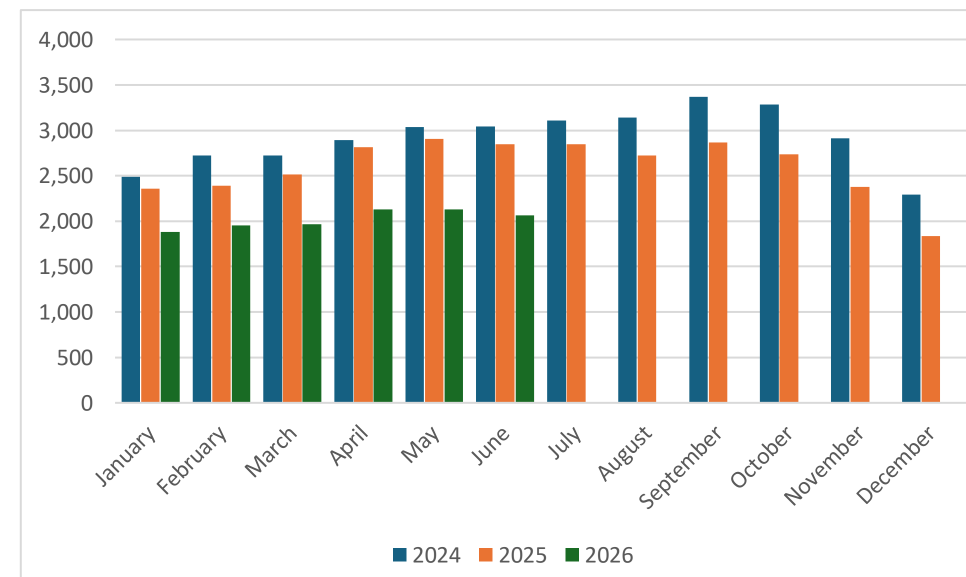
Monthly Closed Sales



Monthly Median Sales Price



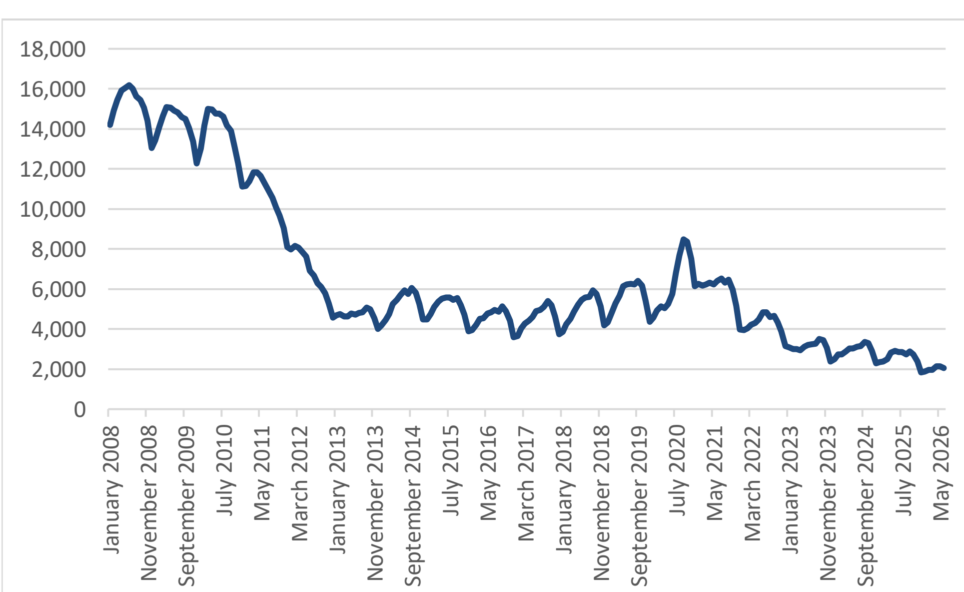
Monthly Inventory



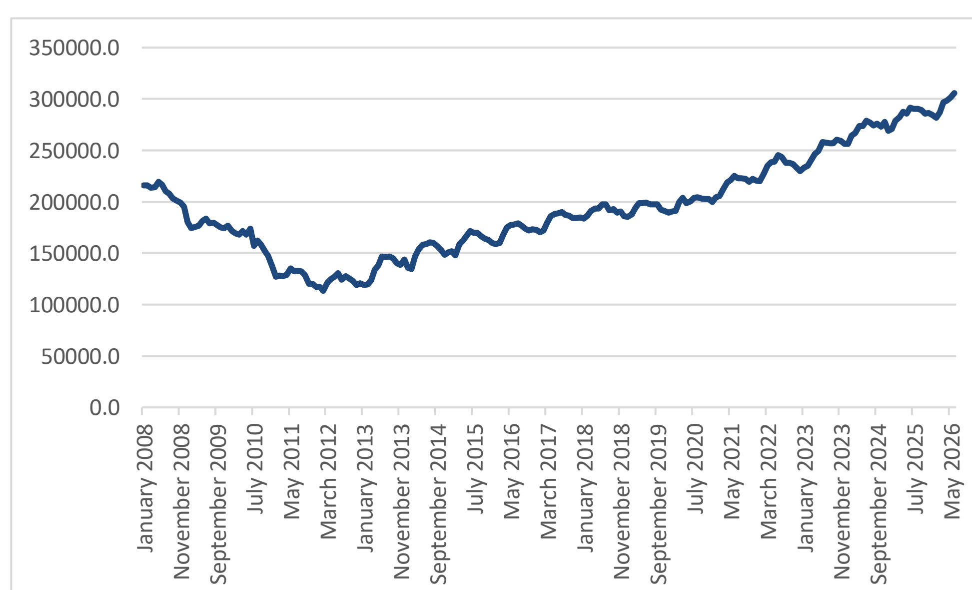
Yellow columns are projections from the IHS Three Month Outlook.

City of Chicago Long Term Trends - Condominiums/Townhomes

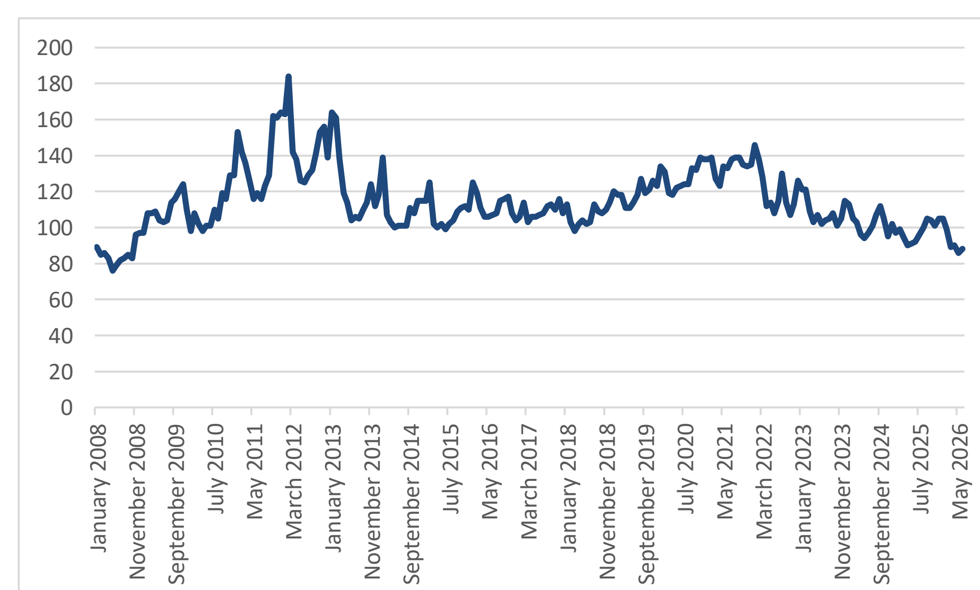
Monthly Condo/Townhome Inventory Trend



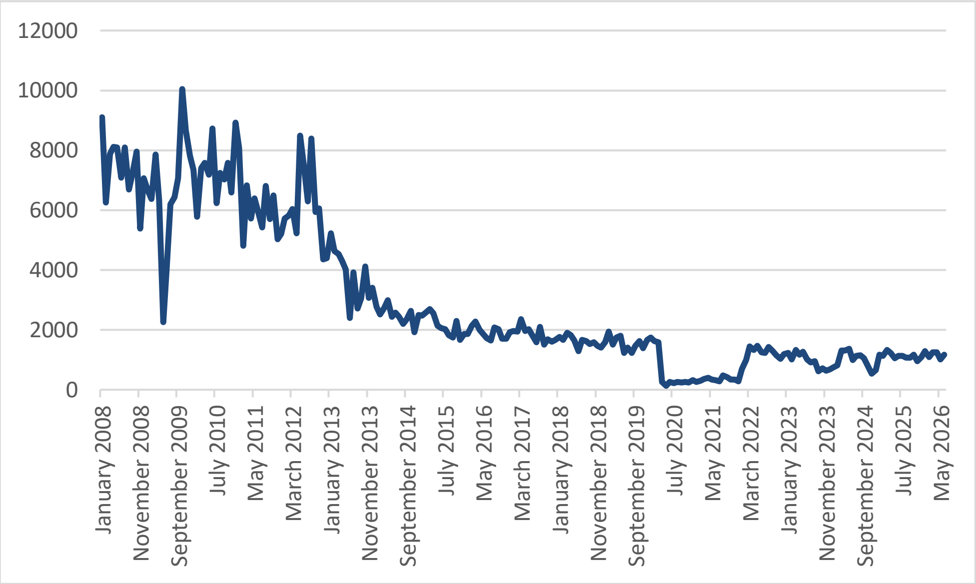
Condo/Townhome Monthly House Price Index



Monthly Affordability Conditions



Monthly Foreclosure Filings - Chicago Metro



Monthly Foreclosure Filings - City of Chicago