INSTITUTE FOR HOUSING STUDIES at DePaul University

ILLINOIS HOUSING MARKET forecast

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Illinois Housing Market Forecast
November 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 October 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 October 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 have climbed throughout the spring and summer, returning to levels above 7 percent. Closed sales activity showed year-over-year declines statewide and in the Chicago region. Single family sales prices were higher than they were a year ago both statewide and in the Chicago metro area. In the coming months, single-family sales activity statewide and in the Chicago region is expected to follow seasonal trends and decline, with lower sales activity than during the same period a year earlier. Home prices statewide are expected to show year-over-year growth through January 2027.

State of Illinois

- **Recent trends –** In October 2026, there were 10,797 closed sales of single-family homes, townhomes, and condominiums in Illinois. October prices for single-family homes in Illinois were about 3 percent higher than a year earlier. Single-family closed sales activity levels were about 8 percent lower than levels in October 2025. The inventory of for-sale single-family homes rose about 1.6 percent compared to the previous October while remaining near historic lows. The average number of days on the market for a single-family home was 2 days more than during the previous October. Affordability conditions for single-family homebuying were 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 43 percent between October and January. Total sales activity during the three-month period from November through January is expected to be about 6.5 percent lower than during the same period a year earlier. Single-family house prices are estimated to fall by about 4.7 percent between October and January. In this projection, statewide prices in January 2027 will be almost 8 percent higher than in January 2026.

Chicago Metropolitan Area

- **Recent trends –** In October 2026, there were 6,994 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 3.7 percent between October 2025 and 2026. The number of closed single-family home sales in the Chicago area fell about 11 percent from the previous October. The inventory of for-sale single-family homes fell about 5.7 percent from the previous October. The average time spent on the market was the same as during October 2025. Affordability conditions for single-family homebuying in the Chicago Metro Area were 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 43 percent between October and January. Total sales throughout November, December, and January are estimated to be about 7 percent lower than during the same period a year earlier. Prices of single-family homes in the Chicago metropolitan area are projected to fall about 3.4 percent between October and January. In this scenario, prices in January 2027 would be almost 7 percent higher than in January 2026.

City of Chicago

Single-Family Homes

- **Recent trends –** In October 2026, there were 1,612 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 7 percent higher than in October 2025. The number of closed single-family sales in Chicago fell by about 12.4 percent compared to the previous October. The inventory of for-sale homes declined by almost 21 percent compared to October 2025. The number of days on market was equal to a year earlier. Affordability conditions for single-family homebuyers in Chicago were worse than the previous October.

- **Three-month outlook -** IHS's three-month housing market forecast indicates that closed sales activity levels will follow seasonal trends and fall about 36.7 percent between October and January. Total sales activity during the three-month period from November through January is estimated to be about 3.3 percent lower than during the same period a year earlier. Single-family house prices in the City of Chicago are expected to fall by about 6.4 percent between October and January. In this scenario, January 2027 prices would be about 14.5 percent higher than in January 2026.

City of Chicago

Condominiums and Townhomes

- **Recent trends –** Prices for condos and townhomes in the City of Chicago rose 6.2 percent between October 2025 and 2026. The number of closed condo sales in Chicago fell by about 11 percent compared to the previous October. The inventory of for-sale condos declined by about 18.0 percent compared to October 2025. The number of days on market was 5 days fewer than during the previous October. Affordability conditions for condo and townhome homebuyers in Chicago were worse than during 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 about 37.6 percent between October and January. Total condominium sales activity in Chicago from November through January is estimated to be about 5.4 percent lower than during the same period a year earlier. Condo prices are projected to rise about 0.3 percent between October and January, peaking in November. January 2027 prices are projected to be about 7.5 percent higher than in January 2026.

Conditions Affecting Homebuying

The housing market remained complex throughout 2026 due to a variety of high-level factors. The rate of inflation rose again in October, partially due to rising energy costs driven by the continuing conflict in Iran. Meanwhile, consumer sentiment improved slightly in early November and jobs numbers remained strong in October. Rising inflation and strong jobs growth increases the likelihood that the Federal Reserve, which raised interest rates in September, will raise them again at their December meeting. National unemployment fell slightly between September and October, landing 0.3 percentage points below November 2025 (Data is not available for October 2025 due to last year's government shutdown). The Illinois unemployment rate fell between August and September, landing 0.1 percentage points above last year's rate and 0.4 percentage points higher than the national rate. Foreclosure activity levels were roughly equal to last year in the Chicago metropolitan area and below the previous year's levels in the City of Chicago. Overall, Chicago area foreclosure activity remains below pre-pandemic levels.[1] However, as of August 2026, nationwide foreclosure activity was up 10 percent from a year earlier.

These indicators highlight ongoing challenges and opportunities in the current homebuying market. Mortgage interest rates have trended upwards since February, peaking at 7.40 percent in October. Much of this growth is likely influenced by economic anxiety surrounding the Iran conflict and related inflation. Prices are still elevated nationally, with the Case Shiller Home Price Index maintaining year-over-year growth as of August. National inventories of for-sale homes have also maintained year-over-year growth, accelerating compared to earlier in the year. In September 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, and the state has the second-lowest level of new housing construction per capita of any state. 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

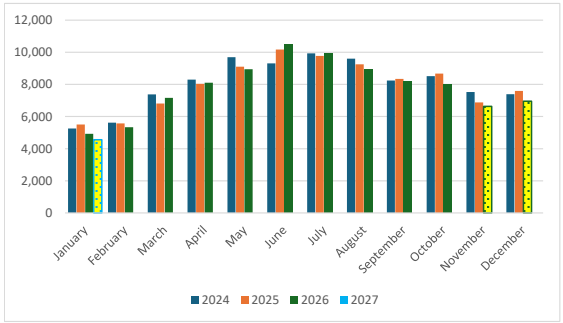
	Closed Sales					Days on Market				Inventory				Median Sales Price					Affordability			
	2024	2025	2026	2027	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	2027	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend
January	5,256	5,506	4,922	4,556		37	39	40		13,278	14,137	14,635		$252,250	$281,000	$279,900	$301,977		155	136	147	
February	5,616	5,572	5,340			40	41	44		13,158	13,909	14,364		$255,850	$280,000	$290,000			150	139	144	
March	7,374	6,816	7,160			37	40	41		12,708	13,675	14,131		$275,000	$290,000	$310,500			141	136	130	
April	8,301	8,037	8,102			31	33	34		13,265	14,328	15,237		$285,000	$310,000	$331,000			132	125	123	
May	9,693	9,109	8,944			28	28	29		14,579	15,602	15,890		$300,000	$320,000	$342,000			127	120	116	
June	9,311	10,170	10,490			24	24	25		15,250	16,353	16,689		$320,000	$330,000	$357,500			121	118	111	
July	9,930	9,771	9,915			23	25	26		16,256	17,330	17,801		$314,950	$328,950	$345,000			123	119	114	
August	9,600	9,255	8,906			25	25	28		17,199	17,583	17,587		$299,000	$325,000	$338,000			135	122	116	
September	8,241	8,342	8,209			26	28	28		17,529	18,113	18,390		$290,000	$306,000	$329,900			142	132	115	
October	8,516	8,678	7,979			29	29	31		17,919	18,484	18,784		$287,900	$307,500	$317,000			138	133	118	
November	7,524	6,881	6,633			30	31			16,830	17,458			$285,000	$299,900	$313,354			136	136		
December	7,386	7,592	6,954			34	34			14,667	15,306			$285,000	$299,000	$310,719			136	137		

IHS Three Month Outlook

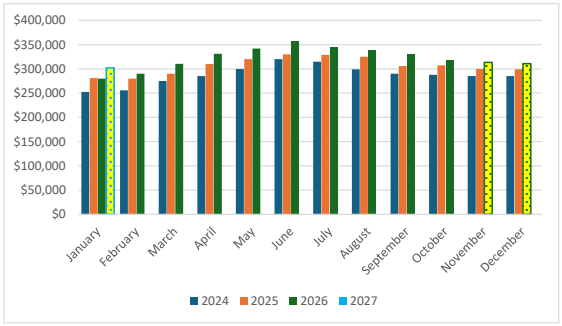
Sources: ShowingTime Data and IHS Housing Market Forecast

Illinois Short Term Trends - Single Family

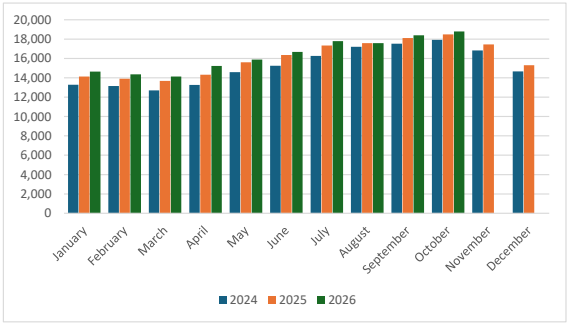
Monthly Closed Sales



Monthly Median Sales Price



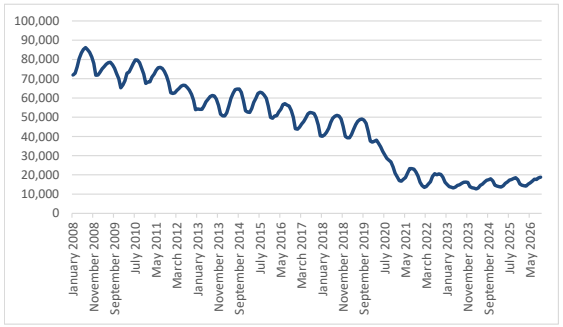
Monthly Inventory



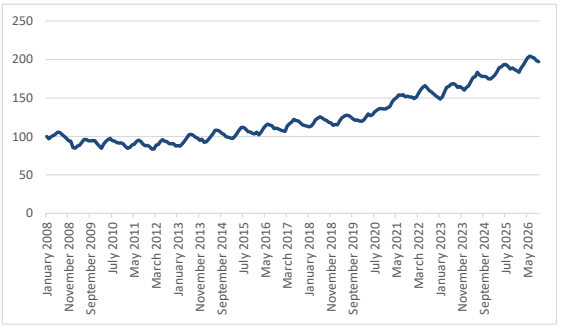
Yellow columns are projections from the IHS Three Month Outlook.

Illinois Long Term Trends - Single Family

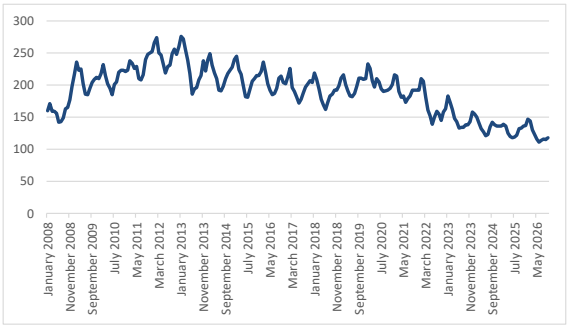
Illinois Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



Chicago Metro - Single Family Homes
Summary of Recent Trends

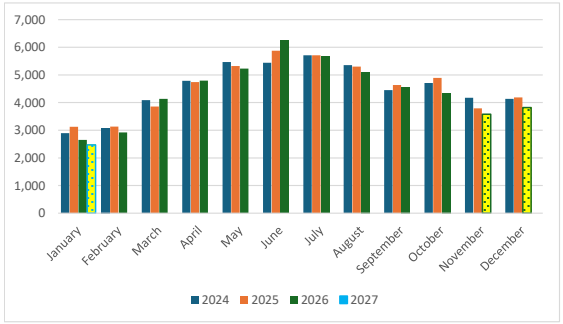
	Closed Sales					Days on Market				Inventory				Median Sales Price					Affordability			
	2024	2025	2026	2027	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	2027	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend
January	2,897	3,123	2,653	2,470		34	35	33		6,907	7,683	7,662		$340,000	$369,900	$380,000	$405,888		123	111	116	
February	3,085	3,134	2,923			37	35	37		6,964	7,706	7,667		$350,000	$375,000	$395,000			117	111	113	
March	4,091	3,860	4,132			32	34	32		6,632	7,455	7,356		$374,900	$395,000	$405,000			111	106	106	
April	4,786	4,740	4,792			26	28	27		7,020	8,042	8,129		$386,999	$409,990	$430,000			104	101	101	
May	5,470	5,320	5,228			22	23	22		7,903	9,057	8,546		$395,000	$420,000	$440,000			103	98	96	
June	5,441	5,880	6,237			20	19	20		8,281	9,492	8,895		$419,945	$430,000	$457,500			98	97	93	
July	5,712	5,712	5,667			20	21	21		8,803	10,057	9,498		$407,250	$420,000	$450,000			102	99	93	
August	5,357	5,306	5,106			20	21	22		9,396	10,039	9,315		$400,000	$420,000	$445,300			108	101	94	
September	4,452	4,639	4,561			22	25	23		9,714	10,188	9,643		$385,000	$399,900	$427,000			115	108	95	
October	4,706	4,896	4,349			24	25	25		9,906	10,219	9,636		$378,000	$405,000	$420,000			112	108	95	
November	4,175	3,789	3,579			25	26			9,100	9,229			$380,000	$400,000	$419,656			109	109		
December	4,133	4,185	3,820			29	28			7,721	7,844			$379,000	$389,900	$411,214			109	112		

IHS Three Month Outlook

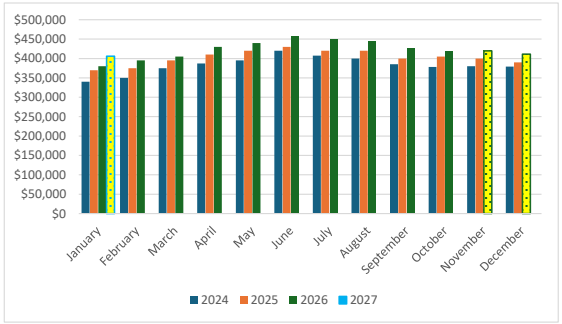
Sources: ShowingTime Data and IHS Housing Market Forecast

Short Term Trends

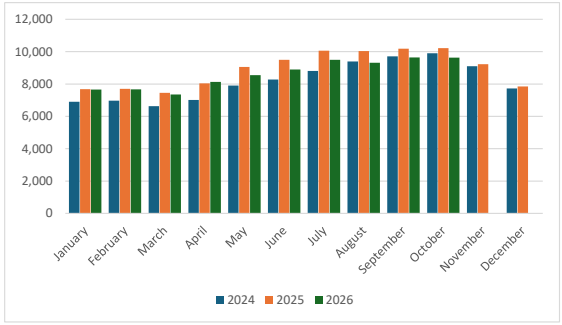
Monthly Closed Sales



Monthly Median Sales Price



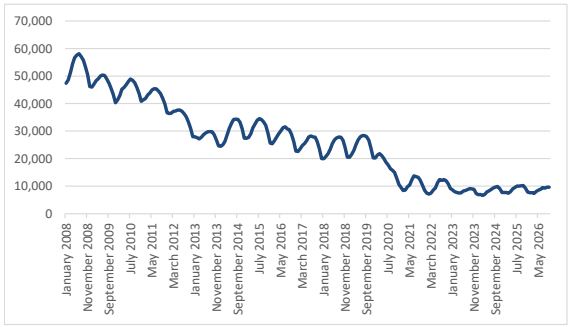
Monthly Inventory



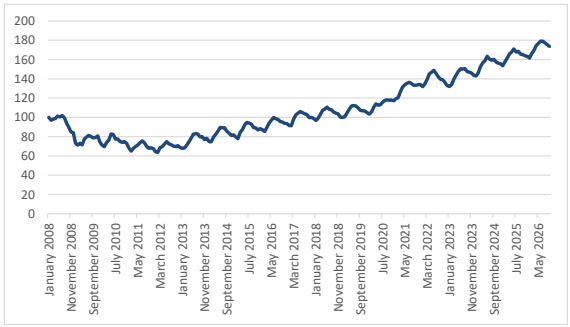
Yellow columns are projections from the IHS Three Month Outlook.

Long Term Trends

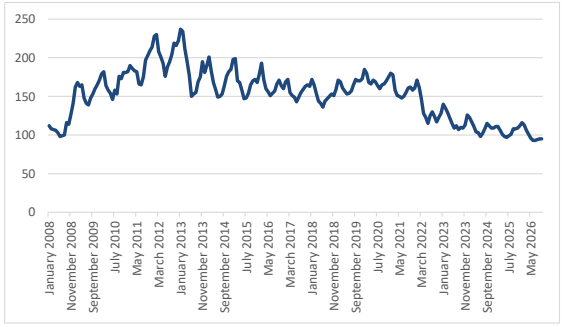
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Single Family Homes
Summary of Recent Trends

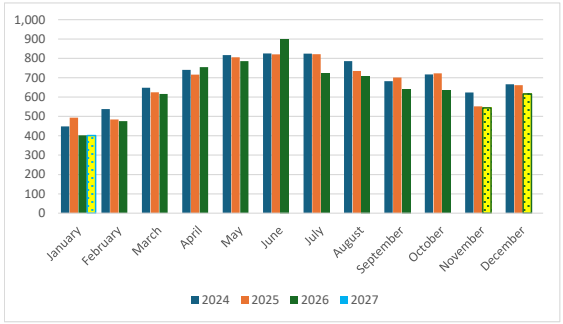
	Closed Sales					Days on Market				Inventory				Median Sales Price					Affordability			
	2024	2025	2026	2027	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	2027	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend
January	448	494	402	401		38	39	36		1,752	1,723	1,561		$289,500	$310,000	$306,450	$350,944		132	121	131	
February	538	484	476			43	38	38		1,768	1,699	1,548		$300,000	$319,450	$345,000			125	119	118	
March	648	625	616			41	44	36		1,738	1,687	1,427		$335,000	$335,800	$338,500			113	114	116	
April	741	716	755			37	33	31		1,778	1,750	1,463		$340,000	$350,000	$362,000			108	108	110	
May	817	806	786			29	31	28		1,916	1,863	1,493		$320,000	$350,000	$375,000			116	107	103	
June	825	821	900			27	27	26		1,894	1,852	1,490		$363,000	$370,000	$410,000			104	103	95	
July	824	822	722			29	26	25		1,958	1,906	1,542		$350,000	$350,000	$390,000			108	109	98	
August	786	735	708			29	26	28		2,036	1,889	1,495		$340,000	$362,500	$366,500			116	107	105	
September	682	701	642			29	32	28		2,165	1,919	1,559		$327,000	$345,000	$375,000			123	115	99	
October	717	723	633			31	31	31		2,173	1,911	1,514		$325,000	$350,000	$375,000			119	114	97	
November	624	552	544			34	32			2,026	1,792			$339,951	$335,000	$372,594			111	119		
December	666	661	616			37	29			1,702	1,569			$325,000	$310,000	$358,386			116	129		

IHS Three Month Outlook

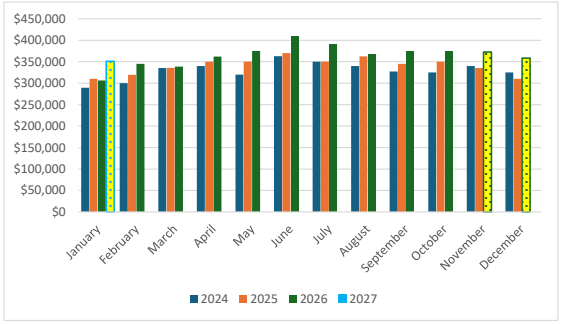
Sources: ShowingTime Data and IHS Housing Market Forecast

Short Term Trends

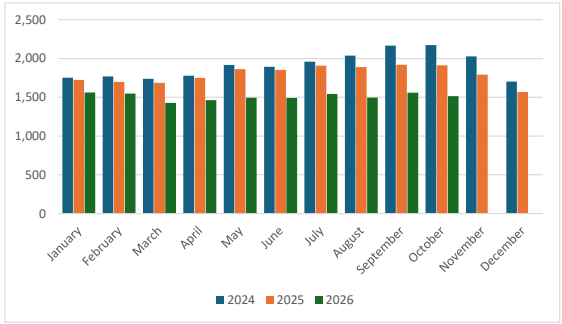
Monthly Closed Sales



Monthly Median Sales Price



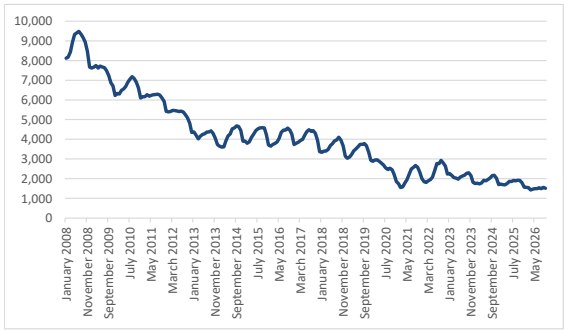
Monthly Inventory



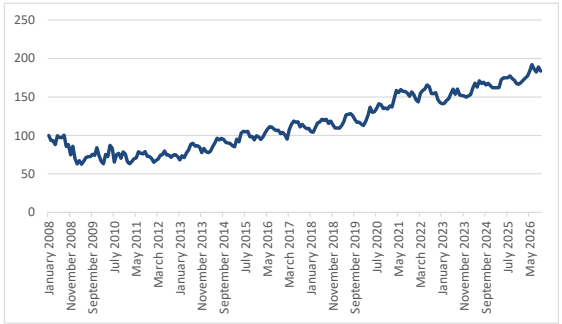
Yellow columns are projections from the IHS Three Month Outlook.

Long Term Trends

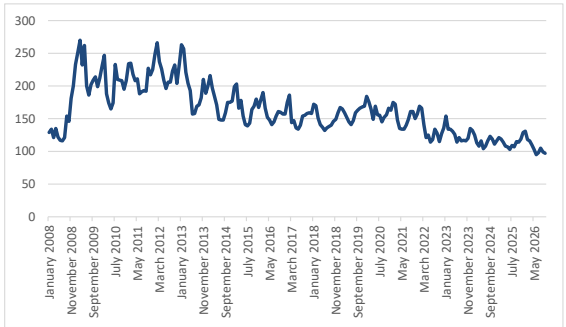
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Condominiums/Townhomes
Summary of Recent Trends

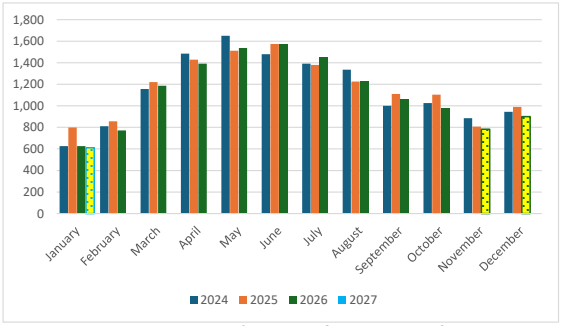
	Closed Sales					Days on Market				Inventory				Median Sales Price					Affordability			
	2024	2025	2026	2027	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend	2024	2025	2026	2027	Monthly YoY Trend	2024	2025	2026	Monthly YoY Trend
January	626	799	626	611		47	42	39		2,486	2,357	1,901		$337,450	$385,000	$382,500	$411,316		113	97	105	
February	810	857	772			47	46	38		2,724	2,392	1,982		$358,000	$385,000	$408,750			105	99	99	
March	1,156	1,221	1,187			36	34	29		2,722	2,512	2,010		$370,000	$407,500	$440,000			103	94	89	
April	1,485	1,429	1,392			28	28	23		2,895	2,818	2,193		$384,000	$420,000	$440,000			96	90	90	
May	1,651	1,511	1,537			26	23	23		3,038	2,909	2,235		$395,000	$412,500	$451,000			94	91	86	
June	1,479	1,575	1,575			24	23	21		3,044	2,846	2,253		$390,000	$415,000	$440,000			97	92	88	
July	1,392	1,379	1,449			27	26	20		3,106	2,850	2,332		$375,000	$395,000	$440,000			101	96	87	
August	1,336	1,225	1,229			25	26	25		3,140	2,729	2,367		$368,250	$388,000	$423,250			107	100	91	
September	1,001	1,111	1,064			29	30	26		3,368	2,871	2,414		$360,000	$375,000	$400,000			112	105	93	
October	1,026	1,103	979			29	28	23		3,282	2,746	2,253		$367,250	$386,000	$410,000			105	104	89	
November	886	808	783			31	29			2,913	2,385			$399,500	$392,500	$418,043			95	101		
December	944	991	900			36	34			2,294	1,849			$371,000	$380,000	$403,647			102	105		

IHS Three Month Outlook

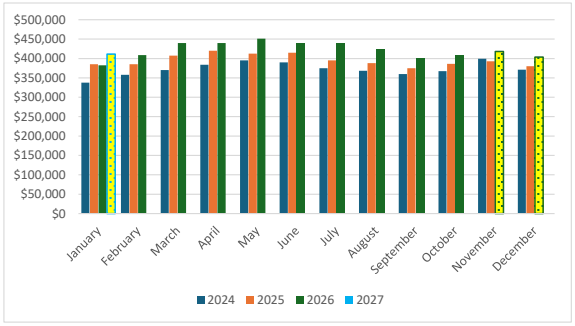
Sources: ShowingTime Data and IHS Housing Market Forecast

Short Term Trends

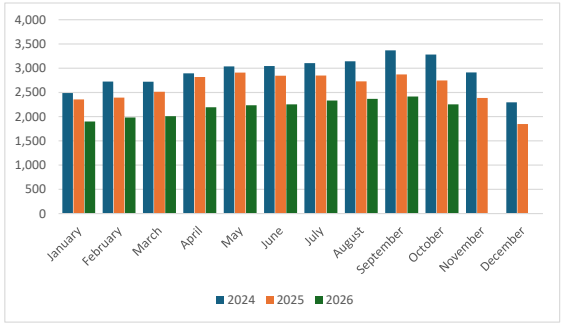
Monthly Closed Sales



Monthly Median Sales Price



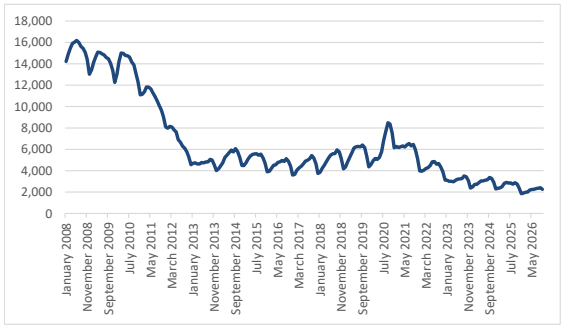
Monthly Inventory



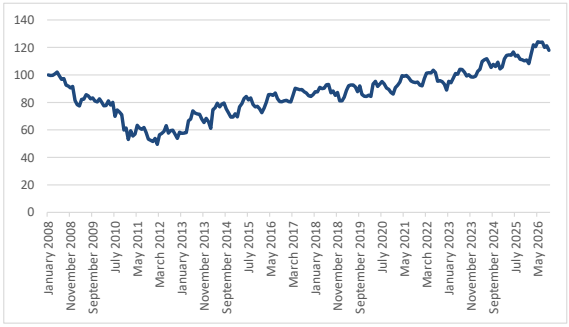
Yellow columns are projections from the IHS Three Month Outlook.

Long Term Trends

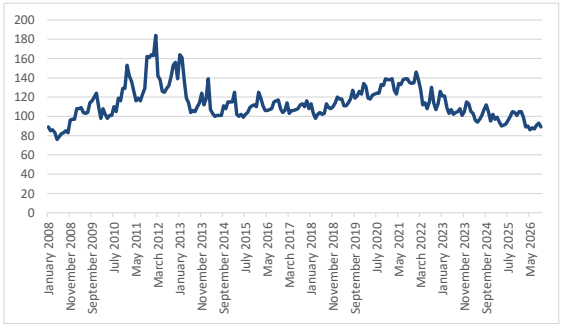
Monthly Condo/Townhome Inventory Trend



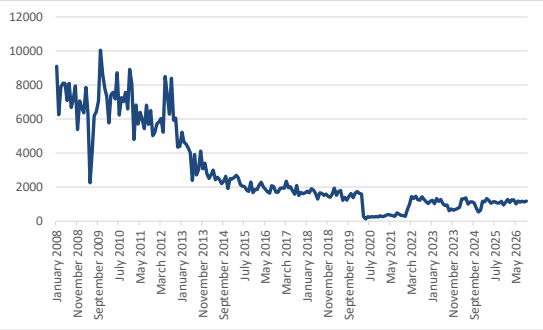
Condo/Townhome Monthly House Price Index



Monthly Affordability Conditions



Monthly Foreclosure Filings - Chicago Metro



Monthly Foreclosure Filings - City of Chicago

