

# **Housing Price Forecasts**

## **Illinois MSAs**

### **First Quarter, 2023**

Presented To

**Illinois REALTORS**

From

**UIC Stuart Handler Department of Real Estate**

February 9, 2023

## Introduction

This report provides an analysis of the housing market in the Fourth Quarter of 2022 with forecasts for the First Quarter of 2023. Complementary analysis of the economy is also provided to place the housing market into a broader perspective.

## The Illinois Economy

Illinois lost 800 jobs in December 2022, compared to a revised 12,100-job gain in November 2022. The three-month moving average, a more stable measure of the labor market, showed an increase of 6,167 jobs per month. The state of Illinois now has 119,300 more jobs than in December 2007 when the Great Recession started. Since January 2010, when Illinois employment growth resumed after the Great Recession, Illinois has gained 519,600 new jobs.

## The Illinois MSAs

Illinois Rural area gained 3,482 jobs at 0.48% in December 2022, compared to a revised 10,300 job decrease in November 2022. At the same time, Metro lost 4,282 jobs at -0.08% in December 2022 compared to a revised 13,900 increase in the previous month. Chicago lost 1,448 jobs at -0.03%, compared to a revised 7,576 increase in November 2022. Meanwhile, Downstate gained 648 jobs at 0.03%, compared to a revised 3,976 decrease in the previous month. (Table 1).

Through December 2022, the cumulative job growth for Metro, Rural, Chicago, and Downstate compared to January 1990 stood at 16.5%, 16%, 18.09%, and 15.83%, respectively; the 12-month job growth rates are 2.92%, 2.71%, 3%, and 3%, respectively. Table 2 provides the monthly and 12-month changes for each MSA. In terms of growth performances, three out of ten MSAs experienced net improvements from November to December, and four declined in terms of rank. Four MSAs recorded a 12-month increase in the number of jobs.

Table 3 provides a league table for the MSAs. Bloomington-Normal (2<sup>nd</sup> to 9<sup>th</sup>) and Peoria (3<sup>th</sup> to 8<sup>th</sup>) experienced the deepest fall in December 2022. In December, the most remarkable upward move was recorded for Decatur (7<sup>th</sup> to 2<sup>nd</sup>). In the 12-month growth league table, upward moves were recorded for Rockford (3<sup>rd</sup> to 2<sup>nd</sup>), Chicago (4<sup>th</sup> to 3<sup>rd</sup>), Springfield (7<sup>th</sup> to 5<sup>th</sup>), and Metro East (8<sup>th</sup> to 7<sup>th</sup>). Downward moves were recorded for Bloomington-Normal (2<sup>nd</sup> to 4<sup>th</sup>), and Peoria (5<sup>th</sup> to 8<sup>th</sup>). In the 12-month growth league table, Davenport-Rock Island-Moline stayed at the first place, and Champaign-Urbana-Rantoul stayed at the last place of the rank.

## The Illinois MSAs' Housing Market

### Overview

In the Fourth Quarter of 2022, overall sales in Illinois decreased compared to last year. Negative growth was recorded in all MSAs. For the First Quarter of 2023, overall sales in Illinois are forecasted to decrease compared to a year ago. Except for the Decatur and Kankakee MSAs, all MSAs are forecasted to experience decreases in their sales.

Increasing median prices for Illinois sales are found in all ten MSAs in the Fourth Quarter. The overall median price for Illinois sales in the First Quarter is forecasted to increase in all MSAs.

### Housing Market Conditions

In the Fourth Quarter of 2022, Illinois experienced a decrease in sales, and all ten MSAs also experienced annual decreases in sales with varying degrees. Overall sales for Illinois decreased by 31.2% compared to a year ago. All ten MSAs experienced negative changes: Bloomington-Normal (-15.5%), Champaign-Urbana (-19.9%), Chicago PMSA (-34.9%), Davenport-Moline-Rock Island (-31.3%), Decatur (-15.9%), Kankakee (-9.9%), Metro-East (-23.9%), Peoria-Pekin (-23.2%), Rockford (-30.8%), and Springfield (-26.8%).

In terms of housing prices, the overall median price for Illinois decreased by 0.8% over the past year. The median prices for individual MSAs, however, show positive growth rates: Bloomington-Normal (11.0%), Champaign-Urbana (1.4%), Chicago PMSA (1.7%), Davenport-Moline-Rock Island (12.0%), Decatur (7.8%), Kankakee (2.2%), Metro-East (4.9%), Peoria-Pekin (1.3%), Rockford (6.7%), and Springfield (5.7%).

The overall quarter's supply for Illinois is 0.8 quarters, increased from 0.6 a year ago. The Chicago PMSA, Bloomington-Normal, Champaign-Urbana, Davenport-Moline-Rock Island, Kankakee, Metro-East, and Springfield MSA experienced an increase in quarters supply: from 0.5 to 0.8 for the Chicago PMSA, from 0.3 to 0.4 for the Bloomington-Normal MSA, from 0.5 to 0.6 for Champaign-Urbana MSA, from 0.6 to 0.7 for Davenport-Moline-Rock Island, from 0.5 to 0.7 for Kankakee MSA, from 0.4 to 0.5 for Metro-East MSA, from 0.3 to 0.4 for Springfield MSA. The Decatur, Peoria-Pekin, and Rockford MSAs experienced no change in the quarter's supply of homes.

### Housing Market Forecasts

Table 4 provides the median price forecasts for the First Quarter of 2023. The forecasts indicate a negative annual growth for the state as a whole. On the other hand, all MSAs are forecasted to experience positive changes in the First Quarter of 2023: Bloomington-Normal (7.0%), Champaign-Urbana (5.4%), Chicago PMSA (0.4%), Davenport-Moline-Rock Island (4.5%), Decatur (0.5%), Kankakee (1.4%), Metro-East (5.3%), Peoria-Pekin (0.3%), Rockford (11.5%), and Springfield (5.9%).

Table 5 provides the sales forecast for the First Quarter of 2023. The overall sales in Illinois are forecasted to decrease by -20.5% to -27.8% compared to a year ago. All MSAs except the Decatur and Kankakee MSAs are forecasted to experience decreases in sales: Bloomington-Normal (-9.3% to -12.6%), Champaign-Urbana (-4.6% to -6.2%), Chicago PMSA (-21.5% to -29.1%), Davenport-Moline-Rock Island (-9.4% to -12.7%), Metro-East (-7.2% to -9.7%), and Peoria-Pekin (-11.7% to -15.8%), Rockford (-18.2% to -24.7%), and Springfield (-10.9% to -14.8%).

Detailed current conditions and forecasts for each MSA market are presented in the next section.

## **MSA Detailed Notes (to accompany figures on median prices, sales, price stratification, and inventory)**

### **Illinois**

- The median price forecast indicates a negative trend with annual rates of change between -2.5% to -1.7% in Q1 2023.
- Sales volume in Q1 2023 is forecasted to change by an annual rate between -20.5% to -27.8%.
- Median prices in Q4 2022 were -0.8% lower than a year ago.
- Sales volume in Q4 2022 was -31.2% lower than a year ago.
- In Q4 2022, market shares of homes priced at \$200-300K experienced the largest change, decreasing from 25.9% a year ago to 24.6%.
- By Q4 2022, the overall quarter's supply is 0.8 quarters, increasing from 0.6 a year ago.

### **Chicago**

- The median price forecast indicates a positive trend with annual rates of change between 0.2% to 0.7% in Q1 2023.
- Sales volume in Q1 2023 is forecasted to change by an annual rate between -21.5% to -29.1%.
- Median prices in Q4 2022 were 1.7% higher than a year ago.
- Sales volume in Q4 2022 was -34.9% lower than a year ago.
- In Q4 2022, market shares of homes priced at \$200-300K experienced the largest change, decreasing from 29.6% a year ago to 28.2%.
- By Q4 2022, the overall quarter's supply is 0.8, increasing from 0.5 a year ago.

### **Bloomington-Normal**

- The median price forecast indicates a positive trend with annual rates of change between 1.9% and 11.1% in Q1 2023.
- Sales volume in Q1 2023 is forecasted to change by an annual rate between -9.3% to -12.6%.
- Median prices in Q4 2022 experienced a change of 11.0% compared to a year ago.
- Sales volume in Q4 2022 was -15.5% lower than a year ago.
- In Q4 2022, market shares of homes priced at \$300-500K experienced the largest change, increasing from 17.0% a year ago to 22.5%.
- By Q4 2022, the overall quarter's supply is 0.4, increasing from 0.3 a year ago.

**Champaign-Urbana**

- The median price forecast indicates a positive trend with annual rates of change between 1.1% to 11.0% in Q1 2023.
- Sales volume in Q1 2023 is forecasted to change by an annual rate between -4.6% to -6.2%.
- Median prices in Q4 2022 experienced a change of 1.4% compared to a year ago.
- Sales volume in Q4 2022 was -19.9% lower than a year ago.
- In Q4 2022, market shares of homes priced at \$300-500K experienced the largest change, increasing from 13.2% a year ago to 17.2%.
- By Q4 2022, the overall quarter's supply is 0.6 quarters, increasing from 0.5 a year ago.

**Davenport-Moline-Rock Island**

- The median price forecast indicates a positive trend with annual rates of change between 0 and 9.6 in Q1 2023.
- Sales volume in Q1 2023 is forecasted to change by an annual rate between -9.4% to -12.7%.
- Median prices in Q4 2022 experienced a change of 12.0% compared to a year ago.
- Sales volume in Q4 2022 was -31.3% lower than a year ago.
- In Q4 2022, market shares of homes priced less than \$100K experienced the largest change, decreasing from 32.4% to 27.5%.
- By Q4 2022, the overall quarter's supply is 0.7 quarters, increasing from 0.6 a year ago.

**Decatur**

- The median price forecast indicates a mixed trend with annual rates of change between -7.0% and 5.0% in Q1 2023.
- Sales volume in Q1 2023 is forecasted to change by an annual rate between 2.5% to 3.4%.
- Median prices in Q4 2022 experienced a change of 7.8% compared to a year ago.
- Sales volume in Q4 2022 was -15.9% lower than a year ago.
- In Q4 2022, market shares of homes priced less than \$100K experienced the largest change, decreasing from 45.6% to 42.0%.
- By Q4 2022, the overall quarter's supply is 0.4 quarters, remaining the same from a year ago.

**Kankakee**

- The median price forecast indicates a mixed trend with annual rates of change between -13.2% and 18.1% in Q1 2023.
- Sales volume in Q1 2023 is forecasted to change by an annual rate between 0.4% to 0.6%.
- Median prices in Q4 2022 experienced a change of 2.2% compared to a year ago.
- Sales volume in Q4 2022 was -9.9% lower than a year ago.
- In Q4 2022, market shares of homes priced at \$200-300K experienced the largest change, increasing from 26.5 % to 29.4%.
- By Q4 2022, the overall quarter's supply is 0.7 quarters, increasing from 0.5 a year ago.

**Metro-East**

- The median price forecast indicates a positive trend with annual rates of change between 4.2% and 6.7% in Q1 2023.
- Sales volume in Q1 2023 is forecasted to change by an annual rate between -7.2% to -9.7%.
- Median prices in Q4 2022 experienced a change of 4.9% compared to a year ago.
- Sales volume in Q4 2022 was -23.9% lower than a year ago.
- In Q4 2022, market shares of homes priced at \$300-500K experienced the largest change, increasing from 13.7% to 16.6%.
- By Q4 2022, the overall quarter's supply is 0.5 quarters, increasing from 0.4 a year ago.

**Peoria-Pekin**

- The median price forecast indicates a mixed trend with annual rates of change between -1.5% and 1.4% in Q1 2023.
- Sales volume in Q1 2023 is forecasted to change by an annual rate between -11.7% to -15.8%.
- Median prices in Q4 2022 experienced a change of 1.3% compared to a year ago.
- Sales volume in Q4 2022 was -23.2% lower than a year ago.
- In Q4 2022, market shares of homes priced less than \$100K experienced the largest change, decreasing from 34.0% to 31.0%.
- By Q4 2022, the overall quarter's supply is 0.5 quarters, remaining the same from a year ago.

**Rockford**

- The median price forecast indicates a positive trend with annual rates of change between 8.3% and 13.8% in Q1 2023.
- Sales volume in Q1 2023 is forecasted to change by an annual rate between -18.2% to -24.7%.
- Median prices in Q4 2022 experienced a change of 6.7% compared to a year ago.
- Sales volume in Q4 2022 was -30.8% lower than a year ago.
- In Q4 2022, market shares of homes priced at \$100-200K experienced the largest change, decreasing from 47.4% to 43.0%.
- By Q4 2022, the overall quarter's supply is 0.5 quarters, remaining the same from a year ago.

**Springfield**

- The median price forecast indicates a mixed trend with annual rates of change between -0.2% and 12.4% in Q1 2023.
- Sales volume in Q1 2023 is forecasted to change by an annual rate between -10.9% and -14.8%.
- Median prices in Q4 2022 experienced a change of 5.7% compared to a year ago.
- Sales volume in Q4 2022 was -26.8% lower compared to a year ago.
- In Q4 2022, market shares of homes priced at \$100-200K experienced the largest change, decreasing from 39.4% to 36.2%.
- By Q4 2022, the overall quarter's supply is 0.4 quarters, increasing from 0.3 a year ago.

**Table 1: Illinois, US, and Rest of the Midwest (RMW) Employment Change**

| <b>December 2022</b> | <b>Total non-farm employment</b>  | <b>December 2022<br/>Number of<br/>Jobs</b> | <b>November 2022 –<br/>December 2022</b> |                           | <b>Last 12 months</b>      |                           |
|----------------------|-----------------------------------|---|--|---------------------------|----------------------------|---------------------------|
|                      |                                   |   | <b>Growth<br/>Rate (%)</b>               | <b>Number<br/>of Jobs</b> | <b>Growth<br/>Rate (%)</b> | <b>Number of<br/>Jobs</b> |
|                      | <b>Nation</b>                     | 154,000,000                                 | 0.14                                     | 223,000                   | 3.01                       | 4,503,000                 |
|                      | <b>Rest of Midwest (RMW)</b>      | 20,575,400                                  | -0.00                                    | -1,800                    | 1.95                       | 394,400                   |
|                      | <b>Illinois</b>                   | 6,101,200                                   | -0.01                                    | -800                      | 2.71                       | 161,000                   |
|                      | <b>Illinois Metro</b>             | 5,368,200                                   | -0.08                                    | -4,280                    | 2.92                       | 152,500                   |
|                      | <b>Illinois non-Metro (Rural)</b> | 733,000                                     | 0.48                                     | 340                       | 1.17                       | 8,500                     |
|                      | <b>Illinois Chicago (Upstate)</b> | 4,217,000                                   | -0.03                                    | -1,450                    | -0.03                      | -1,500                    |
|                      | <b>Illinois non-Chicago</b>       | 1,885,000                                   | 0.03                                     | 650                       | 1.97                       | 36,400                    |

**Table 2: MSA Growth Rates, December 2022 and Last 12 Months**

| <b>Market Area</b>                          | <b>December 2022<br/>Number of<br/>Jobs</b> | <b>November 2022 – December 2022</b>       |                            |                           | <b>Last 12 months</b>      |                           |
|---|---|--|----------------------------|---------------------------|----------------------------|---------------------------|
|   |   | <b>Growth<br/>compared<br/>to Illinois</b> | <b>Growth<br/>Rate (%)</b> | <b>Number<br/>Of Jobs</b> | <b>Growth<br/>Rate (%)</b> | <b>Number<br/>Of Jobs</b> |
| <b>Bloomington-Normal (B-N)</b>             | 94,500                                      | -  | -0.47                      | -450                      | 2.82                       | 2,600                     |
| <b>Champaign-Urbana (C-U-R)</b>             | 115,600                                     | +  | 0.03                       | 50                        | 0.73                       | 850                       |
| <b>Chicago</b>                              | 4,216,500                                   | -  | -0.03                      | -1,450                    | 3.04                       | 124,600                   |
| <b>Davenport-Rock Island-Moline (D-R-M)</b> | 187,100                                     | -  | -1.22                      | -2,320                    | 3.44                       | 6,220                     |
| <b>Decatur</b>                              | 48,900                                      | +  | 0.21                       | 110                       | 1.66                       | 800                       |
| <b>Kankakee</b>                             | 43,000                                      | -  | -0.18                      | -80                       | 2.35                       | 990                       |
| <b>Peoria</b>                               | 168,700                                     | -  | -0.20                      | -340                      | 2.23                       | 3,690                     |
| <b>Rockford</b>                             | 146,500                                     | -  | -0.11                      | -170                      | 3.17                       | 4,500                     |
| <b>Springfield</b>                          | 110,300                                     | +  | 0.35                       | 390                       | 2.78                       | 2,980                     |
| <b>Metro-East</b>                           | 237,200                                     | +  | -0.00                      | -10                       | 2.26                       | 5,260                     |
| <b>Illinois</b>                             |   |  | -0.01                      | -800                      | 2.71                       | 161,000                   |

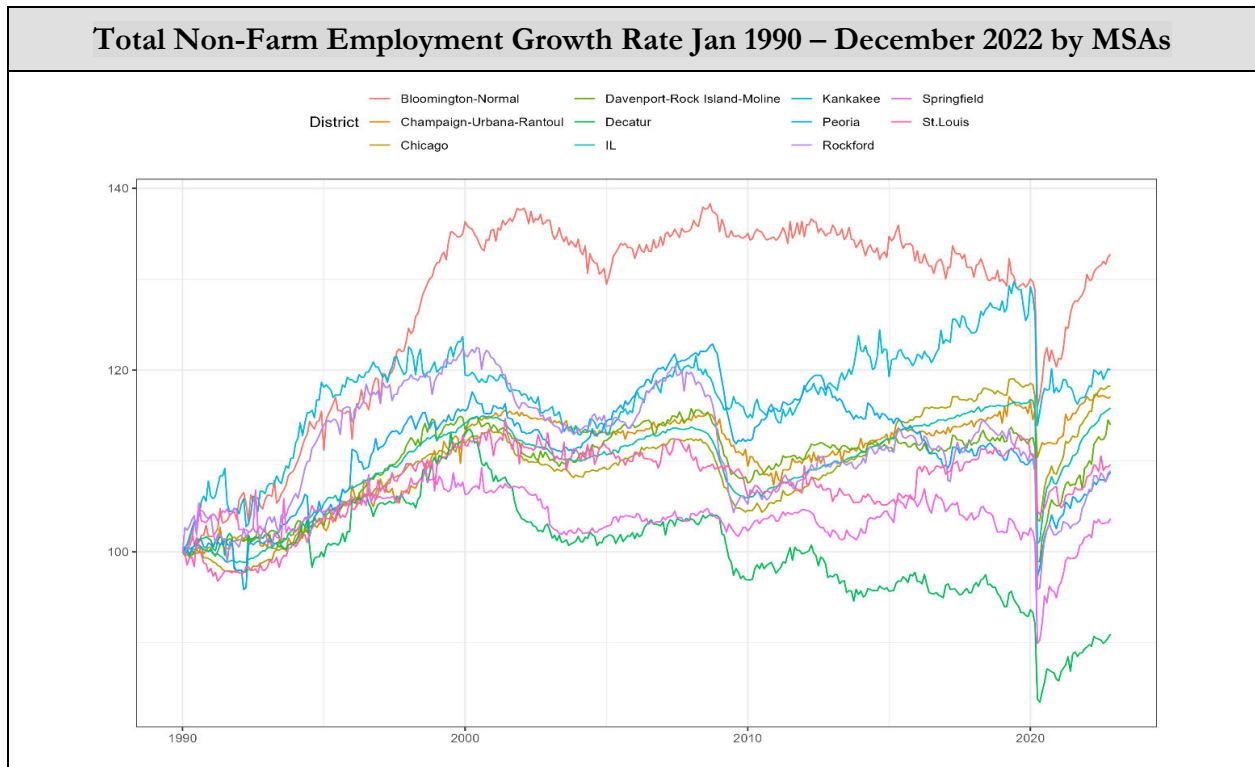
**Table 3: MSA League Tables, Non-farm Employment Growth Rate****Monthly growth:**

| Rank | November 2022                         | December 2022                         | Rank | Change** |
|------|---------------------------------------|---------------------------------------|------|----------|
| 1    | Springfield (0.65%)                   | Springfield (0.35%)                   | 1    | ◀ (+0)   |
| 2    | Bloomington-Normal (0.60%)            | Decatur (0.21%)                       | 2    | ▲ (+5)   |
| 3    | Peoria (0.53%)                        | Champaign-Urbana-Rantoul (0.03%)      | 3    | ▲ (+3)   |
| 4    | Metro-East (0.21%)                    | Metro-East (-0.00%)                   | 4    | ◀ (+0)   |
| 5    | Rockford (0.18%)                      | Chicago (-0.03%)                      | 5    | ▲ (+4)   |
| 6    | Champaign-Urbana-Rantoul (0.14%)      | Rockford (-0.11%)                     | 6    | ▼ (-1)   |
| 7    | Decatur (0.11%)                       | Kankakee (-0.18%)                     | 7    | ▲ (+3)   |
| 8    | Davenport-Rock Island-Moline (-0.02%) | Peoria (-0.20%)                       | 8    | ▼ (-5)   |
| 9    | Chicago (-0.09%)                      | Bloomington-Normal (-0.47%)           | 9    | ▼ (-7)   |
| 10   | Kankakee (-0.11%)                     | Davenport-Rock Island-Moline (-1.22%) | 10   | ▼ (-2)   |

**Growth over the last 12-months:**

| Rank | November 2022                        | December 2022                        | Rank | Change** |
|------|--------------------------------------|--------------------------------------|------|----------|
| 1    | Davenport-Rock Island-Moline (7.22%) | Davenport-Rock Island-Moline (3.44%) | 1    | ◀ (+0)   |
| 2    | Bloomington-Normal (3.92%)           | Rockford (3.17%)                     | 2    | ▲ (+1)   |
| 3    | Rockford (3.82%)                     | Chicago (3.04%)                      | 3    | ▲ (+1)   |
| 4    | Chicago (3.50%)                      | Bloomington-Normal (2.82%)           | 4    | ▼ (-3)   |
| 5    | Peoria (2.99%)                       | Springfield (2.78%)                  | 5    | ▲ (+2)   |
| 6    | Kankakee (2.91%)                     | Kankakee (2.35%)                     | 6    | ◀ (+0)   |
| 7    | Springfield (2.58%)                  | Metro-East (2.26%)                   | 7    | ▲ (+1)   |
| 8    | Metro-East (2.39%)                   | Peoria (2.23%)                       | 8    | ▼ (-3)   |
| 9    | Decatur (1.87%)                      | Decatur (1.66%)                      | 9    | ◀ (+0)   |
| 10   | Champaign-Urbana-Rantoul (0.64%)     | Champaign-Urbana-Rantoul (0.73%)     | 10   | ◀ (+0)   |





\* The Illinois Department of Employment Security does not collect sector employment data for Metro-East

**MSA Definitions** (Data are provided for IL counties only in multi-state MSAs)

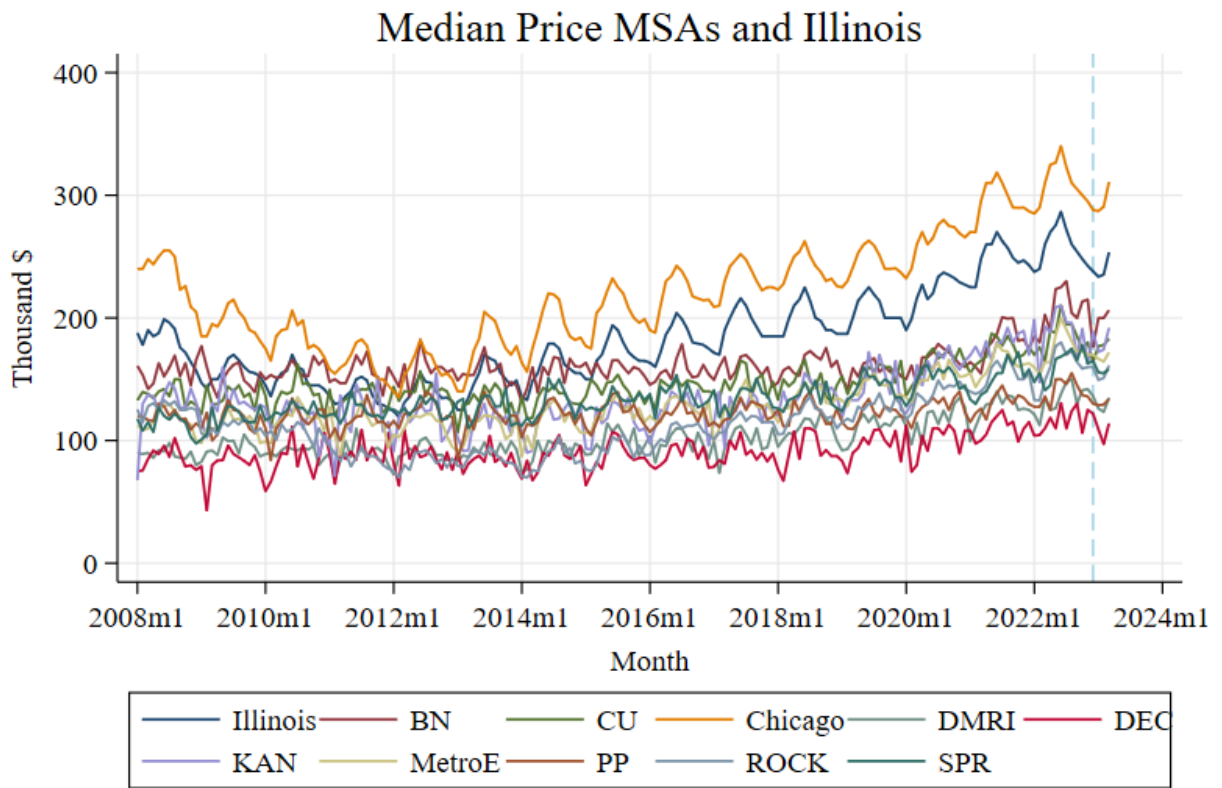
**Bloomington-Normal (B-N):** McLean Co. **Champaign-Urbana (C-U-R):** Champaign Co., Ford Co. & Piatt Co. **Chicago:** Cook Co. IL, DeKalb Co. IL, DuPage Co. IL, Grundy Co. IL, Kane Co. IL, Kendall Co. IL, Lake Co. IL, McHenry Co. IL, Will Co. IL & Kenosha Co. WI **Davenport-Moline-Rock Island (D-R-M):** Henry Co. IL, Mercer Co. IL, Rock Island Co. IL & Scott Co. IA **Decatur:** Macon Co. **Kankakee:** Kankakee Co. **Metro-East:** Bond Co., Calhoun Co., Clinton Co., Jersey Co., Macoupin Co., Madison Co., Monroe Co. & St. Clair Co. **Peoria-Pekin (Peoria):** Marshall Co., Peoria Co., Stark Co., Tazewell Co. & Woodford Co. **Rockford:** Boone Co. & Winnebago Co. **Springfield:** Menard Co. & Sangamon Co.

**Table 4: Median Prices Forecast for the First Quarter 2023 and Median Prices for the Fourth Quarter 2022**

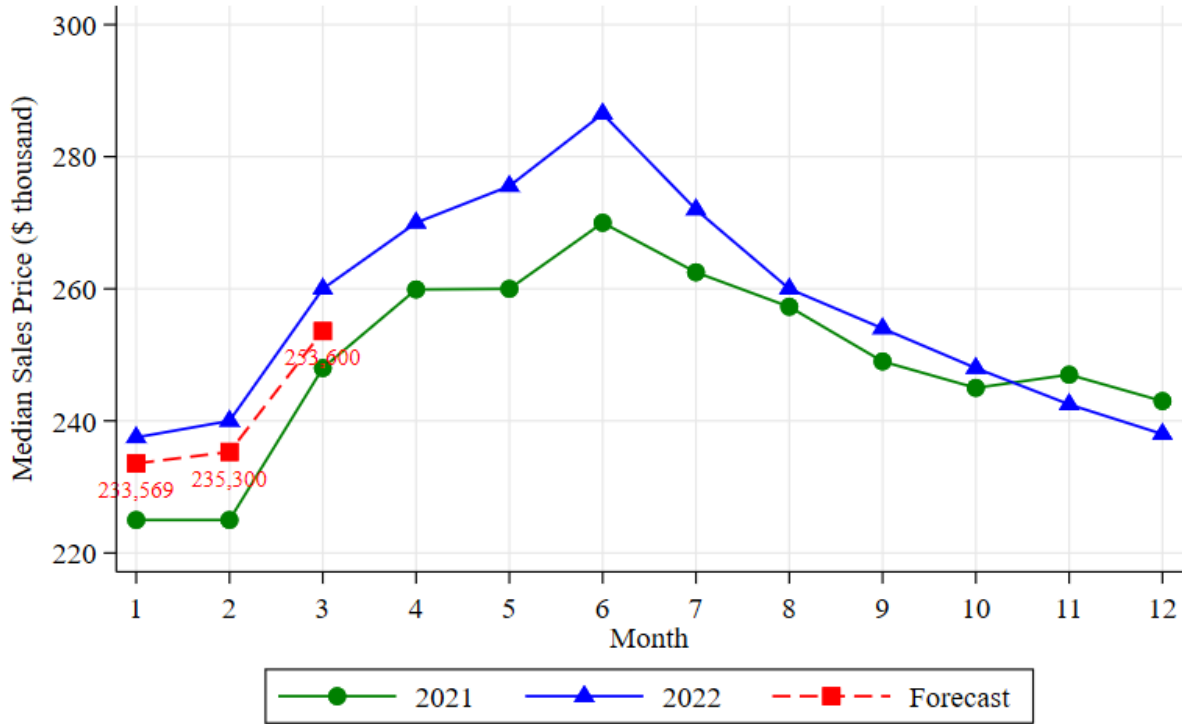
|                                  | 2023 Q1<br>Forecast | Price<br>(forecast) | Annually | 2022 Q4 | Price   | Annually |
|----------------------------------|---------------------|---------------------|----------|---------|---------|----------|
| IL State                         | Jan-23              | 233,569             | -1.7%    | Oct-22  | 248,000 | 1.2%     |
|                                  | Feb-23              | 235,300             | -2.0%    | Nov-22  | 242,500 | -1.8%    |
|                                  | Mar-23              | 253,600             | -2.5%    | Dec-22  | 238,000 | -2.1%    |
|                                  | 3M Average          | 240,823             | -2.0%    | 3M      | 243,000 | -0.8%    |
| Bloomington-<br>Normal           | Jan-23              | 199,844             | 8.0%     | Oct-22  | 213,450 | 17.7%    |
|                                  | Feb-23              | 199,891             | 11.1%    | Nov-22  | 214,950 | 17.8%    |
|                                  | Mar-23              | 206,421             | 1.9%     | Dec-22  | 176,500 | 0.9%     |
|                                  | 3M Average          | 202,052             | 7.0%     | 3M      | 200,000 | 11.0%    |
| Champaign- Urbana                | Jan-23              | 176,923             | 4.1%     | Oct-22  | 175,000 | 4.2%     |
|                                  | Feb-23              | 177,922             | 1.1%     | Nov-22  | 180,000 | 5.9%     |
|                                  | Mar-23              | 183,061             | 11.0%    | Dec-22  | 164,000 | -6.8%    |
|                                  | 3M Average          | 179,302             | 5.4%     | 3M      | 175,000 | 1.4%     |
| Chicago PMSA                     | Jan-23              | 287,066             | 0.7%     | Oct-22  | 299,999 | 3.5%     |
|                                  | Feb-23              | 290,692             | 0.2%     | Nov-22  | 295,000 | 1.7%     |
|                                  | Mar-23              | 310,965             | 0.3%     | Dec-22  | 288,000 | 0.3%     |
|                                  | 3M Average          | 296,241             | 0.4%     | 3M      | 295,000 | 1.7%     |
| Davenport-Moline-<br>Rock Island | Jan-23              | 126,104             | 3.8%     | Oct-22  | 141,000 | 12.8%    |
|                                  | Feb-23              | 123,323             | 9.6%     | Nov-22  | 142,000 | 12.7%    |
|                                  | Mar-23              | 135,055             | 0.0%     | Dec-22  | 136,250 | 9.0%     |
|                                  | 3M Average          | 128,160             | 4.5%     | 3M      | 140,000 | 12.0%    |
| Decatur                          | Jan-23              | 109,189             | 5.0%     | Oct-22  | 106,262 | 7.3%     |
|                                  | Feb-23              | 97,192              | -7.0%    | Nov-22  | 125,000 | 14.2%    |
|                                  | Mar-23              | 114,009             | 3.6%     | Dec-22  | 121,900 | 6.0%     |
|                                  | 3M Average          | 106,797             | 0.5%     | 3M      | 118,000 | 7.8%     |
| Kankakee                         | Jan-23              | 172,287             | -13.2%   | Oct-22  | 191,000 | 2.1%     |
|                                  | Feb-23              | 174,144             | 18.1%    | Nov-22  | 162,750 | -14.1%   |
|                                  | Mar-23              | 191,946             | -0.5%    | Dec-22  | 188,744 | 11.0%    |
|                                  | 3M Average          | 179,459             | 1.4%     | 3M      | 184,000 | 2.2%     |
| Metro-East                       | Jan-23              | 166,607             | 4.2%     | Oct-22  | 172,900 | 8.1%     |
|                                  | Feb-23              | 164,369             | 6.7%     | Nov-22  | 170,000 | 4.9%     |
|                                  | Mar-23              | 172,044             | 4.9%     | Dec-22  | 170,000 | 4.3%     |
|                                  | 3M Average          | 167,673             | 5.3%     | 3M      | 170,000 | 4.9%     |
| Peoria-Pekin                     | Jan-23              | 128,792             | 1.0%     | Oct-22  | 137,000 | 0.0%     |
|                                  | Feb-23              | 129,250             | 1.4%     | Nov-22  | 135,950 | 0.8%     |
|                                  | Mar-23              | 133,878             | -1.5%    | Dec-22  | 130,000 | 0.2%     |
|                                  | 3M Average          | 130,640             | 0.3%     | 3M      | 135,000 | 1.3%     |
| Rockford                         | Jan-23              | 149,401             | 12.3%    | Oct-22  | 158,650 | 5.8%     |
|                                  | Feb-23              | 151,017             | 13.8%    | Nov-22  | 160,000 | 6.7%     |
|                                  | Mar-23              | 161,328             | 8.3%     | Dec-22  | 160,000 | 3.3%     |
|                                  | 3M Average          | 153,915             | 11.5%    | 3M      | 160,000 | 6.7%     |
| Springfield                      | Jan-23              | 155,616             | 5.4%     | Oct-22  | 177,500 | 3.2%     |
|                                  | Feb-23              | 154,762             | -0.2%    | Nov-22  | 162,900 | 7.3%     |
|                                  | Mar-23              | 158,471             | 12.4%    | Dec-22  | 165,000 | 4.4%     |
|                                  | 3M Average          | 156,283             | 5.9%     | 3M      | 167,000 | 5.7%     |

**Table 5: Sales Percentage Change Forecast for the First Quarter 2023 & Sales Percentage Change for the Fourth Quarter 2022**

|                              | 2023 Q1 Forecast | Annual |        | Monthly |        | 2022 Q4 | Annual | Monthly |
|------------------------------|------------------|--------|--------|---------|--------|---------|--------|---------|
| IL State                     | Jan-23           | -30.1% | -40.7% | -25.4%  | -34.4% | Oct-22  | -27.7% | -15.9%  |
|                              | Feb-23           | -22.1% | -30.0% | 9.0%    | 12.1%  | Nov-22  | -29.9% | -10.0%  |
|                              | Mar-23           | -12.3% | -16.6% | 51.8%   | 70.1%  | Dec-22  | -36.4% | -8.8%   |
|                              | 3M               | -20.5% | -27.8% | 8.5%    | 11.5%  | 3M      | -31.2% | -29.1%  |
| Bloomington-Normal           | Jan-23           | -22.7% | -30.8% | -20.6%  | -27.9% | Oct-22  | -7.0%  | -4.5%   |
|                              | Feb-23           | -10.2% | -13.8% | -4.2%   | -5.7%  | Nov-22  | -4.4%  | -9.3%   |
|                              | Mar-23           | 3.8%   | 5.2%   | 51.9%   | 70.2%  | Dec-22  | -34.2% | -23.7%  |
|                              | 3M               | -9.3%  | -12.6% | 5.4%    | 7.3%   | 3M      | -15.5% | -31.7%  |
| Champaign-Urbana             | Jan-23           | -16.5% | -22.3% | -18.4%  | -24.9% | Oct-22  | -12.2% | -8.7%   |
|                              | Feb-23           | -4.2%  | -5.7%  | 8.9%    | 12.1%  | Nov-22  | -20.1% | -24.2%  |
|                              | Mar-23           | 4.9%   | 6.7%   | 37.9%   | 51.2%  | Dec-22  | -28.6% | -5.8%   |
|                              | 3M               | -4.6%  | -6.2%  | 8.1%    | 10.9%  | 3M      | -19.9% | -31.2%  |
| Chicago                      | Jan-23           | -31.4% | -42.4% | -24.0%  | -32.5% | Oct-22  | -31.4% | -17.0%  |
|                              | Feb-23           | -23.1% | -31.3% | 10.9%   | 14.7%  | Nov-22  | -34.1% | -10.6%  |
|                              | Mar-23           | -13.3% | -18.0% | 54.8%   | 74.2%  | Dec-22  | -39.5% | -8.4%   |
|                              | 3M               | -21.5% | -29.1% | 11.1%   | 15.0%  | 3M      | -34.9% | -31.3%  |
| Davenport-Moline-Rock Island | Jan-23           | -16.8% | -22.8% | -14.2%  | -19.2% | Oct-22  | -23.3% | -17.5%  |
|                              | Feb-23           | -8.8%  | -11.9% | 11.8%   | 16.0%  | Nov-22  | -33.8% | -20.7%  |
|                              | Mar-23           | -4.2%  | -5.7%  | 32.8%   | 44.4%  | Dec-22  | -37.4% | -1.9%   |
|                              | 3M               | -9.4%  | -12.7% | 9.6%    | 13.0%  | 3M      | -31.3% | -26.9%  |
| Decatur                      | Jan-23           | 5.5%   | 7.5%   | -16.9%  | -22.8% | Oct-22  | -15.0% | -1.5%   |
|                              | Feb-23           | 8.0%   | 10.9%  | 0.0%    | 0.1%   | Nov-22  | 3.7%   | -13.8%  |
|                              | Mar-23           | -3.1%  | -4.3%  | 30.2%   | 40.9%  | Dec-22  | -31.3% | -9.8%   |
|                              | 3M               | 2.5%   | 3.4%   | 2.8%    | 3.8%   | 3M      | -15.9% | -21.9%  |
| Kankakee                     | Jan-23           | -5.8%  | -7.8%  | -22.9%  | -31.0% | Oct-22  | -19.2% | -15.1%  |
|                              | Feb-23           | 15.5%  | 21.0%  | -8.1%   | -11.0% | Nov-22  | -0.9%  | 5.0%    |
|                              | Mar-23           | -3.2%  | -4.3%  | 37.6%   | 50.8%  | Dec-22  | -8.1%  | -3.8%   |
|                              | 3M               | 0.4%   | 0.6%   | -1.7%   | -2.3%  | 3M      | -9.9%  | -15.8%  |
| Metro-East                   | Jan-23           | -17.1% | -23.1% | -18.4%  | -25.0% | Oct-22  | -21.7% | -17.5%  |
|                              | Feb-23           | -3.7%  | -5.0%  | 5.8%    | 7.8%   | Nov-22  | -21.9% | -6.9%   |
|                              | Mar-23           | -1.7%  | -2.2%  | 35.3%   | 47.8%  | Dec-22  | -28.3% | -7.3%   |
|                              | 3M               | -7.2%  | -9.7%  | 6.0%    | 8.1%   | 3M      | -23.9% | -24.8%  |
| Peoria-Pekin                 | Jan-23           | -21.0% | -28.5% | -20.6%  | -27.9% | Oct-22  | -10.2% | -4.5%   |
|                              | Feb-23           | -11.1% | -15.0% | -4.2%   | -5.7%  | Nov-22  | -28.9% | -9.3%   |
|                              | Mar-23           | -4.6%  | -6.2%  | 51.9%   | 70.2%  | Dec-22  | -31.1% | -23.7%  |
|                              | 3M               | -11.7% | -15.8% | 6.7%    | 9.1%   | 3M      | -23.2% | -22.9%  |
| Rockford                     | Jan-23           | -27.0% | -36.5% | -19.9%  | -27.0% | Oct-22  | -23.1% | -18.7%  |
|                              | Feb-23           | -18.5% | -25.0% | 10.5%   | 14.2%  | Nov-22  | -34.4% | -13.2%  |
|                              | Mar-23           | -11.2% | -15.1% | 37.3%   | 50.5%  | Dec-22  | -35.2% | -9.5%   |
|                              | 3M               | -18.2% | -24.7% | 7.7%    | 10.4%  | 3M      | -30.8% | -27.3%  |
| Springfield                  | Jan-23           | -23.1% | -31.3% | -16.9%  | -22.9% | Oct-22  | -24.4% | -16.5%  |
|                              | Feb-23           | -11.1% | -15.0% | 8.3%    | 11.2%  | Nov-22  | -28.1% | -9.2%   |
|                              | Mar-23           | 0.4%   | 0.5%   | 31.0%   | 41.9%  | Dec-22  | -28.3% | -8.6%   |
|                              | 3M               | -10.9% | -14.8% | 6.3%    | 8.6%   | 3M      | -26.8% | -27.5%  |

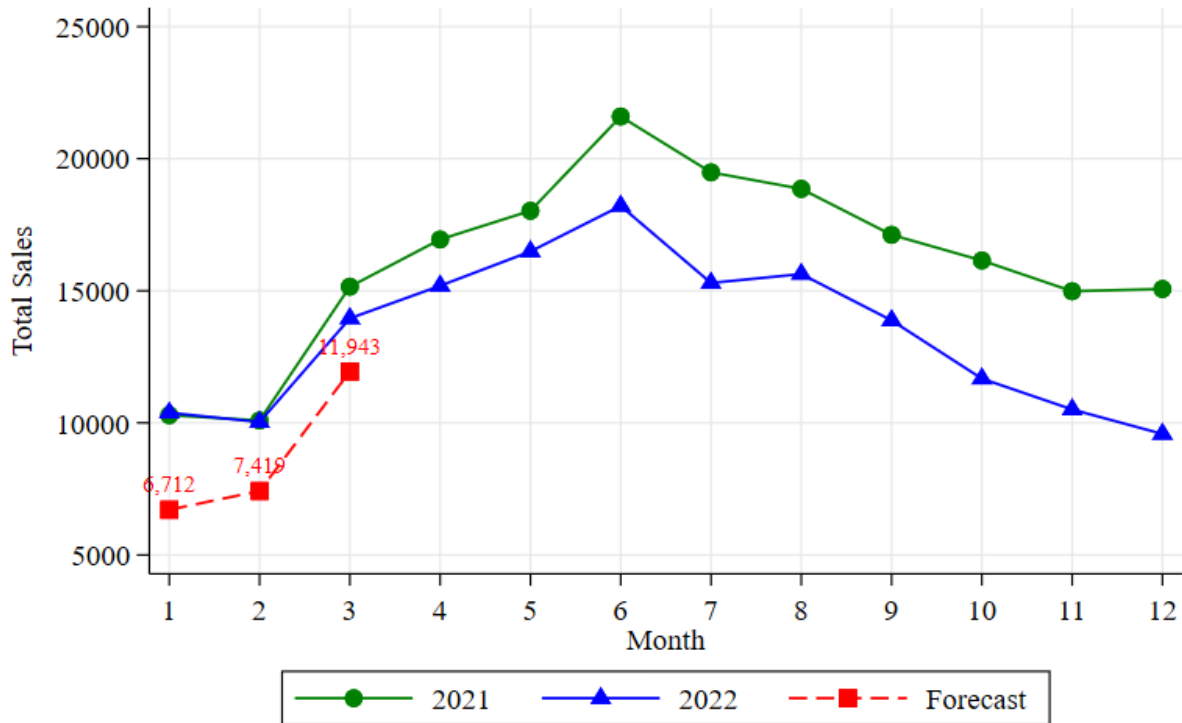


### Illinois Median Home Sales Price



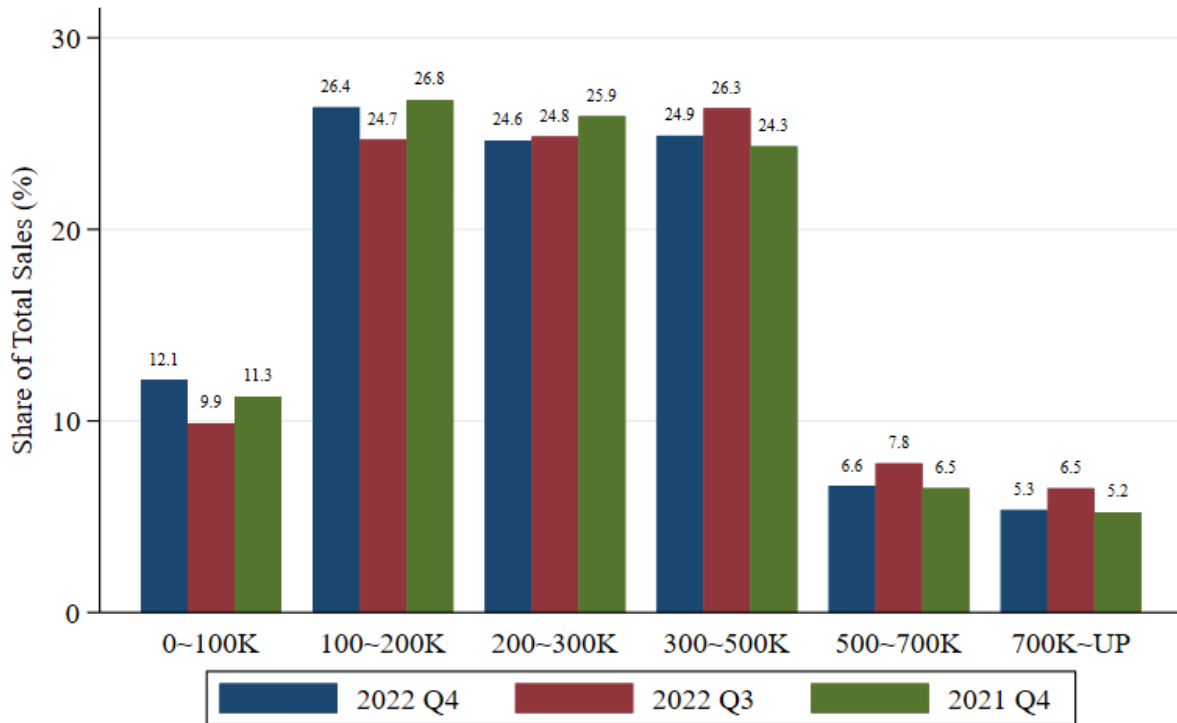
Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

### Illinois Total Home Sales



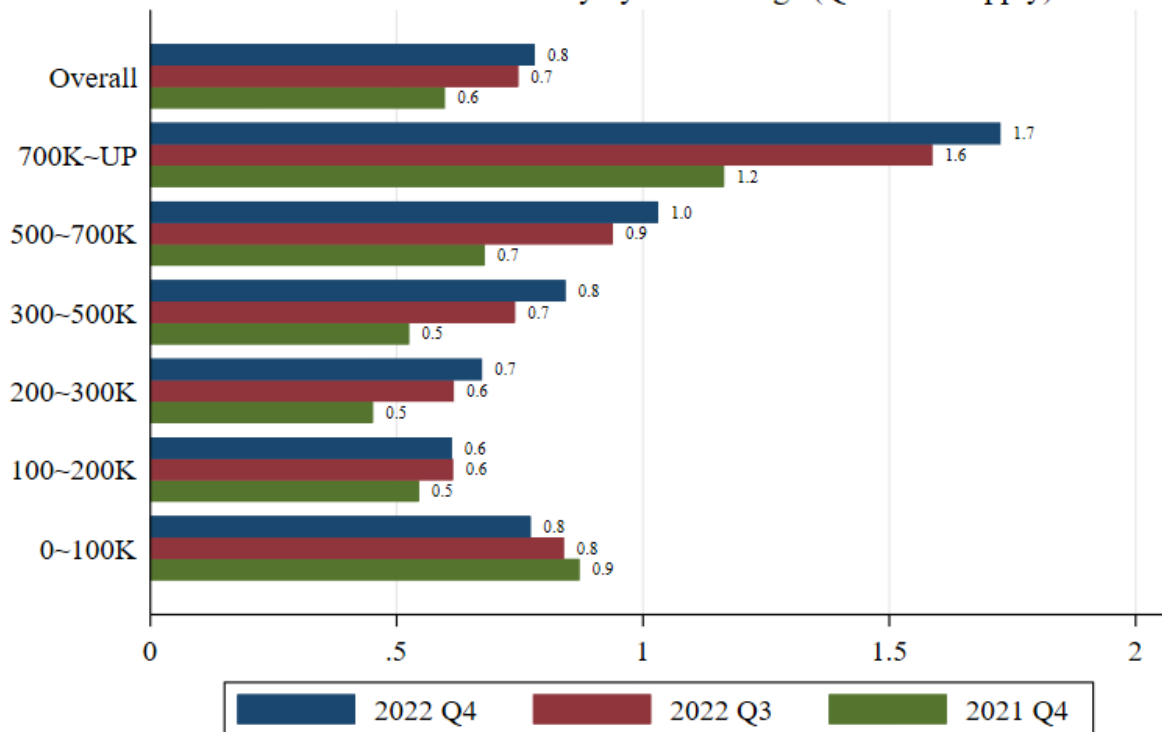
Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

### Illinois Price Stratification

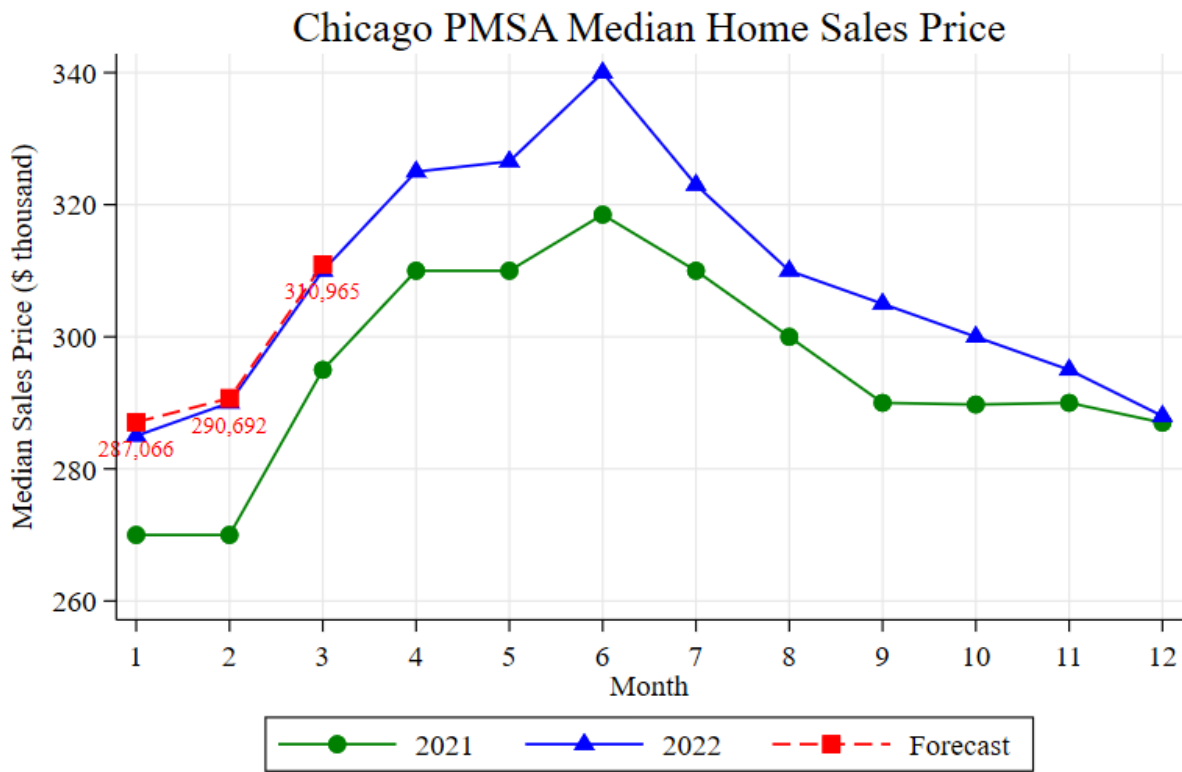


Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

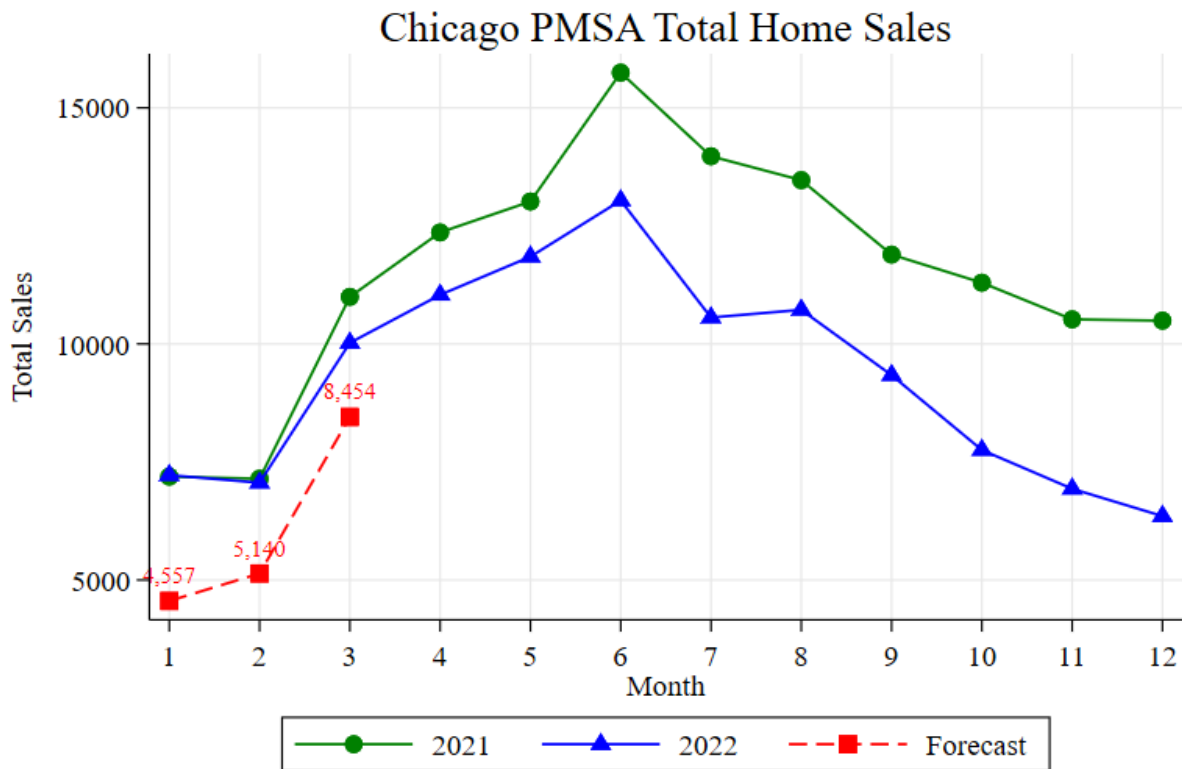
### Illinois Unsold Inventory by Price Range (Quarter's Supply)



Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

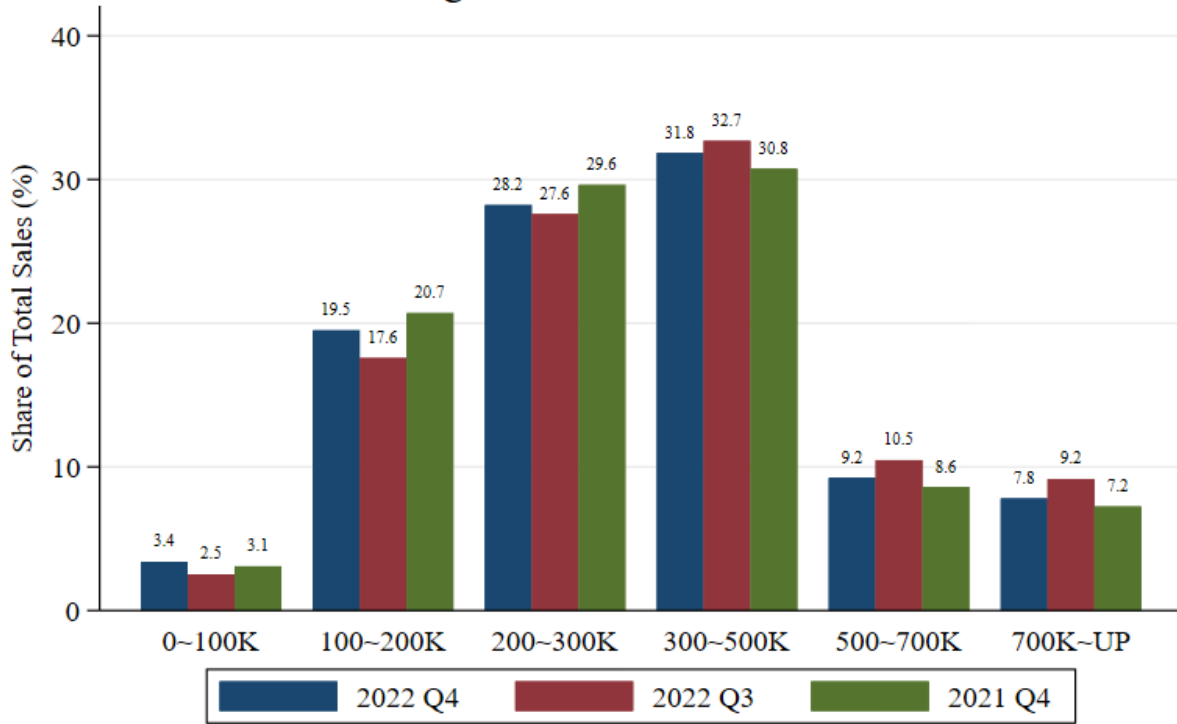


Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS



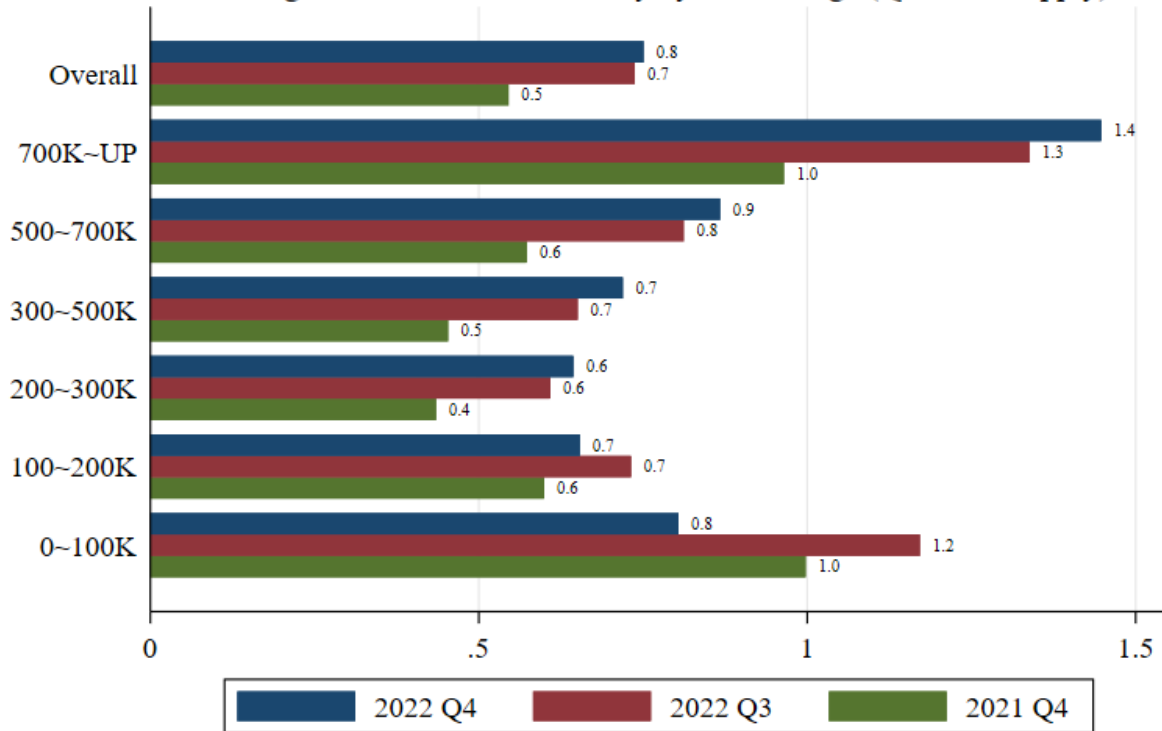
Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

### Chicago PMSA Price Stratification



Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

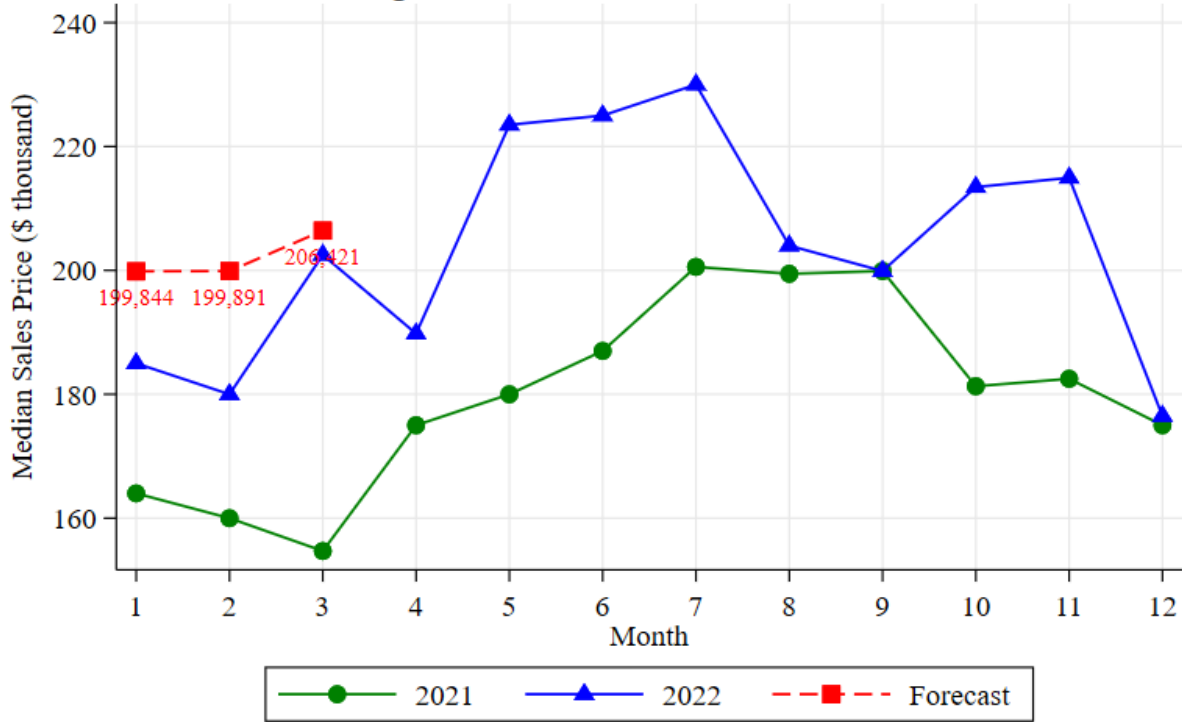
### Chicago PMSA Unsold Inventory by Price Range (Quarter's Supply)



Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

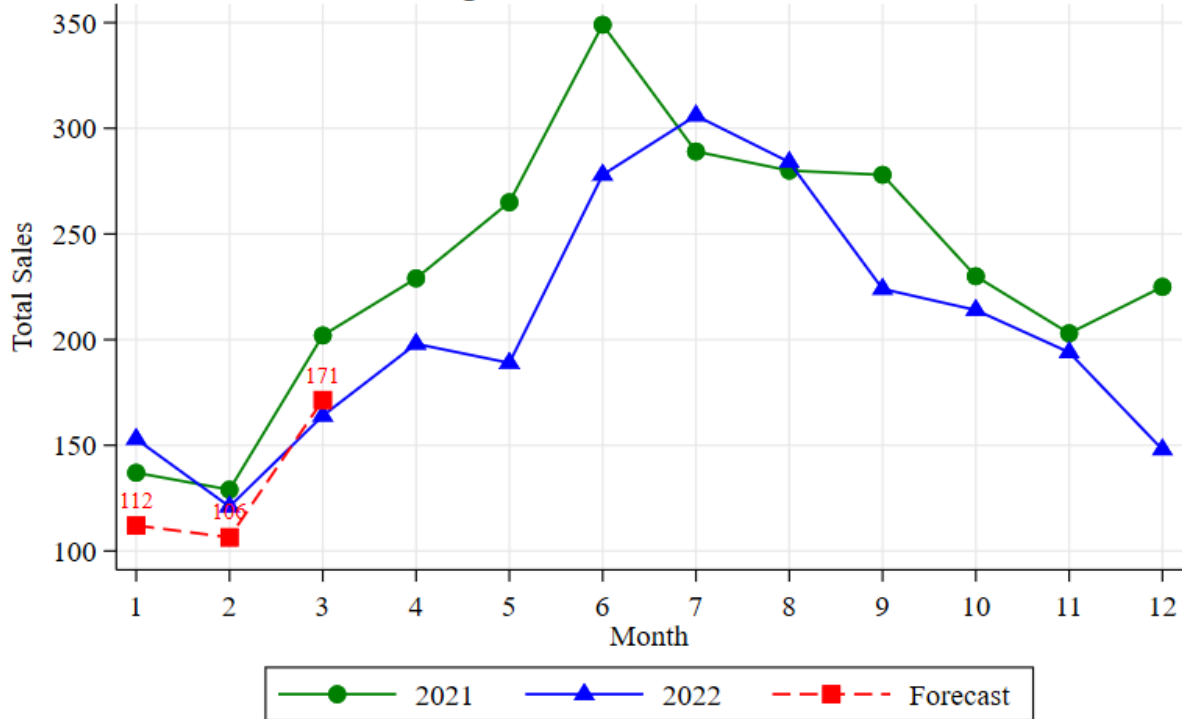


### Bloomington-Normal Median Home Sales Price



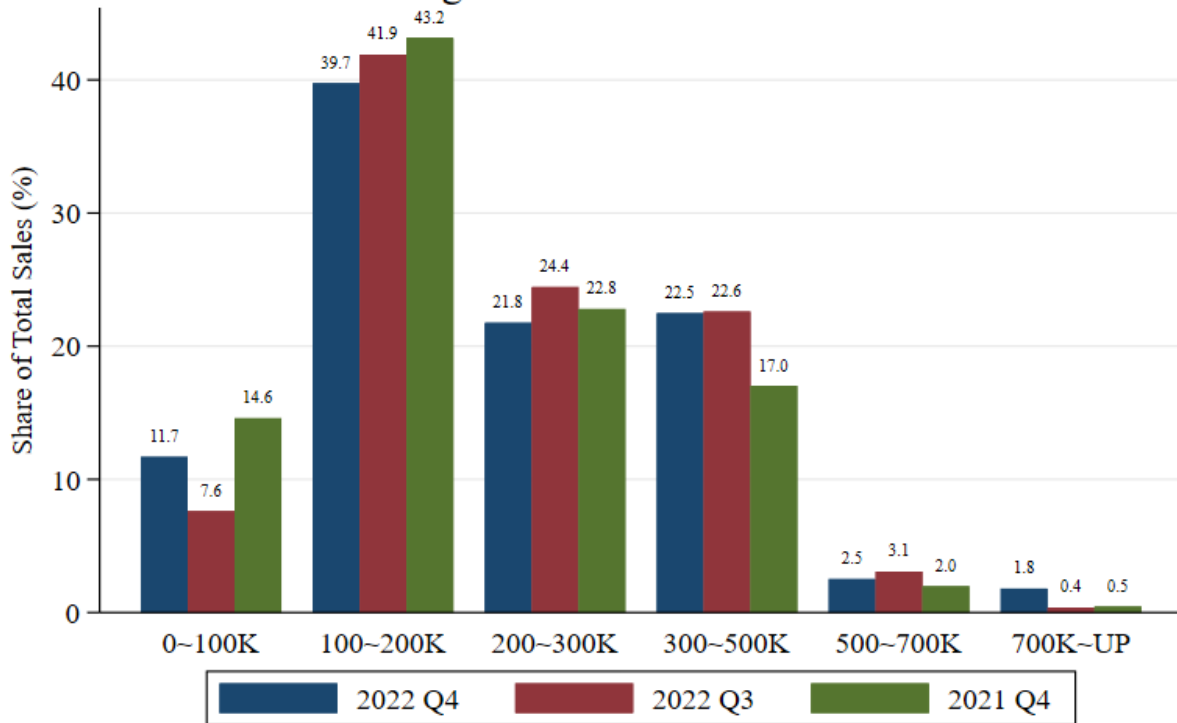
Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

### Bloomington-Normal Total Home Sales



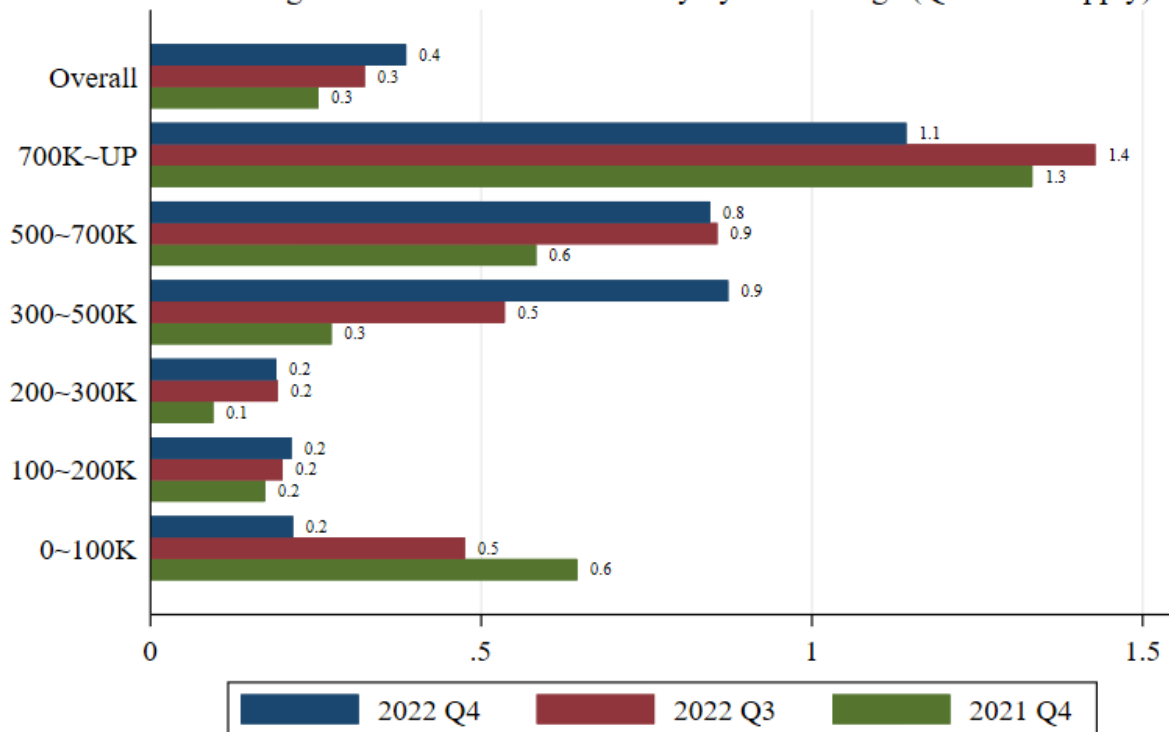
Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

### Bloomington-Normal Price Stratification



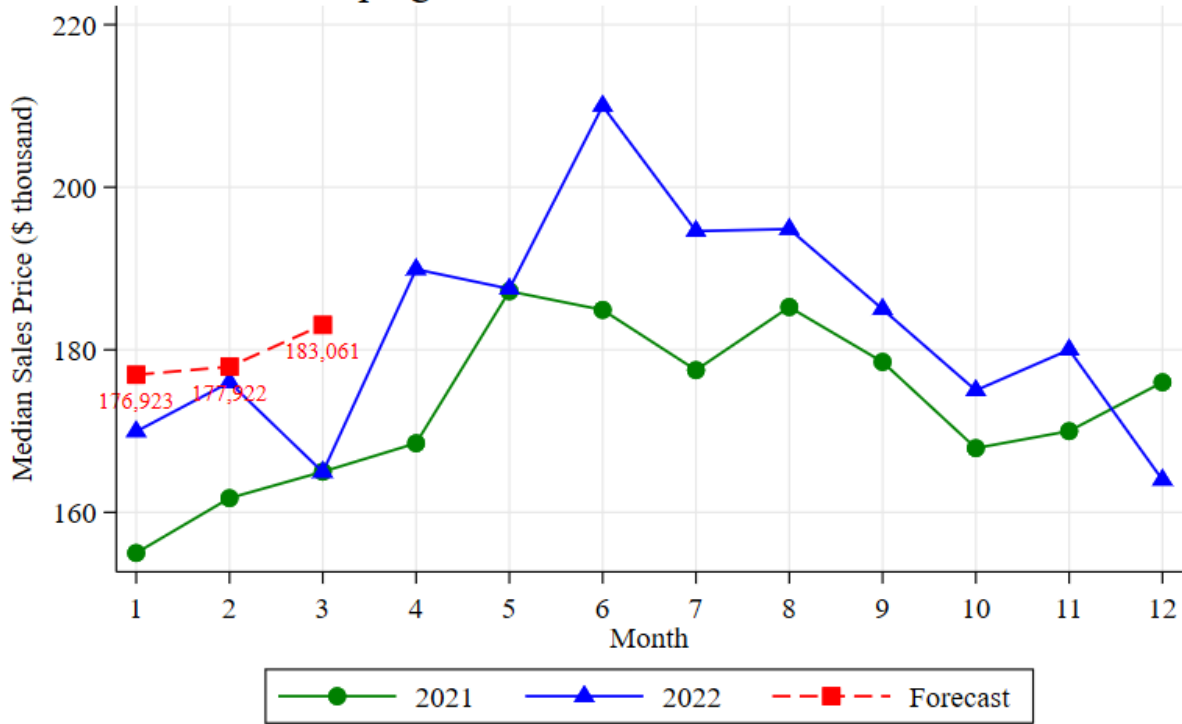
Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

### Bloomington-Normal Unsold Inventory by Price Range (Quarter's Supply)



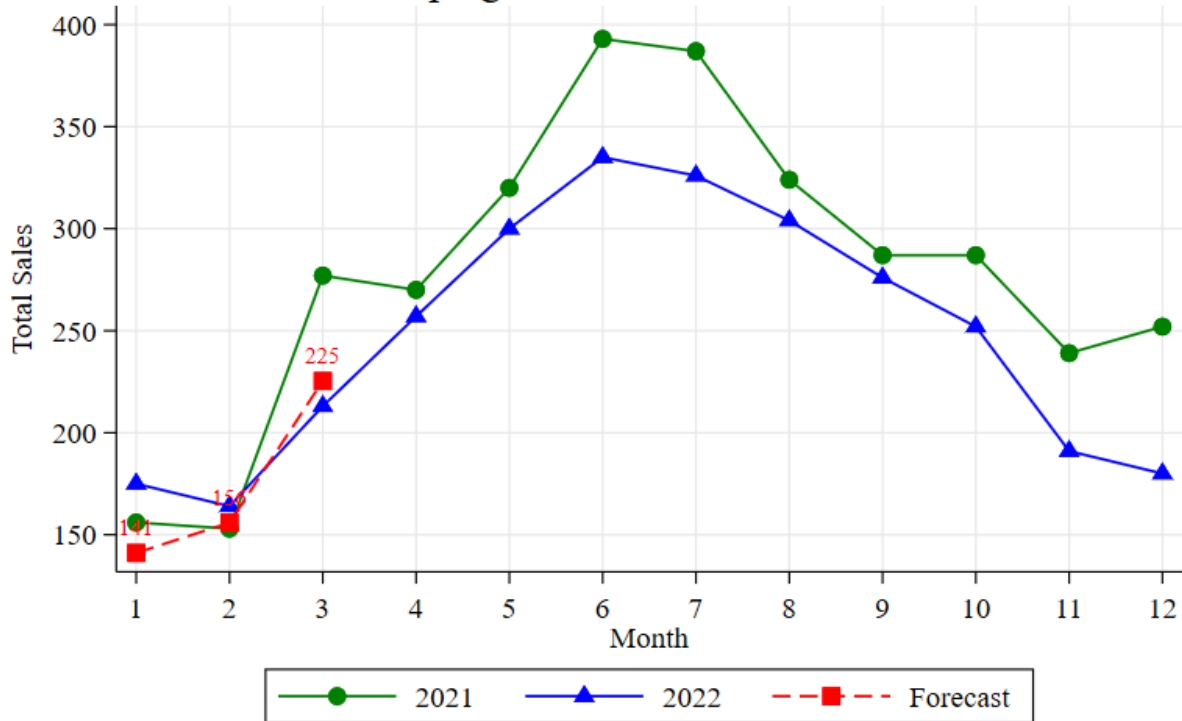
Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

### Champaign-Urbana Median Home Sales Price



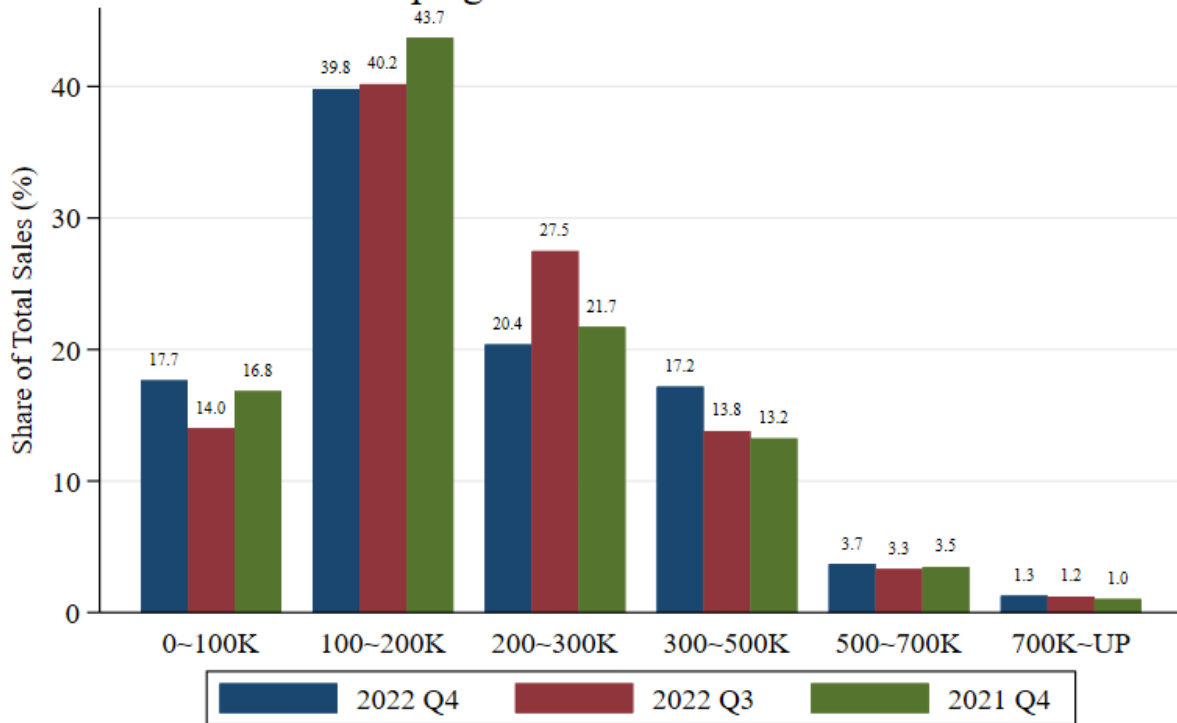
Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

### Champaign-Urbana Total Home Sales



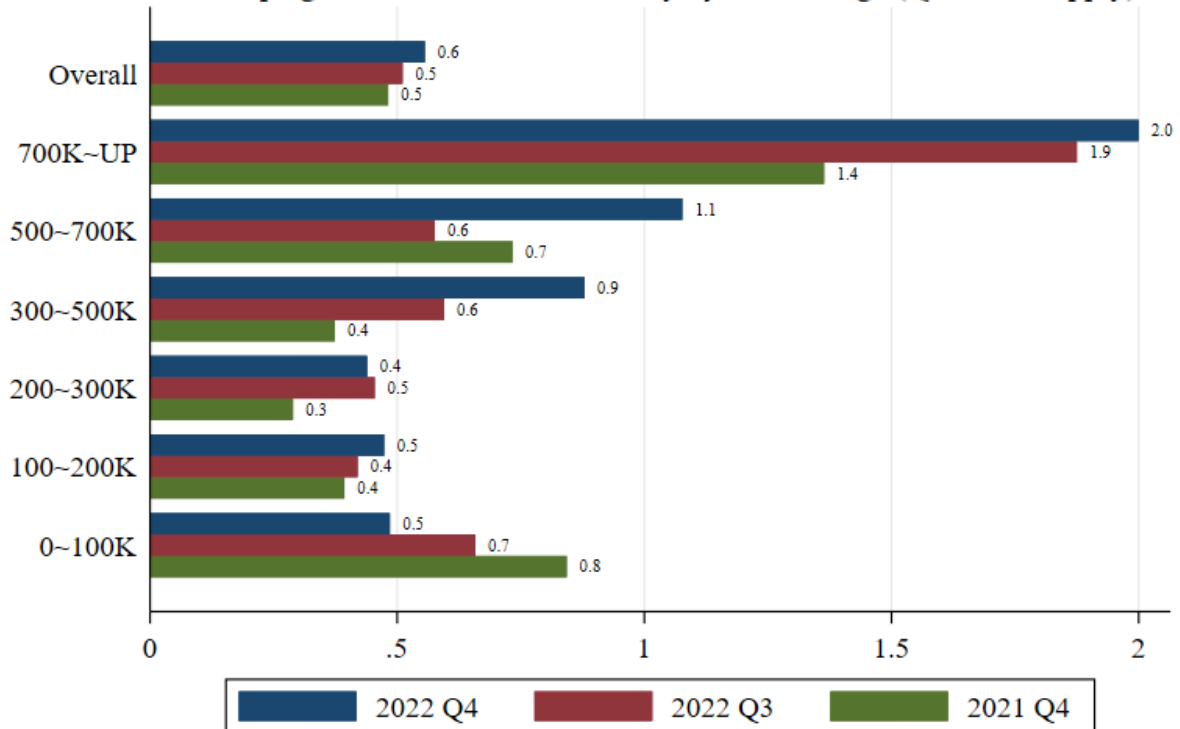
Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

### Champaign-Urbana Price Stratification

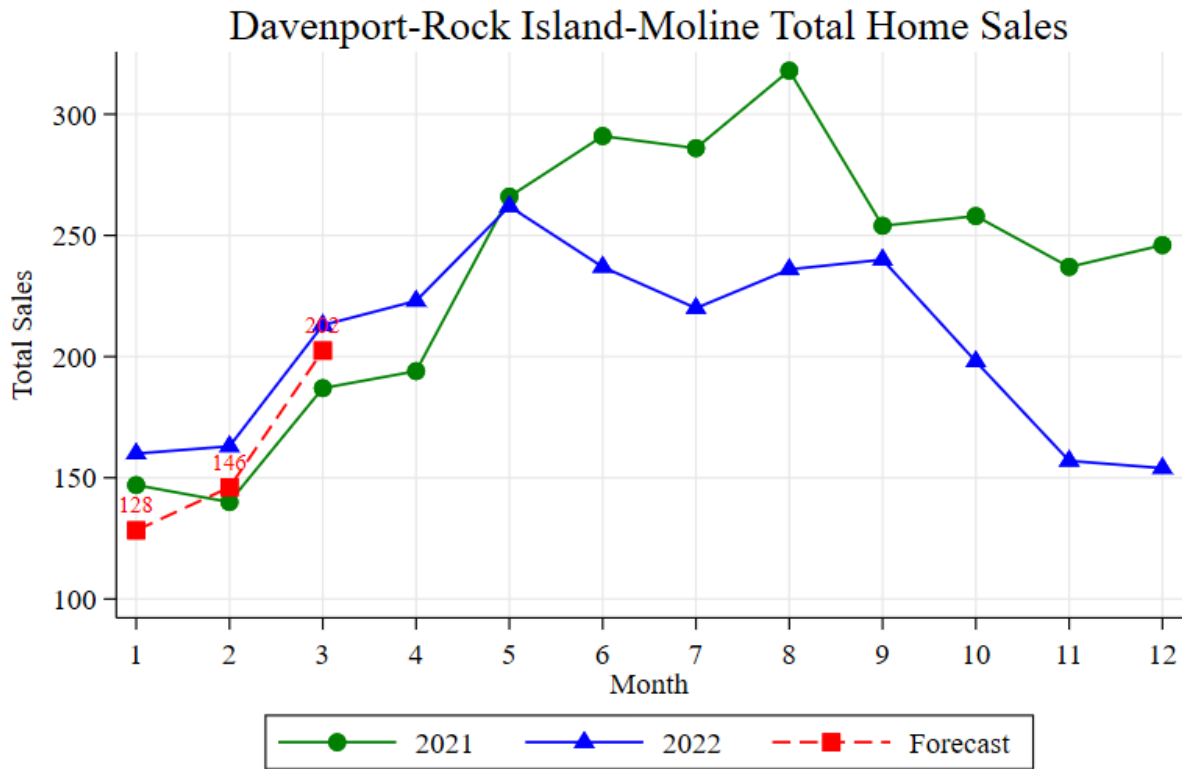
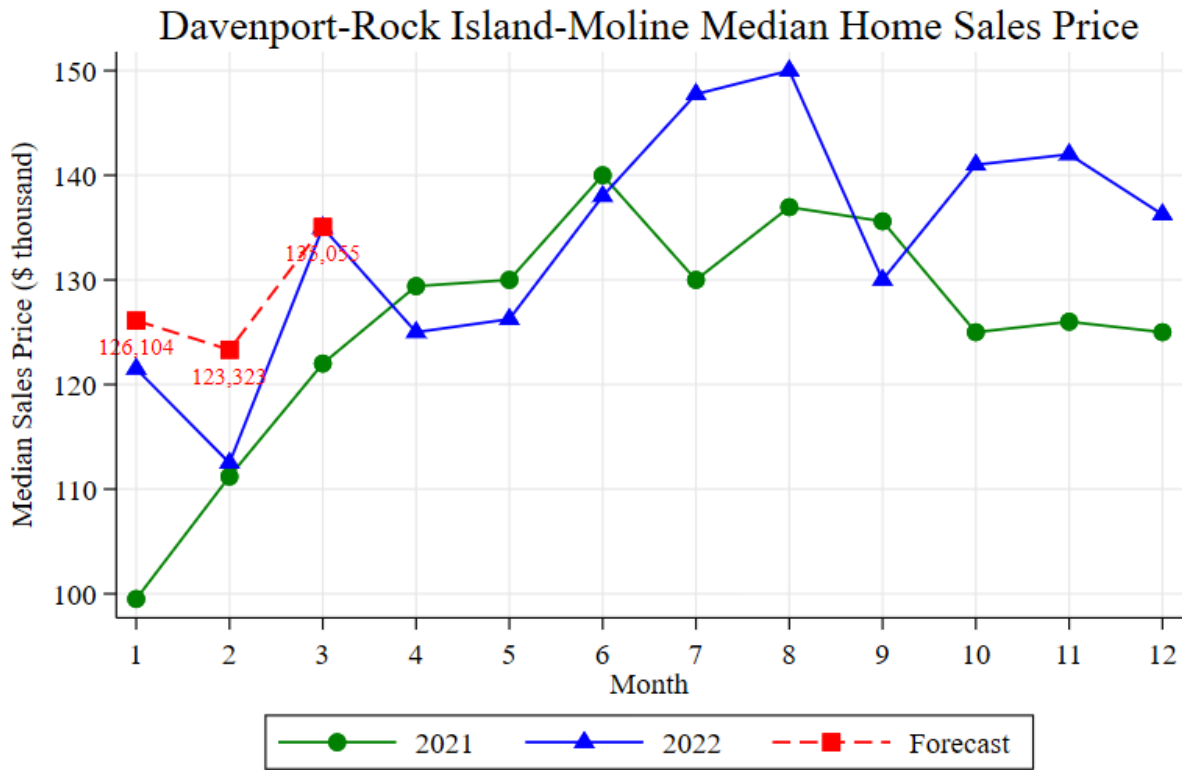


Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

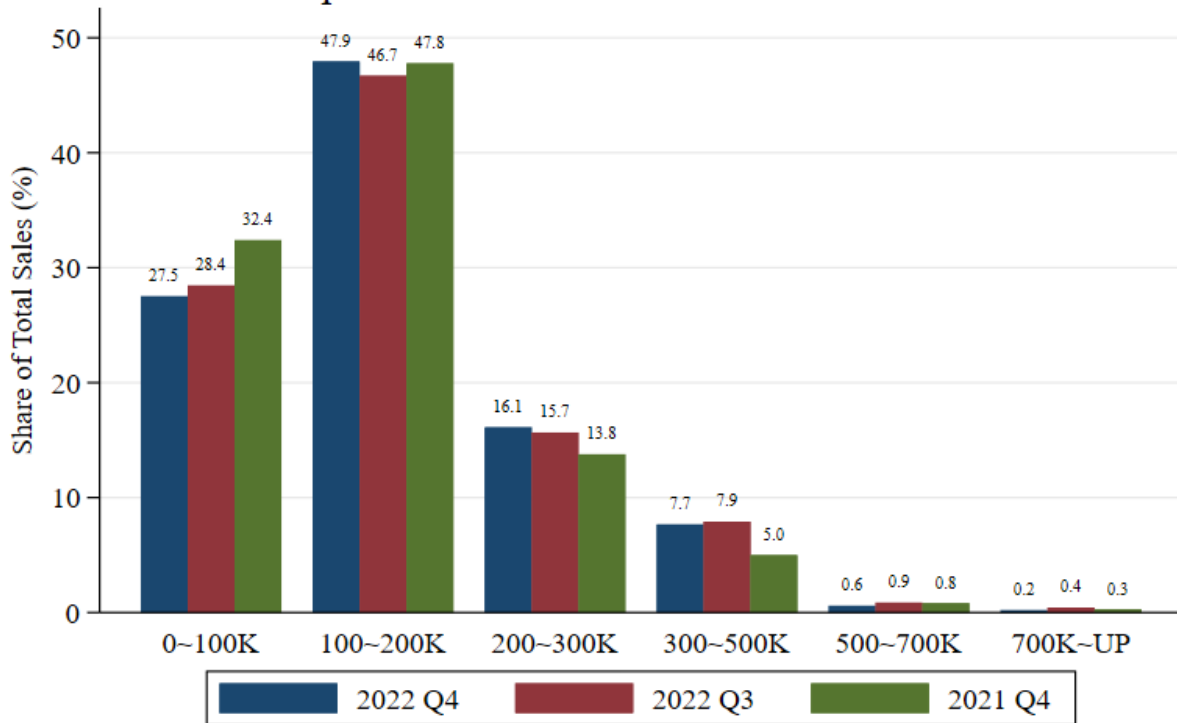
### Champaign-Urbana Unsold Inventory by Price Range (Quarter's Supply)



Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

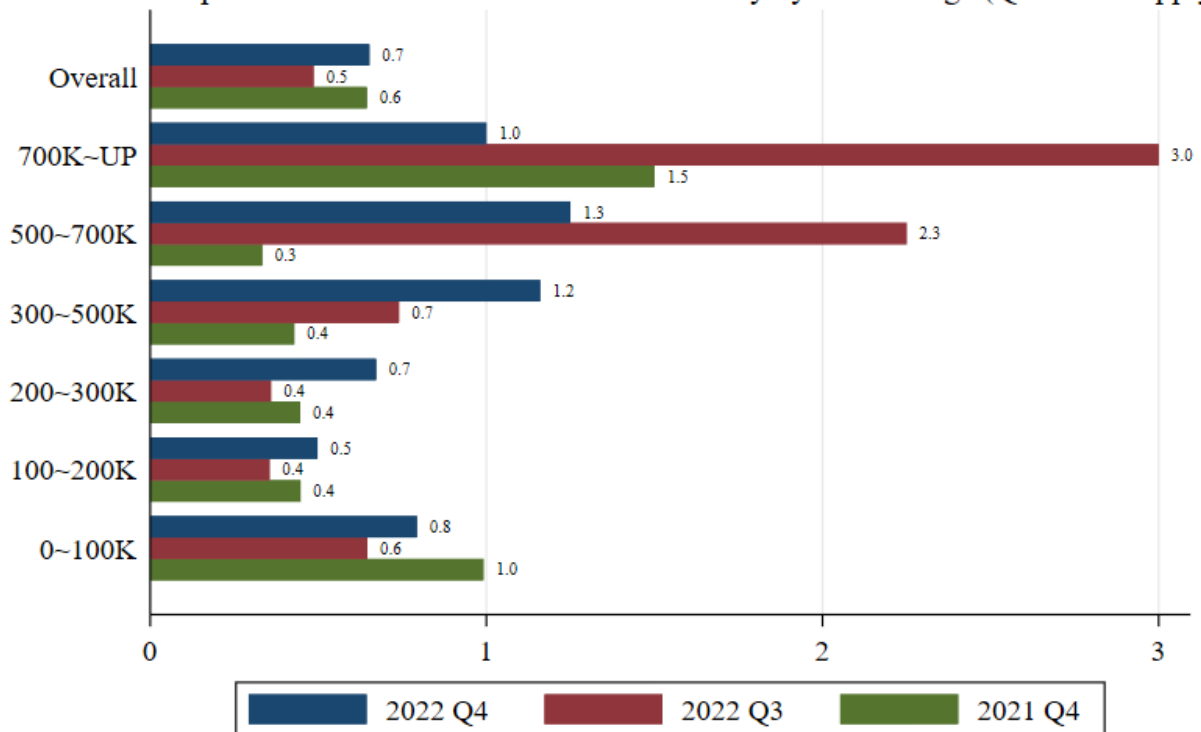


### Davenport-Rock Island-Moline Price Stratification

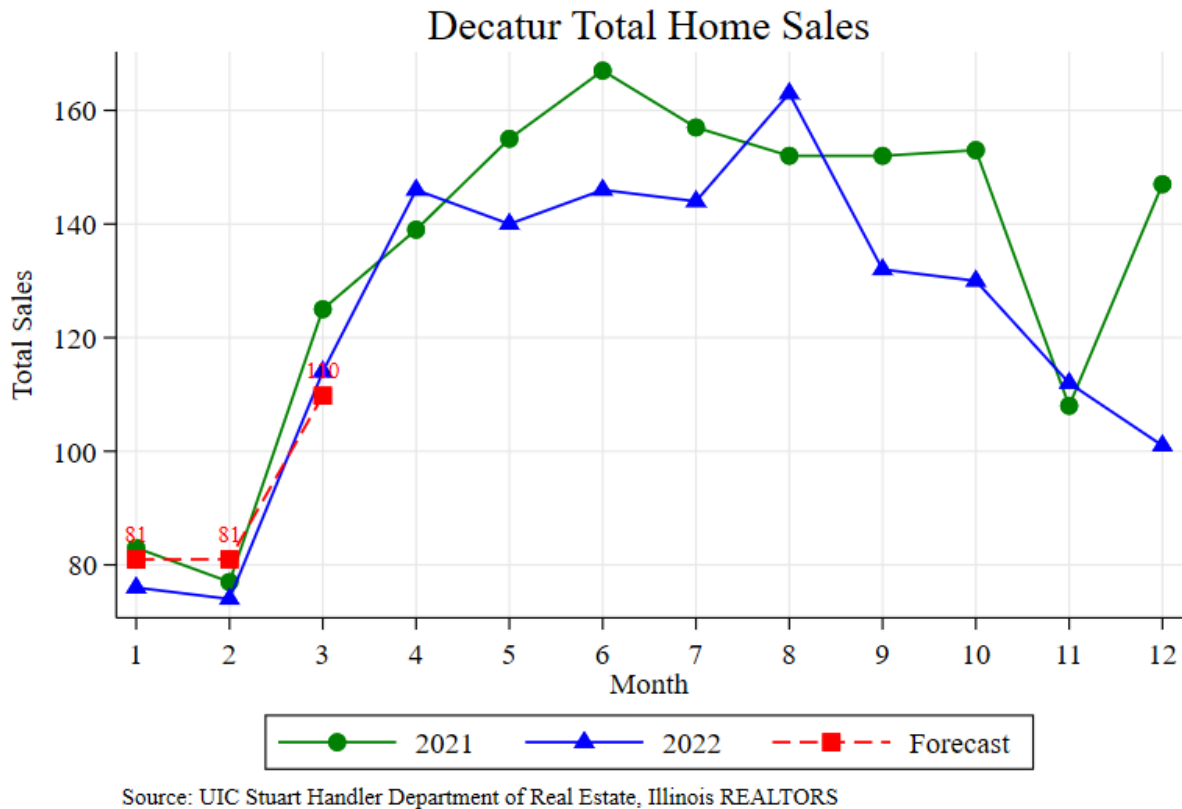
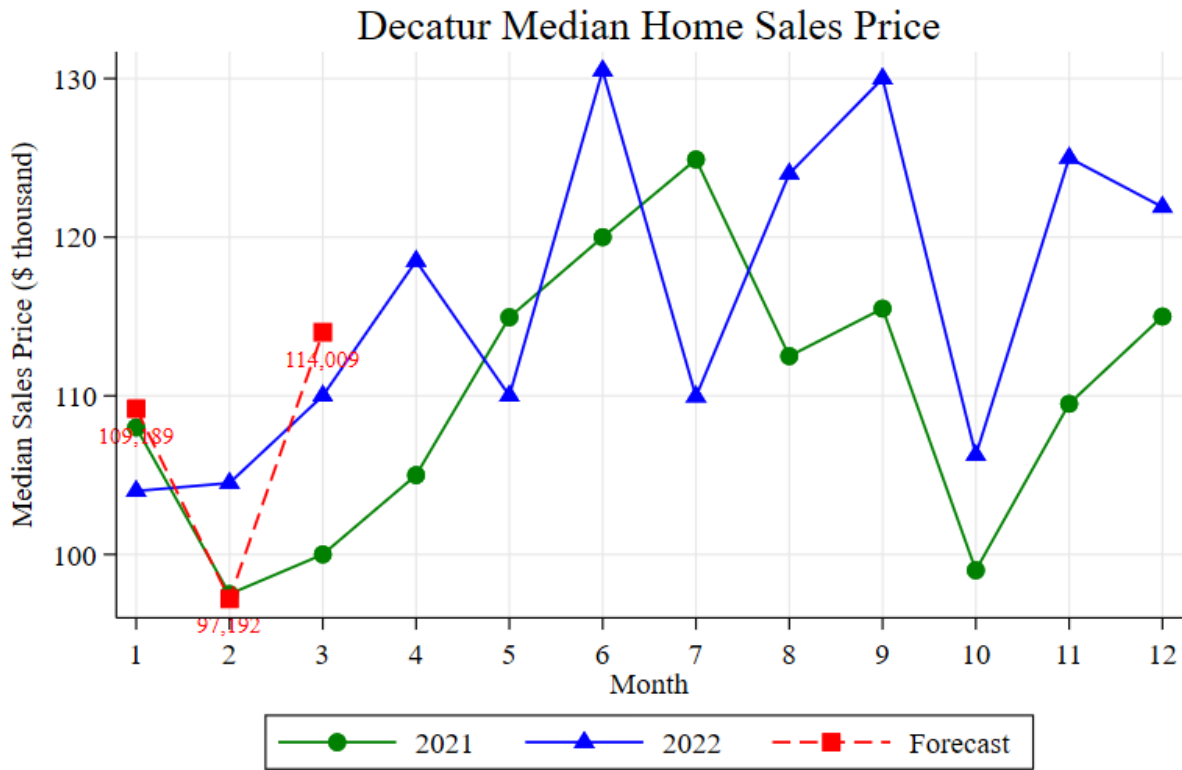


Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

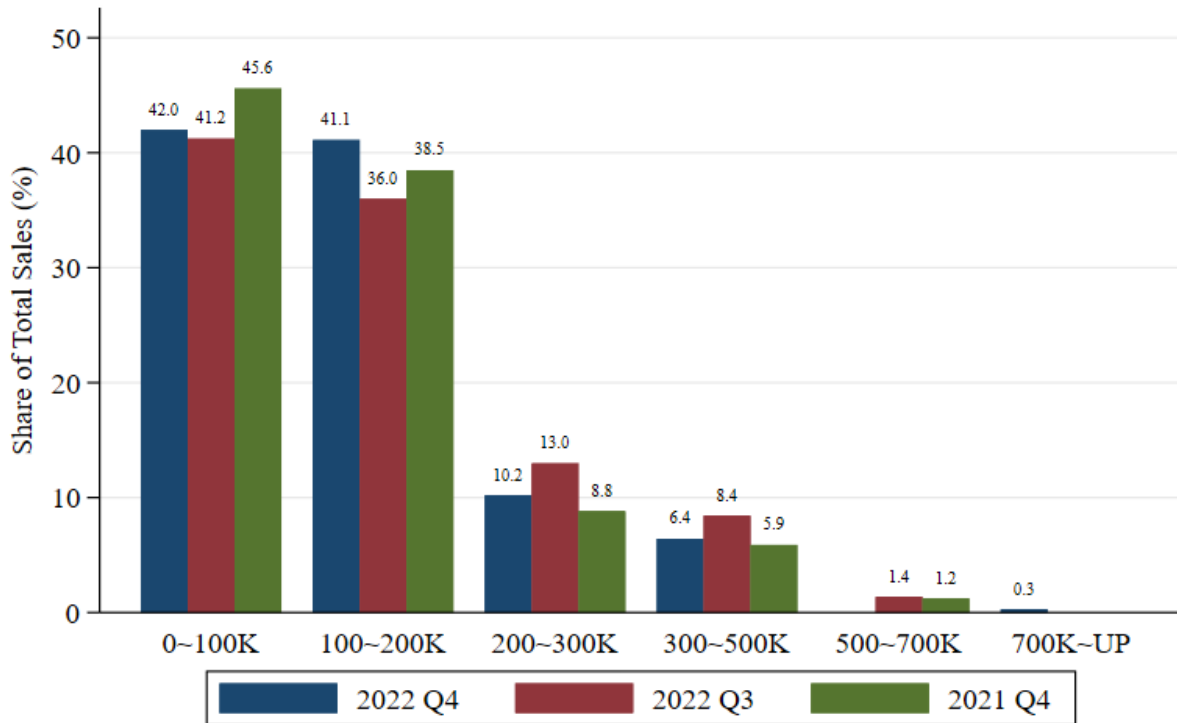
### Davenport-Rock Island-Moline Unsold Inventory by Price Range (Quarter's Supply)



Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

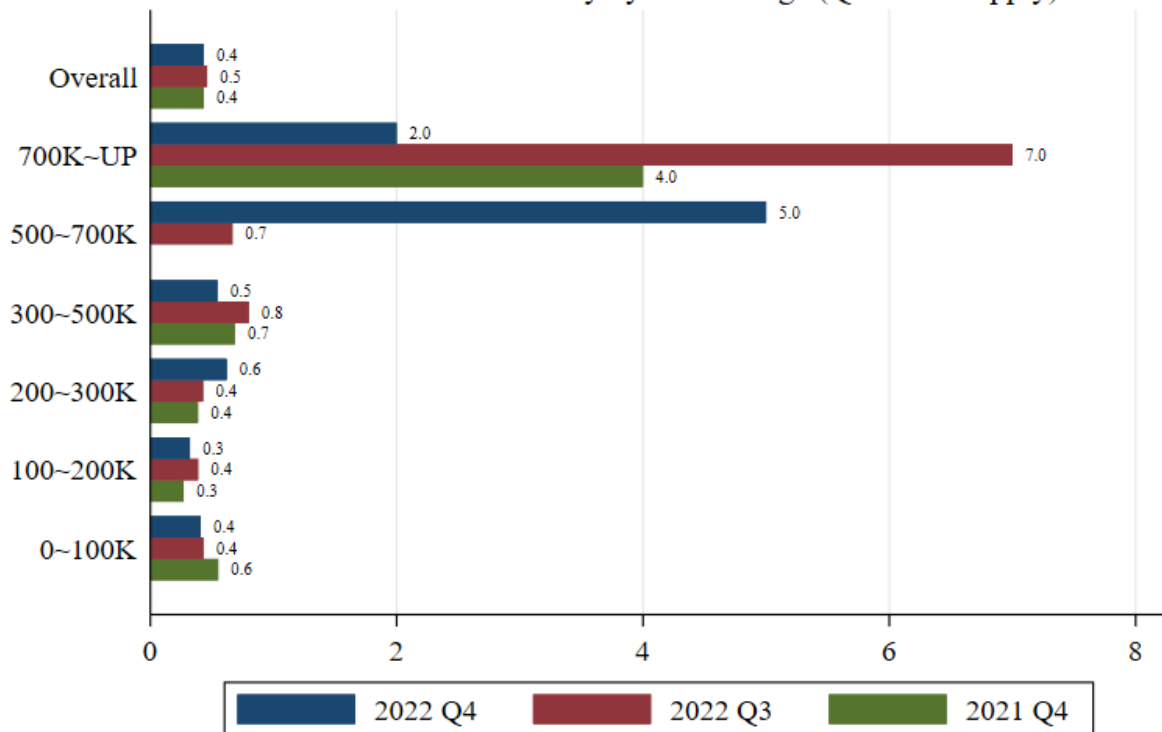


### Decatur Price Stratification



Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

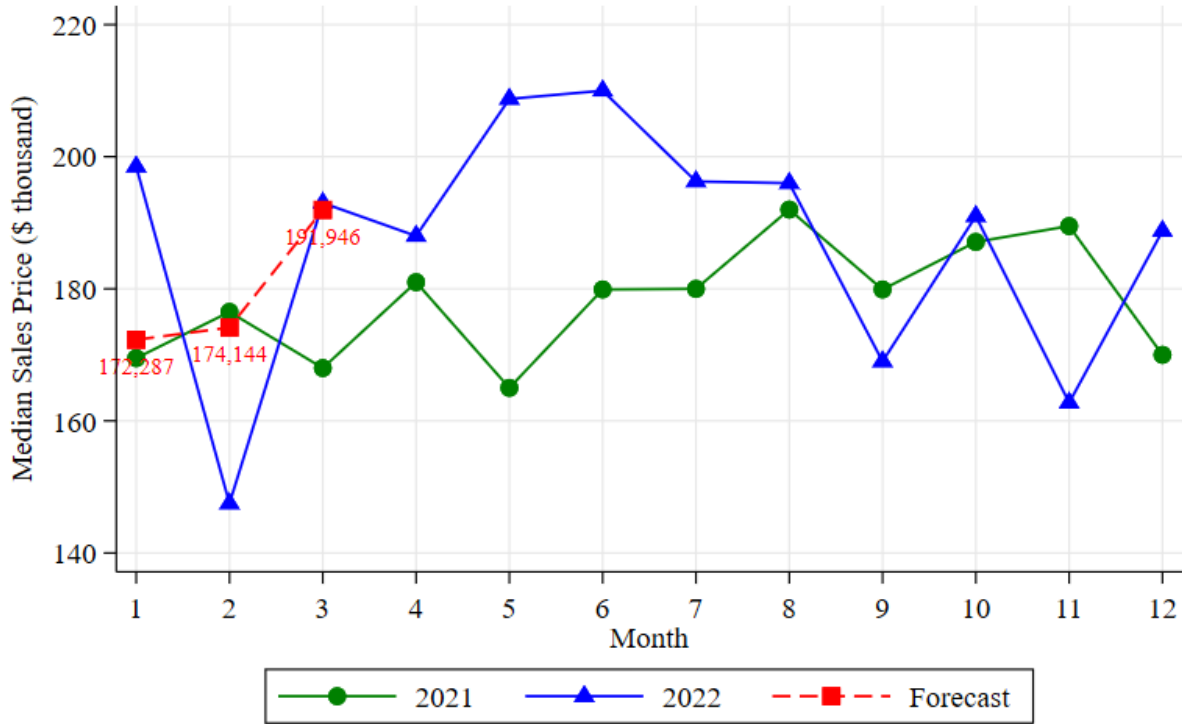
### Decatur Unsold Inventory by Price Range (Quarter's Supply)



Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

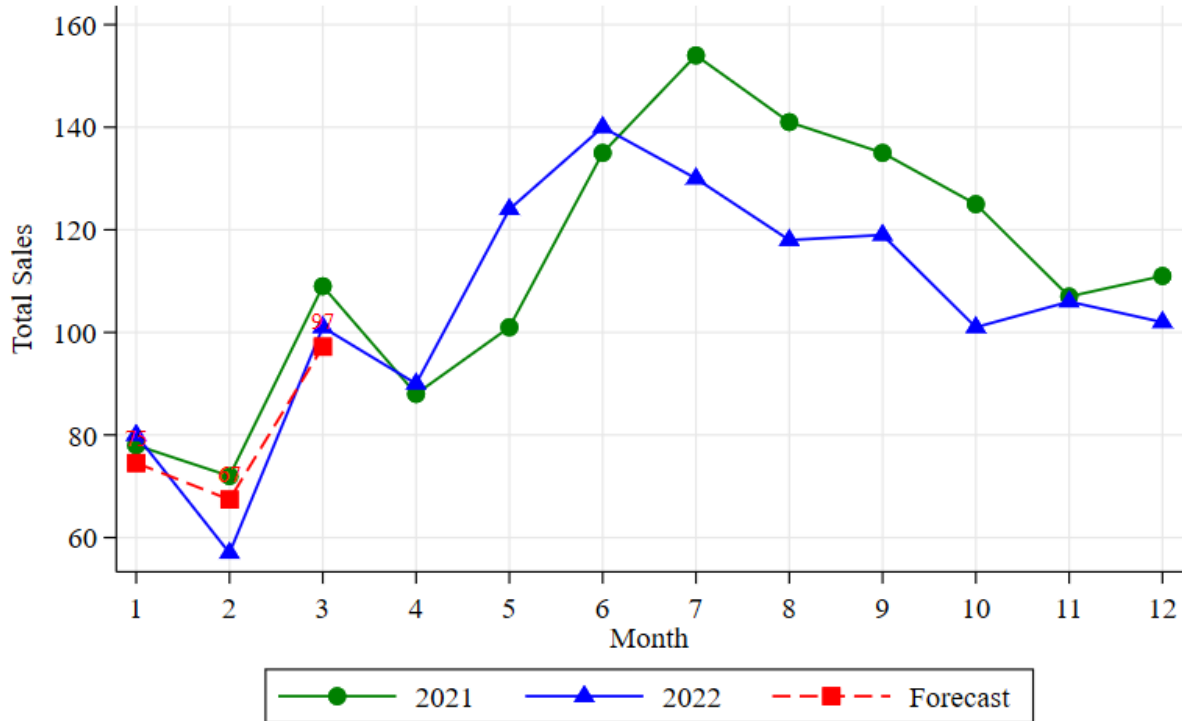


### Kankakee Median Home Sales Price



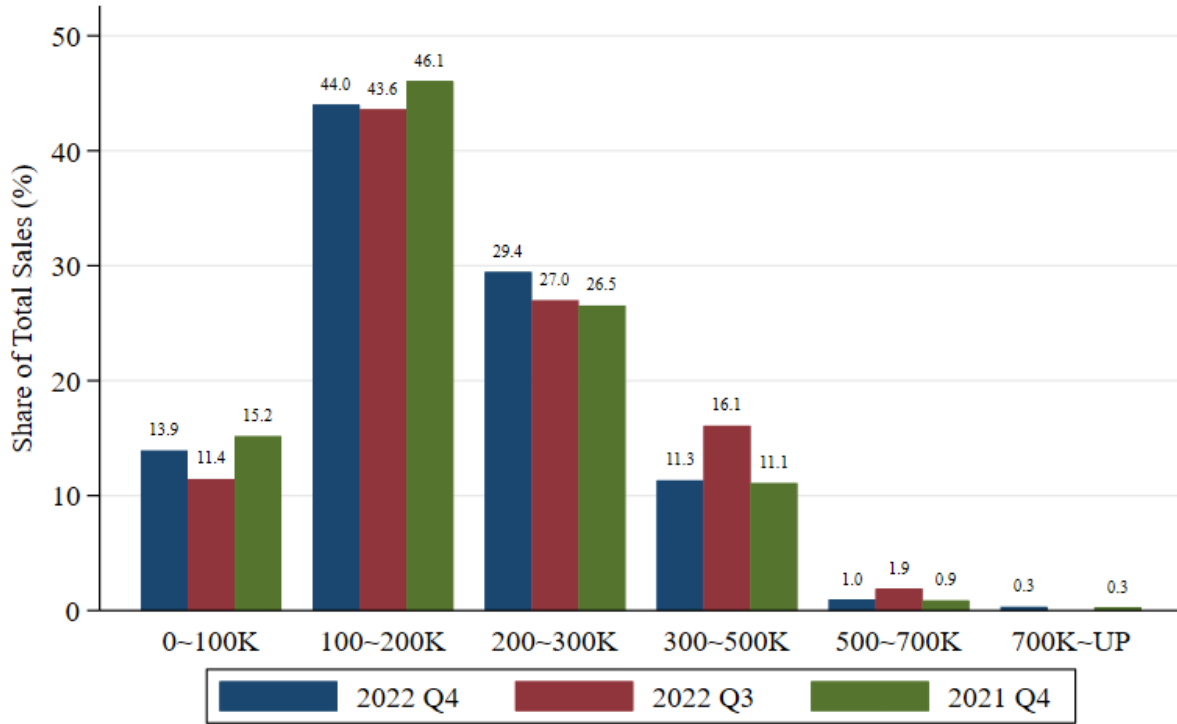
Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

### Kankakee Total Home Sales



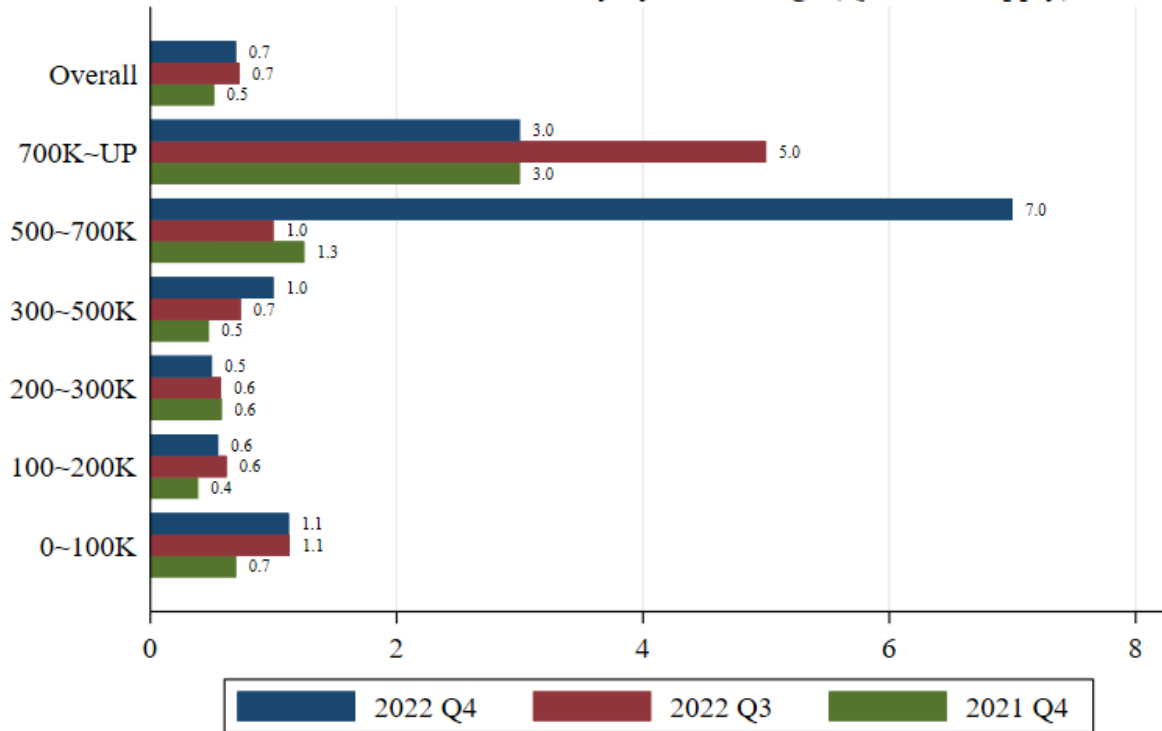
Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

### Kankakee Price Stratification

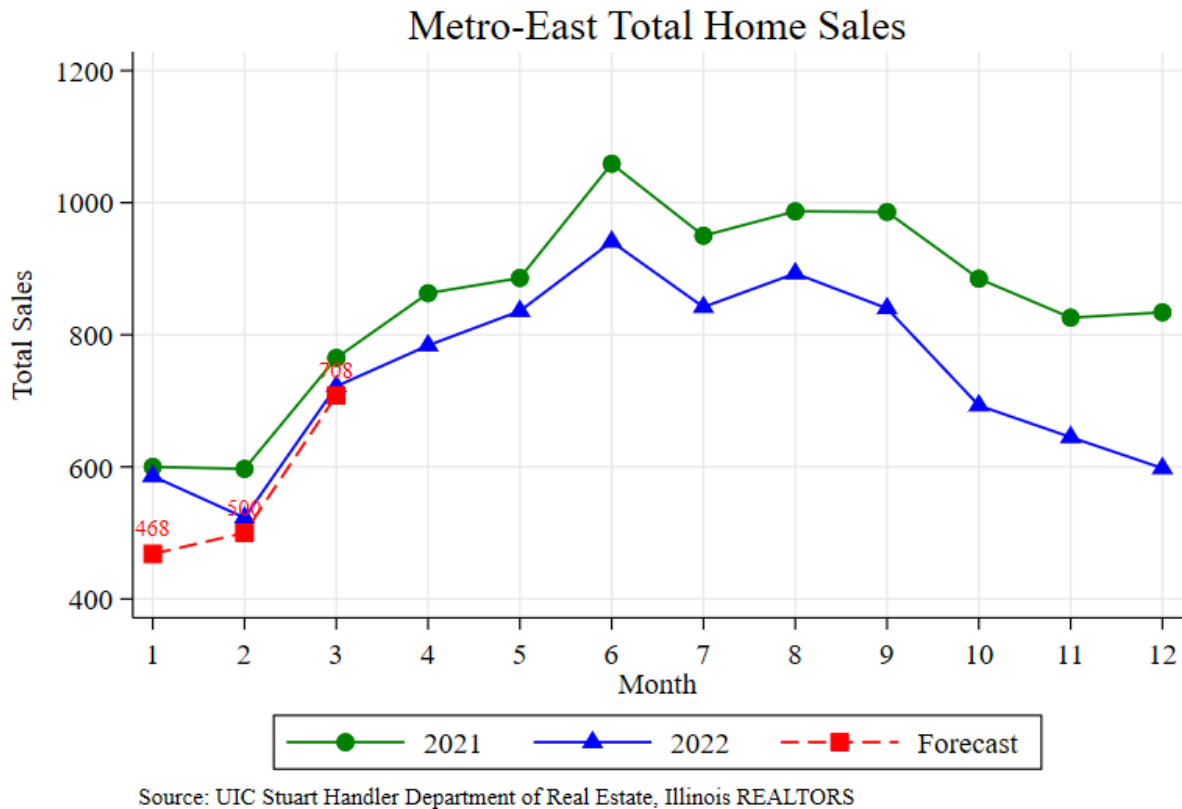
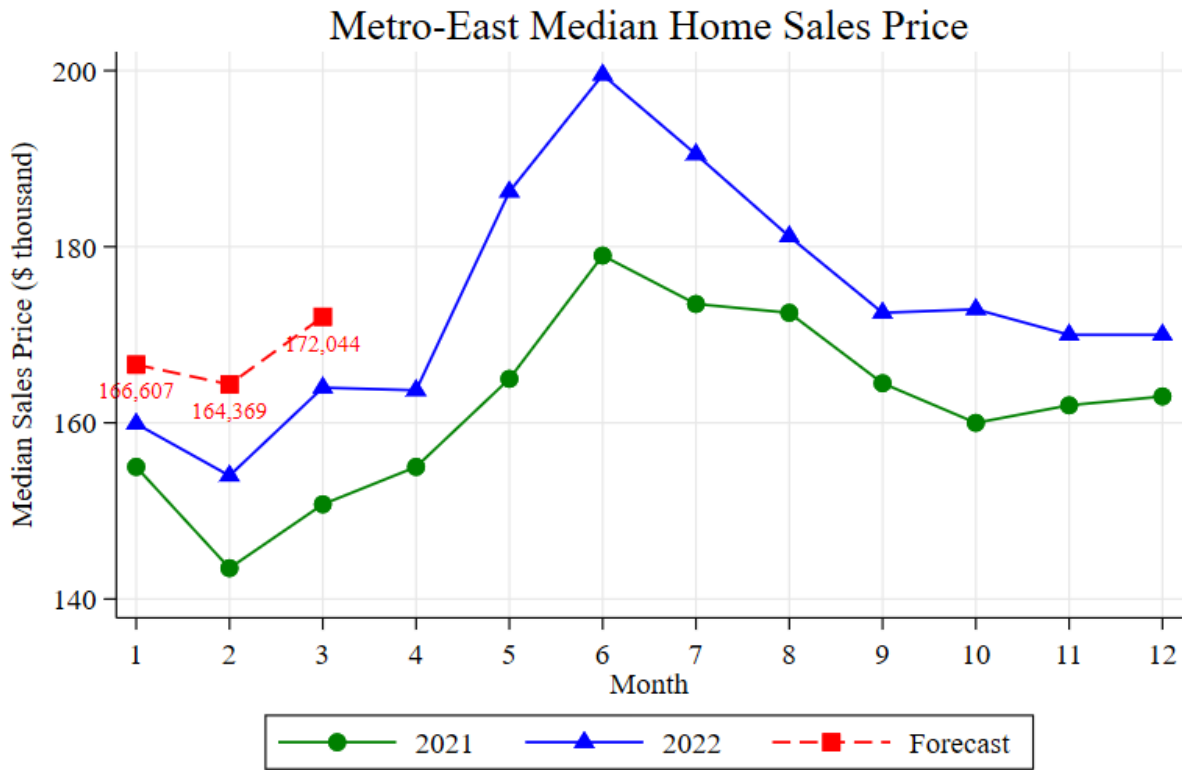


Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

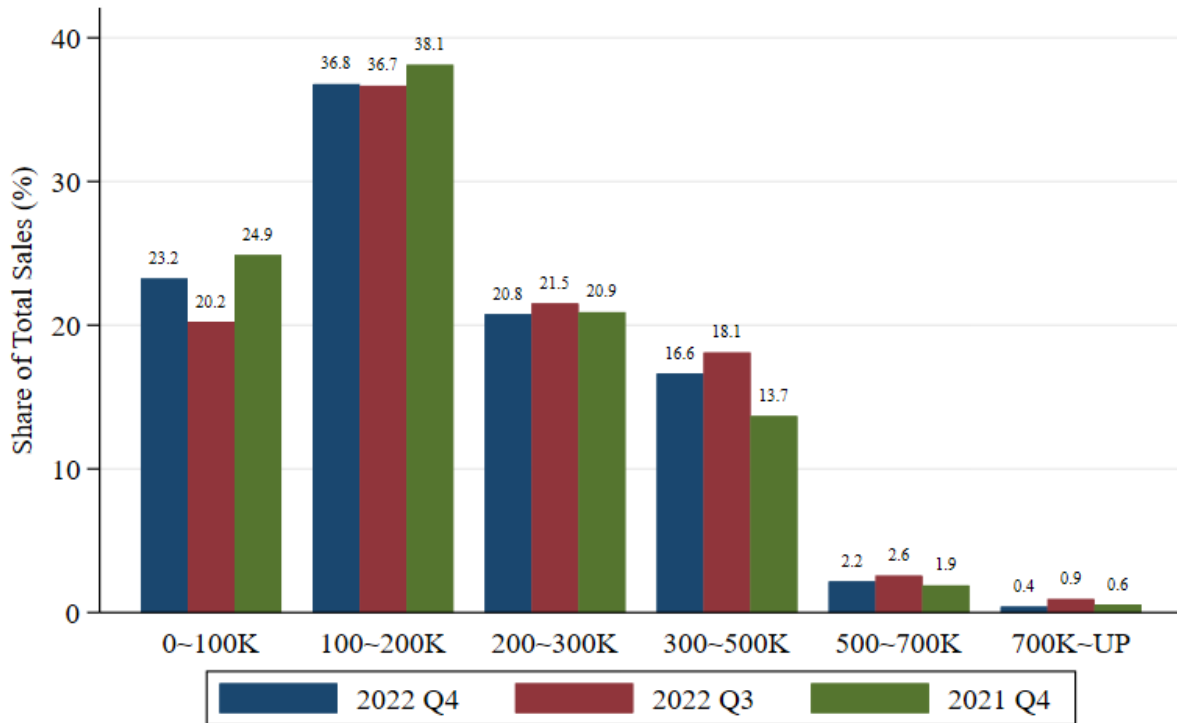
### Kankakee Unsold Inventory by Price Range (Quarter's Supply)



Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

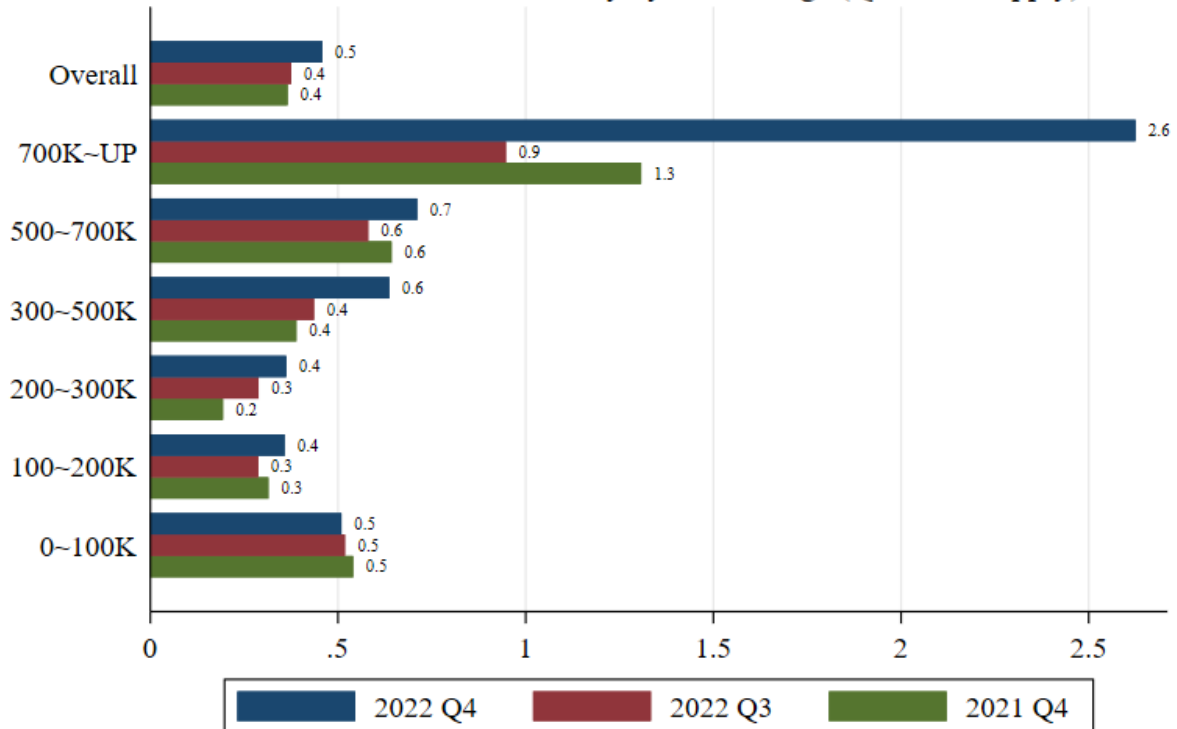


### Metro-East Price Stratification



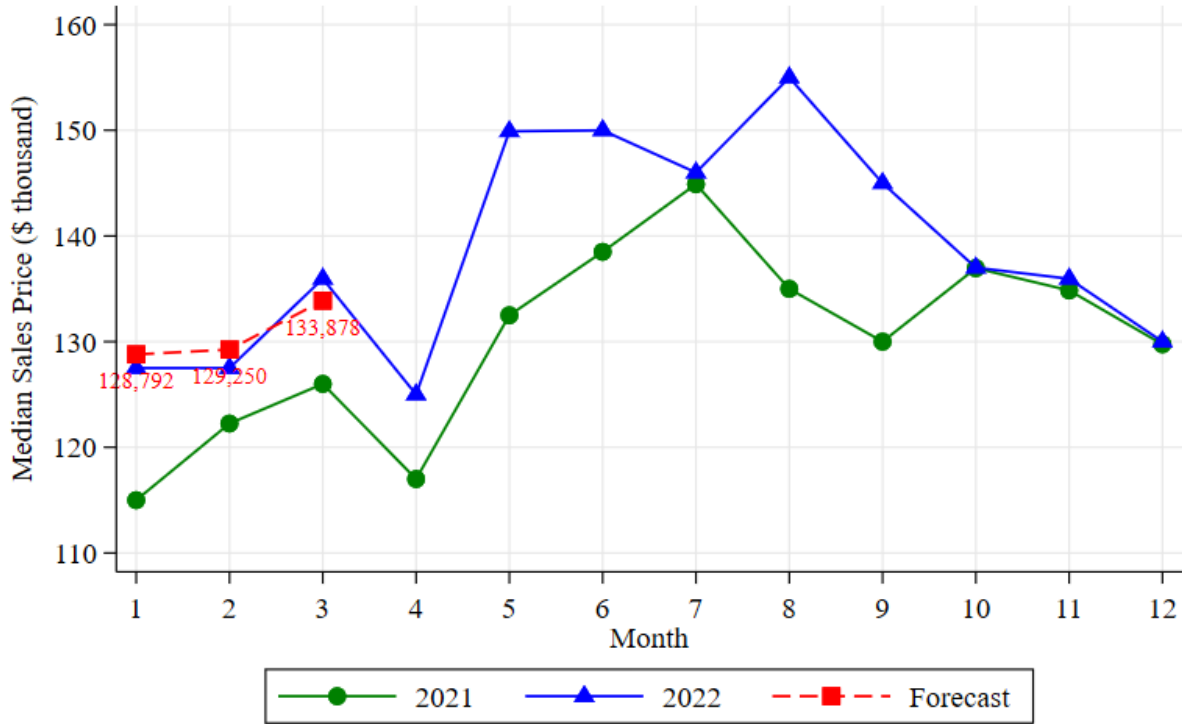
Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

### Metro-East Unsold Inventory by Price Range (Quarter's Supply)



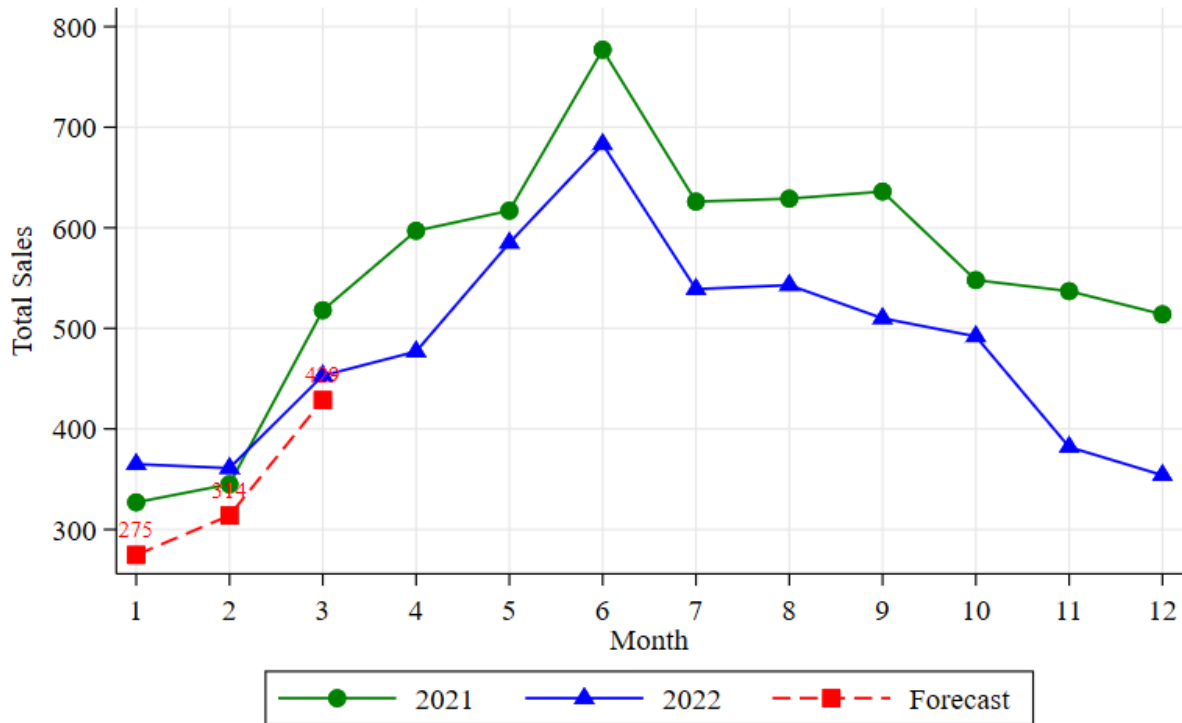
Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

### Peoria-Pekin Median Home Sales Price

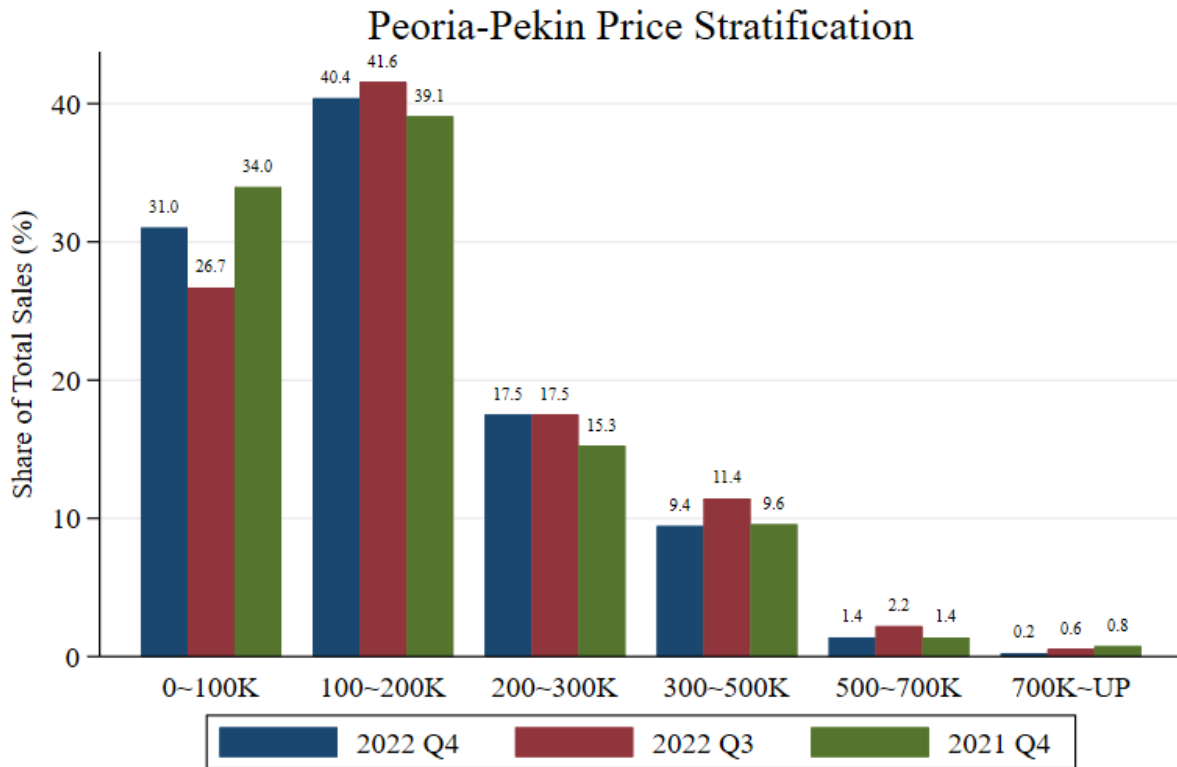


Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

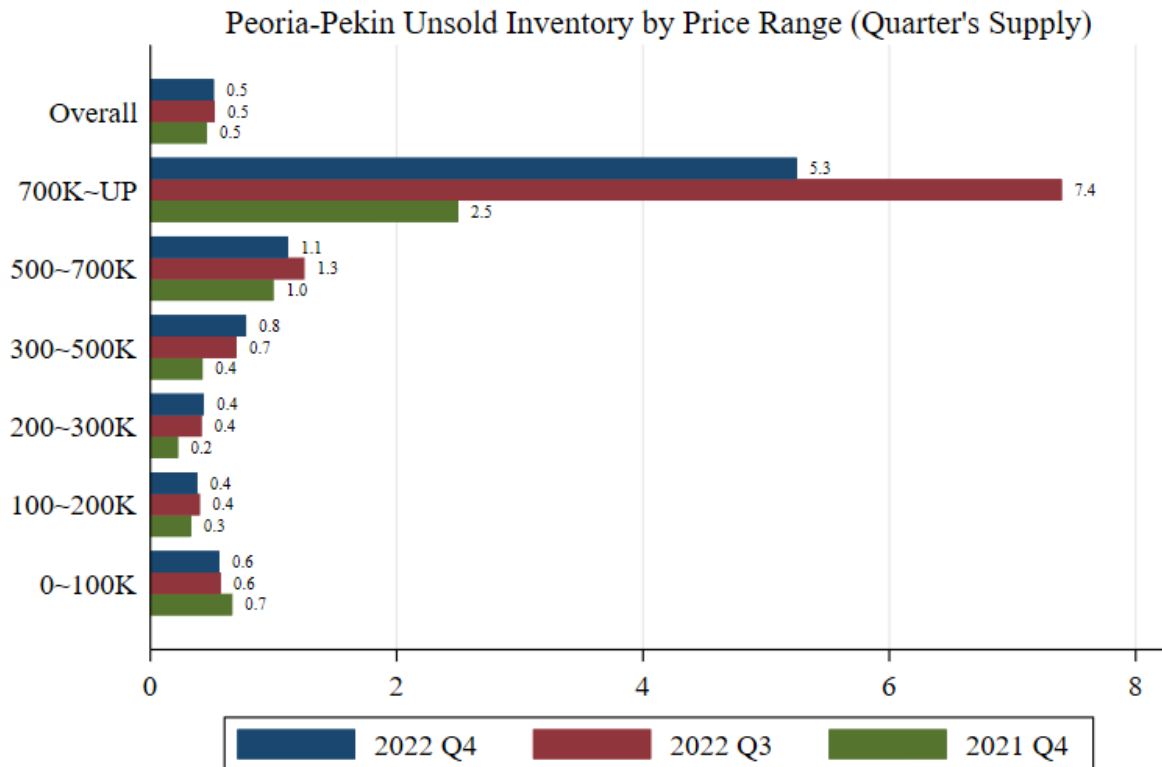
### Peoria-Pekin Total Home Sales



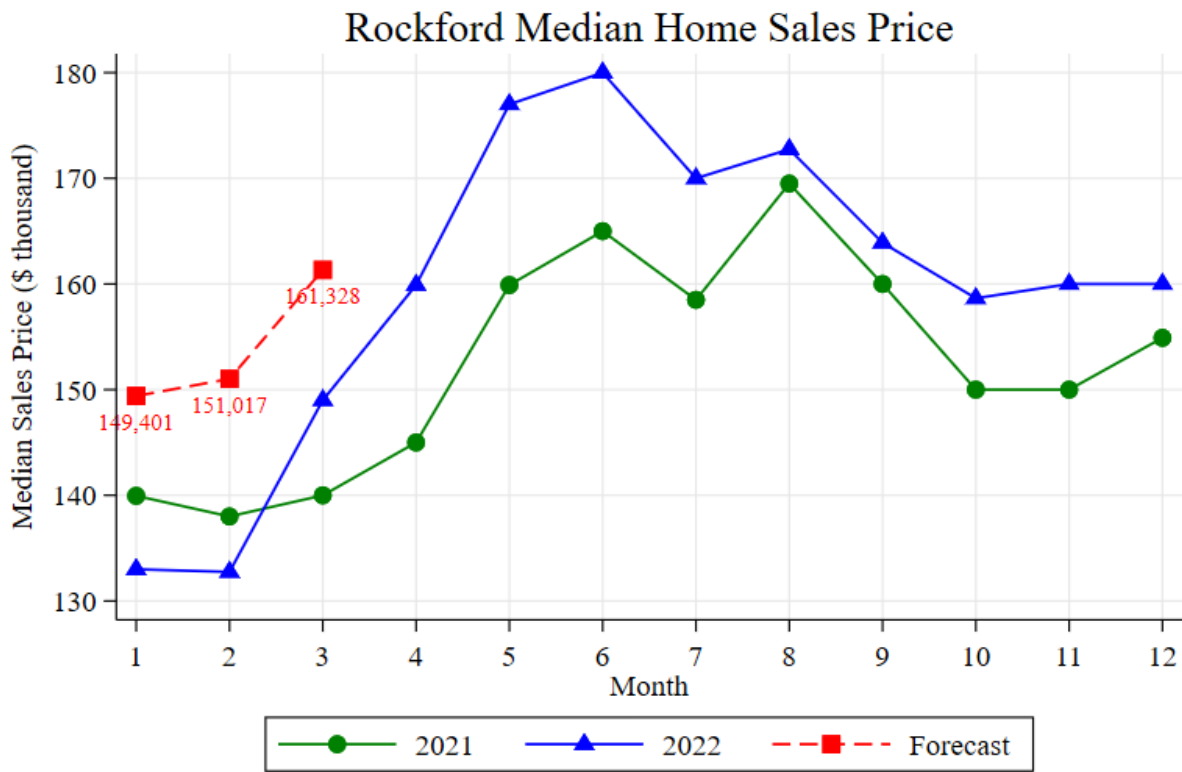
Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS



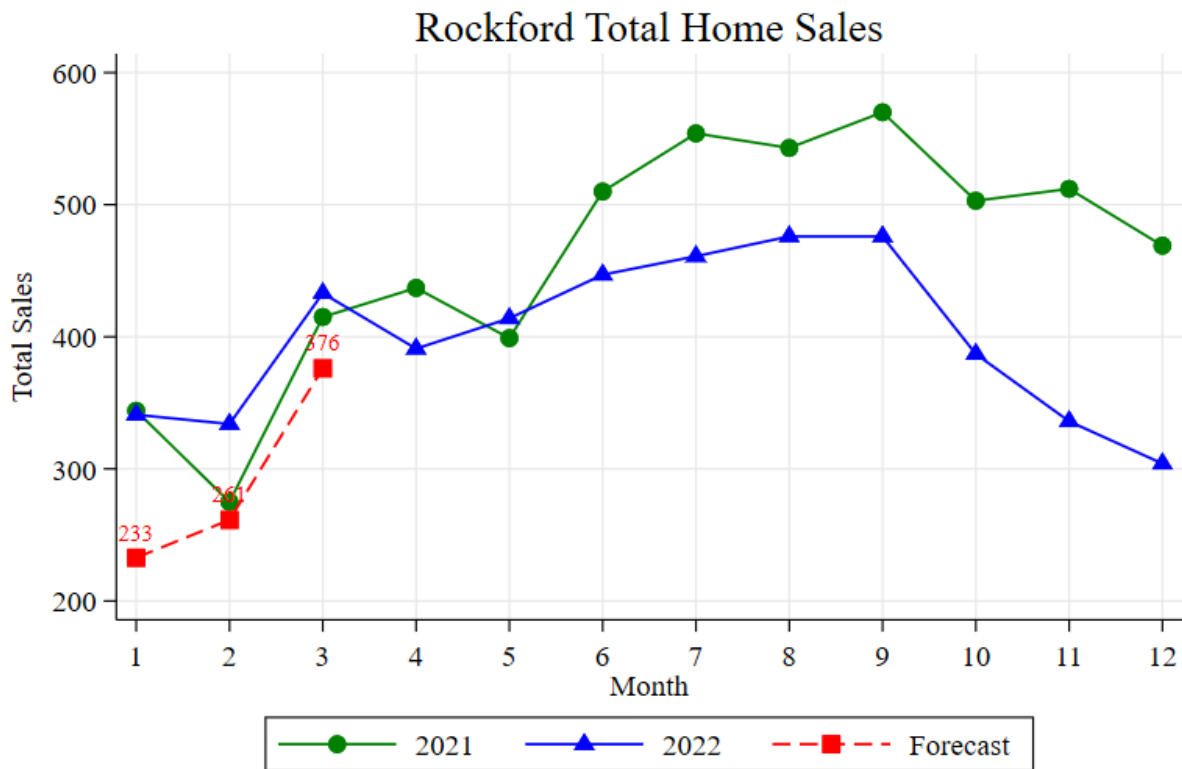
Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS



Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

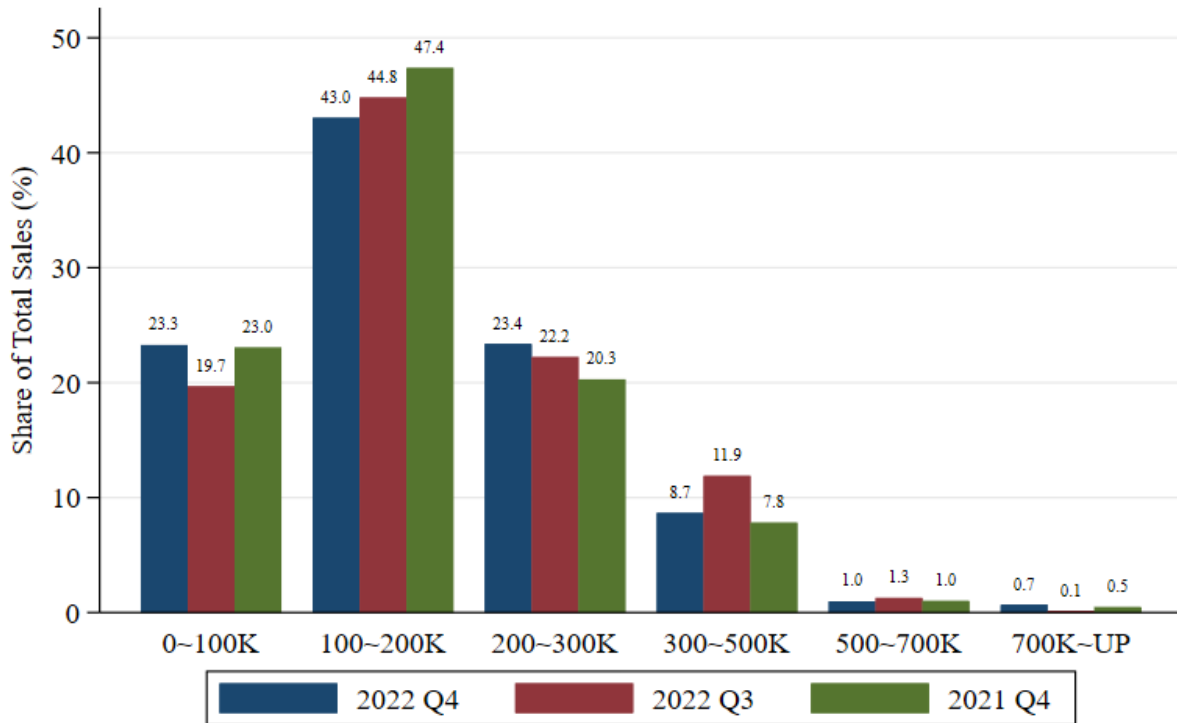


Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS



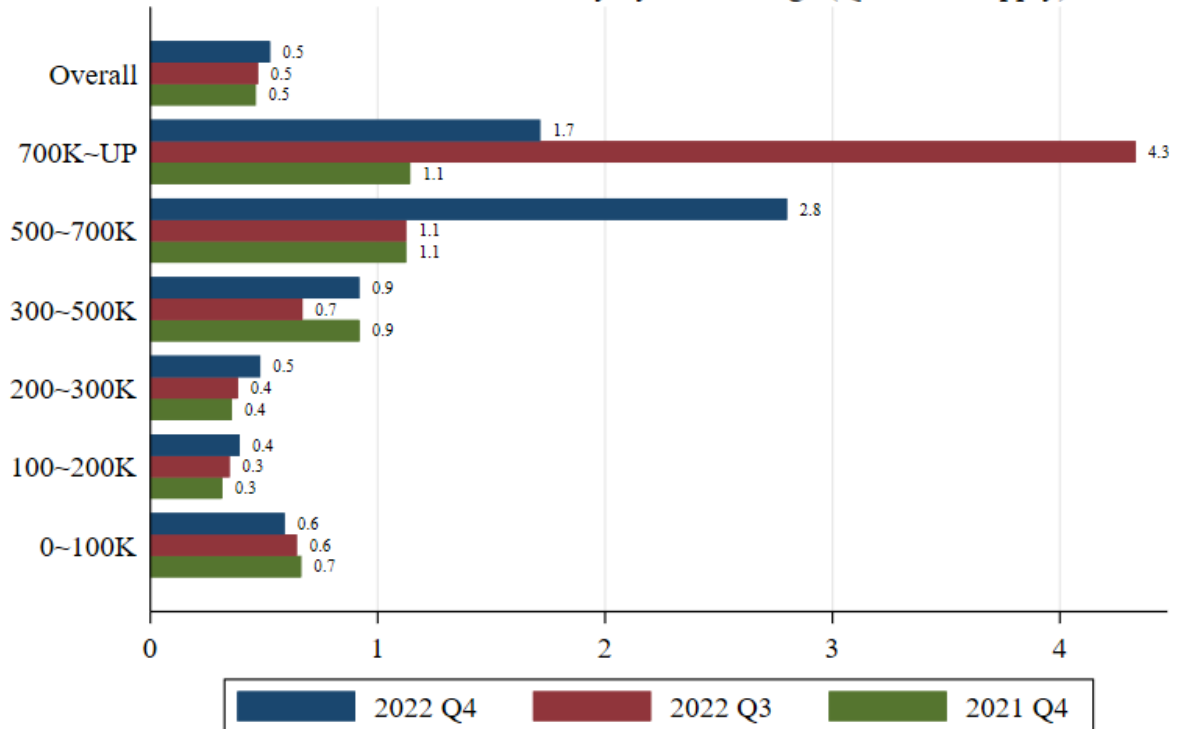
Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

### Rockford Price Stratification



Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

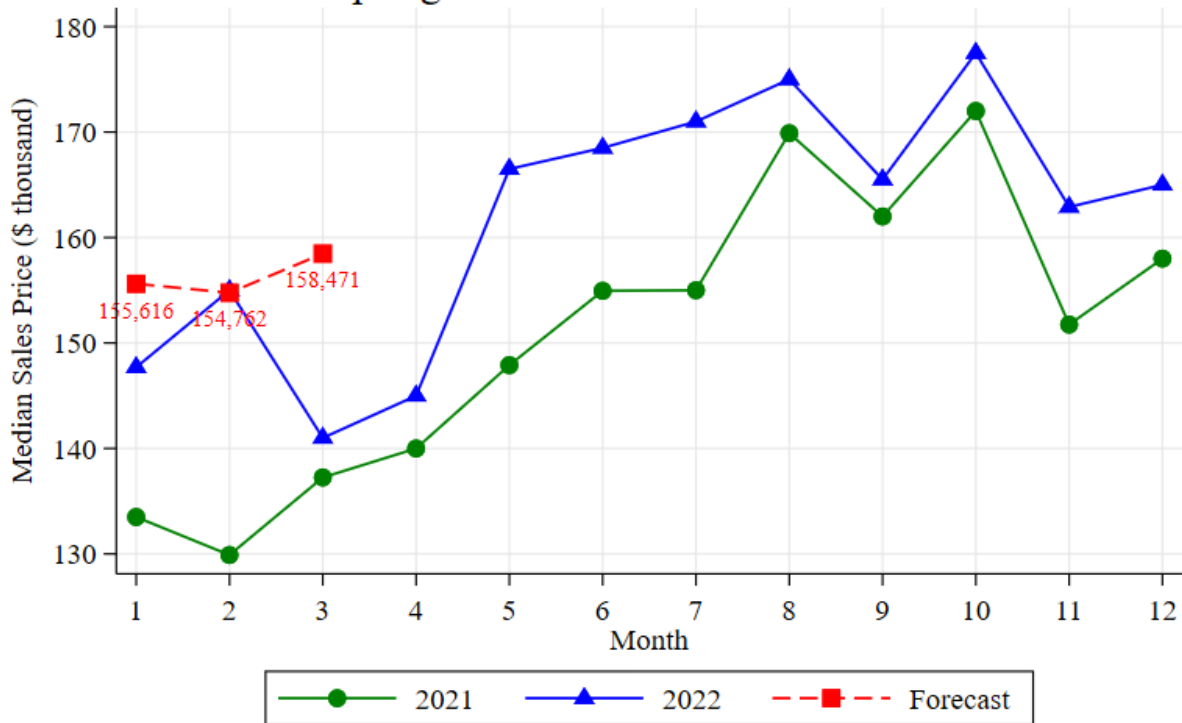
### Rockford Unsold Inventory by Price Range (Quarter's Supply)



Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

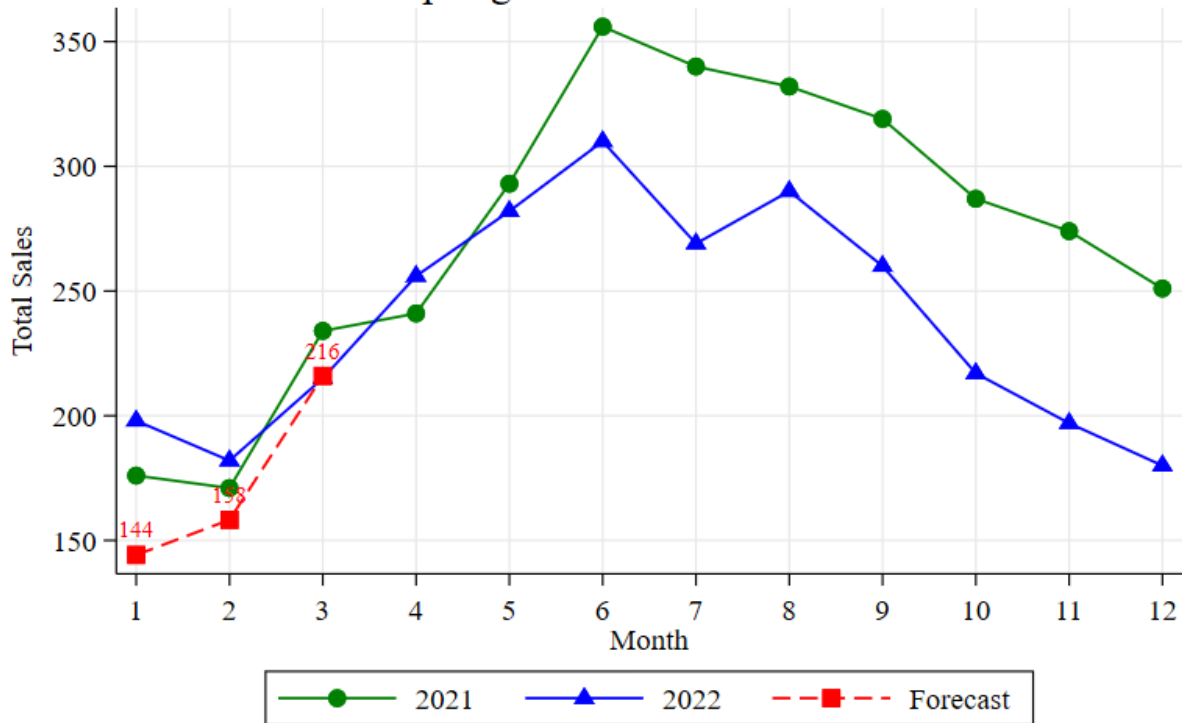


### Springfield Median Home Sales Price

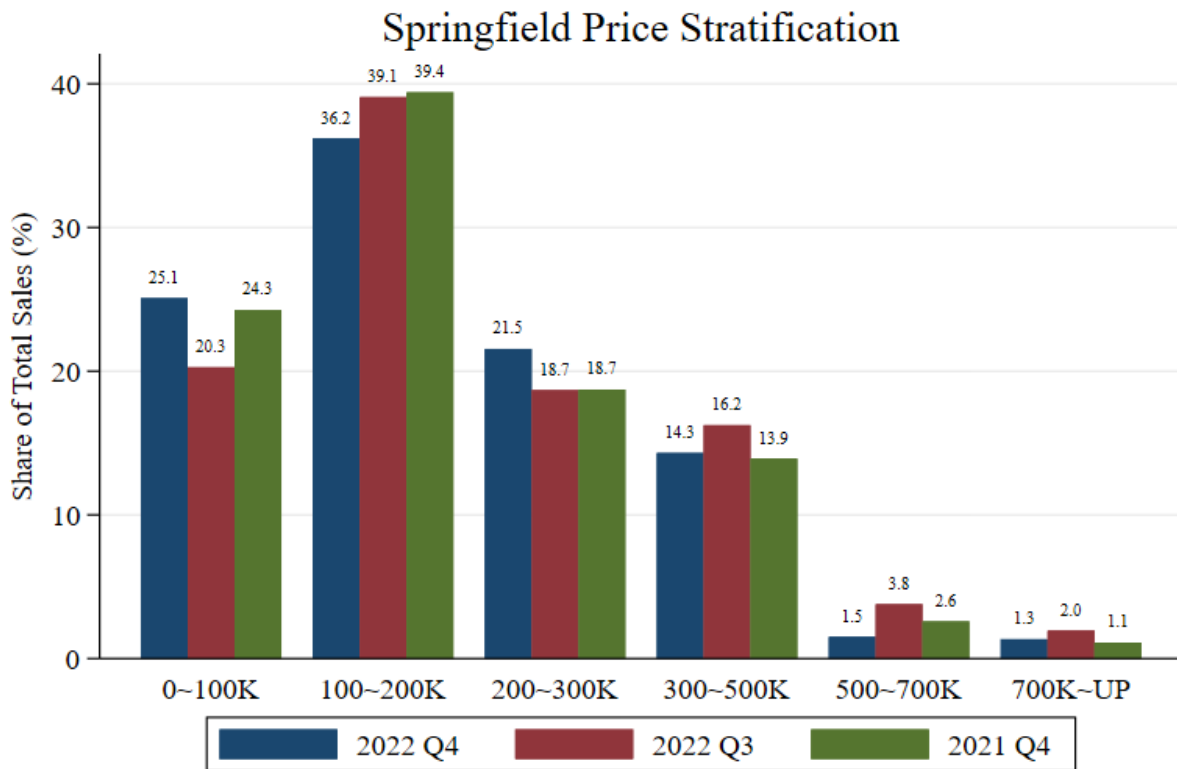


Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

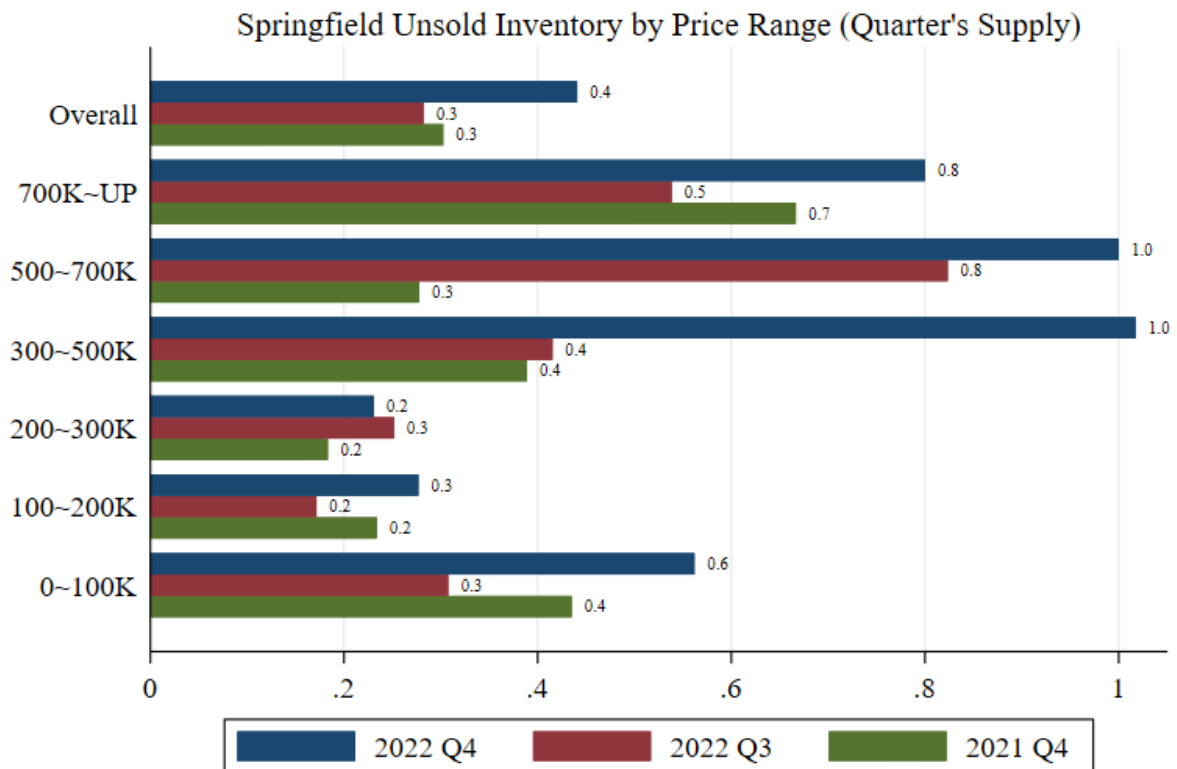
### Springfield Total Home Sales



Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS



Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS



Source: UIC Stuart Handler Department of Real Estate, Illinois REALTORS

Leading economists from the University of Illinois at Urbana-Champaign and the University of Illinois at Chicago developed the Illinois housing price forecast using an augmented distributed lag model as the framework to relate house pricing and the economic business cycle. This “ARIMA” model is considered a highly accurate forecasting method and one that can be easily updated with data provided by the ILLINOIS REALTORS® each month and quarter and selected monthly economic data available for the state and metropolitan regions. Leading the research team is Dr. Daniel McMillen, Professor of Real Estate and Head, Stuart Handler Department of Real Estate, University of Illinois at Chicago.