

Housing Price Forecasts

Illinois MSAs

First Quarter, 2017

Presented To

Illinois REALTORS

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Institute of Government and Public Affairs
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Feb 9, 2017

Introduction

This report provides analysis of the housing market in the Fourth Quarter of 2016 with forecasts for the First Quarter of 2017. Complementary analysis of the economy is provided to place the housing market into a broader perspective.

The Illinois Economy

Illinois lost 16,700 jobs in December 2016, compared with a revised 4,500 job loss in November 2016. Compared to December 2015, Illinois has added 28,400 jobs. The three-month moving average, a more stable measure of labor market, showed a decrease of 5,900 jobs per month. The state of Illinois now has 17,400 more jobs than in December 2007 when the recent recession started. Since January 2010, when Illinois employment growth resumed after the national recession, Illinois has added 418,900 new jobs.

The Illinois MSAs

Illinois Rural area added 8,600 jobs at 1.16% this month, compared to a revised 2,200 job loss in October 2016. At the same time, Metro lost 6,900 jobs at -0.13% in November, compared to a revised 5,600 job gain in the previous month. Chicago lost 4,300 jobs at -0.11% in November 2016, compared to a revised 1,300 job gain in October 2016. Meanwhile, Downstate added 6,000 jobs at 0.32%, compared to a revised 2,100 job gain in the previous month. In terms of the 12-month aggregated account, Metro registered a positive 0.67% growth by adding 35,000 jobs whereas Rural added 8,000 jobs at 1.08%. Chicago added 29,600 jobs at 0.73% whereas Downstate added 13,400 jobs at 0.70%. Through November 2016, the cumulative job growth for Metro, Rural, Chicago and Downstate compared to January 1990 stood at 14.51%, 13.41%, 15.19% and 12.66% respectively (Table 1).

Table 3 provides a league table for the MSAs. Davenport-Rock Island-Moline (2nd to 9th) experienced the deepest fall in November 2016. Metro-East (1st to 5th), Kankakee (3rd to 7th), Rockford (5th to 8th), and Peoria (6th to 10th) also dropped in terms of rank from last month. The most remarkable upward move in November was recorded for Champaign-Urbana-Rantoul (9th to 1st). In the 12-month growth league table, upward moves were recorded for Springfield (5th to 1st), Chicago (6th to 5th) and Bloomington-Normal (9th to 8th). Downward moves were recorded for Rockford (4th to 6th) and Peoria (8th to 9th). In the 12-month growth league table, Decatur remained in the last place while Metro-East remained in the first place.

The Illinois MSAs' Housing Market

Overview

In the Fourth quarter of 2016, overall sales in Illinois increased compared to last year. Positive growth was recorded in seven MSAs and negative growth in the other three MSAs. For the First quarter of 2017, the overall sales in Illinois are forecast to continuously increase at a mild growth rate. Two MSAs are forecast to experience decreases in their sales (Decatur and Springfield), while the other eight MSAs are forecast to experience year-over-year increases (Bloomington-

Normal, Champaign-Urbana, Chicago PMSA, Davenport-Moline-Rock Island, Kankakee, Metro-East, Peoria-Pekin and Rockford).

The overall increasing median price for Illinois is also found in six MSAs (Decatur, Metro-East, Champaign-Urbana, Kankakee, Chicago PMSA and Rockford) in the Fourth quarter. The overall median price for Illinois is forecast to increase with positive growth in eight MSAs (Bloomington-Normal, Chicago PMSA, Champaign-Urbana, Davenport-Moline-Rock Island, Kankakee, Metro-East, Rockford and Springfield).

Housing Market Conditions

In the Fourth quarter of 2016, Illinois experienced increases in sales, and seven out of ten MSAs experienced annual increases in sales with varying degree. The overall sales for Illinois increased by 2.5% compared to a year ago. Seven MSAs experienced positive changes in sales: Bloomington-Normal (4.1%), Champaign-Urbana (10.8%), Chicago PMSA (2.2%), Kankakee (12.9%), Metro-East (4.2%), Peoria-Pekin (2.7%), Springfield (1.2%); three MSAs experienced negative changes in sales: Davenport-Moline-Rock Island (-6.8%), Decatur (-8.6%), and Rockford (-0.3%).

In terms of housing prices, the overall median prices for Illinois presented significant annual gains with a growth rate of 6.7%. The positive growth was led by six MSAs: Decatur (1.2%), Metro-East (5.1%), Champaign-Urbana (5.9%), Kankakee (5.9%), Chicago PMSA (8.5%), and Rockford (23.0%). Four MSAs experienced negative changes: Bloomington-Normal (-0.7%) and Davenport-Moline-Rock Island (-0.1%) experienced little change in their median prices. Peoria-Pekin (-2.7%) and Springfield (-3.2%) were the two MSAs that experienced mild negative changes.

Illinois and eight out of ten MSAs experienced decreases in the quarter's supply for homes with some variations. For Illinois as a whole, the overall quarter's supply is 1.6 decreasing from 2.0 a year ago. Only one MSAs experienced increases in quarters of supply: Decatur (to 3.2 from 2.7 quarters). Springfield (1.6 quarters) kept unchanged in quarters of supply. The rest of the MSAs experienced decreases: Bloomington-Normal (to 1.7 from 2.2 quarters), Champaign-Urbana (to 1.9 from 2.1 quarters), Chicago PMSA (to 1.2 from 1.5 quarters), Davenport-Moline-Rock Island (to 1.8 from 2.0 quarters), Kankakee (to 2.1 from 2.5 quarters), Metro-East (to 1.1 from 1.6 quarters), Peoria-Pekin (to 2.5 from 2.6 quarters), and Rockford (to 1.6 from 1.9 quarters).

Housing Market Forecasts

Table 4 provides the median price forecasts for the First quarter of 2017. The forecasts indicate an overall positive annual growth for the state as a whole (4.5%). Eight out of ten MSAs are forecast to experience positive changes in the First quarter of 2017: Bloomington-Normal (1.2%), Chicago PMSA (8.2%), Champaign-Urbana (2.1%), Davenport-Moline-Rock Island (0.3%), Kankakee (0.9%), Metro-East (4.2%), Rockford (6.3%) and Springfield (2.9%). Two MSAs are forecast to decrease in their median prices: Decatur (-1.5%) and Peoria-Pekin (-1.9%).

Table 5 provides the sales forecast for the First quarter of 2017. The overall sales in Illinois are forecast to edge up by 0.4% to 0.6% compared to a year ago. Eight MSAs are forecast to

experience some gains in sales: Chicago PMSA (0.1%), Bloomington-Normal (11.1% to 15.1%), Champaign-Urbana (5.9% to 8.0%), Davenport-Moline-Rock Island (11.5% to 15.6%), Kankakee (21.3% to 28.9%), Metro-East (12.9% to 17.4%), Peoria-Pekin (0.4% to 0.6%) and Rockford (3.0% to 4.1%). The other two MSAs are forecast to decrease their sales: Decatur (-0.5% to -0.7%) and Springfield (-0.7% to -0.9%).

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

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

Illinois

- Median price forecast indicates a positive trend with annual rates of change of 4.3% to 5.1% in Q1 2017.
- Sales volume in Q1 2017 is forecast to increase by an annual rate of 0.4% to 0.6%.
- Median prices in Q4 2016 were 6.7% higher on a yearly basis.
- Sales volume in Q4 2016 was 2.5% higher than a year ago.
- In Q4 2016, the decreases in market shares are concentrated on homes priced less than 100K. Homes priced below \$100K captured 21.8% of the market against 25.4% a year ago.
- By Q4 2016, the overall quarter's supply is 1.6 decreasing from 2.0 a year ago.

Chicago

- Median price forecast indicates a positive trend with annual rates of change of 8.1% to 8.4% in Q1 2017.
- Sales volume in Q1 2017 is forecast to experience a change of 0.1% on a yearly basis.
- Median prices in Q4 2016 were 8.5% higher on a yearly basis.
- Sales volume in Q4 2016 was 2.2% higher than a year ago
- In Q4 2016, market shares of homes priced less than \$100K experienced the largest change, decreasing from 16.6% a year ago to 12.6%.
- By Q4 2016, the overall quarter's supply is forecast to be 1.2 quarters, decreasing from 1.5 a year ago.

Bloomington-Normal

- Median price forecast indicates mixed trend with an annual change rate of -2.2% to 4.3% in Q1 2017.
- Sales volume in Q1 2017 is forecast to experience a growth rate of 11.1% to 15.1% on a yearly basis.
- Median prices in Q4 2016 experienced a change rate of -0.7% compared with Q4 2016.
- Sales volume in Q4 2016 was 4.1% higher than a year ago.
- In Q4 2016, market shares of homes prices at different ranges remain at similar levels as a year ago.

- By Q4 2016, the overall quarter's supply is 1.7 quarters, decreasing from 2.2 a year ago.

Champaign-Urbana

- Median price forecast indicates mixed growth trend with change rates between -4.9% and 9.4% in Q1 2017.
- Sales volume in Q1 2017 is forecast to experience a change of 5.9% to 8.0% on a yearly basis.
- Median prices in Q4 2016 were 5.9% higher on a yearly basis.
- Sales volume in Q4 2016 was 10.8% higher than a year ago.
- In Q4 2016, market shares of homes priced less than \$100K experienced the largest change, decreasing from 31.6% a year ago to 26.5%.
- By Q4 2016, the overall quarter's supply is 1.9 quarters, decreasing from 2.1 a year ago.

Davenport-Moline-Rock Island

- Median price forecast indicates mixed growth trend with change rates between -10.9% and 11.2% in Q1 2017.
- Sales volume in Q1 2017 is forecast to experience a change of 11.5% to 15.6% on a year-over-year basis.
- Median prices in Q4 2016 experienced a change rate of -0.1% on a yearly basis.
- Sales volume in Q4 2016 was 6.8% lower than a year ago.
- In Q4 2016, market shares of homes prices at different ranges remain at similar levels as a year ago.
- By Q4 2016, the overall quarter's supply is 1.8 quarters, decreasing from 2.0 a year ago.

Decatur

- Median price forecast indicates mixed change rates between -9.1% and 7.7% in Q1 2017.
- Sales volume in Q1 2017 is forecast to experience a change of -0.5% to -0.7%.
- Median prices in Q4 2016 experienced a rate of change of 1.2% on a yearly basis.
- Sales volume in Q4 2016 was 8.6% lower than a year ago.
- In Q4 2016, market shares of homes priced in the range of \$0-100K experienced the largest change, decreasing from 57.8% to 56.0%.
- By Q4 2016, the overall quarter's supply increases to 3.2 quarters from 2.7 quarters a year ago.

Kankakee

- Median price forecast indicates mixed growth trend with change rates between -1.7% and 4.8% in Q1 2017.
- Sales volume in Q1 2017 is forecast to experience a change of 21.3% to 28.9% on a yearly basis.
- Median prices in Q4 2016 experienced a change rate of 5.9% on a yearly basis.

- Sales volume in Q4 2016 was 12.9% higher than a year ago.
- In Q4 2016, market shares of homes priced in the range of \$100-200K experienced the largest change, increasing from 38.4% to 43.4%.
- By Q4 2016, the overall quarter's supply is 2.1 quarters, decreasing from 2.5 a year ago.

Metro East

- Median price forecast indicates positive change rates between 3.5% and 4.7% in Q1 2017.
- Sales volume in Q1 2017 is forecast to experience a change of 12.9% to 17.4% on an annual basis.
- Median prices in Q4 2016 experienced a change rate of 5.1% on a yearly basis.
- Sales volume in Q4 2016 was 4.2% higher than a year ago.
- In Q4 2016, market shares of homes priced in the price range of \$0-100K experienced the largest change, decreasing to 38.3% from 40.7% a year ago.
- By Q4 2016, the overall quarter's supply is 1.1 quarters, decreasing from 1.6 a year ago.

Peoria-Pekin

- Median price forecast indicates negative change rates between -3.6% and -0.3% in Q1 2017.
- Sales volume in Q1 2017 is forecast to experience a change of 0.4% to 0.6% on an annual basis.
- Median prices in Q4 2016 experienced a change rate of -2.7% on a yearly basis.
- Sales volume in Q4 2016 was 2.7% higher than a year ago.
- In Q4 2016, market shares of homes prices at different ranges remain at similar levels as a year ago.
- By Q4 2016, the overall quarter's supply is 2.5 quarters, decreasing from 2.6 a year ago.

Rockford

- Median price forecast indicates positive annual change rates between 2.3% and 11.2% in Q1 2017.
- Sales volume in Q1 2017 is forecast to experience decreases by 3.0% to 4.1% on a yearly basis.
- Median prices in Q4 2016 experienced a rate of change of 23.0% on a yearly basis.
- Sales volume in Q4 2016 was 0.3% lower than a year ago.
- In Q4 2016, market shares of homes priced in the range of \$0-100K experienced the largest change, decreasing from 54.0% to 44.2%.
- By Q4 2016, the overall quarter's supply is 1.6 quarters, down from 1.9 quarters a year ago.

Springfield

- Median price forecast indicates mixed change rates between -5.2% and 12.3% in Q1 2017.
- Sales volume in Q1 2017 is forecast to experience a change between -0.7% and -0.9% on a yearly basis.
- Median prices in Q4 2016 experienced a rate of change of -3.2% on a yearly basis.
- Sales volume in Q4 2016 was 1.2% higher compared to a year ago.
- In Q4 2016, market shares of homes priced in the range of \$100-200K experienced the largest change, decreasing from 42.2% to 39.3%.
- By Q4 2016, the overall quarter's supply remains unchanged at 1.6 quarters as a year ago.

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

December 2016	Total non-farm employment	Dec 2016 Number of Jobs	Oct 2016 – Nov 2016		Last 12 months	
			Growth Rate (%)	Number of Jobs	Growth Rate (%)	Number of Jobs
			Nation	145,128,000	0.12	178,000
Rest of Midwest (RMW)	20,311,200	0.06	11,700	1.35	270,800	
Illinois	6,025,500	0.03	1,700	0.72	43,000	
Illinois Metro	5,276,500	-0.13	-6,900	0.67	35,000	
Illinois non-Metro (Rural)	749,000	1.16	8,600	1.08	8,000	
Illinois Chicago (Upstate)	4,112,900	-0.11	-4,300	0.73	29,600	
Illinois non-Chicago	1,912,600	0.32	6,000	0.70	13,400	

Table 2: MSA Growth Rates, November 2016 and Last 12 Months

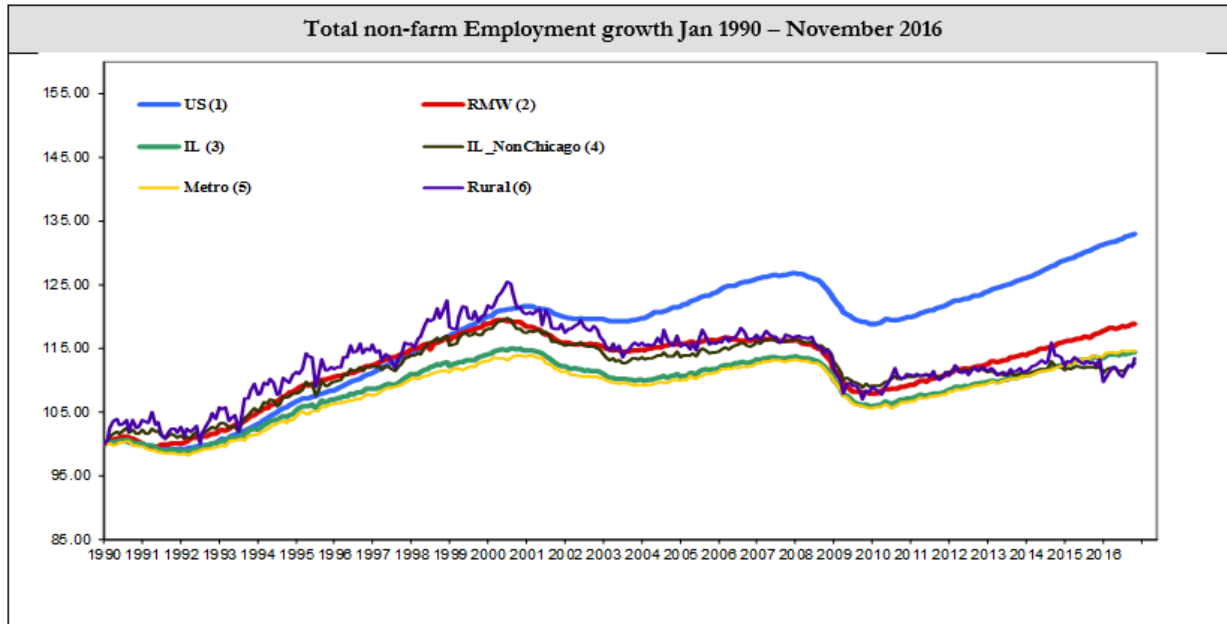
Market Area	Nov 2016 Number of Jobs	October 2015 – November 2016			Last 12 months	
		Growth compared to Illinois	Growth Rate %	Number Of Jobs	Growth Rate %	Number of Jobs
Bloomington-Normal (B-N)	93,500	-	-0.06	-100	-1.25	-1,200
Champaign-Urbana (C-U-R)	111,000	+	0.37	400	1.85	2,000
Chicago	4,112,900	-	-0.11	-4,300	0.73	29,600
Davenport-Rock Island-Moline (D-R-M)	180,100	-	-0.51	-900	-0.92	-1,700
Decatur	50,800	+	0.09	50	-1.93	-1,000
Kankakee	45,400	-	-0.33	-200	1.08	500
Peoria	175,200	-	-0.69	-1,200	-1.85	-3,300
Rockford	154,200	-	-0.46	-700	0.71	1,100
Springfield	115,500	+	0.24	300	1.00	1,100
Metro-East	237,900	-	-0.09	-200	3.36	7,700

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

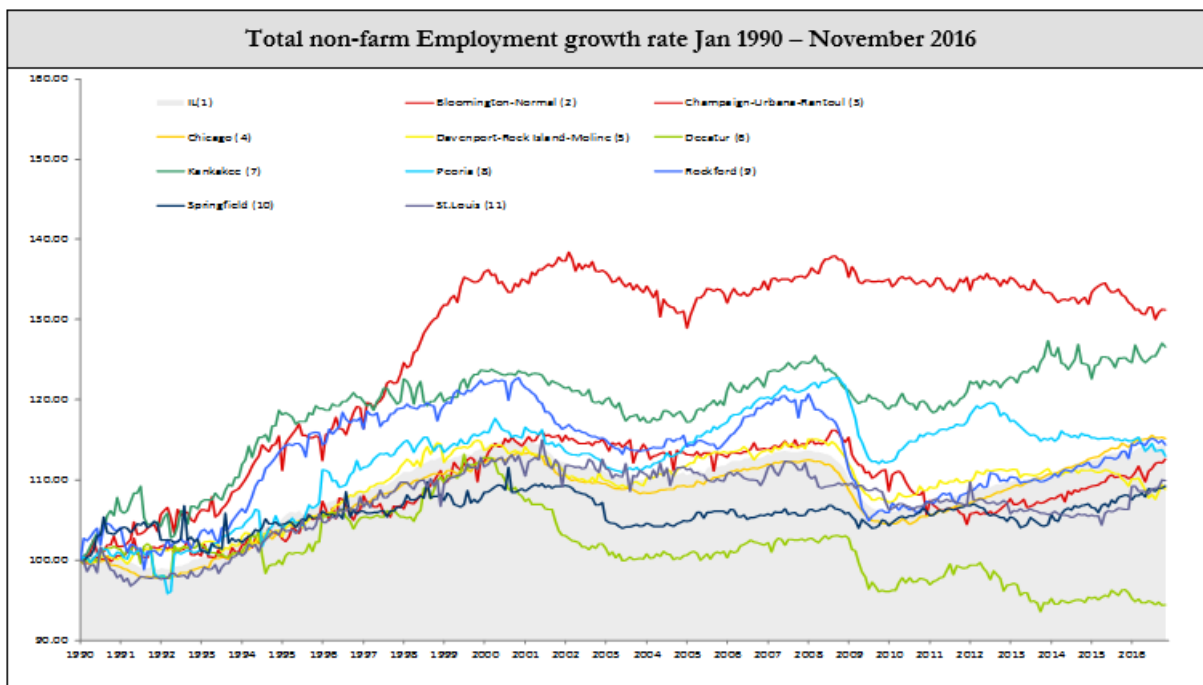
Rank	October 2016	November 2016	Rank	Change**
1	Metro-East(0.89%)	Champaign-Urbana-Rantoul(0.37%)	1	▲(+8)
2	Davenport-Rock Island-Moline(0.84%)	Springfield (0.24%)	2	▲(+6)
3	Kankakee(0.65%)	Decatur(0.09%)	3	▲(+7)
4	Bloomington-Normal(0.31%)	Bloomington-Normal(-0.06%)	4	▲(+0)
5	Rockford (0.3%)	Metro-East(-0.09%)	5	▼(-4)
6	Peoria(0.12%)	Chicago(-0.11%)	6	▲(+1)
7	Chicago(0.04%)	Kankakee(-0.33%)	7	▼(-4)
8	Springfield (-0.01%)	Rockford (-0.46%)	8	▼(-3)
9	Champaign-Urbana-Rantoul(-0.08%)	Davenport-Rock Island-Moline(-0.51%)	9	▼(-7)
10	Decatur(-0.38%)	Peoria(-0.69%)	10	▼(-4)

Growth over last 12-months:

Rank	October 2016	November 2016	Rank	Change**
1	Metro-East (3.36%)	Metro-East (3.36%)	1	▲(+0)
2	Champaign-Urbana-Rantoul (1.45%)	Champaign-Urbana-Rantoul (1.85%)	2	▲(+0)
3	Kankakee (1.44%)	Kankakee (1.08%)	3	▲(+0)
4	Rockford (1.25%)	Springfield (1%)	4	▲(+1)
5	Springfield (0.92%)	Chicago (0.73%)	5	▲(+1)
6	Chicago (0.67%)	Rockford (0.71%)	6	▼(-2)
7	Davenport-Rock Island-Moline (-0.7%)	Davenport-Rock Island-Moline (-0.92%)	7	▲(+0)
8	Peoria (-0.96%)	Bloomington-Normal (-1.25%)	8	▲(+1)
9	Bloomington-Normal (-1.37%)	Peoria (-1.85%)	9	▼(-1)
10	Decatur (-1.94%)	Decatur (-1.93%)	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)

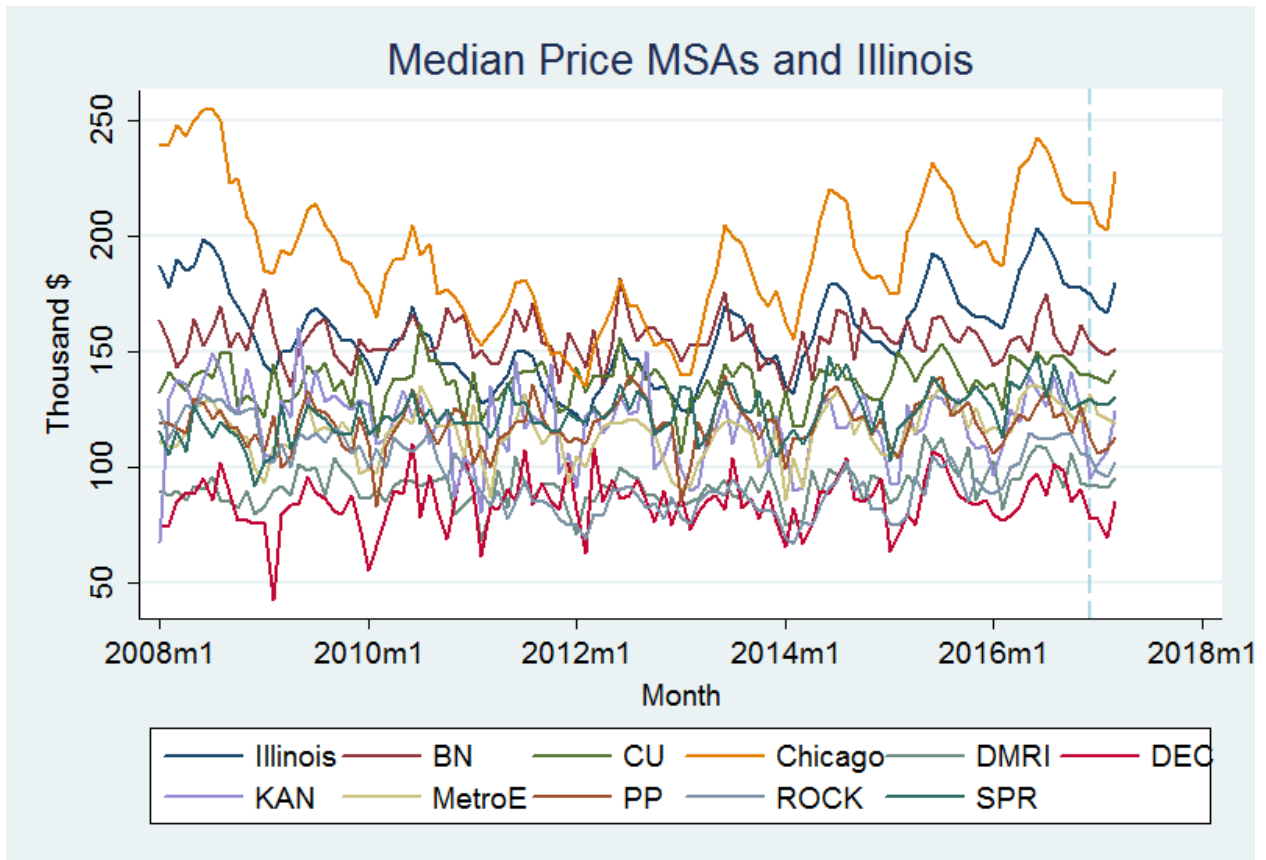
Bloomington-Normal (B-N): McLean Co. **Champaign-Urbana (C-U-R):** Champaign Co., Ford Co. & Piatt Co.
Chicago: Cook Co. IL, DeKalb Co. IL, DuPage Co. IL, Grundy Co. IL, Kane Co. IL, Kendall Co. IL, Lake Co. IL, McHenry Co. IL, Will Co. IL & Kenosha Co. WI **Davenport-Moline-Rock Island (D-R-M):** Henry 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.

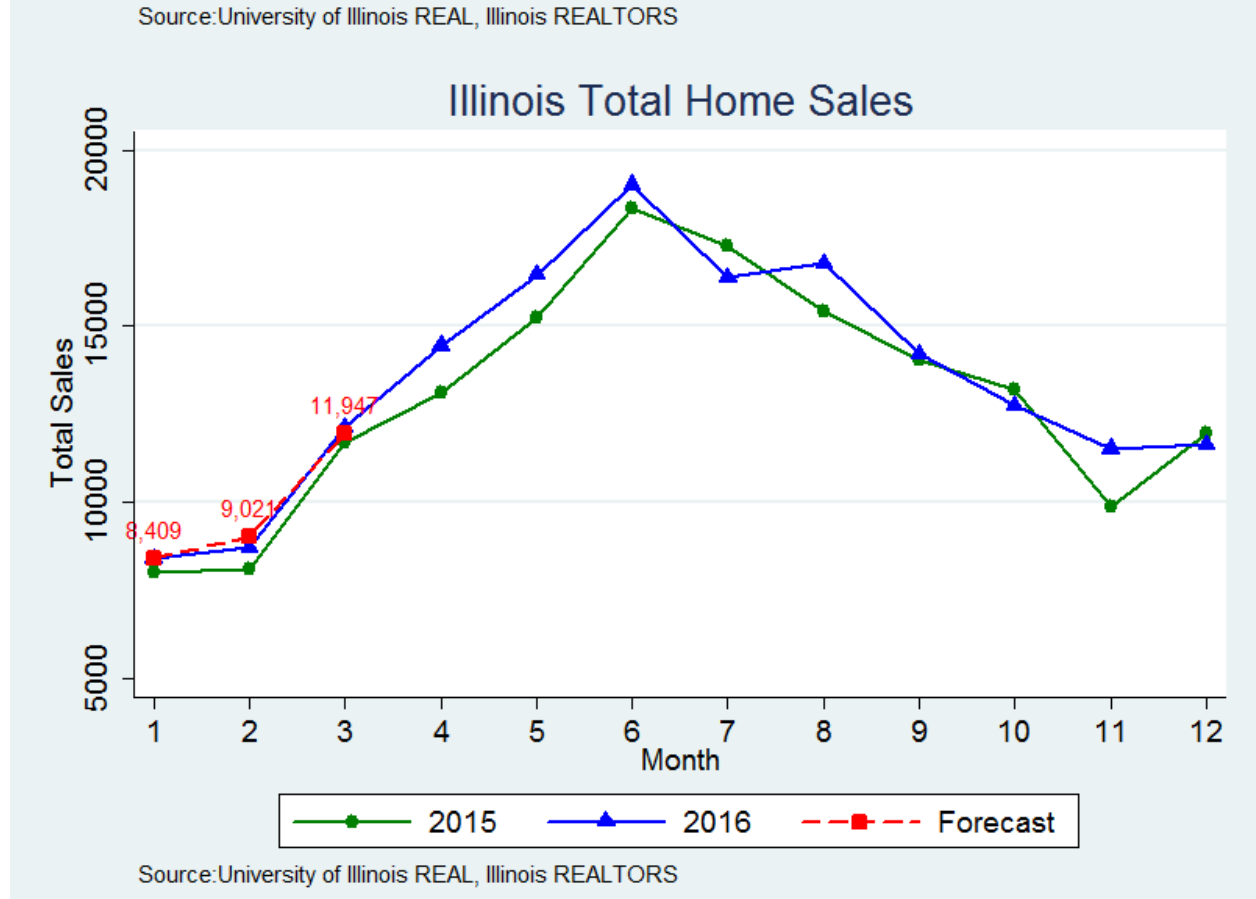
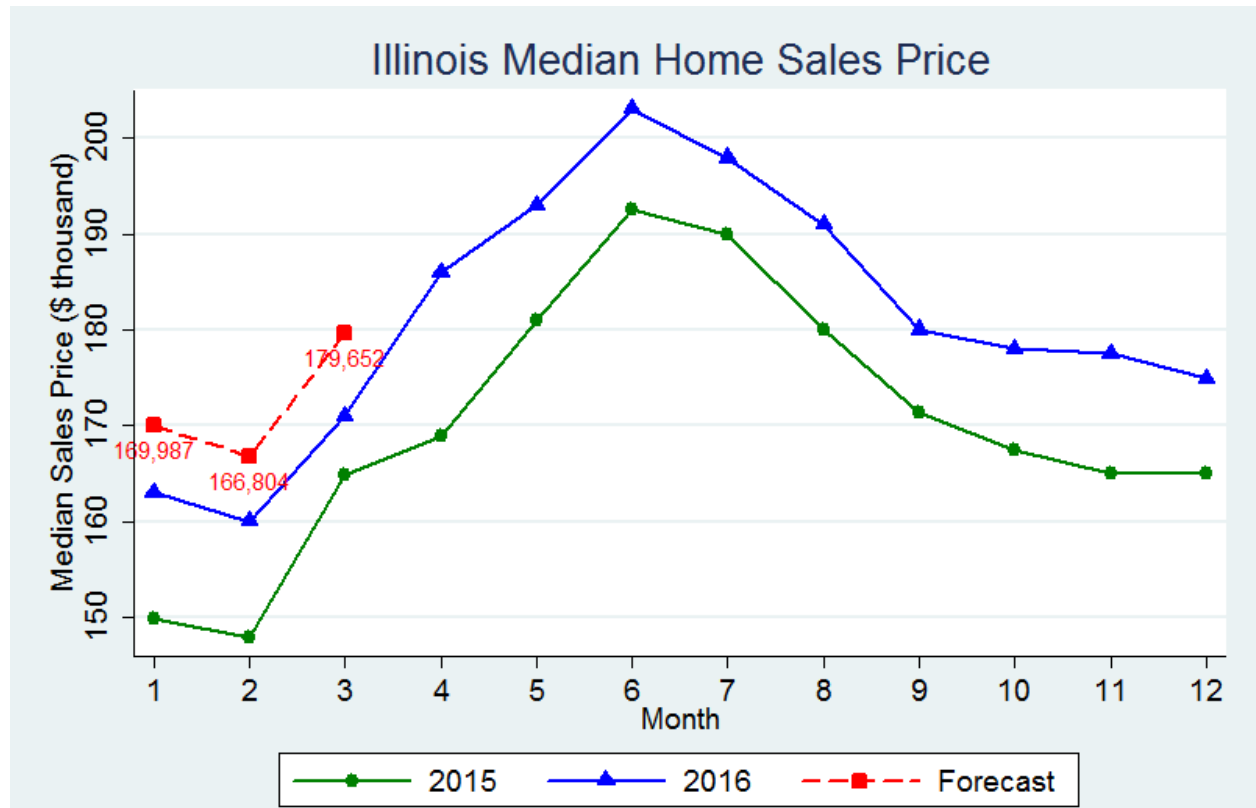
Table 4: Median Prices Forecast for the First Quarter 2017 and Median Prices for the Fourth Quarter 2016

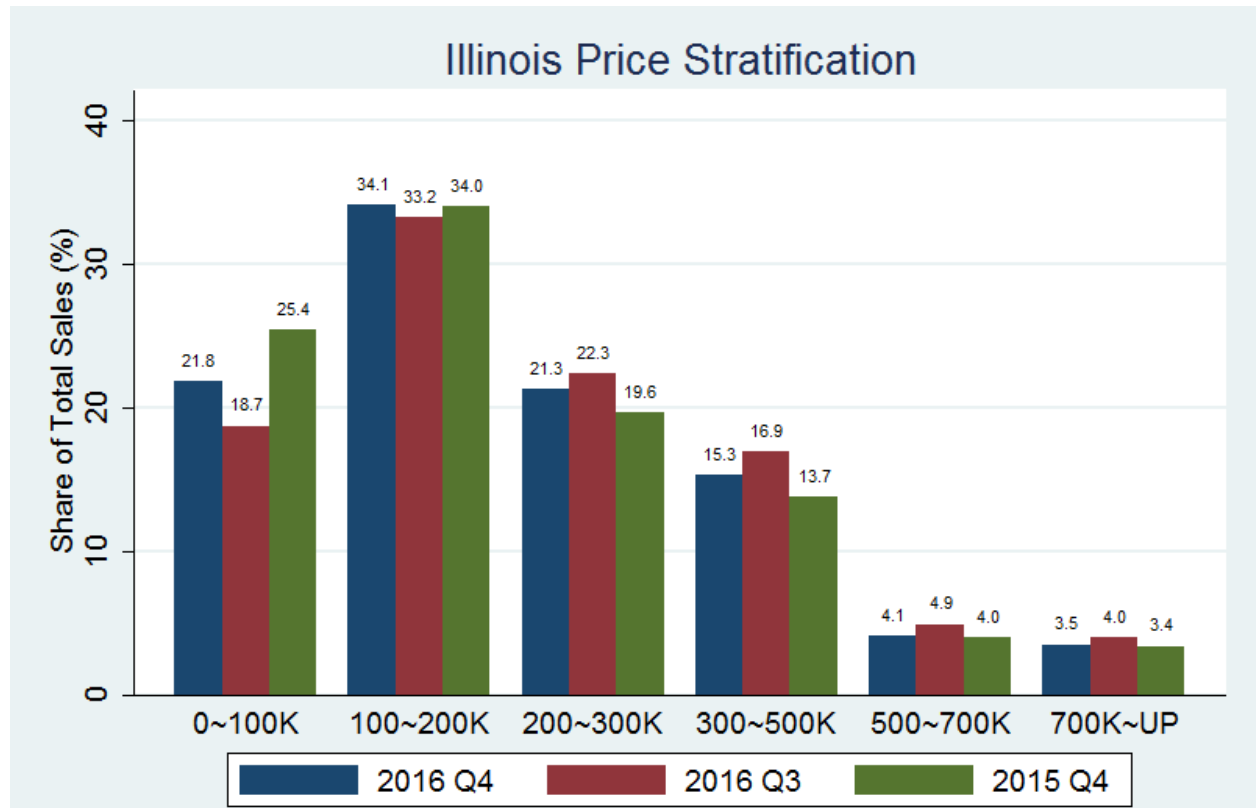
	2017 Q1 Forecast	Price (forecast)	Annually	2016 Q4	Price	Annually
IL State	Jan-17	169,987	4.3%	Oct-16	178,000	6.3%
	Feb-17	166,804	4.3%	Nov-16	177,500	7.6%
	Mar-17	179,652	5.1%	Dec-16	174,900	6.0%
	3M Average	172,148	4.5%	3M	176,000	6.7%
Bloomington-Normal	Jan-17	150,554	4.3%	Oct-16	148,750	-7.6%
	Feb-17	148,613	1.4%	Nov-16	161,500	2.3%
	Mar-17	151,515	-2.2%	Dec-16	153,950	1.4%
	3M Average	150,227	1.2%	3M	154,900	-0.7%
Champaign- Urbana	Jan-17	138,711	1.7%	Oct-16	145,000	9.4%
	Feb-17	136,808	9.4%	Nov-16	140,000	1.4%
	Mar-17	141,688	-4.9%	Dec-16	140,000	4.7%
	3M Average	139,069	2.1%	3M	143,000	5.9%
Chicago PMSA	Jan-17	205,519	8.2%	Oct-16	215,000	7.5%
	Feb-17	202,643	8.1%	Nov-16	214,500	10.0%
	Mar-17	227,569	8.4%	Dec-16	215,000	8.4%
	3M Average	211,910	8.2%	3M	215,000	8.5%
Davenport-Moline- Rock Island	Jan-17	91,817	-10.9%	Oct-16	106,500	-2.3%
	Feb-17	91,144	11.2%	Nov-16	93,500	9.0%
	Mar-17	95,655	0.7%	Dec-16	91,950	-4.0%
	3M Average	92,872	0.3%	3M	96,900	-0.1%
Decatur	Jan-17	77,664	-2.9%	Oct-16	85,000	0.0%
	Feb-17	69,978	-9.1%	Nov-16	90,500	7.6%
	Mar-17	85,065	7.7%	Dec-16	78,000	-9.3%
	3M Average	77,569	-1.5%	3M	86,000	1.2%
Kankakee	Jan-17	101,678	4.8%	Oct-16	141,000	24.8%
	Feb-17	106,867	-1.7%	Nov-16	124,500	15.3%
	Mar-17	124,411	-0.4%	Dec-16	95,500	-13.1%
	3M Average	110,986	0.9%	3M	117,500	5.9%
Metro-East	Jan-17	123,422	4.6%	Oct-16	122,500	4.7%
	Feb-17	121,400	4.7%	Nov-16	119,950	-4.8%
	Mar-17	119,023	3.5%	Dec-16	131,750	14.6%
	3M Average	121,281	4.2%	3M	124,000	5.1%
Peoria-Pekin	Jan-17	106,196	-0.3%	Oct-16	114,000	-11.5%
	Feb-17	108,117	-1.7%	Nov-16	126,500	6.3%
	Mar-17	112,663	-3.6%	Dec-16	113,000	0.0%
	3M Average	108,992	-1.9%	3M	117,250	-2.7%
Rockford	Jan-17	98,444	11.2%	Oct-16	114,000	34.1%
	Feb-17	96,380	5.4%	Nov-16	105,950	11.1%
	Mar-17	102,256	2.3%	Dec-16	105,000	16.7%
	3M Average	99,027	6.3%	3M	109,500	23.0%
Springfield	Jan-17	127,262	1.4%	Oct-16	125,250	-4.8%
	Feb-17	126,953	12.3%	Nov-16	127,500	-5.6%
	Mar-17	130,318	-5.2%	Dec-16	130,000	0.0%
	3M Average	128,178	2.9%	3M	127,500	-3.2%

Table 5: Sales Forecast for the First Quarter 2017 & Sales Percentage Change for the Fourth Quarter 2016

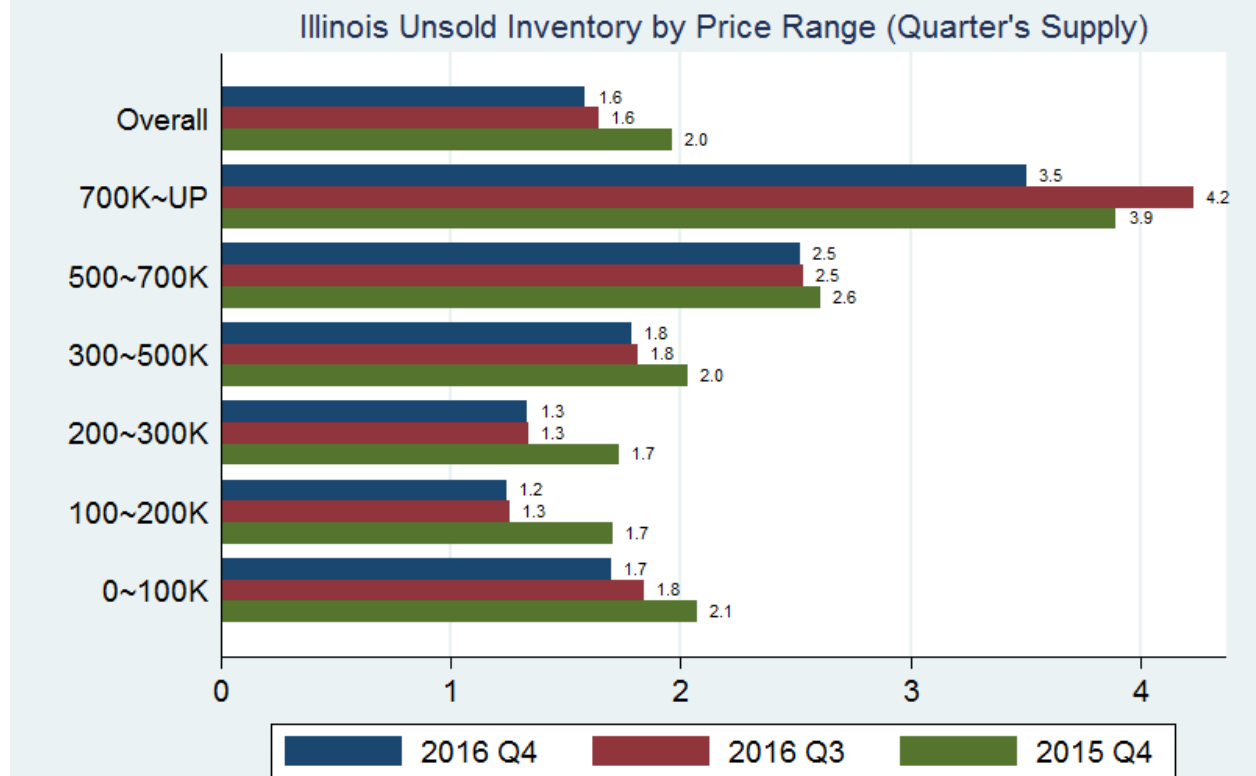
	2017 Q1 Forecast	Annual		Monthly		2016 Q4	Annual	Monthly
IL State	Jan-17	0.1%	0.1%	-23.5%	-31.8%	Oct-16	-3.3%	-10.4%
	Feb-17	3.0%	4.1%	6.2%	8.4%	Nov-16	16.7%	-9.5%
	Mar-17	-1.2%	-1.6%	27.6%	37.3%	Dec-16	-2.8%	0.9%
	3M	0.4%	0.6%	0.9%	1.3%	3M	2.5%	-24.2%
Bloomington-Normal	Jan-17	16.6%	22.5%	-13.2%	-17.8%	Oct-16	6.9%	-13.1%
	Feb-17	28.9%	39.1%	-7.5%	-10.2%	Nov-16	2.8%	-19.9%
	Mar-17	-1.1%	-1.5%	40.2%	54.4%	Dec-16	2.4%	16.8%
	3M	11.1%	15.1%	4.4%	5.9%	3M	4.1%	-32.2%
Champaign- Urbana	Jan-17	16.4%	22.2%	-17.4%	-23.5%	Oct-16	14.9%	-7.6%
	Feb-17	-0.3%	-0.4%	-10.0%	-13.6%	Nov-16	36.5%	4.3%
	Mar-17	3.1%	4.2%	34.7%	47.0%	Dec-16	-9.7%	-1.8%
	3M	5.9%	8.0%	-0.4%	-0.5%	3M	10.8%	-29.7%
Chicago	Jan-17	-1.9%	-2.5%	-22.4%	-30.3%	Oct-16	-4.2%	-11.3%
	Feb-17	-0.3%	-0.4%	2.9%	3.9%	Nov-16	17.9%	-8.1%
	Mar-17	1.7%	2.3%	34.6%	46.8%	Dec-16	-3.6%	-1.2%
	3M	0.1%	0.1%	2.4%	3.3%	3M	2.2%	-25.8%
Davenport-Moline-Rock Island	Jan-17	17.2%	23.3%	-14.3%	-19.4%	Oct-16	-19.6%	-20.4%
	Feb-17	12.7%	17.2%	-4.4%	-6.0%	Nov-16	-4.0%	-1.2%
	Mar-17	6.0%	8.1%	15.9%	21.5%	Dec-16	6.7%	5.4%
	3M	11.5%	15.6%	-2.1%	-2.8%	3M	-6.8%	-21.2%
Decatur	Jan-17	-4.2%	-5.6%	-12.7%	-17.2%	Oct-16	-1.0%	-9.2%
	Feb-17	-0.5%	-0.7%	5.0%	6.8%	Nov-16	-9.0%	-8.1%
	Mar-17	2.7%	3.6%	11.2%	15.2%	Dec-16	-15.8%	-6.6%
	3M	-0.5%	-0.7%	0.6%	0.8%	3M	-8.6%	-19.1%
Kankakee	Jan-17	20.0%	27.0%	-5.8%	-7.8%	Oct-16	-20.6%	-25.4%
	Feb-17	35.4%	48.0%	-14.1%	-19.0%	Nov-16	66.7%	29.4%
	Mar-17	13.6%	18.5%	25.6%	34.7%	Dec-16	13.3%	-7.3%
	3M	21.3%	28.9%	0.4%	0.5%	3M	12.9%	-14.9%
Metro-East	Jan-17	26.1%	35.3%	-19.8%	-26.7%	Oct-16	3.0%	-0.9%
	Feb-17	16.0%	21.6%	8.2%	11.2%	Nov-16	13.1%	-16.5%
	Mar-17	3.3%	4.4%	23.8%	32.2%	Dec-16	0.0%	14.8%
	3M	12.9%	17.4%	2.5%	3.4%	3M	4.2%	-17.3%
Peoria-Pekin	Jan-17	0.0%	0.0%	-13.2%	-17.8%	Oct-16	-4.8%	-13.1%
	Feb-17	9.3%	12.5%	-7.5%	-10.2%	Nov-16	17.9%	-19.9%
	Mar-17	-4.6%	-6.2%	40.2%	54.4%	Dec-16	-1.2%	16.8%
	3M	0.4%	0.6%	5.8%	7.8%	3M	2.7%	-22.0%
Rockford	Jan-17	15.8%	21.3%	-26.0%	-35.1%	Oct-16	7.5%	-2.5%
	Feb-17	2.6%	3.6%	16.8%	22.7%	Nov-16	2.2%	-24.4%
	Mar-17	-3.5%	-4.7%	23.2%	31.4%	Dec-16	-9.8%	12.6%
	3M	3.0%	4.1%	2.0%	2.7%	3M	-0.3%	-18.3%
Springfield	Jan-17	-2.6%	-3.6%	-33.0%	-44.6%	Oct-16	1.1%	4.9%
	Feb-17	5.9%	7.9%	30.9%	41.9%	Nov-16	23.9%	-29.1%
	Mar-17	-4.1%	-5.6%	22.9%	31.0%	Dec-16	-14.1%	2.0%
	3M	-0.7%	-0.9%	2.1%	2.8%	3M	1.2%	-20.3%



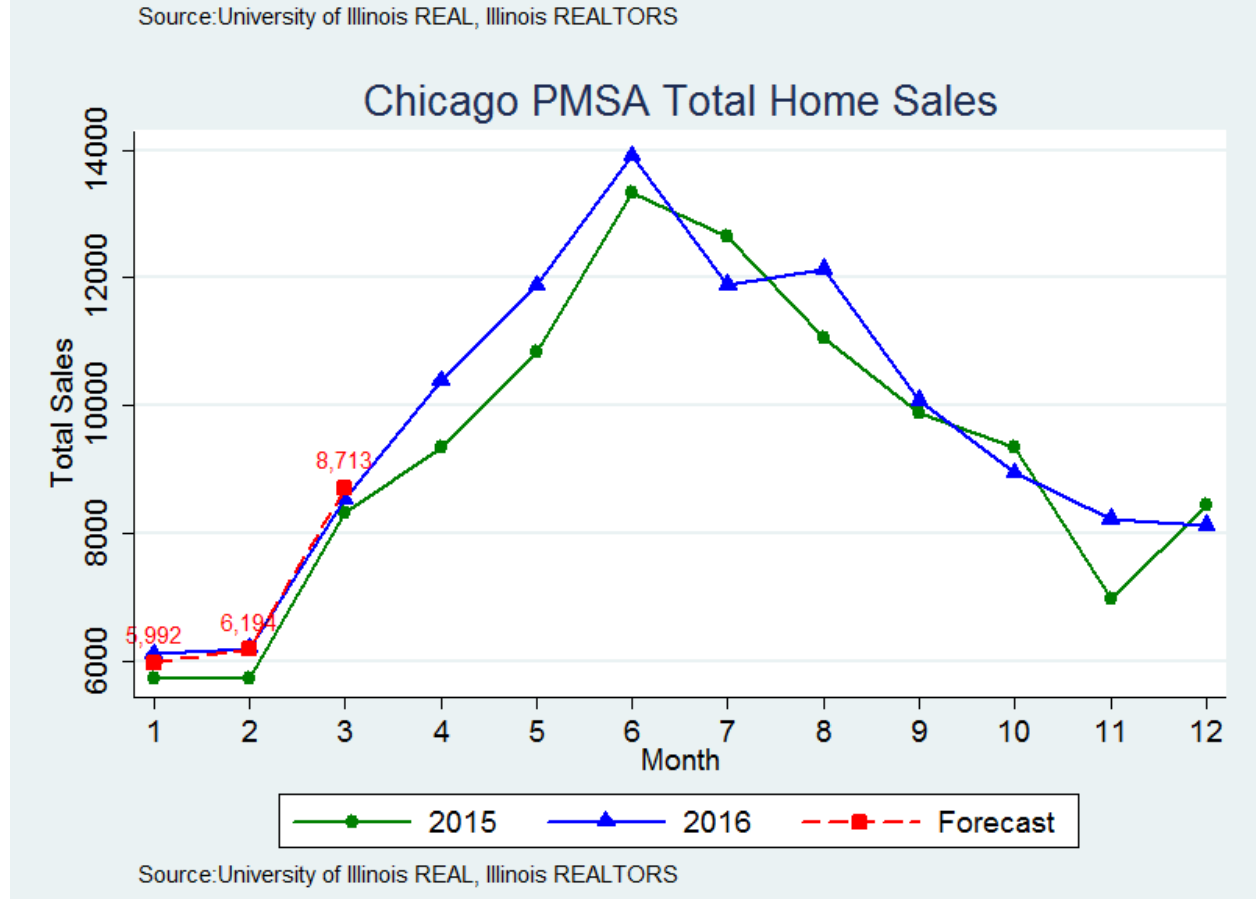
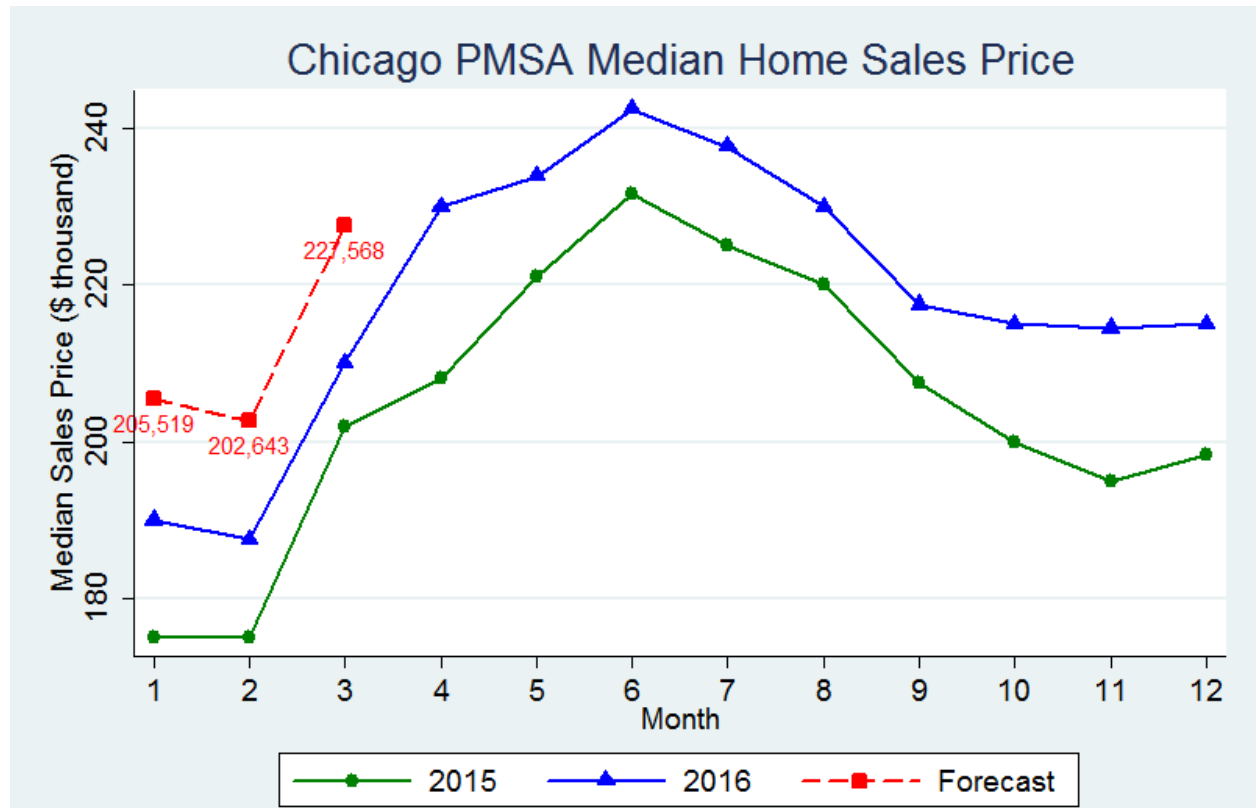




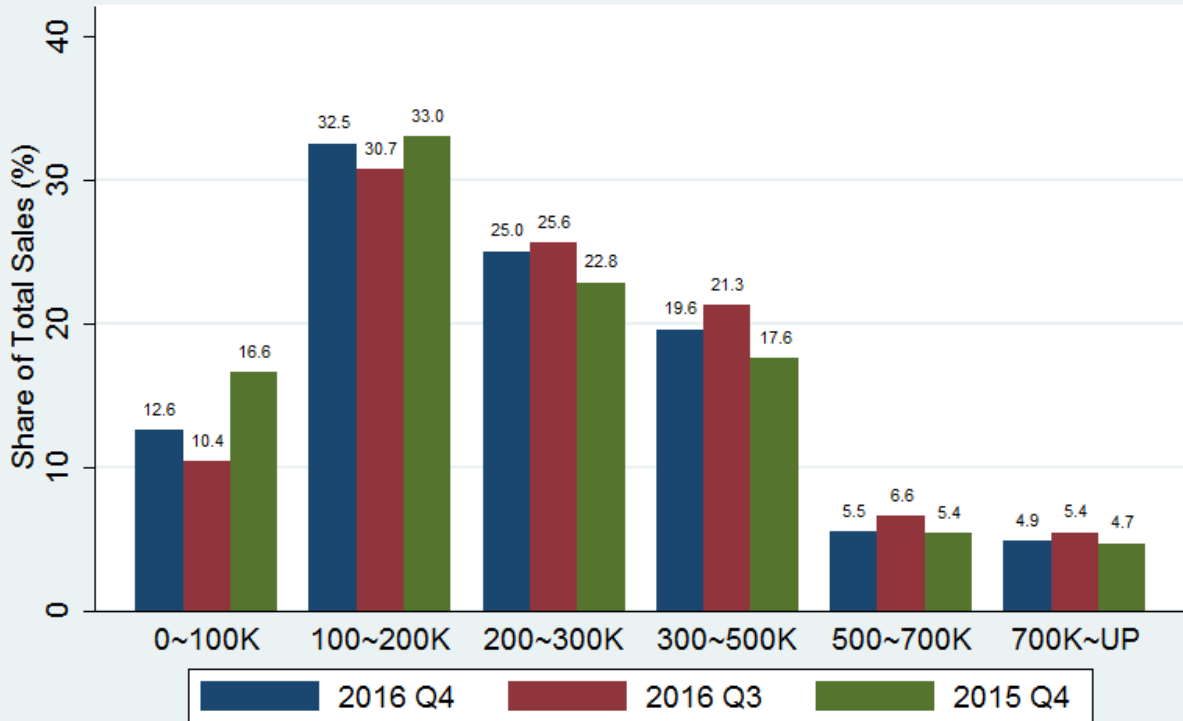
Source: University of Illinois REAL, Illinois REALTORS



Source: University of Illinois REAL, Illinois REALTORS

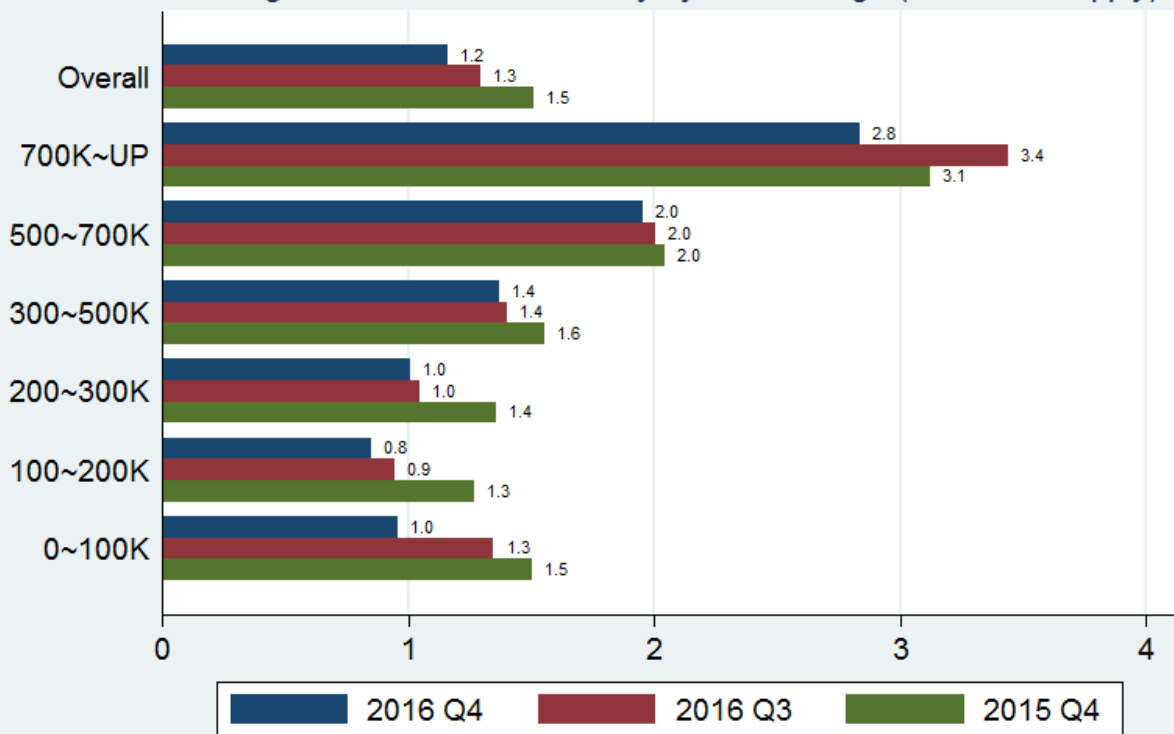


Chicago PMSA Price Stratification

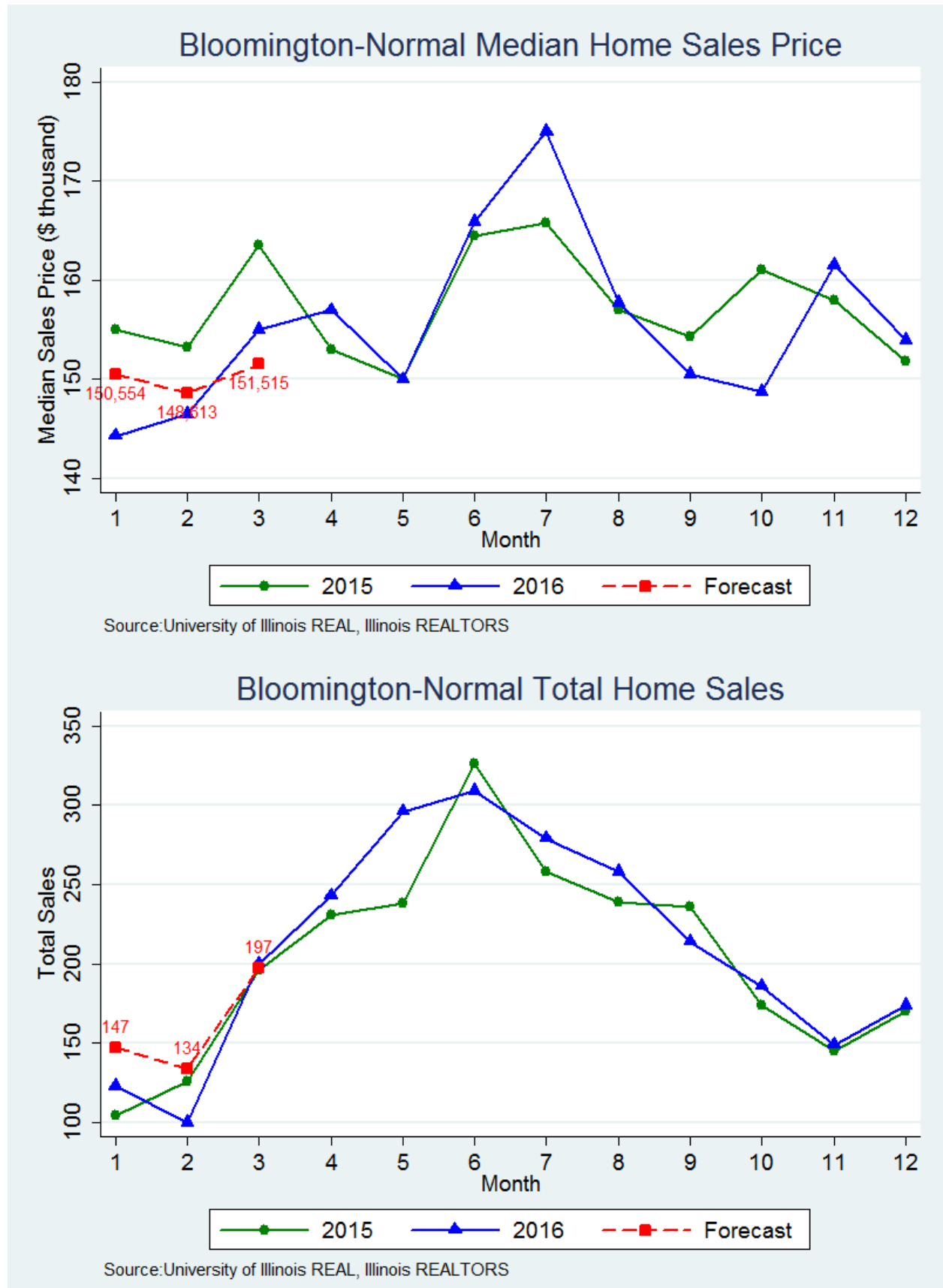


Source: University of Illinois REAL, Illinois REALTORS

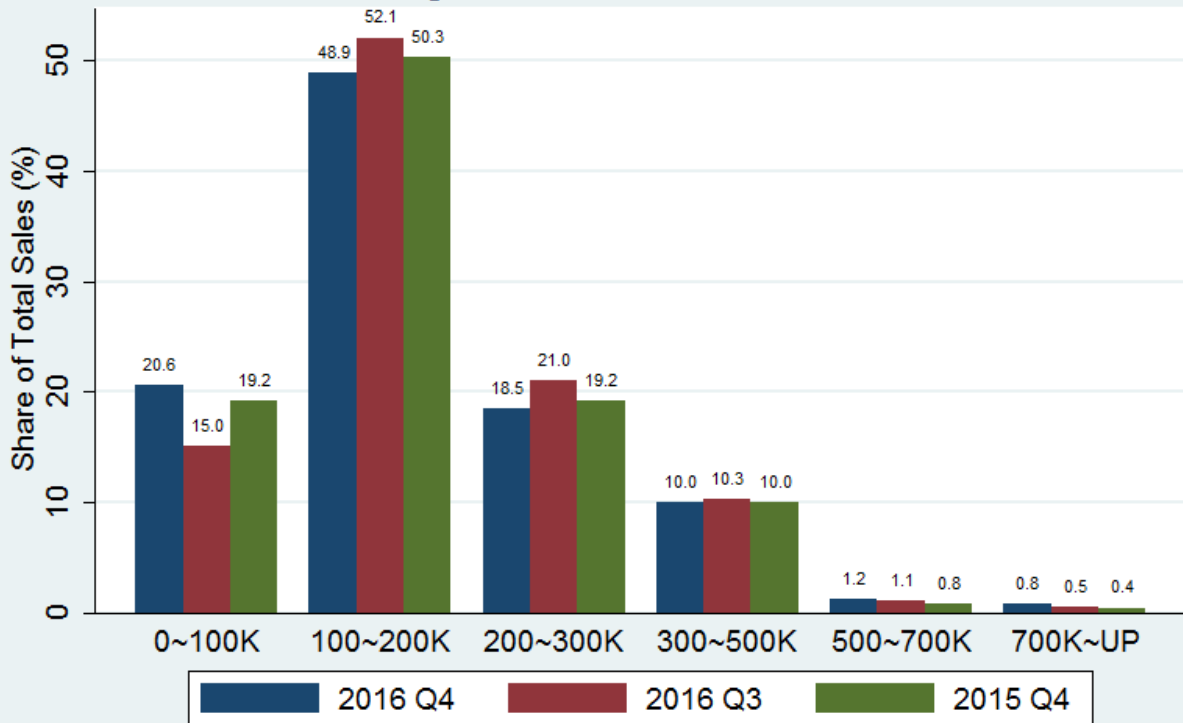
Chicago PMSA Unsold Inventory by Price Range (Quarter's Supply)



Source: University of Illinois REAL, Illinois REALTORS

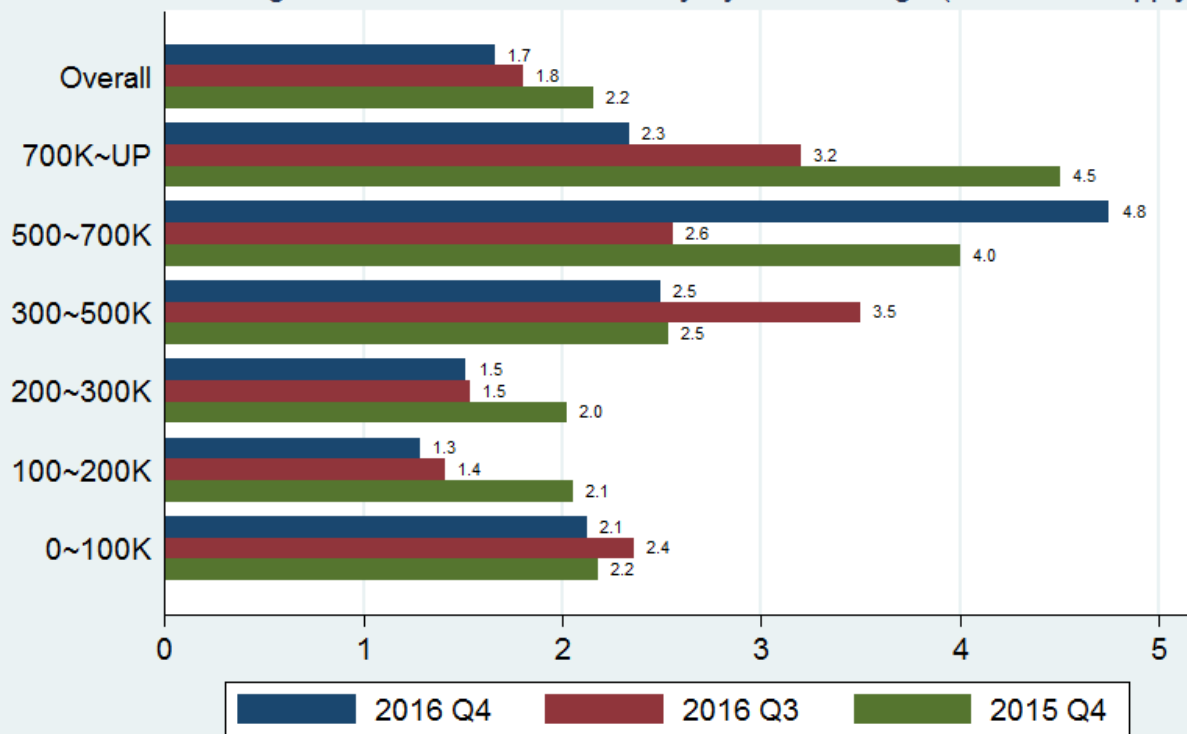


Bloomington-Normal Price Stratification

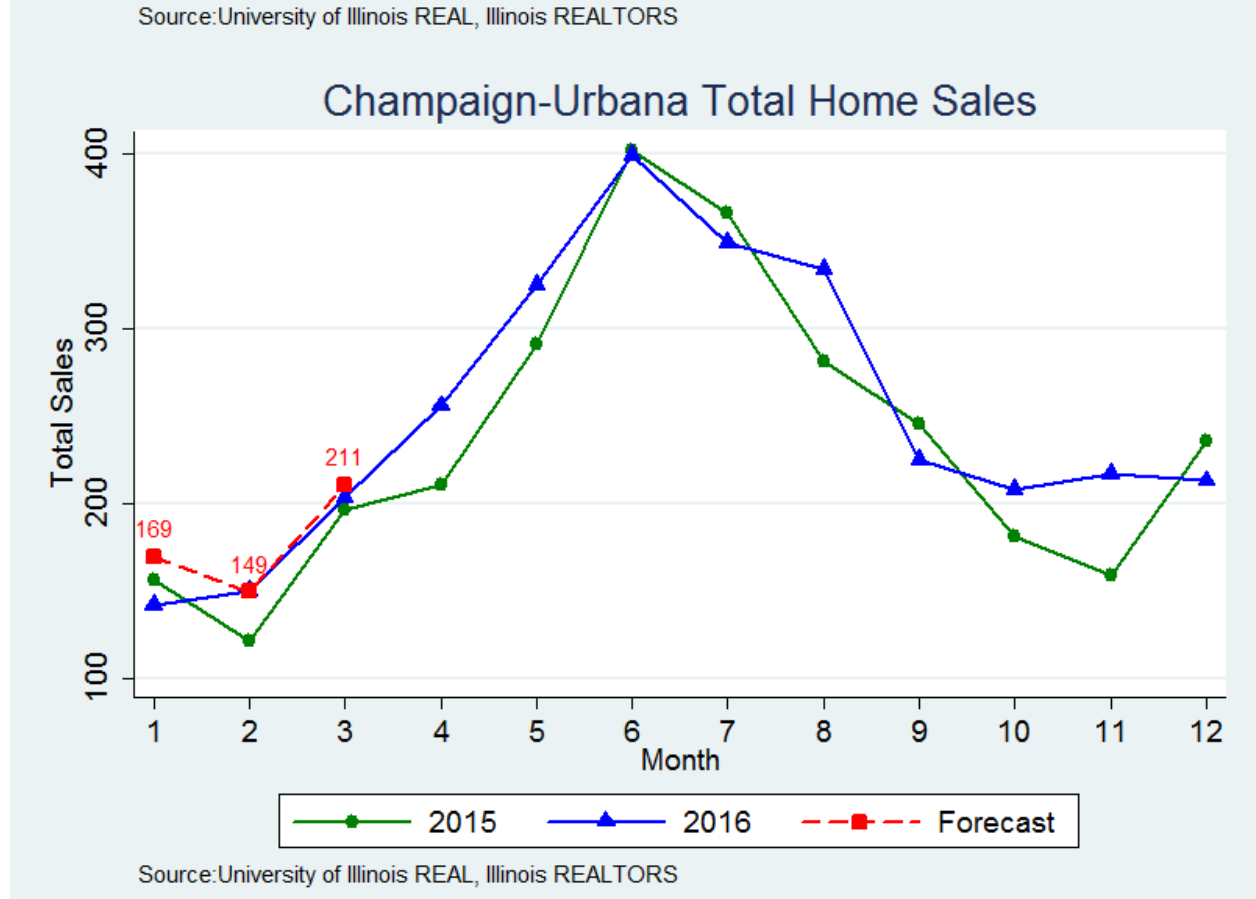
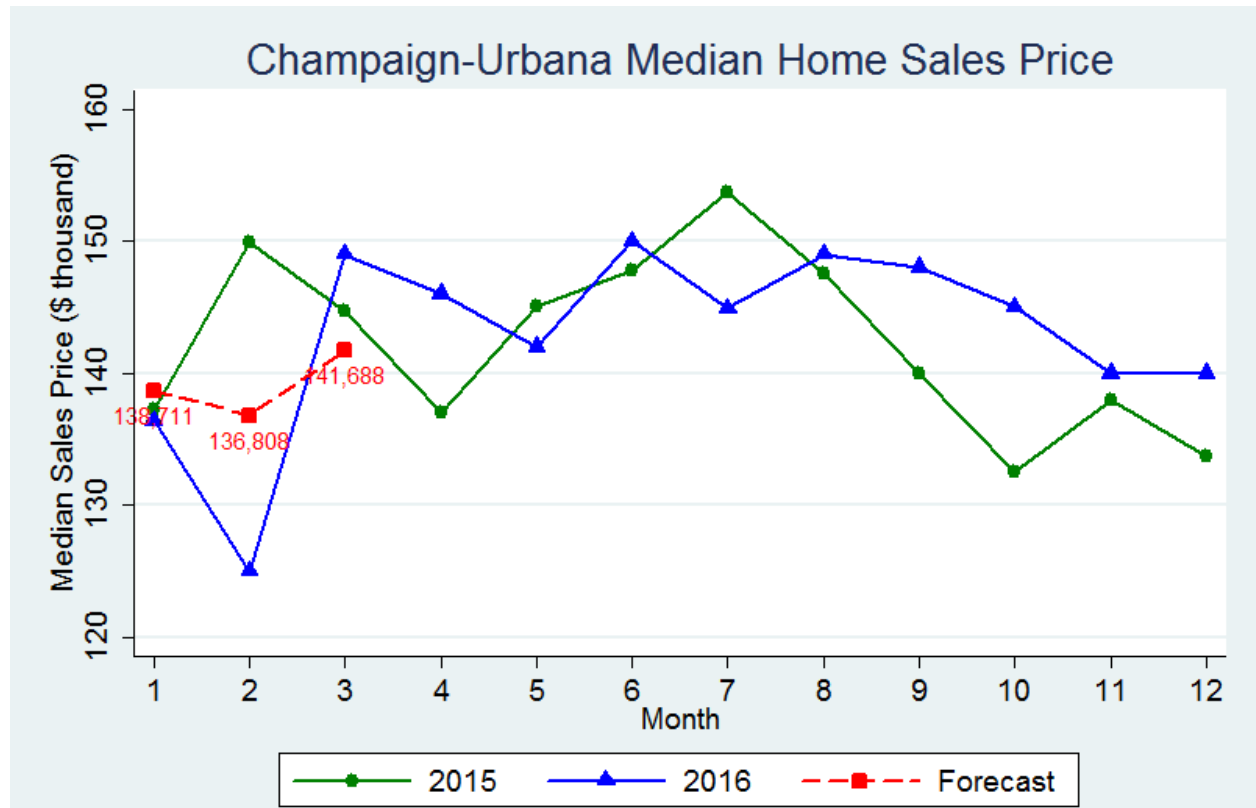


Source: University of Illinois REAL, Illinois REALTORS

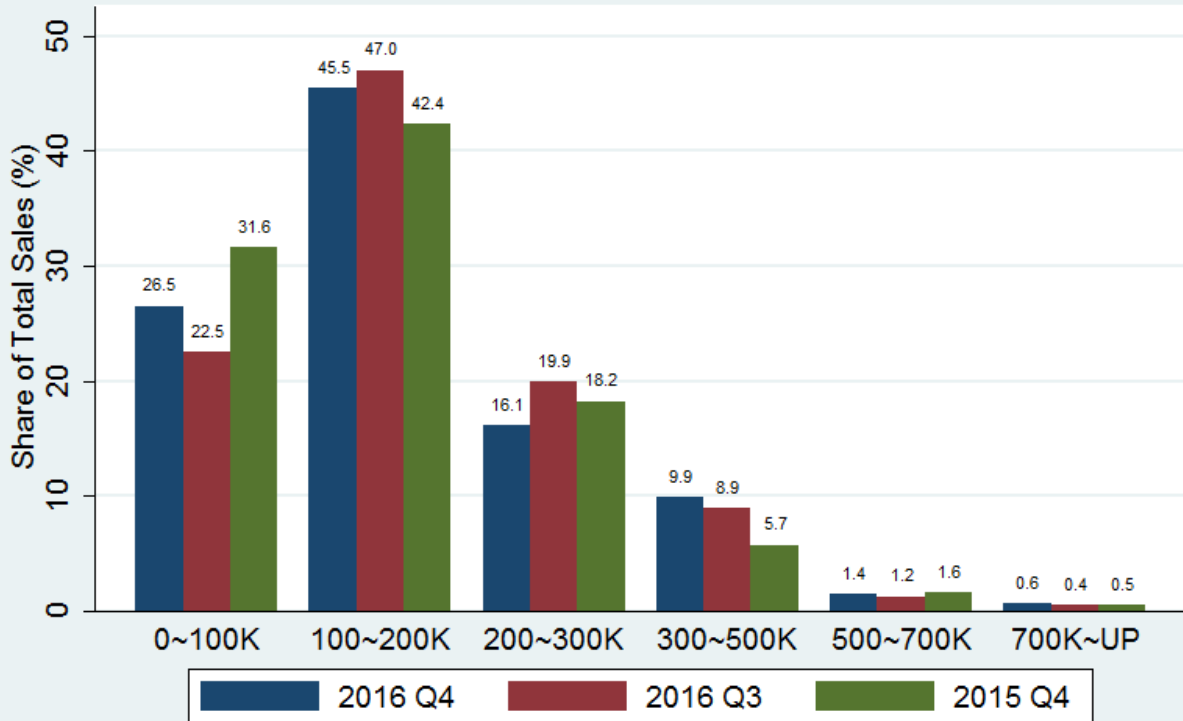
Bloomington-Normal Unsold Inventory by Price Range (Quarter's Supply)



Source: University of Illinois REAL, Illinois REALTORS

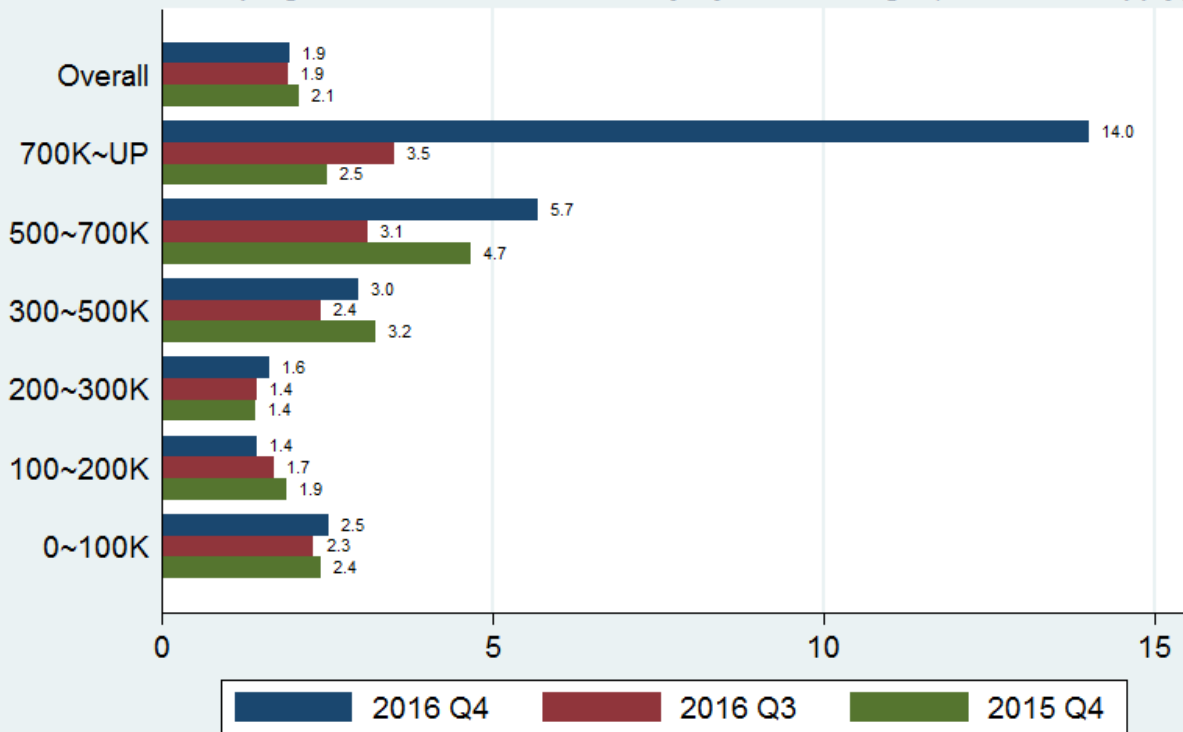


Champaign-Urbana Price Stratification

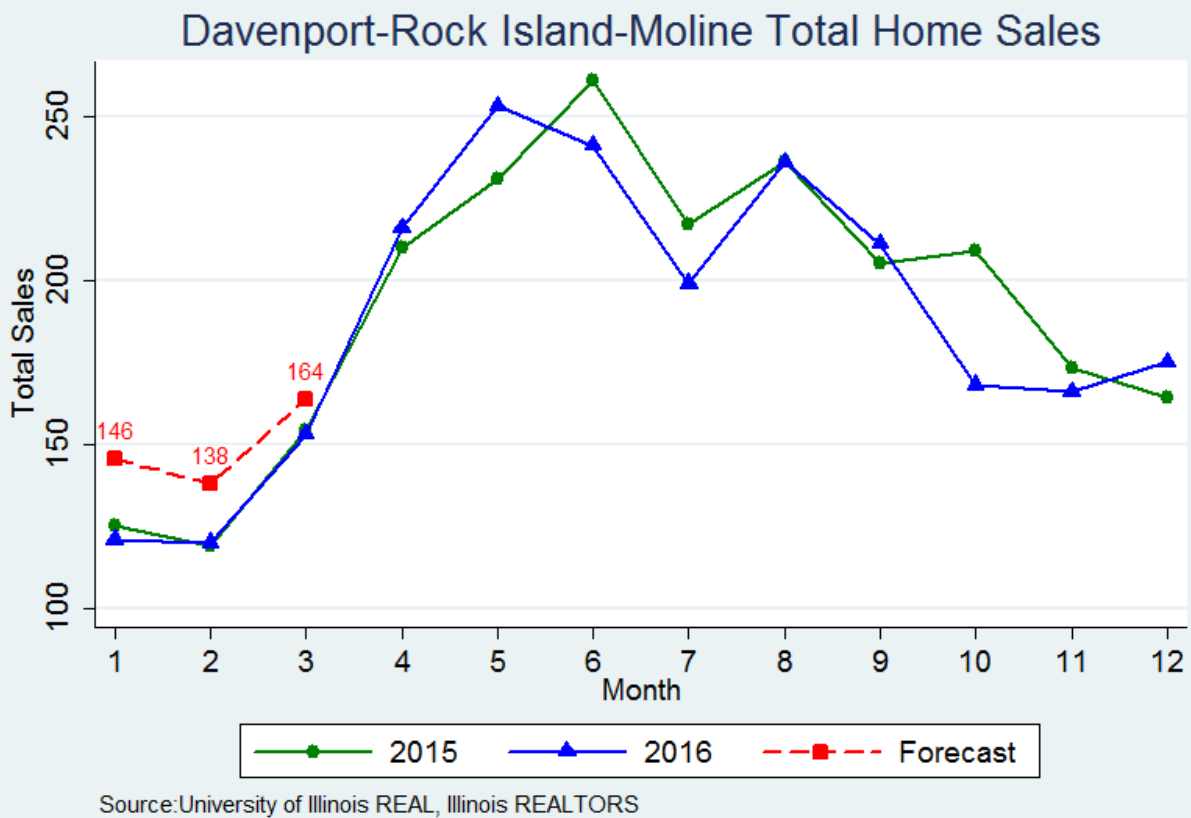
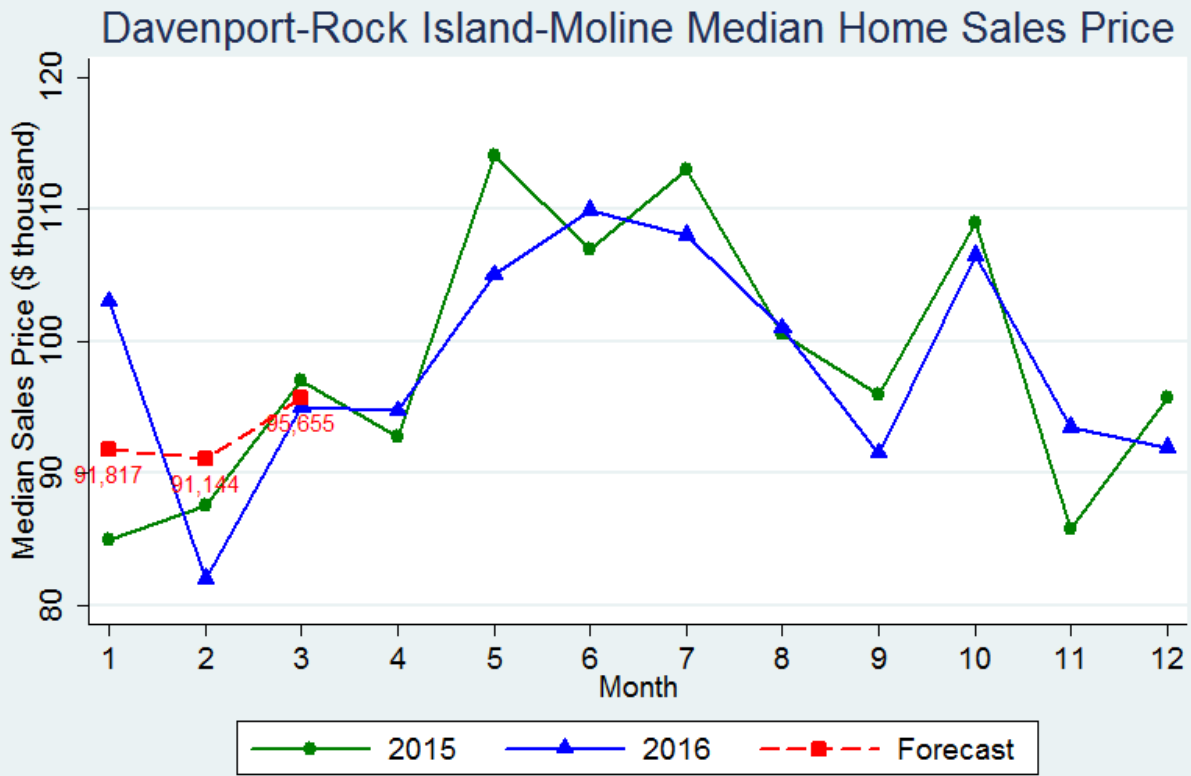


Source: University of Illinois REAL, Illinois REALTORS

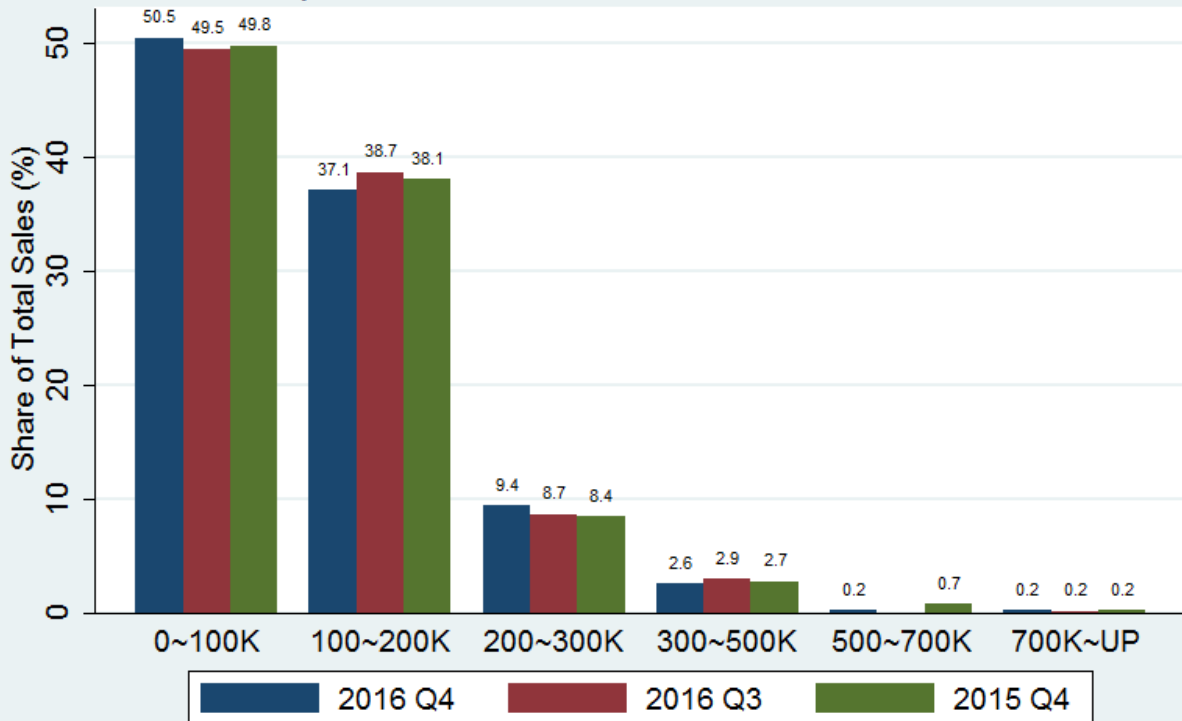
Champaign-Urbana Unsold Inventory by Price Range (Quarter's Supply)



Source: University of Illinois REAL, Illinois REALTORS

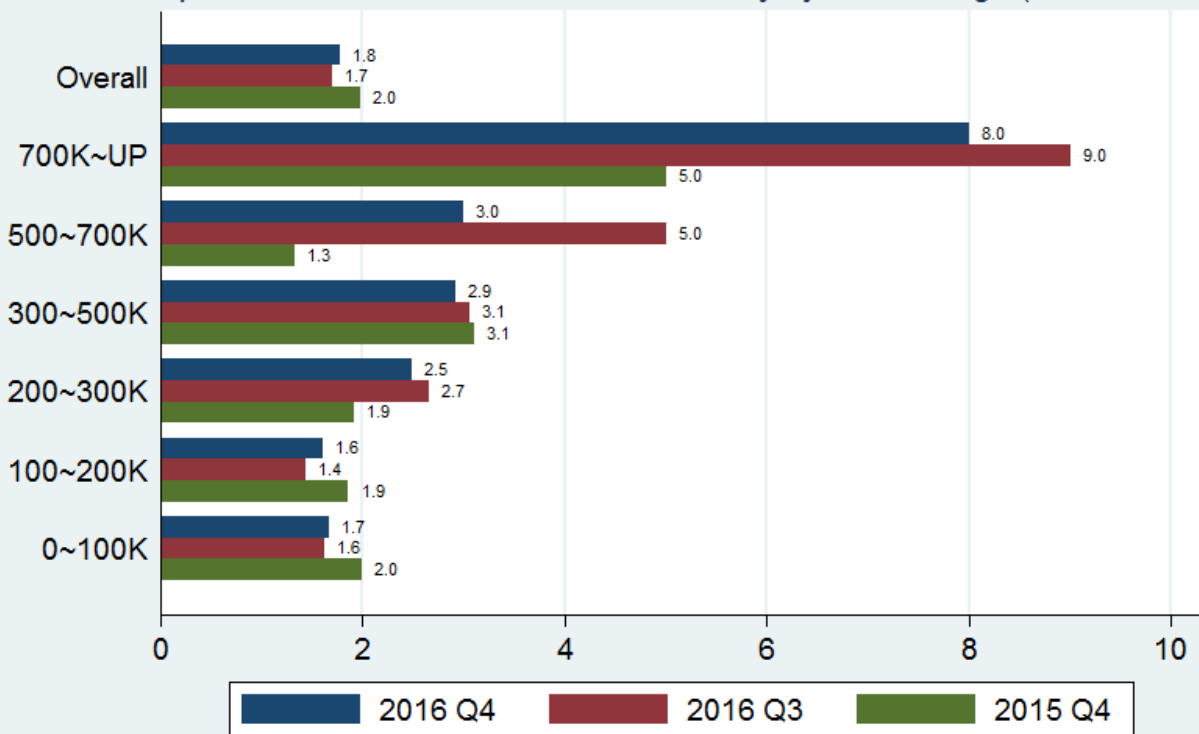


Davenport-Rock Island-Moline Price Stratification

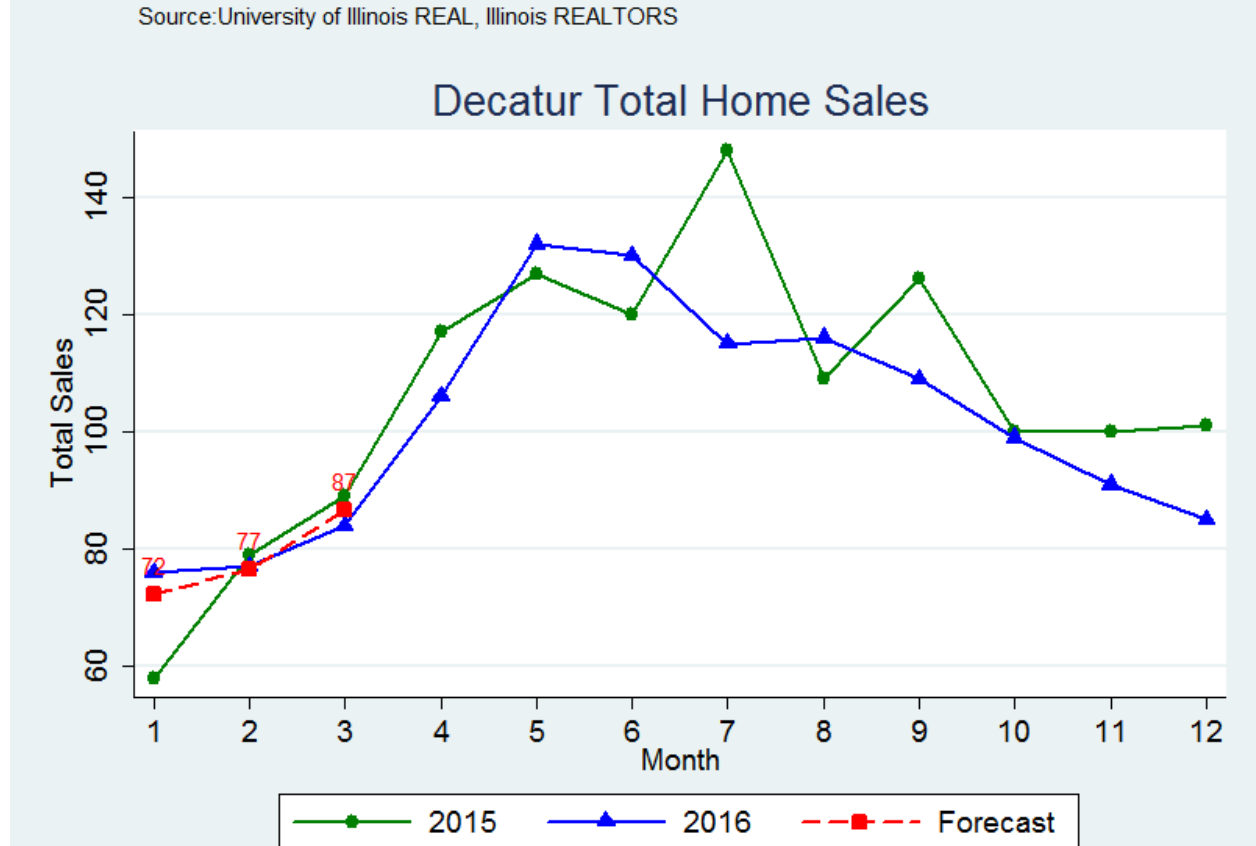
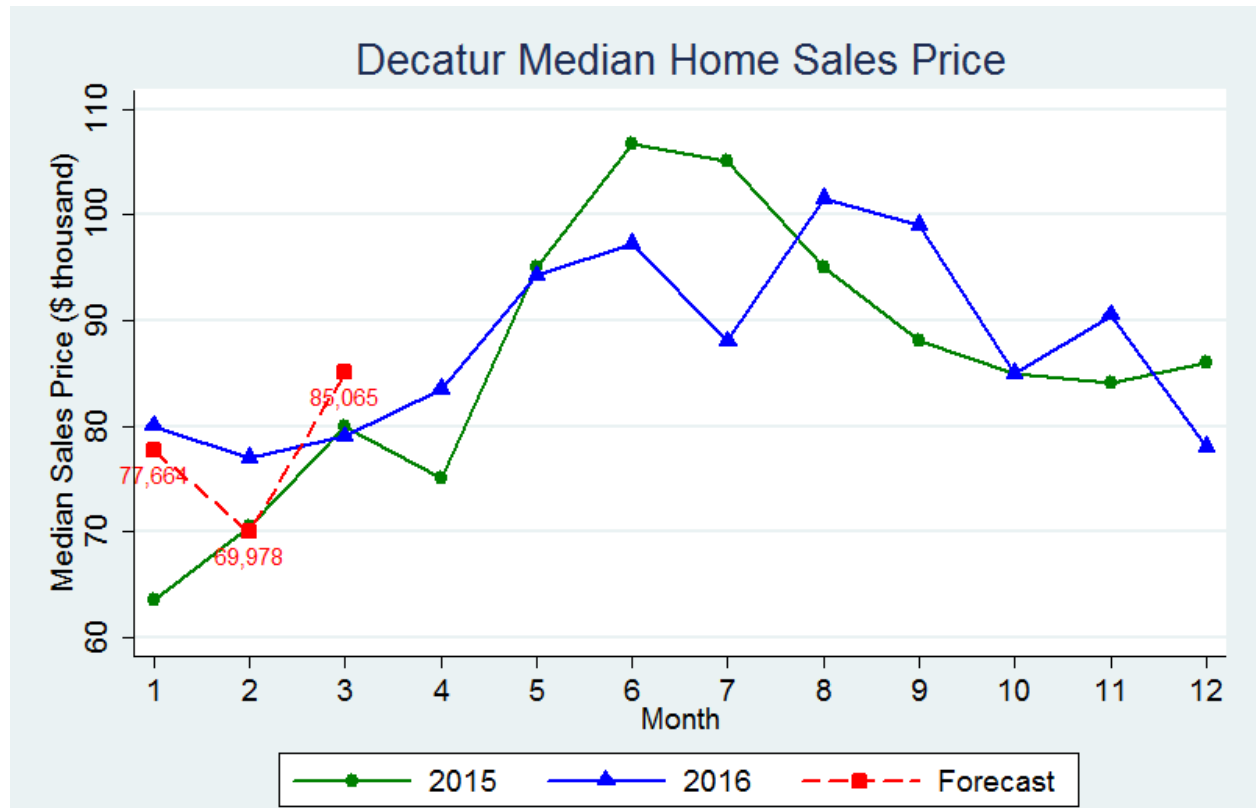


Source: University of Illinois REAL, Illinois REALTORS

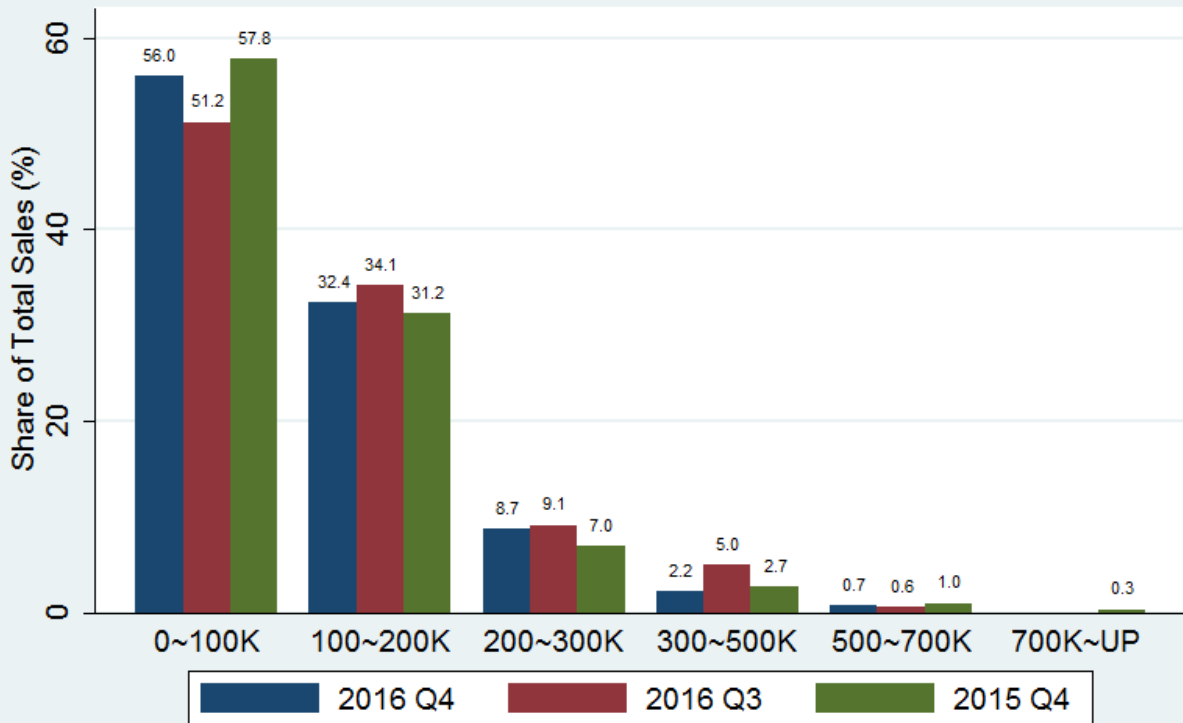
Davenport-Rock Island-Moline Unsold Inventory by Price Range (Quarter's Supply)



Source: University of Illinois REAL, Illinois REALTORS

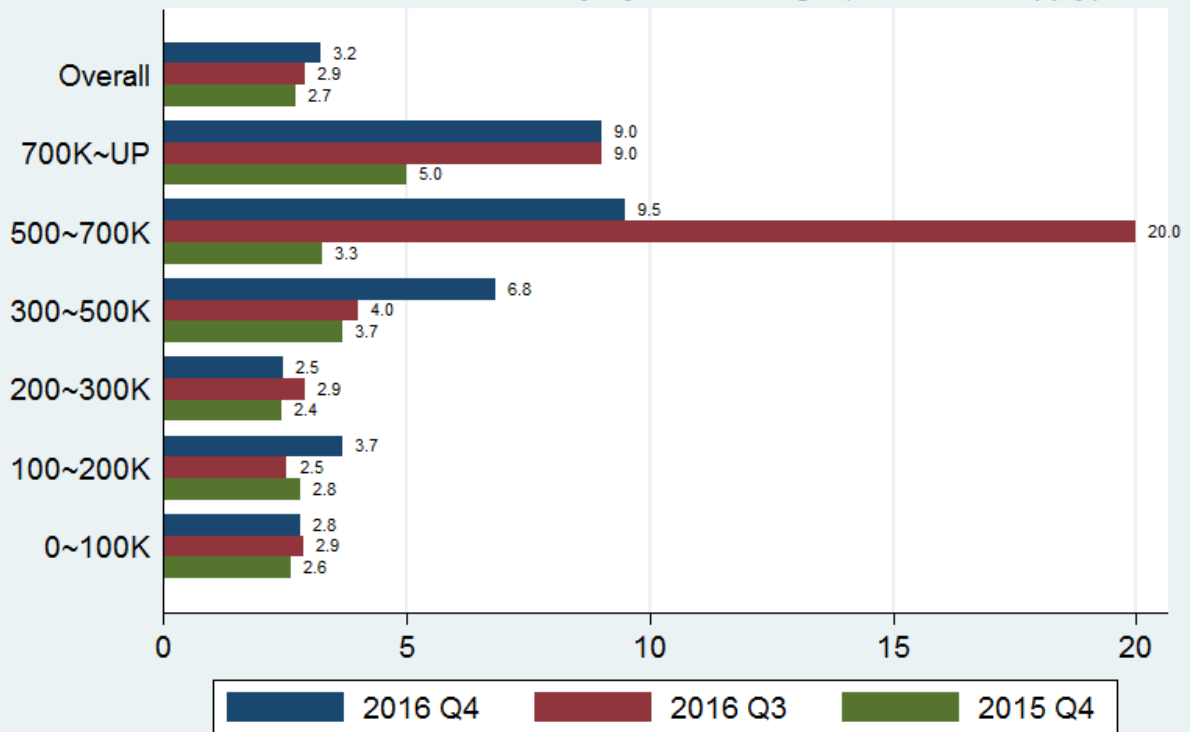


Decatur Price Stratification

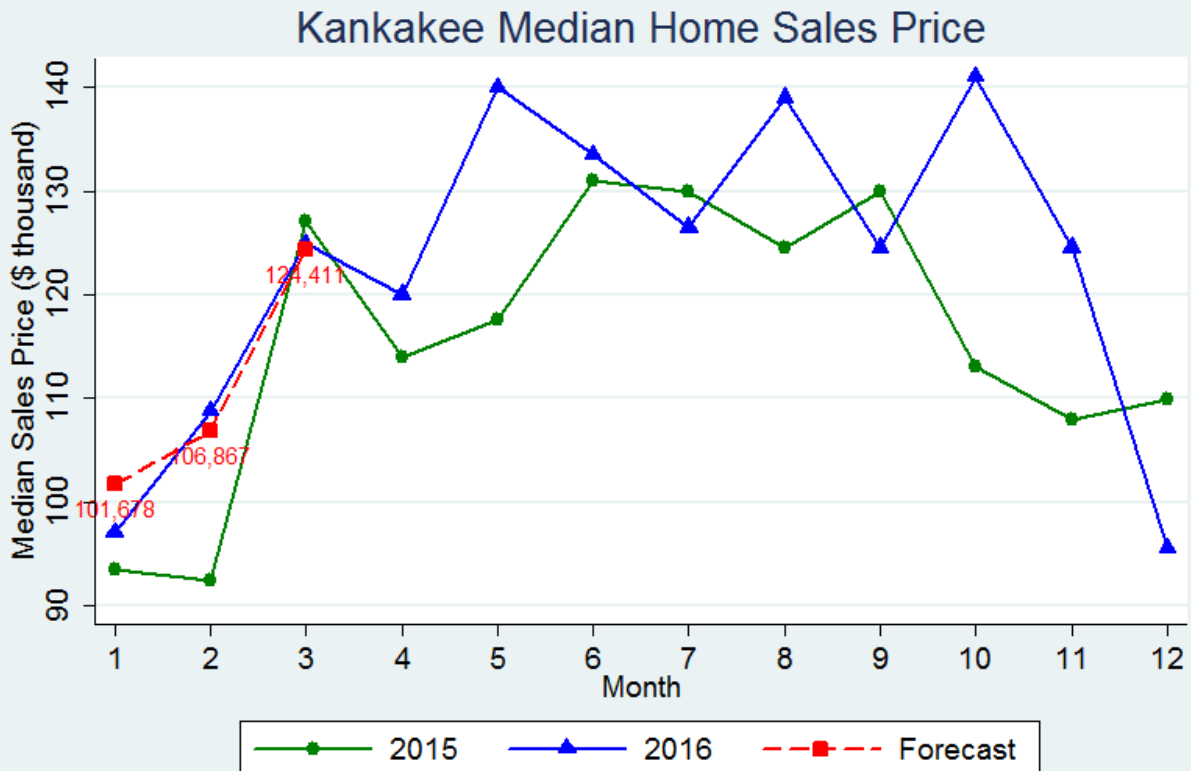


Source: University of Illinois REAL, Illinois REALTORS

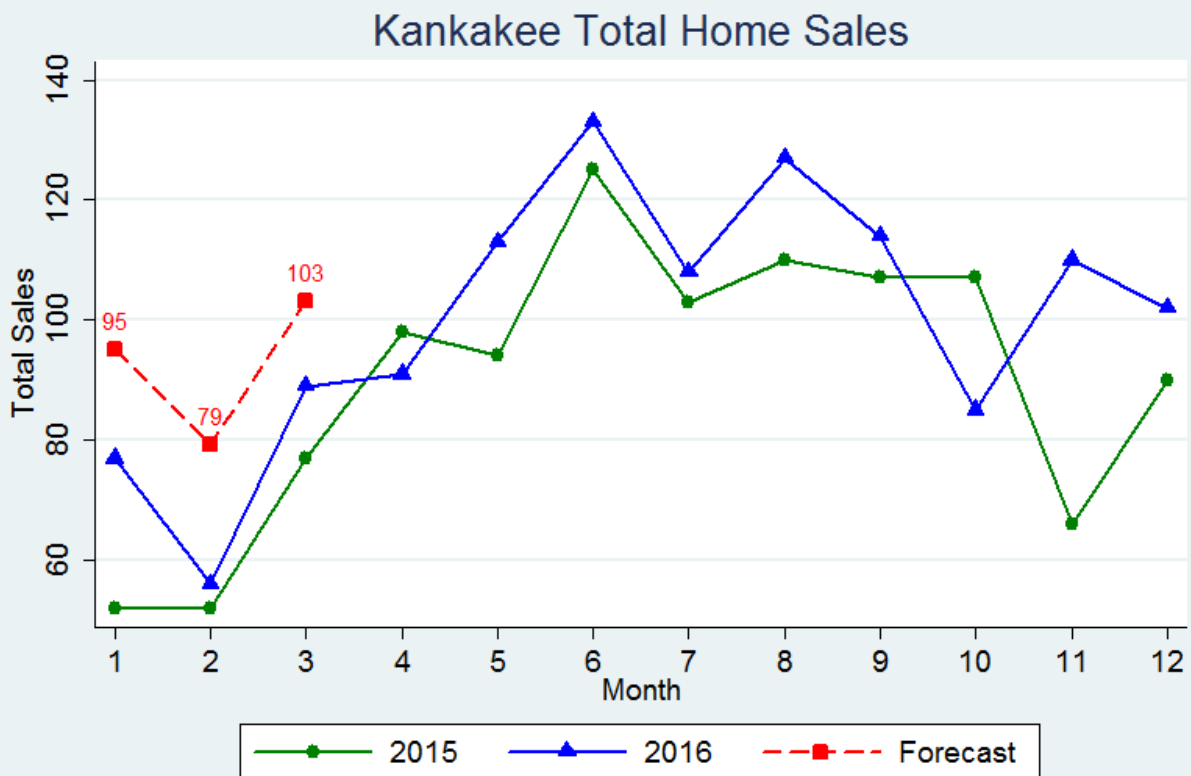
Decatur Unsold Inventory by Price Range (Quarter's Supply)



Source: University of Illinois REAL, Illinois REALTORS

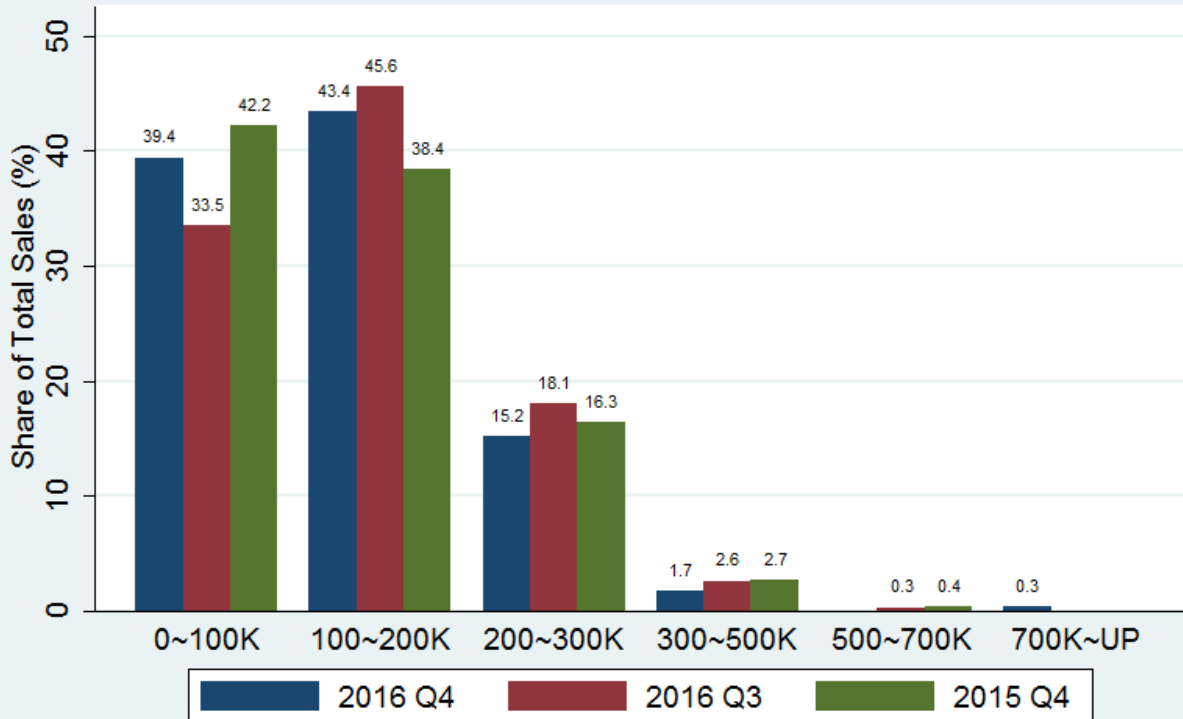


Source: University of Illinois REAL, Illinois REALTORS



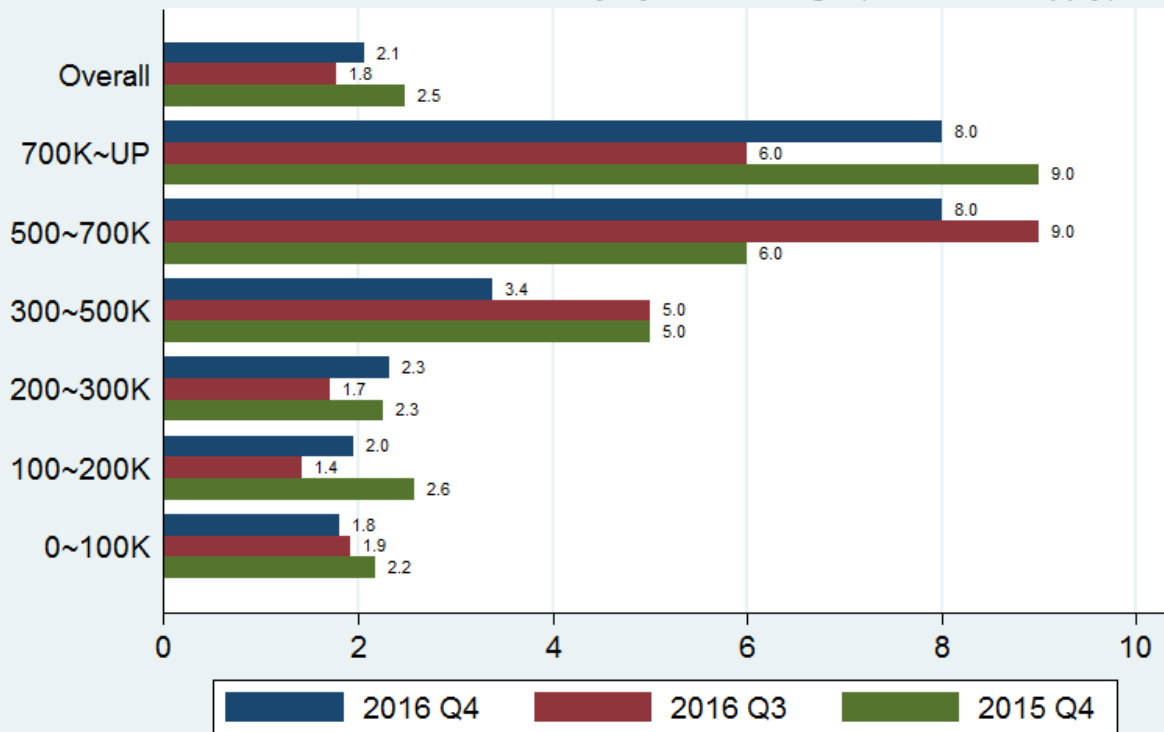
Source: University of Illinois REAL, Illinois REALTORS

Kankakee Price Stratification

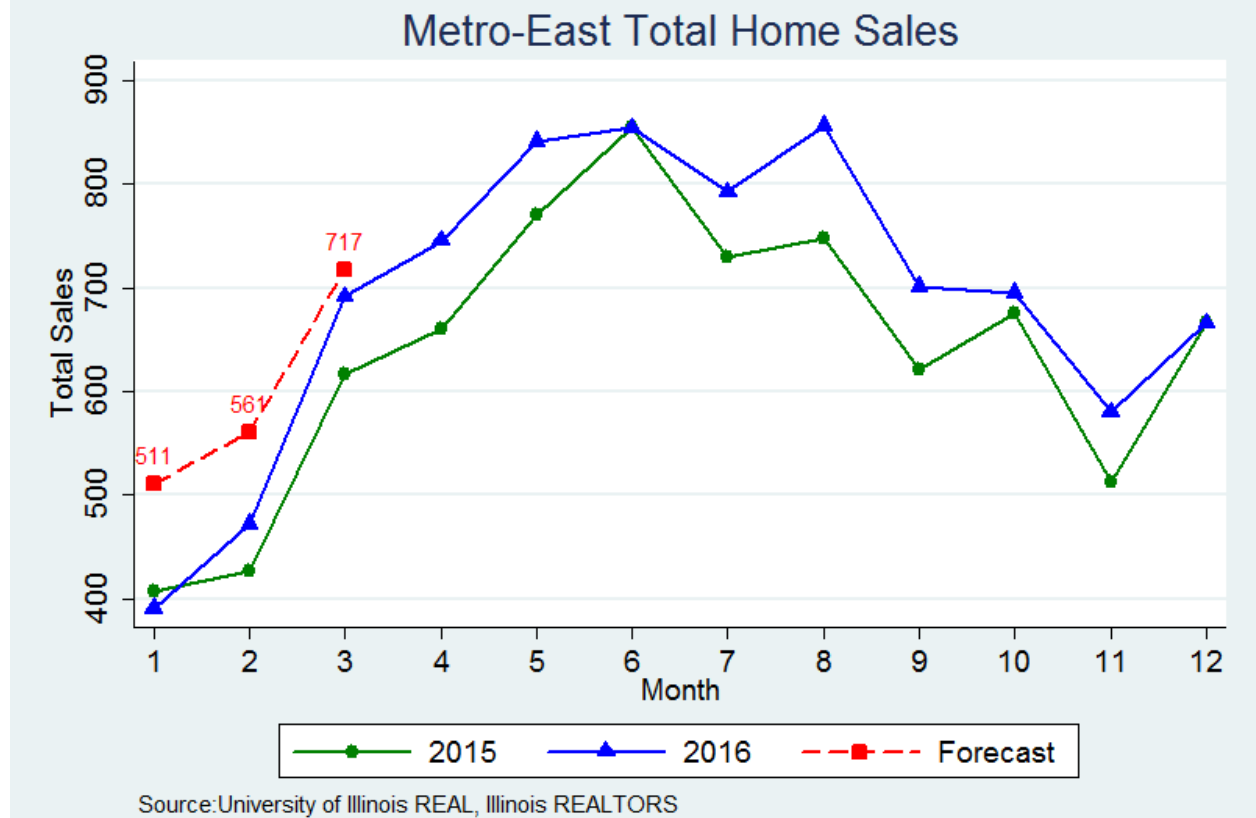
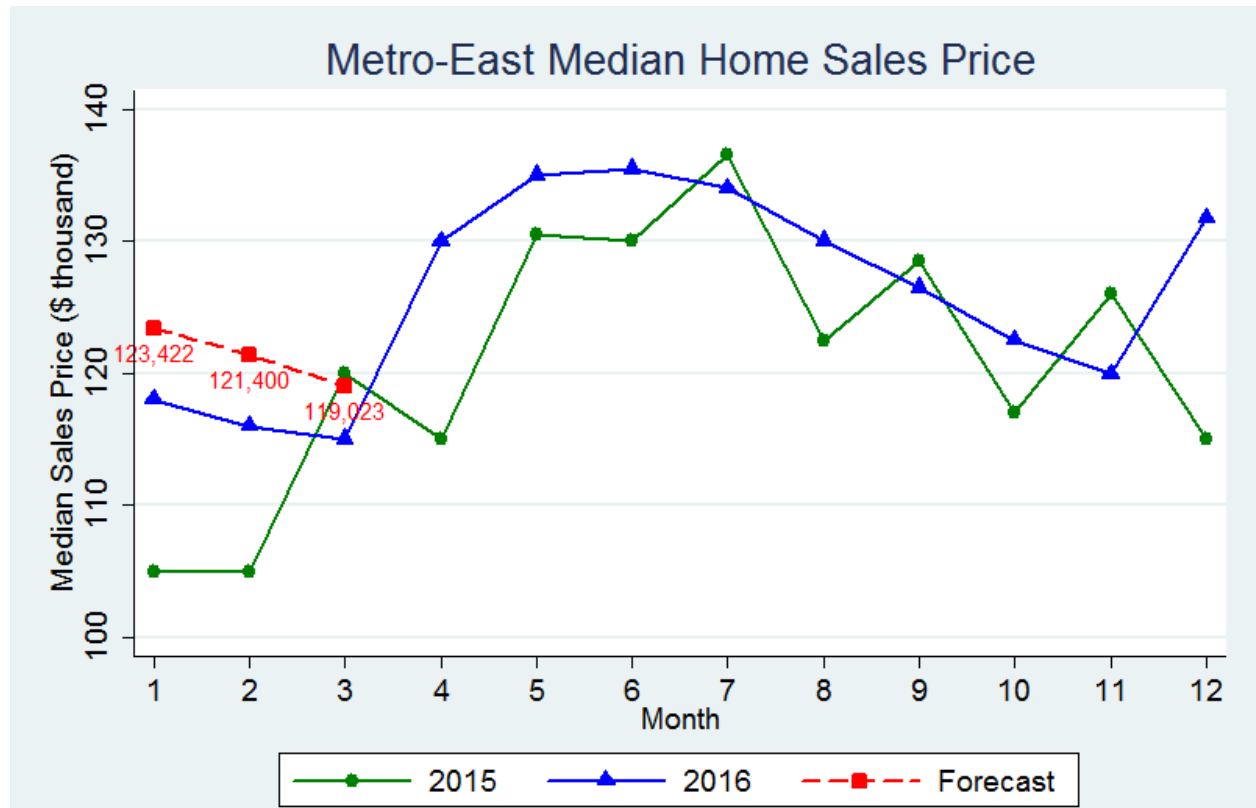


Source: University of Illinois REAL, Illinois REALTORS

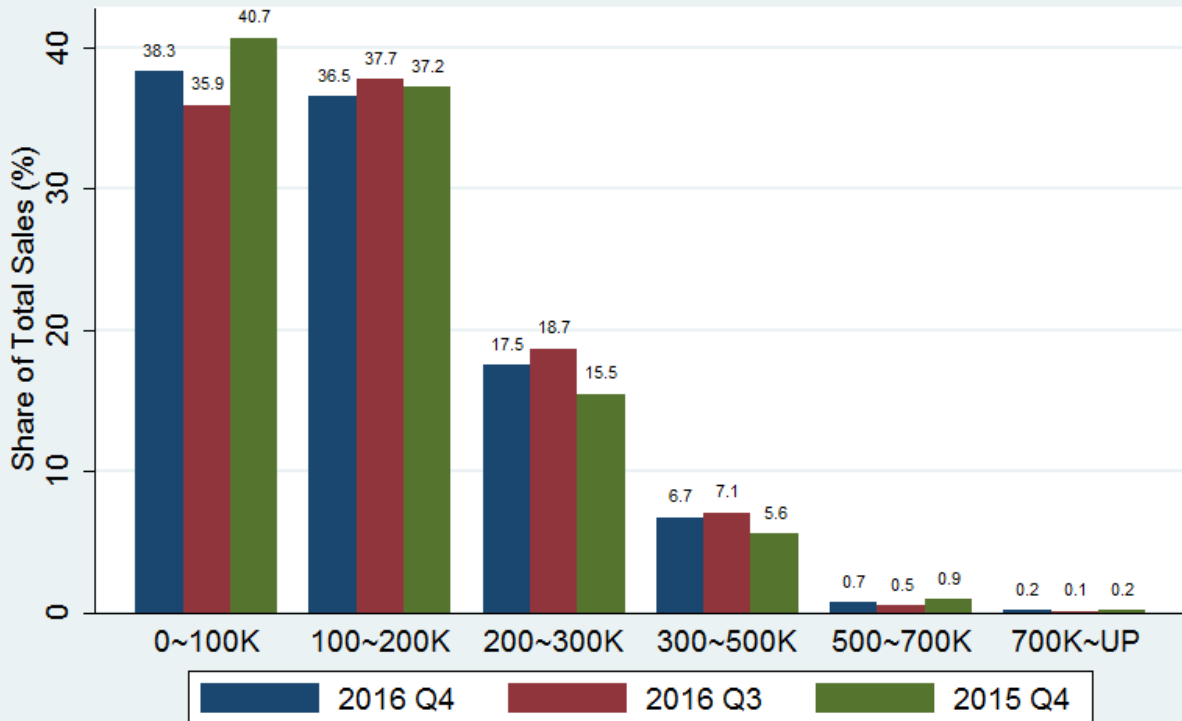
Kankakee Unsold Inventory by Price Range (Quarter's Supply)



Source: University of Illinois REAL, Illinois REALTORS

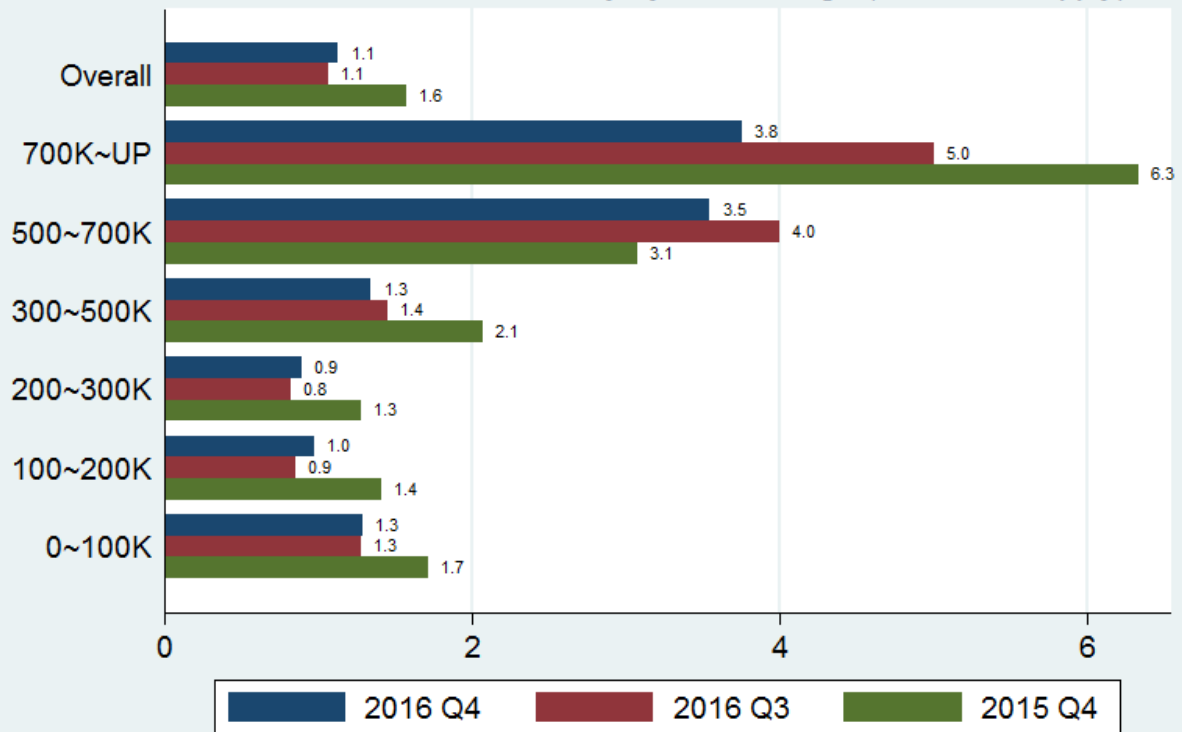


Metro-East Price Stratification

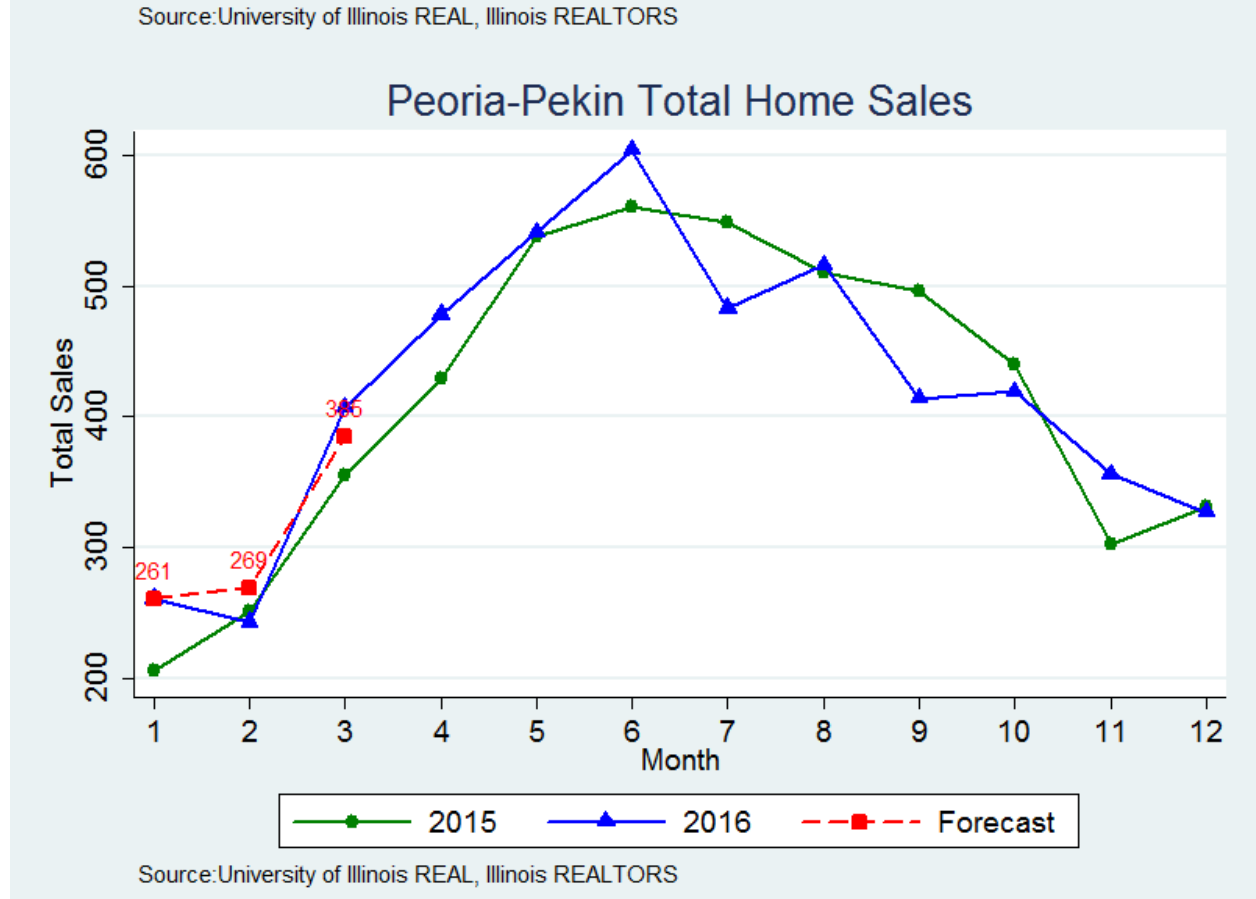
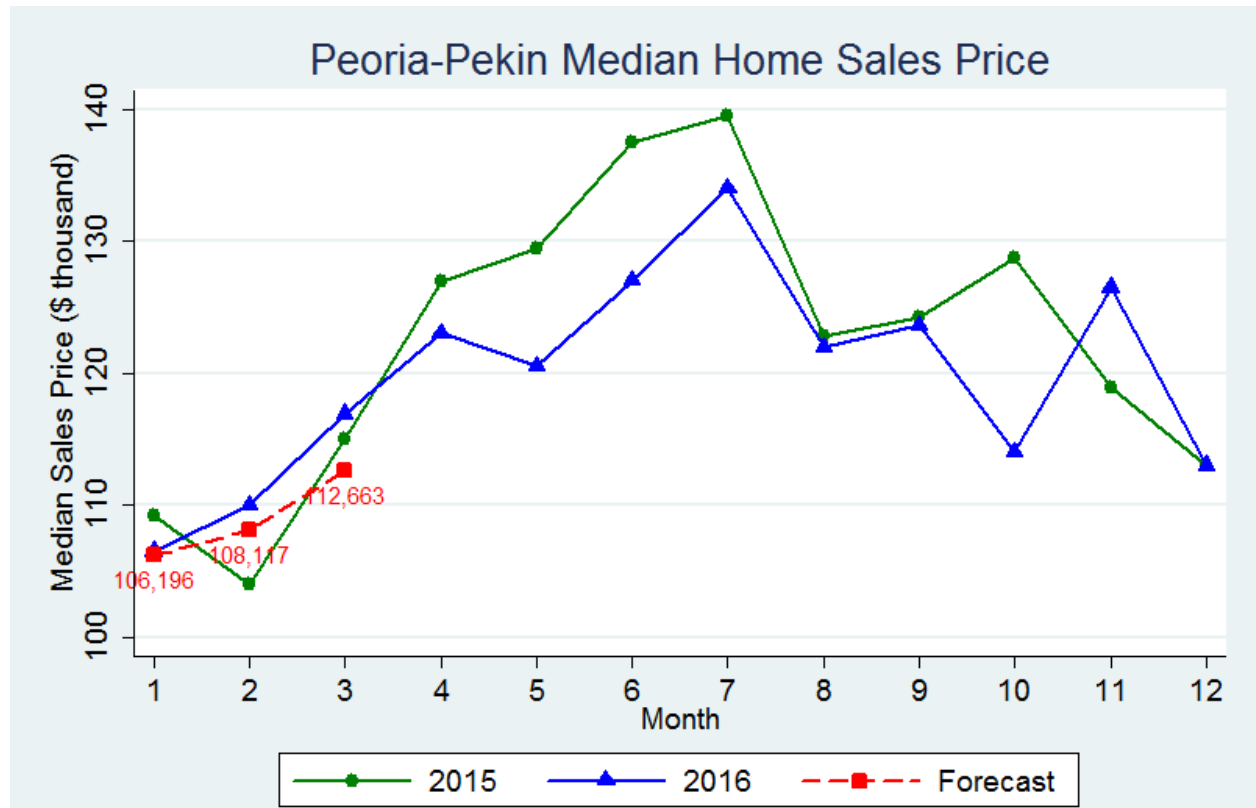


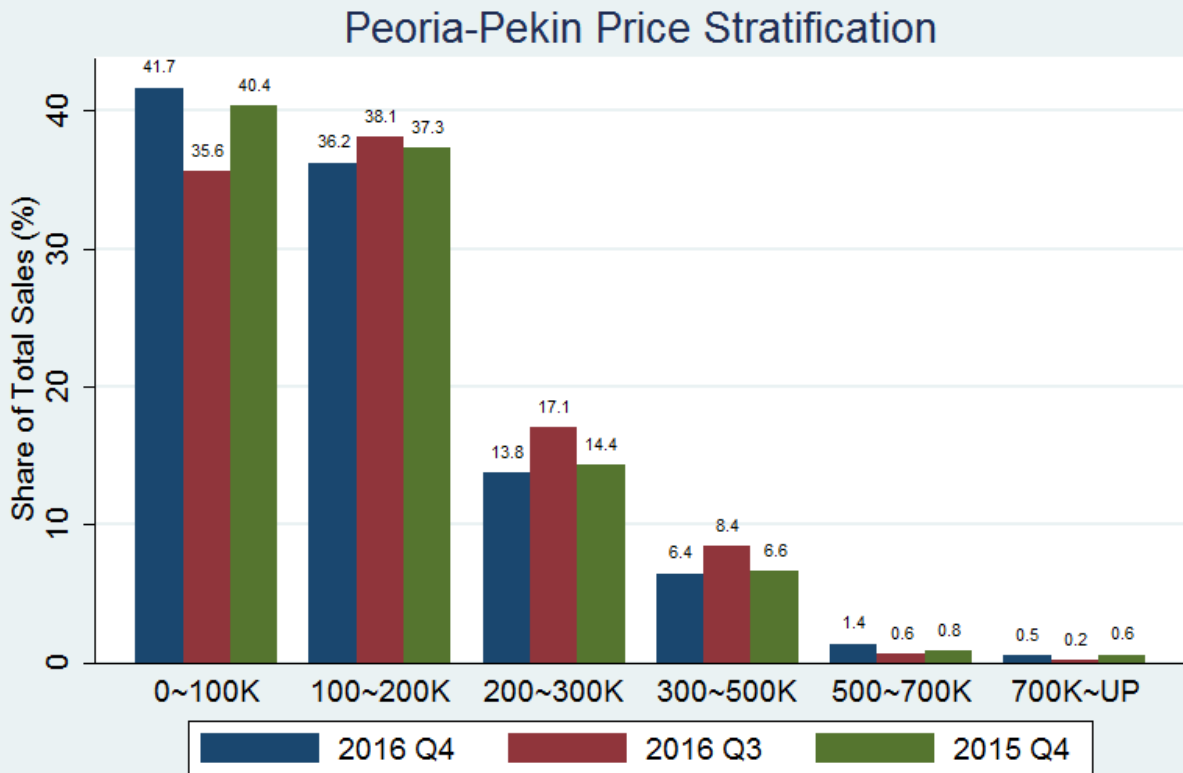
Source: University of Illinois REAL, Illinois REALTORS

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

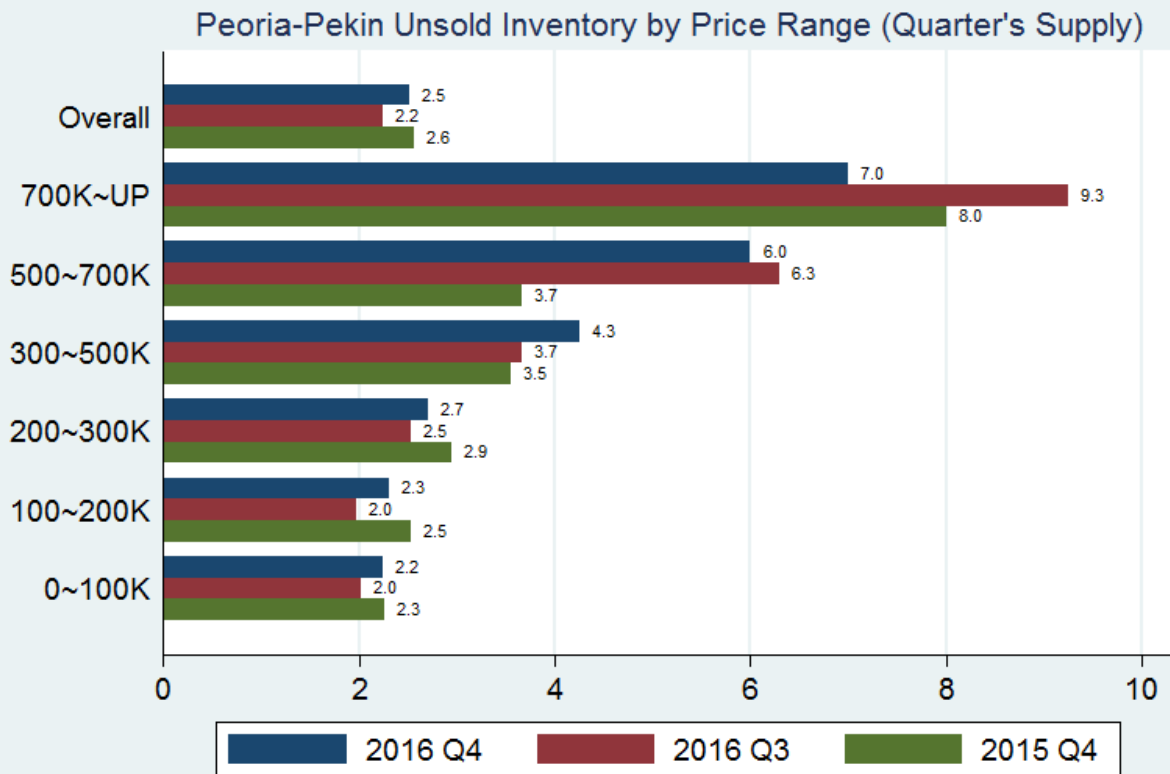


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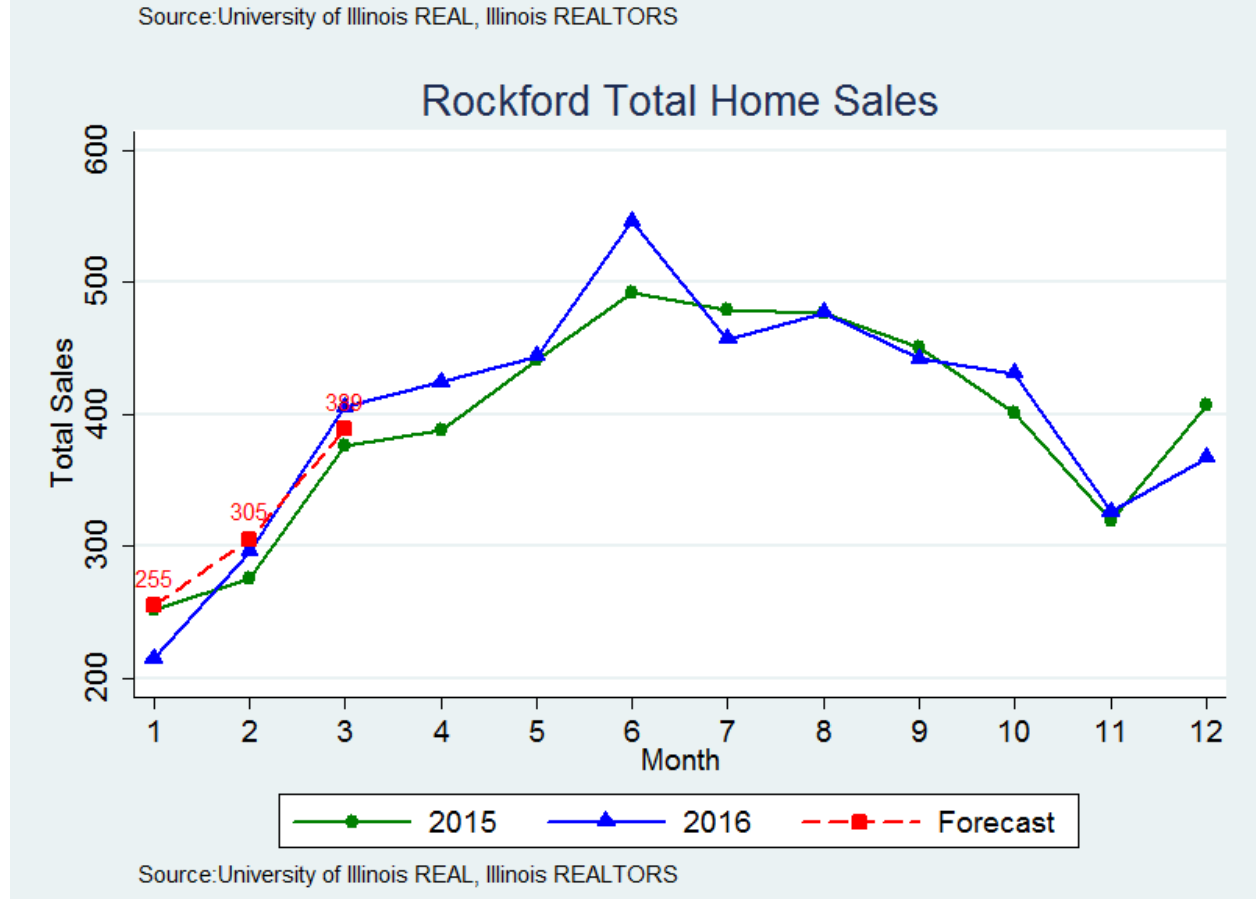
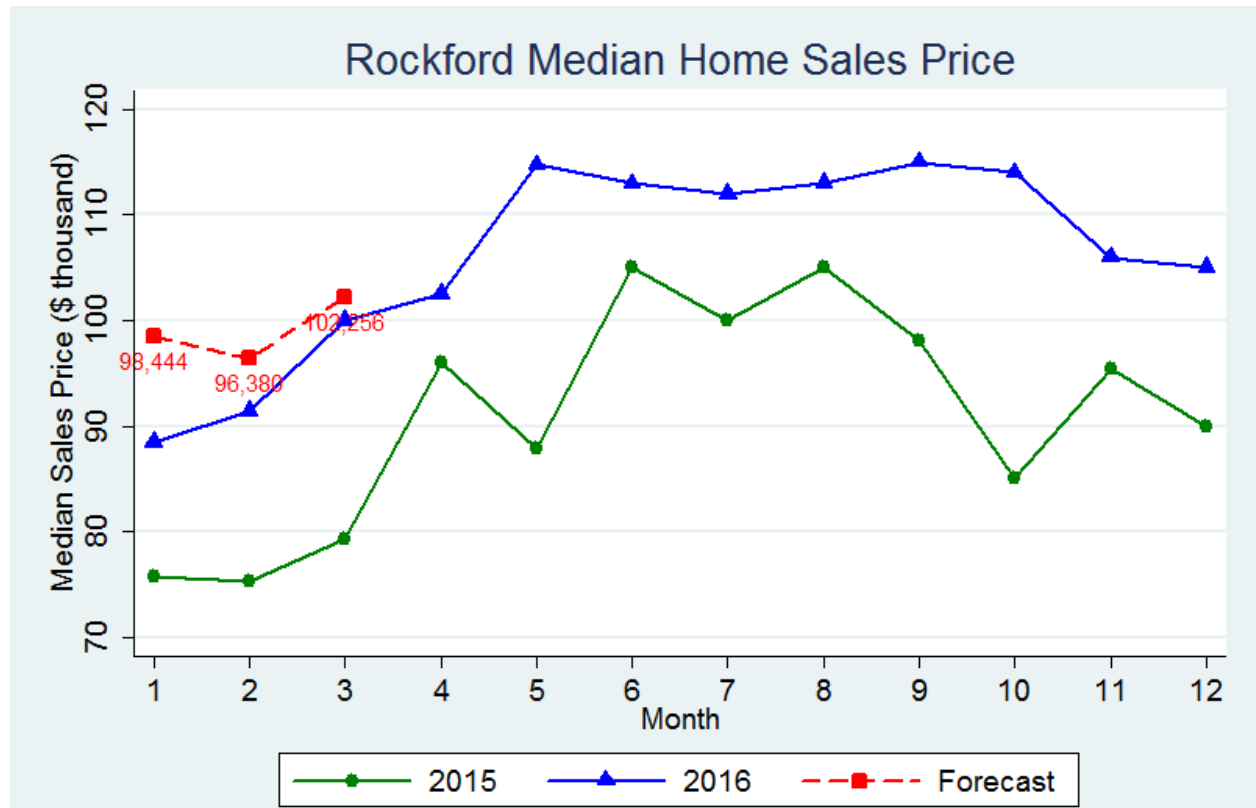


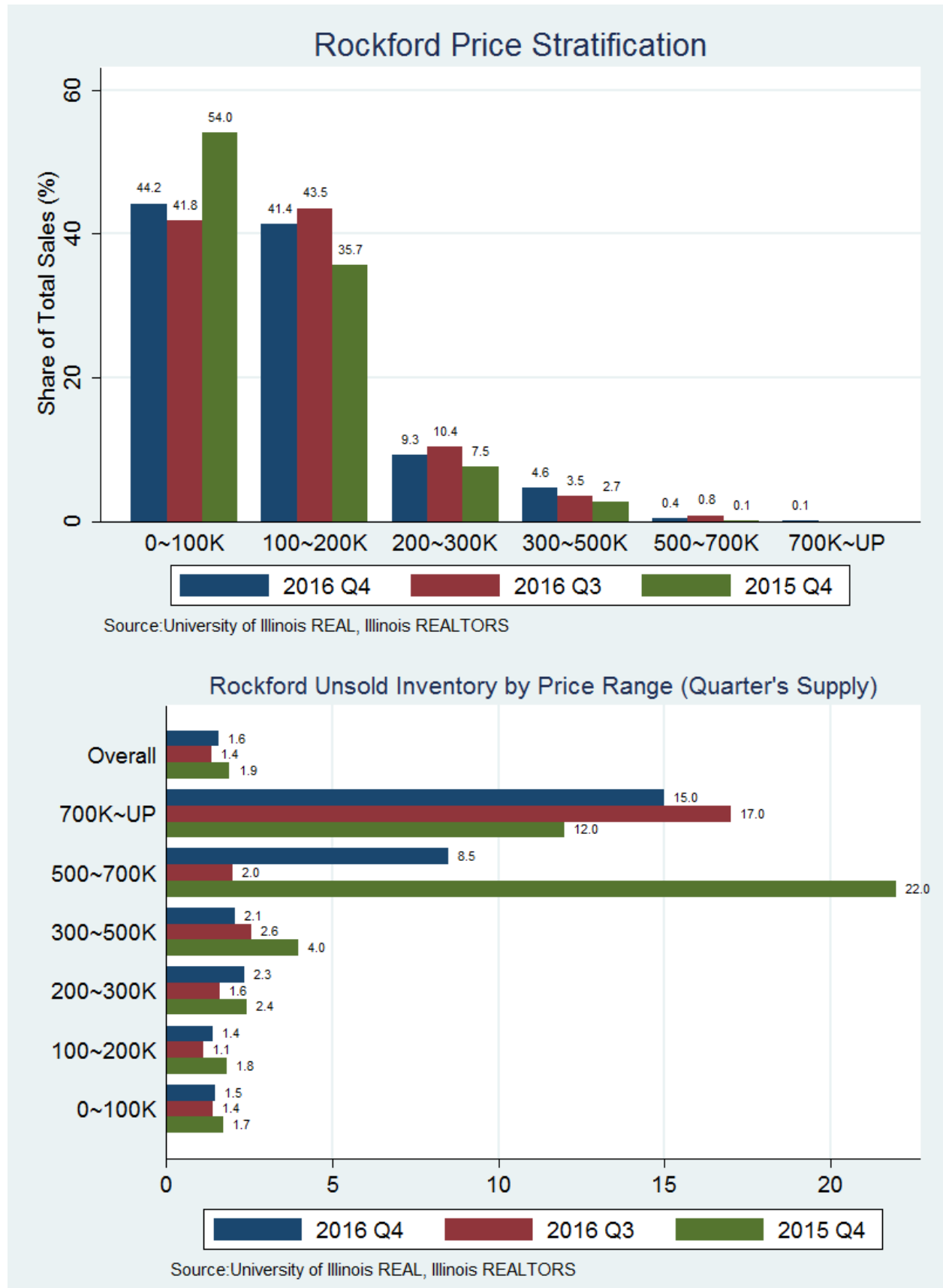


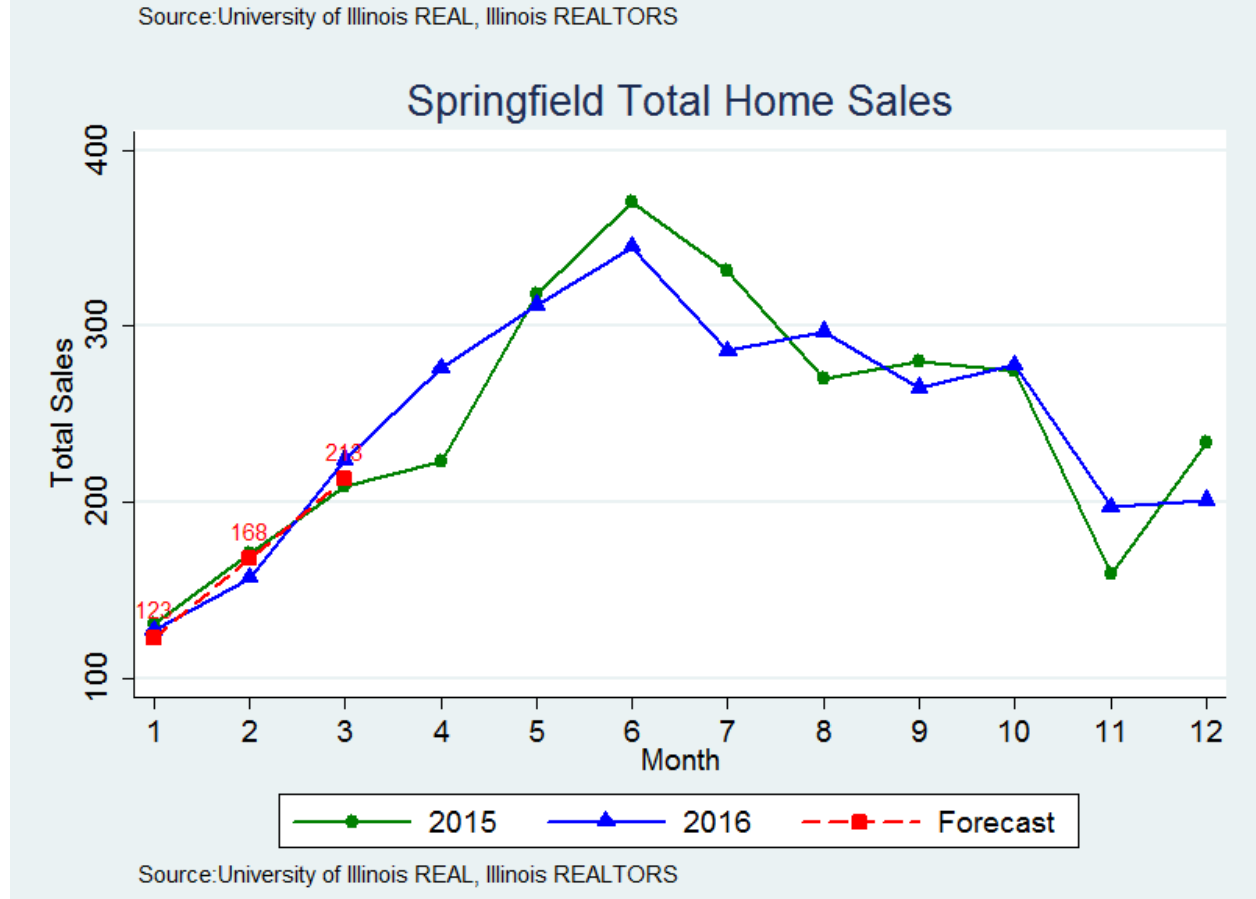
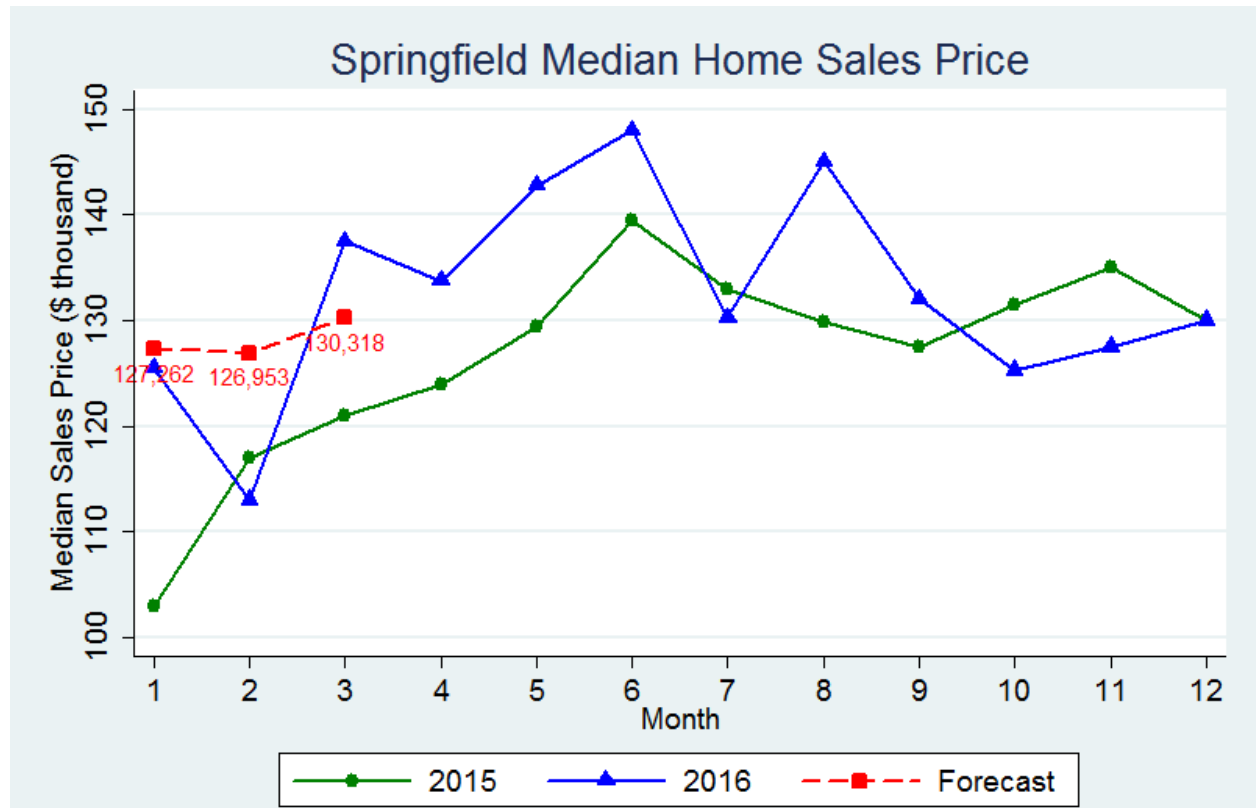
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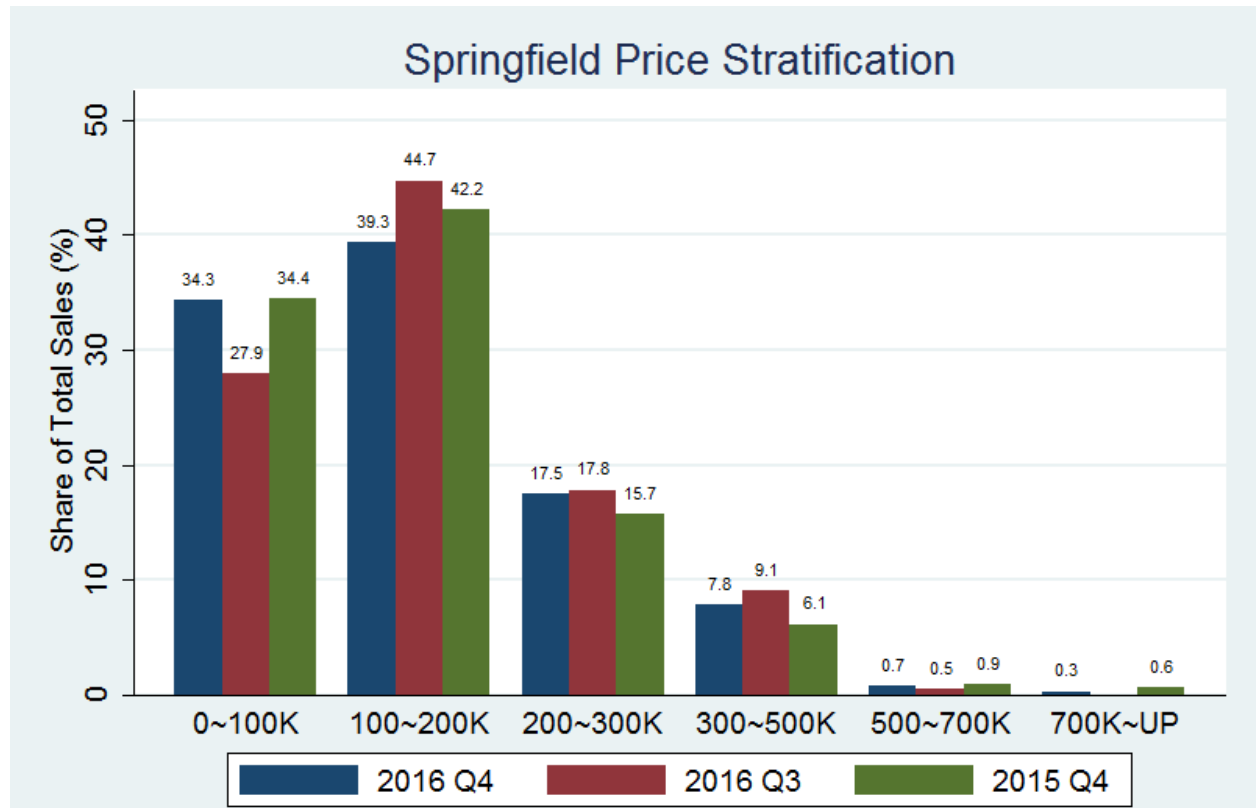


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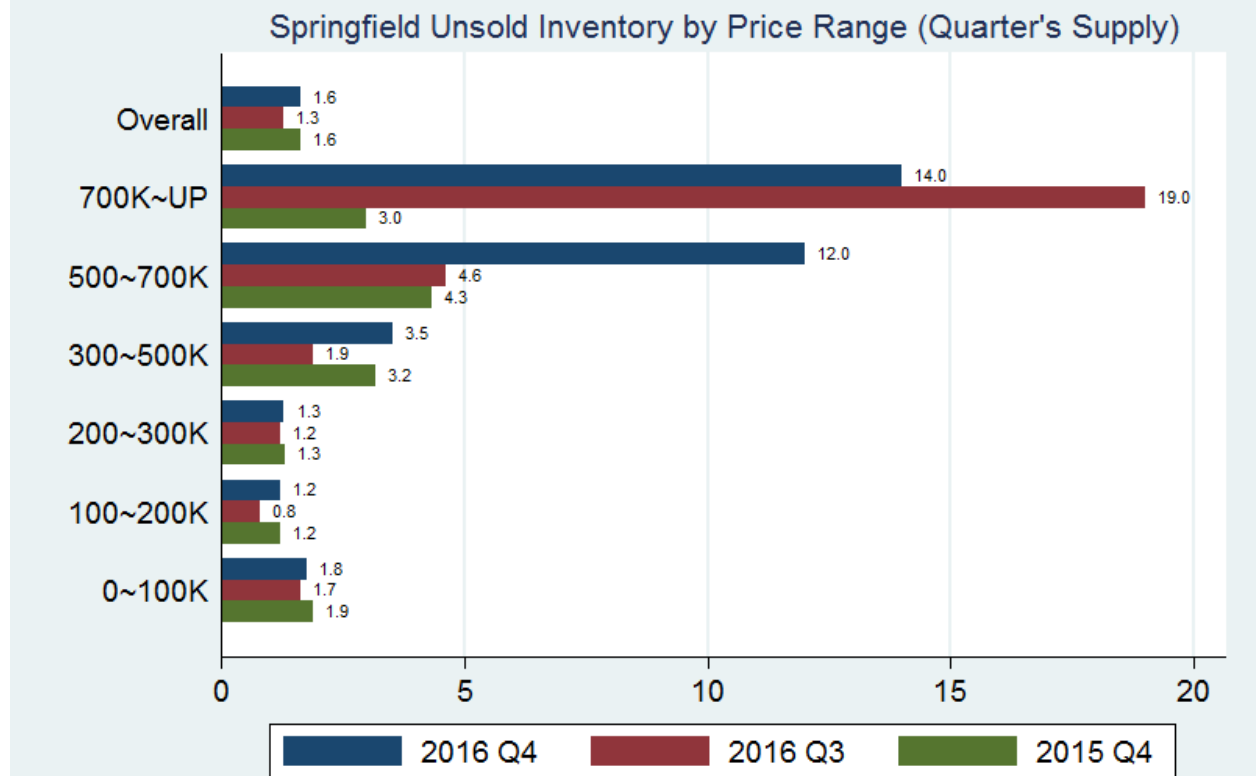








Source: University of Illinois REAL, Illinois REALTORS



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Leading economists from the University of Illinois Regional Economics Applications Laboratory (REAL) 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 Association of REALTORS® each month and quarter and selected monthly economic data available for the state and metropolitan regions. Leading the research team is Dr. Geoffrey J.D. Hewings, director of REAL and a professor of Geography, Economics and Urban and Regional Planning.