ILLINOIS REALTORS® **Talking Points**

April 2024

Shrinking inventory again stymies Illinois home sales, this time during March

The Talking Points

In March, the number of available homes plunged to 16-year low and year-over-year home sales in Illinois fell more than 11 percent. It is the fourth consecutive month that the number of available homes has fallen below 17,000 since 2008, the year Illinois REALTORS® began keeping such records.

Note a few market dynamics:

- **Home sales down compared to last March.** Statewide closed sales fell 11.9 percent, from 11,374 in March 2023 to 10,024 in March 2024. In the Chicago Metro Area, closed sales decreased 14.1 percent, from 7,911 to 6,794 during the same period, while in the city of Chicago, closed sales decreased 18.9 percent from 2,208 to 1,790.
- **Inventory declines again.** Statewide inventory decreased 14.2 percent to 15,268 in March 2024.In the Chicago Metro Area, inventory declined 15.5 percent to 10,409, while in the city of Chicago, inventory decreased 16.4 percent to 4,216.
- **Prices climb higher.** Statewide median prices rose 9.5 percent statewide to $282,000 in March 2024. The Chicago Metro Area median price rose 9.6 percent to $339,900 and in the city of Chicago, the median price rose 7.3 percent from $359,000.
- **Days on market.** Statewide, homes stayed on the market 35 days in March, down 10.3 percent compared to last year. In the Chicago Metro Area, days on market averaged 30 days (down 16.7 percent from March 2023) while in the city of Chicago, homes stayed on the market 38 days, an 11.6 percent decline.
- According to Freddie Mac, the monthly average commitment rate for a 30-year, fixed-rate mortgage was 6.82 percent in March 2024, compared to 6.78 percent in February 2024 and 6.54 percent in March 2023.
- Fannie Mae reported that its Home Purchase Sentiment Index (HPSI) fell 0.9 points in March to 71.9, its first decline since November 2023, due primarily to increased pessimism about the direction of mortgage rates.

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Fannie Mae Senior Vice President and Chief Economist Doug Duncan said: "Both our ‘good time to buy’ and ‘good time to sell’ measures continued their slow upward drift this month. However, consumers took a slightly more pessimistic view on the likely direction of mortgage rates, likely reflecting the fact that actual mortgage rates have moved upward since the start of the year. With the historically low rates of the pandemic era now firmly behind us, some households appear to be moving past the hurdle of last year’s sharp jump in rates, an adjustment that we think could help further thaw the housing market. We noted in our latest monthly forecast that we expect to see a gradual increase in home listings and sales transactions in the coming year. We believe this will be driven not only by those coming off the sidelines due to rate-related recalibration, but also by households who may need to move for other life reasons.”