INSTITUTE FOR HOUSING STUDIES at DePaul University

ILLINOIS HOUSING MARKET forecast

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Illinois Housing Market Forecast
October 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 September 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 September 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 September, closed sales activity statewide and in the Chicago region was modestly higher than the previous year. Sales prices statewide and in the Chicago region were also 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 anticipated 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 December.

State of Illinois

- **Recent trends –** In September 2025, there were 11,375 closed sales of single-family homes, townhomes, and condominiums in Illinois. September prices for single-family homes in Illinois were 3.7 percent higher than in the same month in 2024. Single-family closed sales activity was 2.5 percent higher than levels in September 2024. The inventory of for-sale single-family homes fell 1.4 percent compared to the previous September, remaining near historic lows. The average number of days on the market for a single-family home grew by 2 days from the previous September. 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 14 percent between September and December. Total sales during the three-month period from October to December are expected to be 3.7 percent lower than during the same period a year ago. Single-family house prices are estimated to decrease 2.0 percent between September and December. In this projection, statewide prices in December 2025 will be almost 5 percent higher than they were in December 2024.

Chicago Metropolitan Area

- **Recent trends –** In September 2025, there were 7,484 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 almost 4 percent between September 2024 and 2025. The number of closed single-family home sales in the Chicago area increased 2.7 percent from the previous September. The inventory of for-sale single-family homes fell 5.3 percent since the previous September. The average time spent on the market increased 3 days from September 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 12.6 percent between September and December. Total sales throughout October, November, and December are estimated to be about 3.7 percent lower than during the same period one year ago. Prices of single-family homes in the Chicago metropolitan area are projected to decline 2.2 percent between September and December. This scenario would reflect a price increase of 3.2 percent between December 2024 and 2025.

City of Chicago
Single-Family Homes

- **Recent trends –** In September 2025, there were 1,772 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 6.6 percent from September 2024. The number of closed single-family sales in Chicago grew by about 1 percent compared to the previous September. The inventory of for-sale homes declined by 24.0 percent compared to September 2024, while the time on market increased by 3 days. Affordability conditions for single-family homebuyers in Chicago were lower than the previous September.

- **Three-month outlook –** IHS's three-month housing market forecast indicates that the level of closed sales activity will follow seasonal trends and decrease 4.1 percent between September and December. Total sales throughout the three-month period from September to December are estimated to be 2.5 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 2.7 percent between September and December. In this scenario, prices in December 2025 would be 4.3 percent higher than in December 2024.

City of Chicago
Condominiums and Townhomes

- **Recent trends –** Prices for condos and townhomes in the City of Chicago increased 3.5 percent between September 2024 and 2025. The number of closed condo sales in Chicago increased by about 8.3 percent compared to the previous September. The inventory of for-sale condos declined by about 21 percent compared to September 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 13.0 percent between September and December. Total condominium sales activity in Chicago between October and December will be about 1.3 percent less than activity in the same period in 2024. Condo prices are projected to decrease by 4.4 percent between September and December. These projected November prices would be about 4 percent lower than prices in December 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. While September data are delayed due to the ongoing government shutdown, a survey found that the majority of Americans are still reporting rising costs. 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. In September, the Federal Reserve cut interest rates for the first time since last year in response to falling hiring numbers. The consumer sentiment index stayed flat between September and October, with households concerned 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.[1]

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. 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 prices since February, the Case Shiller Home Price Index still remains near record highs, and still has year-over-year growth as of July. Nationally, homebuying sentiment stayed consistent in September, with the majority of households still saying that it's a bad time to buy. In September 2025, Illinois single-family inventories experienced slight losses, and the state continues 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 during the near

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

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.

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

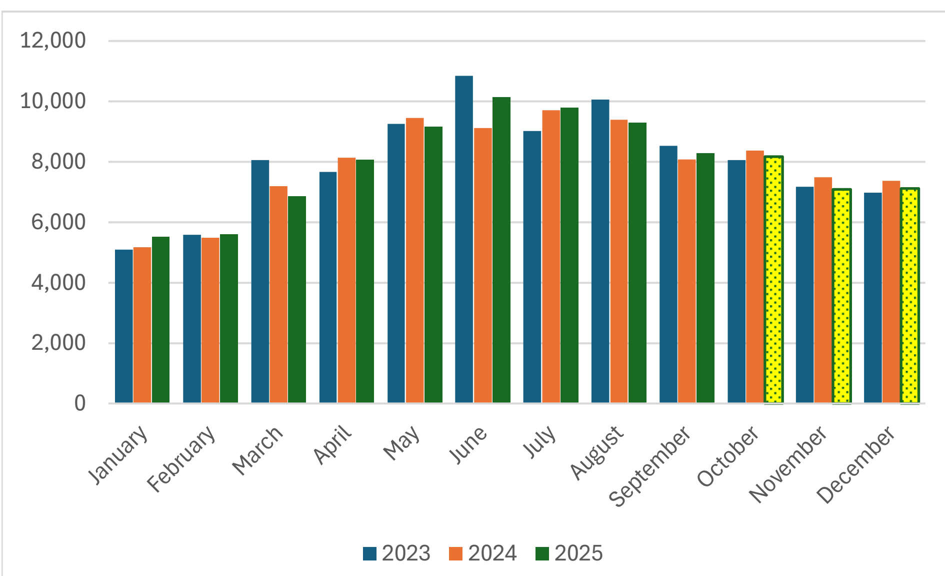
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	5,093	5,169	5,529		41	36	39		14,696	12,827	14,013		$230,000	$255,000	$280,000		171	147	131	
February	5,592	5,495	5,598		44	40	41		13,560	12,736	13,766		$235,000	$260,000	$280,000		162	141	133	
March	8,064	7,190	6,854		41	37	40		13,230	12,338	13,523		$256,950	$281,000	$290,000		151	132	130	
April	7,657	8,145	8,074		34	31	33		12,922	12,879	14,163		$275,000	$290,000	$310,000		139	124	120	
May	9,246	9,448	9,155		30	27	28		13,348	14,166	15,449		$280,000	$305,000	$320,000		135	120	115	
June	10,843	9,122	10,145		25	24	24		14,139	14,864	16,183		$300,000	$325,000	$330,950		125	114	113	
July	9,019	9,715	9,794		23	23	24		14,486	15,826	17,034		$290,000	$318,000	$327,000		128	117	114	
August	10,057	9,401	9,289		24	25	25		15,151	16,712	17,070		$285,000	$300,000	$325,000		126	129	117	
September	8,528	8,076	8,279		26	26	28		15,764	17,212	16,974		$273,000	$295,000	$306,000		130	134	127	
October	8,062	8,366	8,171		27	28			15,880	17,703			$265,000	$290,000	$305,581		129	131		
November	7,181	7,493	7,087		28	29			15,630	16,694			$265,000	$285,000	$302,305		135	130		
December	6,970	7,378	7,117		31	33			13,475	14,547			$255,000	$285,700	$299,773		148	129		

IHS Three Month Outlook

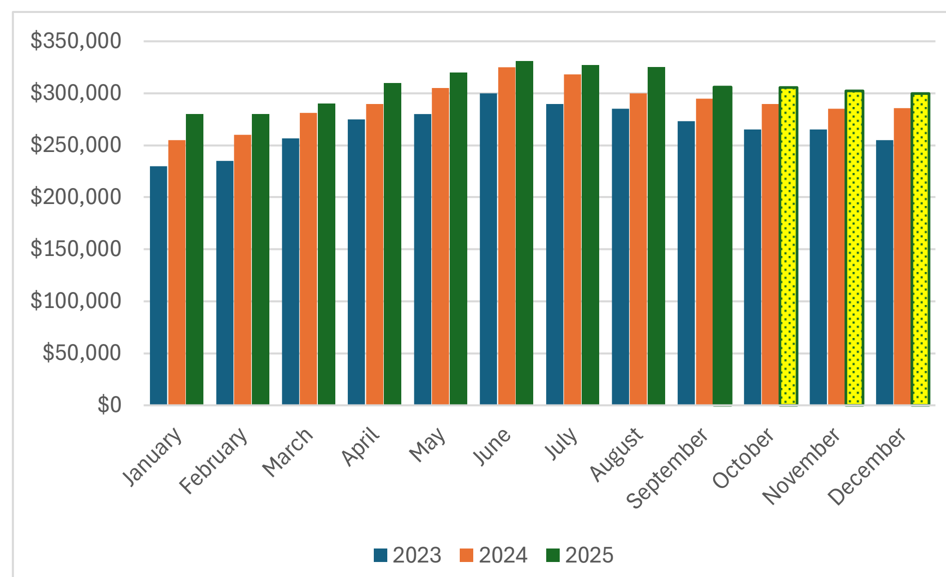
Sources: ShowingTime Data and IHS Housing Market Forecast

Illinois Short Term Trends - Single Family

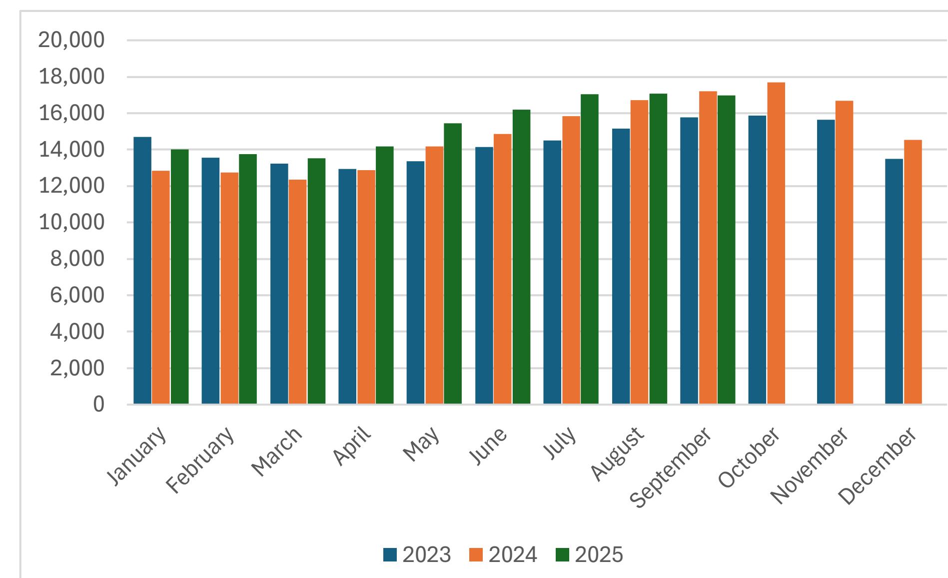
Monthly Closed Sales



Monthly Median Sales Price



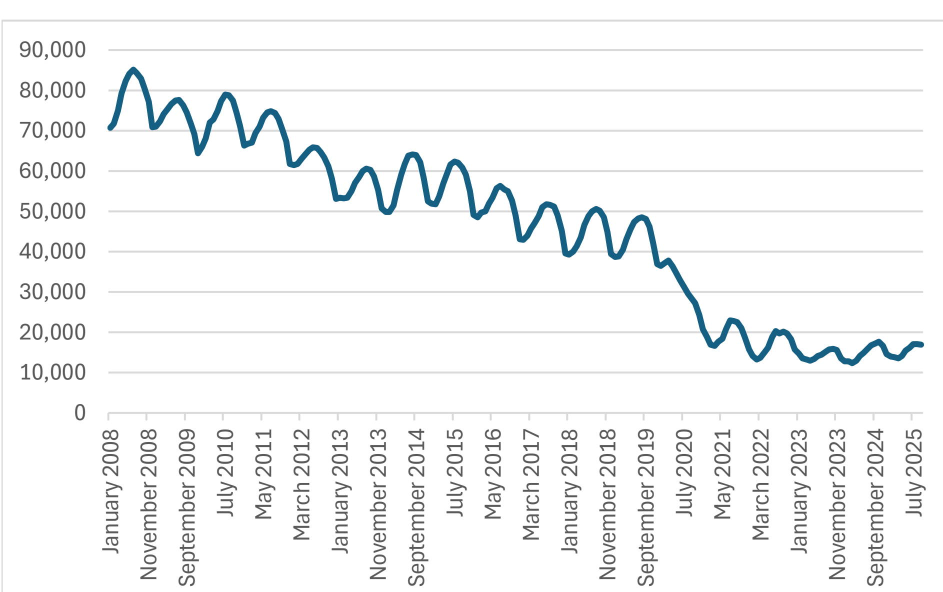
Monthly Inventory



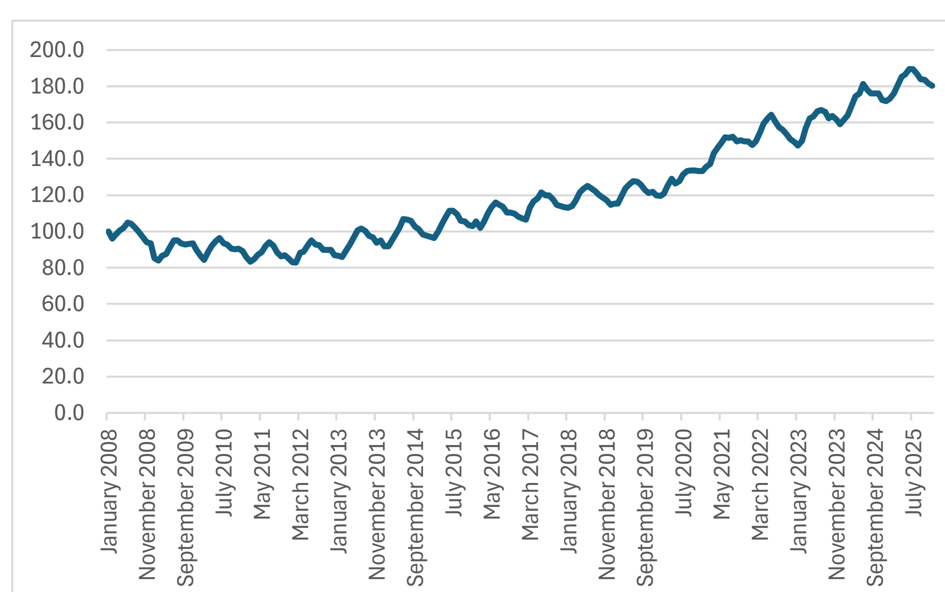
Yellow columns are projections from the IHS Three Month Outlook.

Illinois Long Term Trends - Single Family

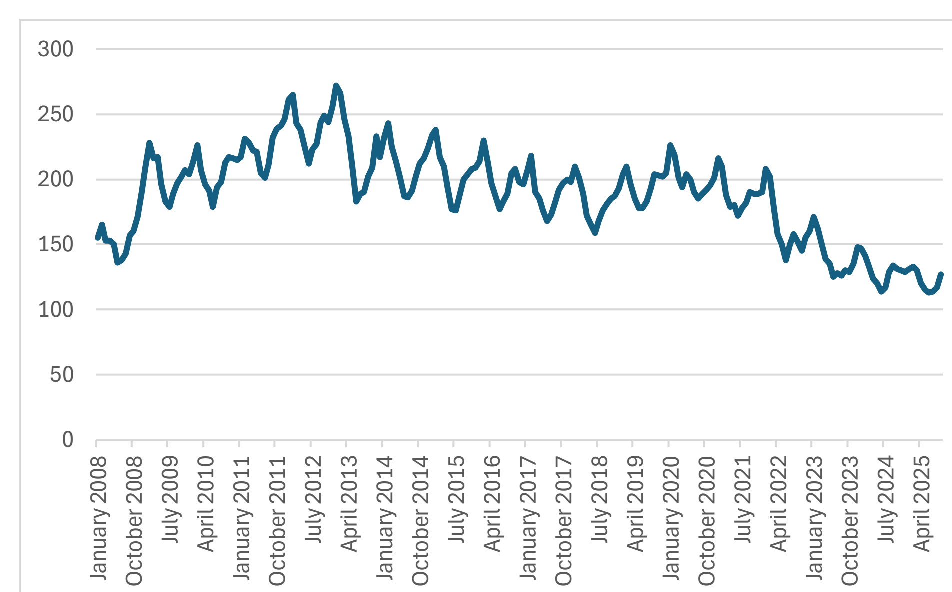
Illinois Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



Chicago Metro - Single Family Homes
Summary of Recent Trends

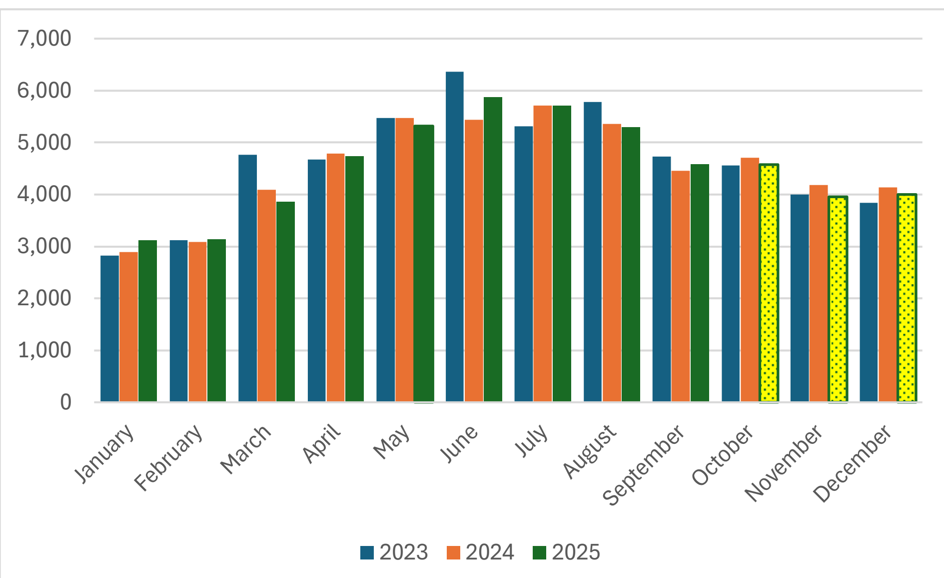
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	2,822	2,897	3,122		37	34	35		8,651	6,891	7,620		$313,400	$340,000	$369,900		134	118	106	
February	3,118	3,087	3,136		41	37	35		7,964	6,946	7,617		$315,000	$350,000	$375,000		129	112	106	
March	4,768	4,092	3,862		37	32	34		7,697	6,611	7,337		$336,000	$374,900	$395,000		123	106	102	
April	4,678	4,789	4,736		31	26	28		7,483	7,000	7,888		$350,000	$386,000	$409,945		117	100	97	
May	5,469	5,472	5,318		26	22	23		7,583	7,882	8,872		$367,200	$395,000	$420,000		110	99	94	
June	6,366	5,443	5,873		21	20	19		8,209	8,258	9,252		$385,000	$419,945	$430,000		104	94	93	
July	5,311	5,714	5,704		21	20	21		8,415	8,778	9,698		$370,000	$407,500	$420,000		107	98	95	
August	5,775	5,358	5,291		21	20	21		8,724	9,373	9,456		$375,000	$400,000	$420,000		102	103	97	
September	4,734	4,455	4,577		23	22	25		9,089	9,693	9,181		$360,000	$385,000	$400,000		106	110	104	
October	4,557	4,707	4,575		24	24			9,035	9,878			$350,000	$378,000	$397,481		105	107		
November	4,005	4,177	3,955		25	25			8,807	9,066			$353,050	$380,000	$394,834		108	104		
December	3,838	4,133	4,000		28	29			7,369	7,677			$335,000	$379,000	$391,025		120	104		

IHS Three Month Outlook

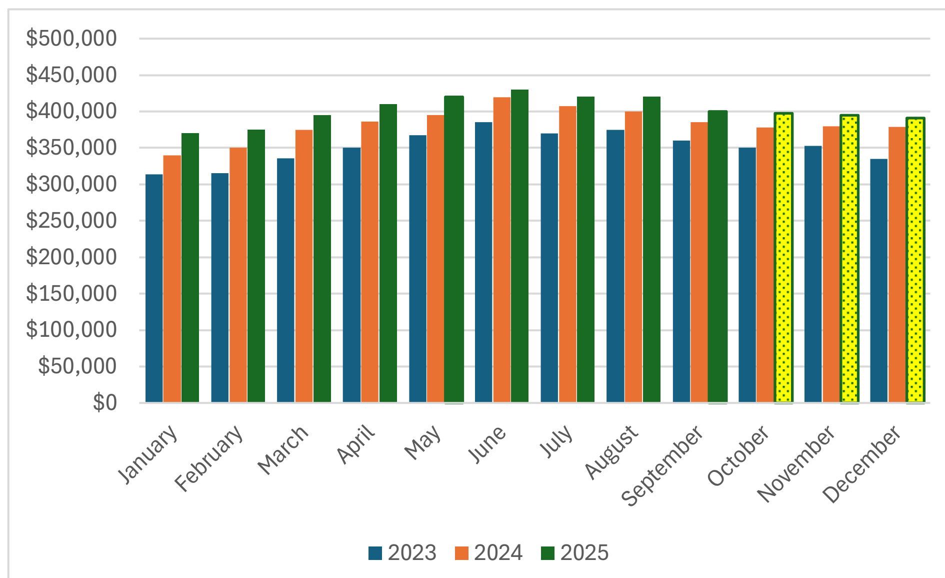
Sources: ShowingTime Data and IHS Housing Market Forecast

Short Term Trends

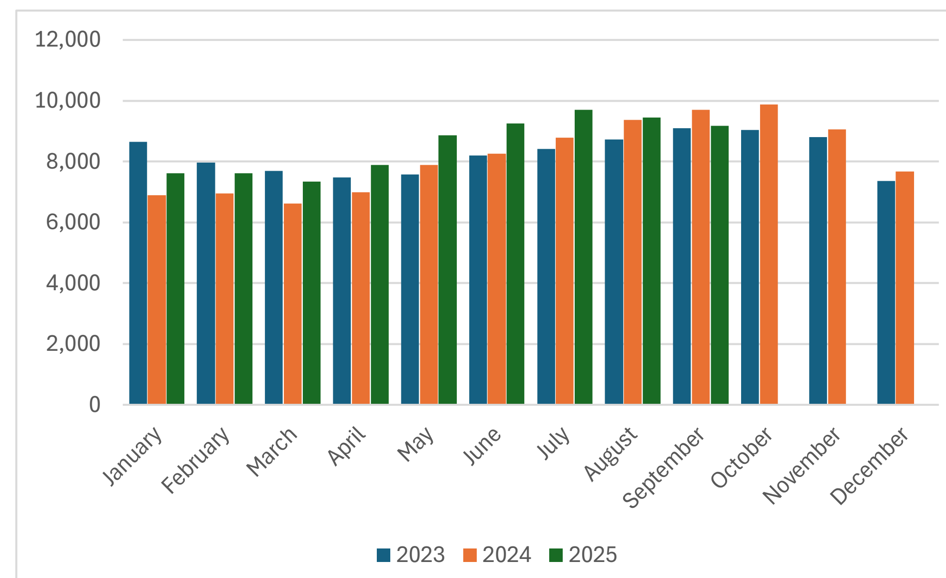
Monthly Closed Sales



Monthly Median Sales Price



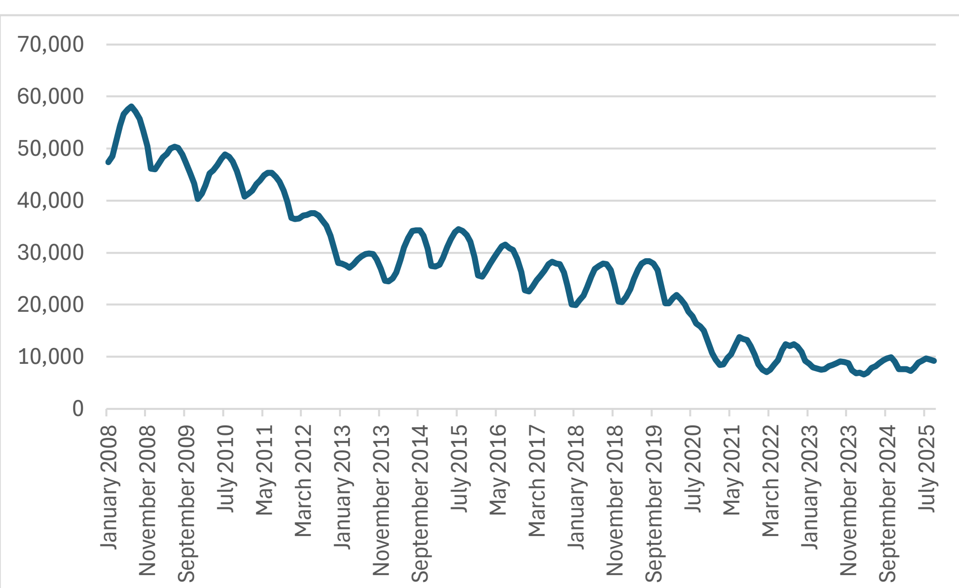
Monthly Inventory



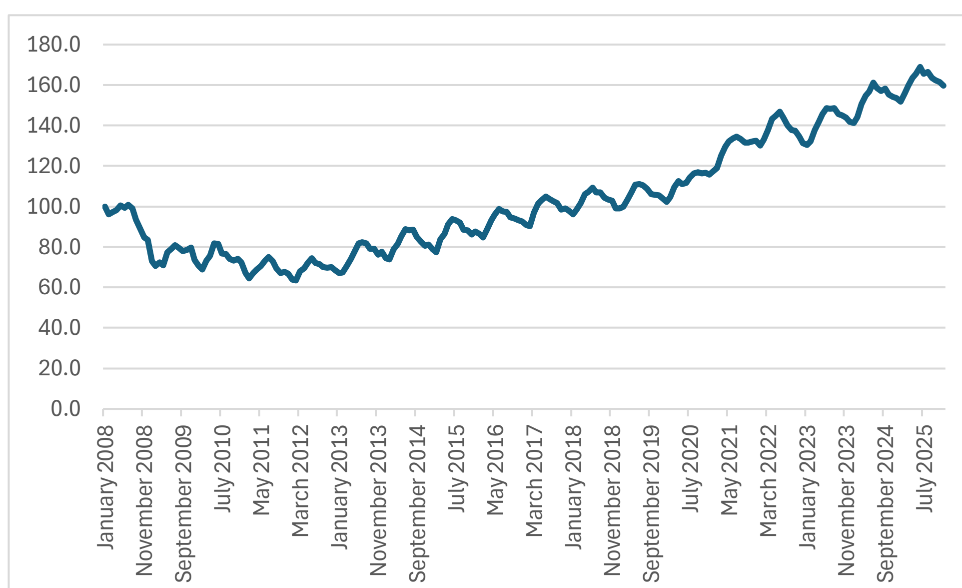
Yellow columns are projections from the IHS Three Month Outlook.

Long Term Trends

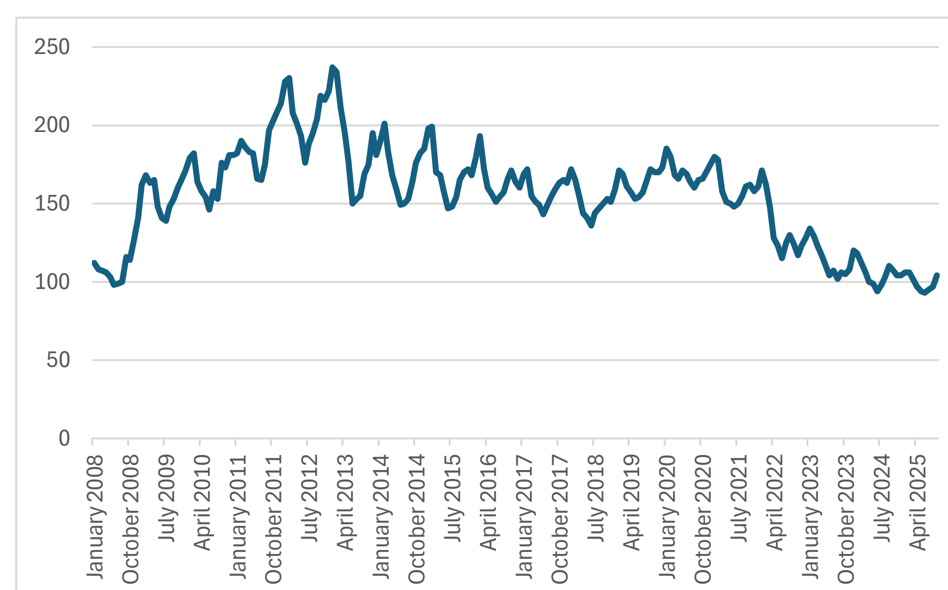
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Single Family Homes
Summary of Recent Trends

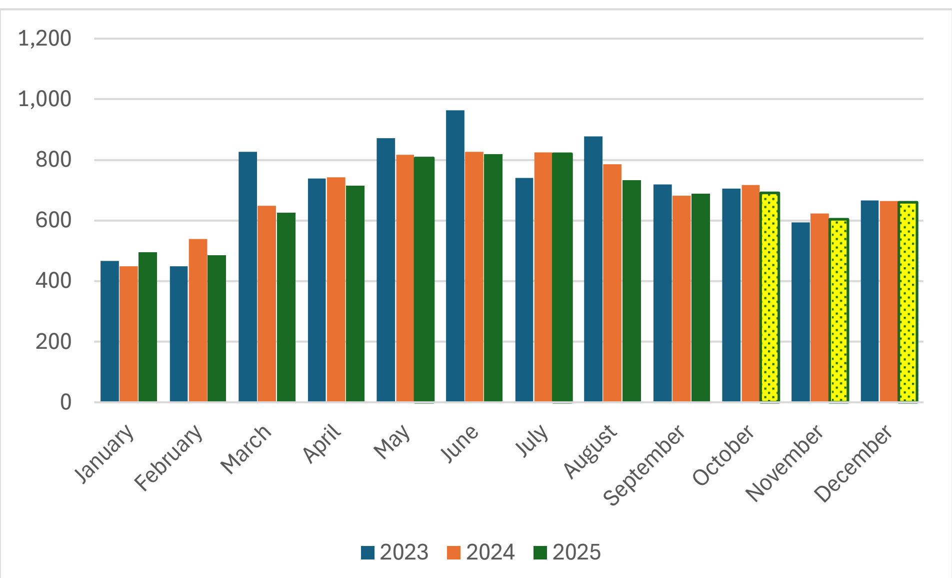
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	467	448	494		42	38	39		2,260	1,749	1,705		$260,500	$289,500	$310,000		147	126	115	
February	448	538	484		48	43	38		2,164	1,765	1,673		$290,000	$300,000	$319,450		128	119	113	
March	826	648	625		40	41	44		2,060	1,735	1,657		$295,000	$335,000	$335,800		128	108	109	
April	738	742	715		43	37	33		2,027	1,775	1,705		$297,500	$340,000	$350,000		125	103	103	
May	872	817	806		36	29	31		1,970	1,913	1,811		$306,000	$320,000	$350,000		120	111	102	
June	964	826	819		29	27	27		2,071	1,891	1,786		$335,000	$365,000	$370,000		109	98	98	
July	741	824	820		29	29	26		2,131	1,955	1,814		$312,750	$350,000	$350,000		115	103	104	
August	877	786	733		27	29	26		2,181	2,032	1,727		$315,000	$340,000	$365,000		111	110	101	
September	719	682	688		32	29	32		2,271	2,161	1,643		$311,000	$327,000	$348,500		111	118	108	
October	705	717	691		34	31			2,297	2,169			$300,000	$325,000	$346,668		111	114		
November	593	624	604		31	34			2,155	2,019			$302,000	$339,951	$343,129		115	106		
December	667	665	660		34	37			1,821	1,690			$285,000	$325,000	$338,991		129	111		

IHS Three Month Outlook

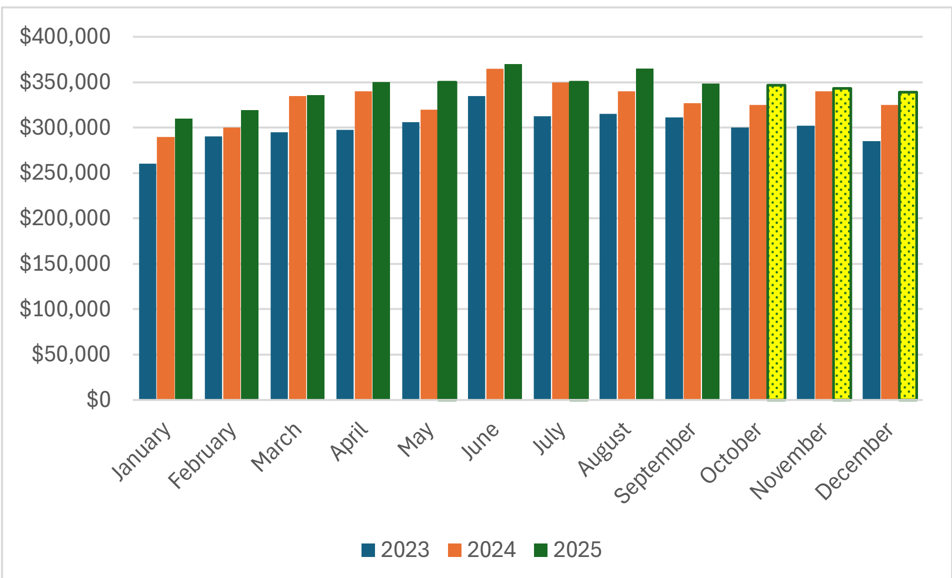
Sources: ShowingTime Data and IHS Housing Market Forecast

Short Term Trends

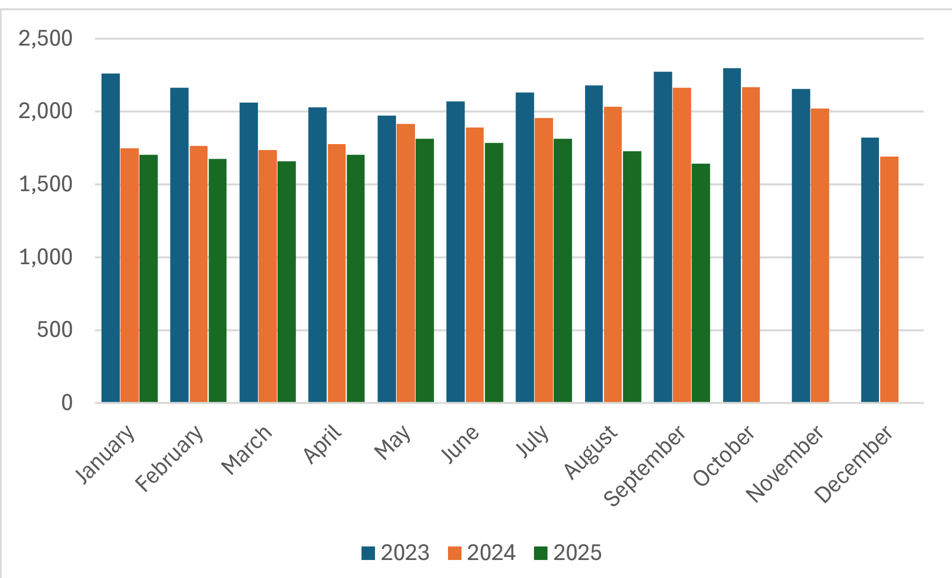
Monthly Closed Sales



Monthly Median Sales Price



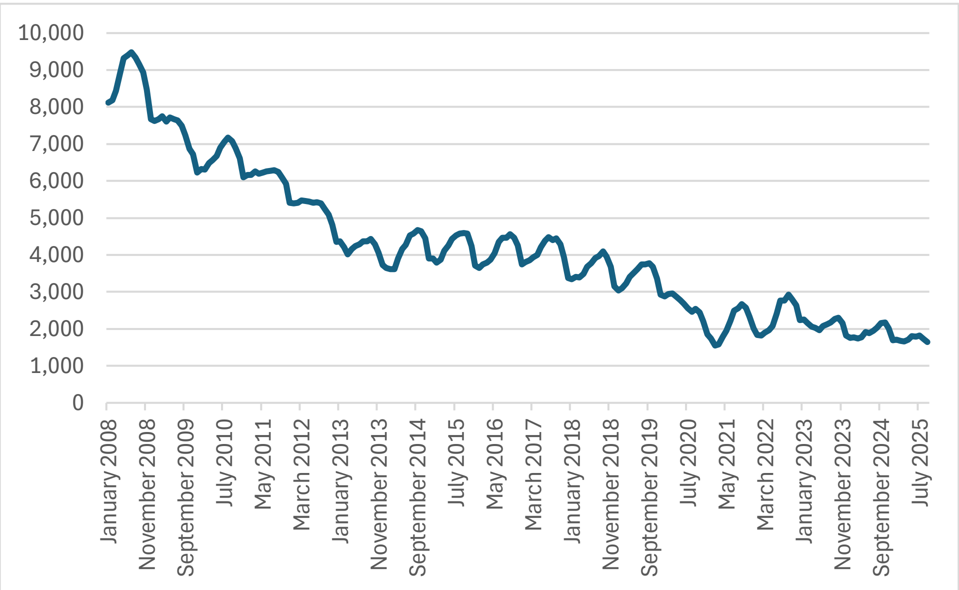
Monthly Inventory



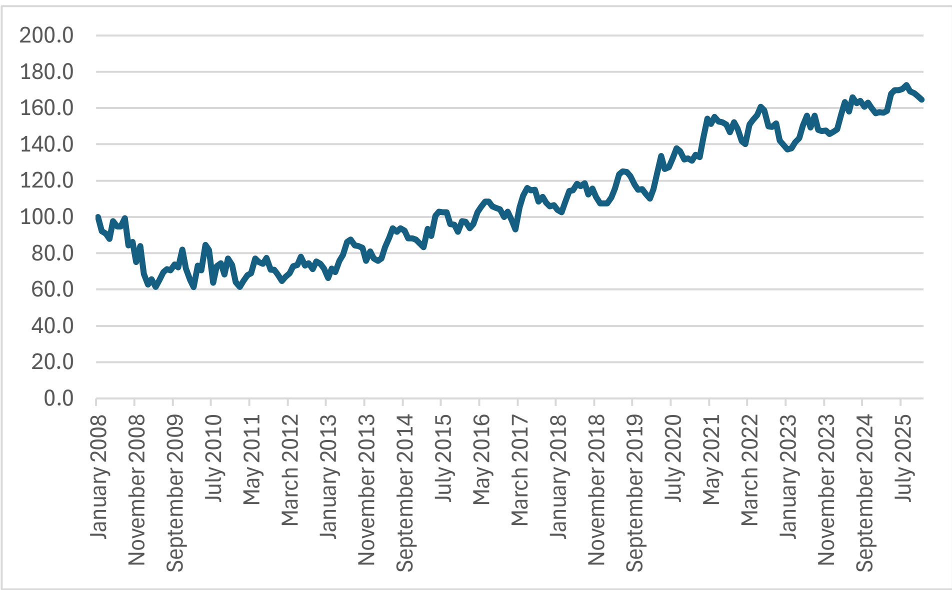
Yellow columns are projections from the IHS Three Month Outlook.

Long Term Trends

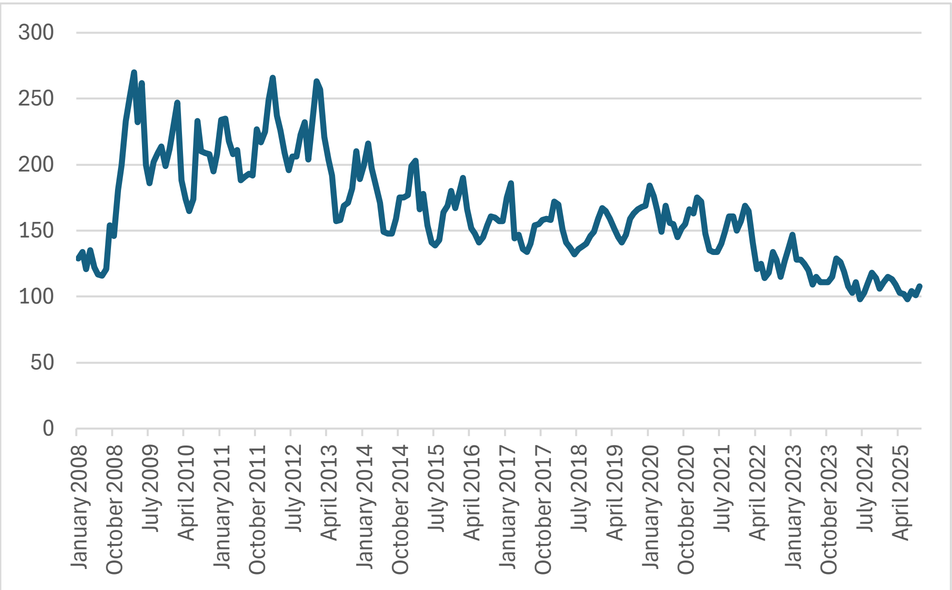
Monthly SF Inventory Trend



SF Monthly House Price Index



Monthly Affordability Conditions



City of Chicago - Condominiums/Townhomes
Summary of Recent Trends

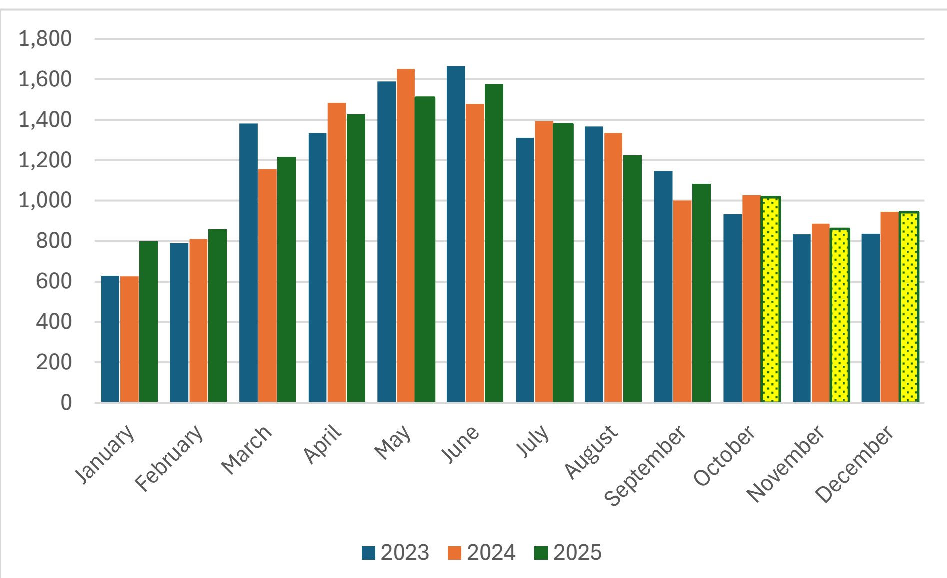
	Closed Sales				Days on Market				Inventory				Median Sales Price				Affordability			
	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend	2023	2024	2025	Monthly YoY Trend
January	629	626	799		55	47	42		3,090	2,484	2,332		$332,500	$337,450	$385,000		115	108	93	
February	790	810	857		47	47	46		3,013	2,722	2,359		$320,000	$358,000	$385,000		116	100	94	
March	1,382	1,156	1,217		44	36	34		3,007	2,717	2,473		$360,750	$370,000	$407,500		104	98	90	
April	1,336	1,485	1,427		35	28	28		2,953	2,889	2,771		$380,000	$384,000	$420,000		98	91	86	
May	1,590	1,651	1,509		33	26	23		3,116	3,032	2,844		$359,900	$395,000	$412,000		102	90	87	
June	1,666	1,479	1,575		27	24	23		3,219	3,035	2,761		$375,000	$390,000	$415,000		97	92	87	
July	1,311	1,392	1,377		28	27	25		3,225	3,099	2,738		$365,000	$375,000	$395,000		99	96	92	
August	1,366	1,336	1,223		27	25	26		3,262	3,130	2,585		$349,000	$368,250	$387,500		100	102	95	
September	1,148	1,001	1,084		28	29	30		3,511	3,355	2,647		$336,000	$360,000	$372,450		103	107	101	
October	932	1,026	1,017		30	29			3,437	3,268			$345,000	$367,250	$364,577		96	101		
November	835	886	860		34	31			3,056	2,896			$345,000	$399,500	$362,909		101	90		
December	836	944	943		35	36			2,368	2,276			$335,000	$371,000	$356,147		110	97		

IHS Three Month Outlook

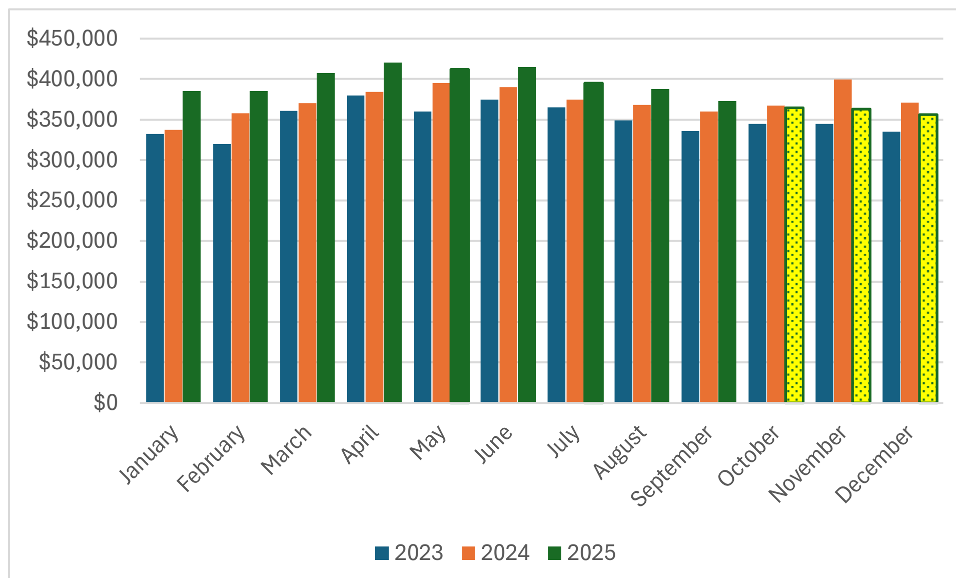
Sources: ShowingTime Data and IHS Housing Market Forecast

Short Term Trends

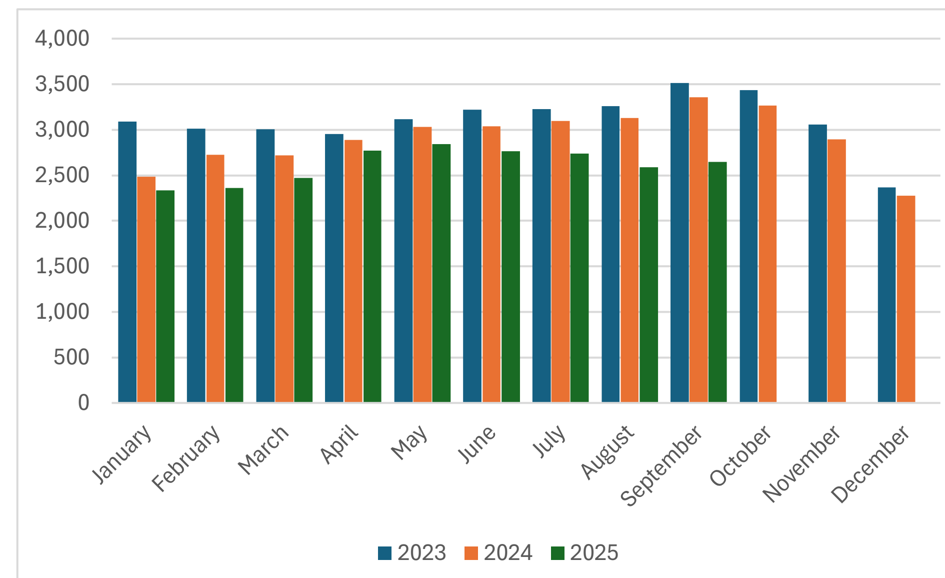
Monthly Closed Sales



Monthly Median Sales Price



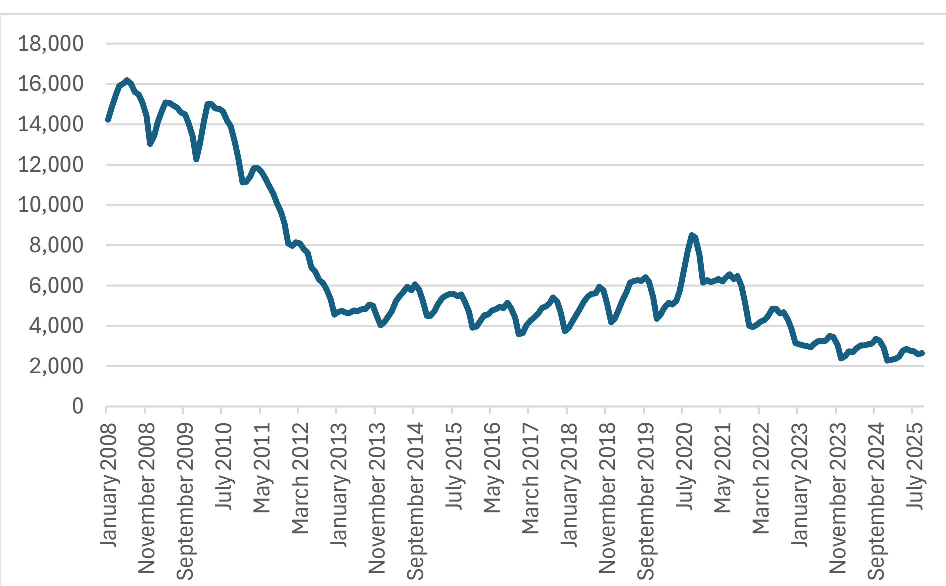
Monthly Inventory



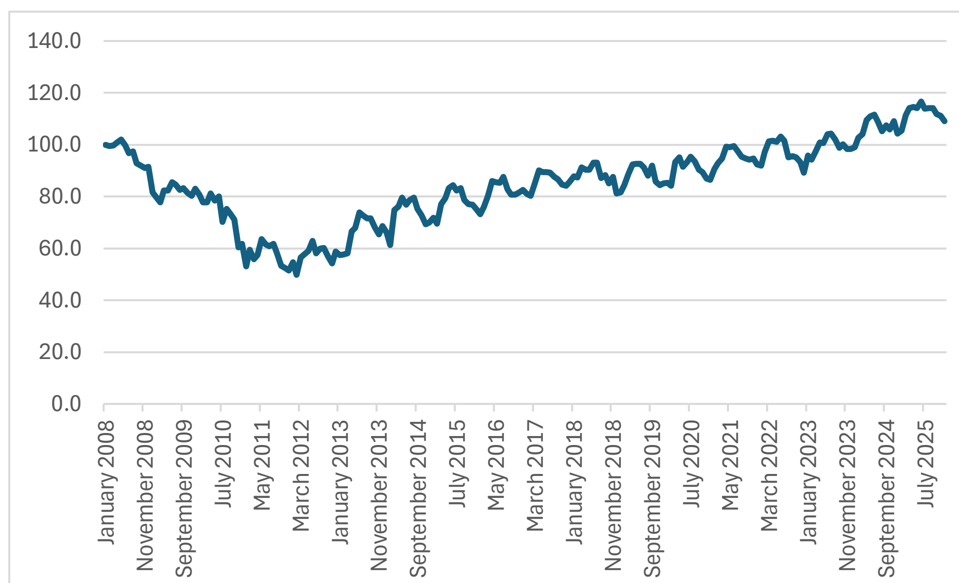
Yellow columns are projections from the IHS Three Month Outlook.

Long Term Trends

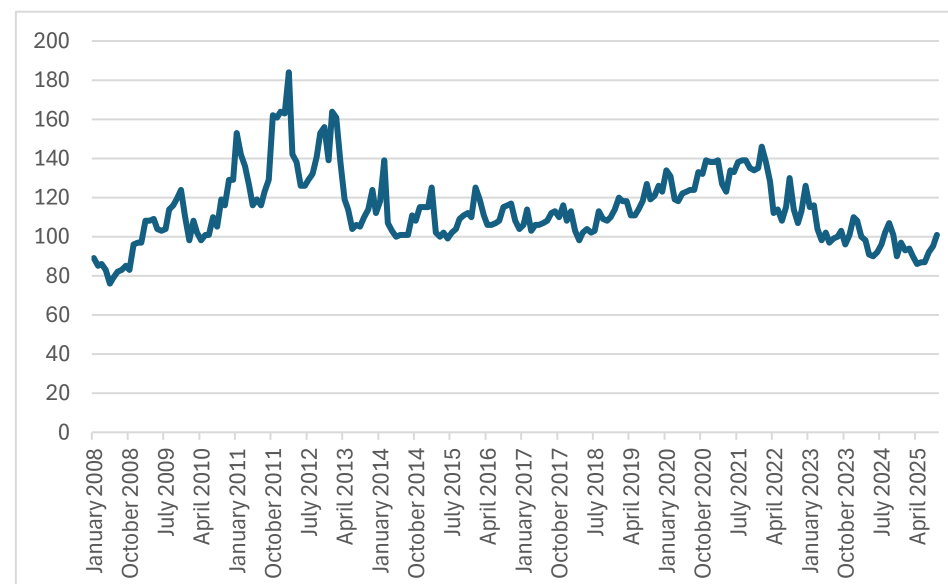
Monthly Condo/Townhome Inventory Trend



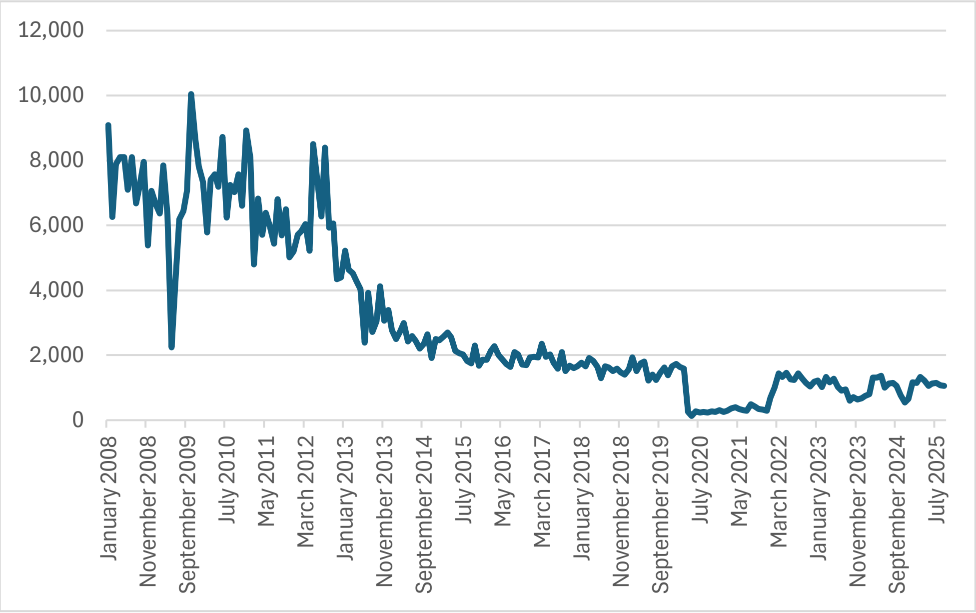
Condo/Townhome Monthly House Price Index



Monthly Affordability Conditions



Monthly Foreclosure Filings - Chicago Metro



Monthly Foreclosure Filings - City of Chicago