Chicago, IL

Data through September 2026. Forecasts for October 2026 onward. Typical home value $355,650.

THE CALL

Strengthening

Chicago prices rose 5.0% over the past year, almost twice the median metro's 2.6%. Supply explains most of it. For-sale inventory sits 1% above a year ago, against 5.8% for the median metro, and new listings are down 0.8%. Homes go under contract in 12 days, less than half the median metro's 26, and 45.8% sell above list. Demand has cooled a little: newly pending sales run 4.7% below last year, and we cut our 3-month call from +1.75% to +0.81% since last month. We expect +0.35% in October, +0.81% by January and +4.3% over 12 months, with an 80% range from $359,900 to $382,200. North Shore ZIPs in Glencoe, Winnetka and Golf lead the metro, along with Lakeview (60657). Gary, Lake Village and South Shore (60649) trail it.

How we label the outlook. From our 3-month forecast: **Strengthening** at +0.5% or more, **Softening** at -0.5% or less, **Stable** in between. The label describes the market. We make no buy or sell recommendation.

FORECAST AND REVISION



HORIZON	FORECAST	CHANGE	80% RANGE
Next month (October 2026)	$356,903	+0.35%	$353,013 to $360,808
3 months (January 2027)	$358,529	+0.81%	$348,130 to $371,701
12 months (October 2027)	$370,960	+4.30%	$359,916 to $382,151

Since last month's report, our 12-month outlook for Chicago moved up 0.34 points, from +3.97% to +4.30%. Each row below is one month's set of calls.

REPORT MADE FROM DATA THROUGH	NEXT MONTH	3 MONTHS	12 MONTHS
May 2026	+0.16%	+1.05%	+4.68%
June 2026	+0.29%	+1.31%	+4.68%
July 2026	+0.47%	+1.71%	+4.56%
August 2026	+0.54%	+1.75%	+3.97%
September 2026	+0.35%	+0.81%	+4.30%

Last times Chicago looked like this

Chicago prices are up 5.0% over 12 months and up 1.5% over the last 3. Chicago's closest past matches, and what prices did over the following year: November 2023: +5.2%; December 2016: +5.4%; December 2017: +3.4%.

Across 11,516 similar setups in 859 metros since 2001, prices rose over the next 12 months 97% of the time. The median change was +5.2%, and the middle half ran from +3.5% to +7.1%. Our 12-month forecast: +4.3%.

DRIVERS, UNPACKED

The opportunity score ranks Chicago, IL against every metro we cover on five parts (0 = worst, 100 = best). Overall score: 65.8.

PART	RANK	THE DATA BEHIND IT
Forecast appreciation	81	Next-month forecast +0.35%
Price stability	88	Monthly price moves average 0.42%, vs 0.57% for the median metro
Affordability	24	Typical home costs 1.41x the median metro ($252,427)
Labor trend	83	IL unemployment 4.6%, -0.5 points over 6 months
Inventory pressure	47	25.3% of listings show a price cut; inventory +1.0% vs a year ago

How much each group of signals raised or lowered this month's next-month forecast, compared with the average forecast across all metros and months:

SIGNAL GROUP	PUSH ON FORECAST
Recent price trend	+0.07%
Season, size and price level	-0.07%
Buyer demand	+0.04%
Rates and jobs	-0.01%

MARKET SIGNAL	CHICAGO	MEDIAN METRO
Price change, last 3 months (%)	1.5	0.3
Price change, last 12 months (%)	5.0	2.6
Zillow market heat (0-100)	58	46
Listings with a price cut (share)	25.3%	24.9%
Median days to pending	12	26
Newly pending sales vs a year ago (%)	-4.7	-2.9
New listings vs a year ago (%)	-0.8	2.4
Sale-to-list ratio	100.5%	97.9%
Homes sold above list (share)	45.8%	22.1%
Rent change, last 12 months (%)	4.9	3.3
For-sale inventory vs a year ago (%)	1.0	5.8

PEOPLE AND HOUSING

MEASURE	CHICAGO
Population	9,434,123
Population change since 2020	-0.02%
Median household income	$93,989
Home price to income	3.8x
Median gross rent	$1,620/mo
Gross rental yield (rent / value)	5.5%
Households that rent	33%
Housing vacancy rate	6.0%
Median age	39.2
Adults with a bachelor's degree or higher	43%

A typical Chicago home costs 3.8 times the median household income, which the usual price-to-income scale rates as moderately unaffordable. Rent at the median covers about 5.5% of the typical home value each year, before costs. Its population held about level between 2020 and 2025 (-0.02%).

Census Bureau, ACS 1-year 2025 for Chicago-Naperville-Elgin, IL-IN Metro Area; population from Census population estimates, July 2025. Price to income and yield use the typical home value in this report.

PEER METROS

The five large metros most like Chicago on price level, 12-month price trend, market heat and price cuts. Price vs median compares each metro's typical home with the median metro; inventory pressure and score run 0 to 100, higher is better.

METRO	OUTLOOK	NEXT MONTH	3 MONTHS	PRICE VS MEDIAN	INVENTORY PRESSURE	SCORE
Chicago, IL	Strengthening	+0.35%	+0.81%	1.41x	47	65.8
New Haven, CT	Stable	+0.29%	+0.46%	1.61x	67	50.2
Albany, NY	Strengthening	+0.58%	+0.90%	1.48x	67	72.8
Grand Rapids, MI	Strengthening	+0.37%	+0.72%	1.41x	20	50.5
Springfield, MA	Strengthening	+0.49%	+0.53%	1.48x	71	70.1
Philadelphia, PA	Strengthening	+0.47%	+0.78%	1.53x	50	70.3

ZIP DIVERGENCE

We rank Chicago's 379 ZIPs by how much faster or slower each one's prices moved than the metro over the last 6 months. Data runs through August 2026. 189 of 379 are gaining on the metro. One of the five ZIPs falling furthest behind (46409) also rank among the best rental values.

Gaining on the metro

ZIP	VS METRO, 6 MO
60022 Glencoe	+4.5 pts
60657 Chicago	+4.1 pts
60029 Golf	+4.0 pts
60093 Winnetka	+4.0 pts
47957 Medaryville	+3.8 pts

Falling behind

ZIP	VS METRO, 6 MO
46379 Lake Village	-12.8 pts
46409 Gary	-8.7 pts
60649 Chicago	-6.6 pts
47948 Goodland	-6.6 pts
60602 Chicago	-5.7 pts

We tested this ranking on Chicago ZIP data going back 23 years. The top 20% of ZIPs it flagged beat the metro over the following 12 months 76% of the time. On average they finished 4.9 points a year ahead of the bottom 20%. The ranking did worst in 2006. That year the top-ranked ZIPs beat the metro 61% of the time and led the bottom group by 1.1 points.

Fastest-appreciating, last 12 months

ZIP	CHANGE
60096 Winthrop Harbor	+15.8%
60022 Glencoe	+15.3%
60093 Winnetka	+15.3%
60043 Kenilworth	+15.2%
60091 Wilmette	+13.9%

Best rental value (price / annual rent)

ZIP	RATIO	RENT
46402 Gary	3.5	$1,450
46407 Gary	3.8	$1,272
46409 Gary	4.6	$1,349
60419 Dolton	5.6	$2,343
60478 Country Club Hills	5.8	$3,125

ACCURACY CHECK

When we replay the last 15 months, the current model misses Chicago's next-month value by a median 0.042%, better than 89% of metros (all-metro median 0.082%). Our published calls for Chicago came in below the actual move in 3 of the last 4 months. The previous version of the model made those calls.

MONTH	ACTUAL MOVE	OUR CALL	ZILLOW'S CALL	MISS, OURS VS ZILLOW (PTS)
June 2026	+0.25%	+0.16%	+0.10%	0.08 vs 0.15
July 2026	+0.41%	+0.29%	+0.20%	0.11 vs 0.21
August 2026	+0.53%	+0.47%	+0.30%	0.06 vs 0.23
September 2026	+0.51%	+0.54%	+0.60%	0.03 vs 0.09

WHAT CHANGES THE CALL

If any of the first four trips, we re-check the call in the next report. The fifth changes the outlook label on its own.

TRIGGER	NOW	STATUS
Newly pending sales fall more than 10% below last year	-4.7%	Not tripped
For-sale inventory runs more than 5% above last year	+1.0%	Not tripped
More than 28% of listings show a price cut	25.3%	Not tripped
The 30-year mortgage rate tops 7.5%	7.24%	Not tripped
Our 3-month forecast drops below +0.5%	+0.81%	Not tripped

WHAT WOULD RAISE THE CALL

If two or more of the first four trip, we expect to raise our 12-month call in the next report. The fifth means our model already has.

UPSIDE TRIGGER	NOW	STATUS
Newly pending sales climb back above last year	-4.7%	Not tripped
For-sale inventory falls more than 5% below last year	+1.0%	Not tripped
More than half of homes sell above list	45.8%	Not tripped
The 30-year mortgage rate falls below 6.5%	7.24%	Not tripped
Our 3-month forecast climbs back above +1.5%	+0.81%	Not tripped

Risks the triggers do not capture

- Mortgage rates climbed from 6.65% in late August to 7.40% in mid-October, and sat at 7.24% on October 29. Our forecast uses data through September, so it has seen only part of that rise. If buyers pull back in October, our next report will show it first in pending sales.
- Our recent calls ran low. Chicago's actual monthly move beat our forecast in 3 of the last 4 months. Read +0.35% as a floor more than a ceiling, as long as supply stays tight.
- Chicago costs 1.41 times the median metro and ranks in the bottom quarter on affordability. Higher rates hit that gap harder here than in cheaper Midwest metros.
- Several of the biggest movers on both lists are small Indiana ZIPs (Medaryville, Lake Village, Goodland) with few sales. A handful of trades can swing them by several points.
- Our model does not see property tax reassessments or Chicago's city budget. A large tax change would move prices before our inputs register it.

TWO LENSES

Investor

- Watch list: Glencoe (60022), Winnetka (60093), Golf (60029) and Lakeview (60657) lead the metro by 4 to 4.5 points over six months. In 23 years of Chicago data, the top-ranked 20% of ZIPs beat the metro over the next year 76% of the time.
- The best rent-to-price ZIPs sit in Gary (46402, 46407, 46409), Dolton and Country Club Hills. 46409 also ranks among the five ZIPs falling furthest behind. If you buy there for yield, underwrite flat or falling prices.
- Expect to pay asking or more. Homes sell at 100.5% of list on average, and close to half go above it.

Agent

- For sellers: buyers still compete. Homes go under contract in 12 days and 45.8% sell above list. Price at market and expect offers fast.
- For buyers: rates near 7.25% cut what you can borrow, and pending sales are already 4.7% below last year. If more sellers cut prices this winter, you get room to negotiate. Today a quarter of listings show a cut, about the national norm.
- Neighborhood framing: North Shore clients (Glencoe, Winnetka, Wilmette, Kenilworth) are in the ZIPs gaining fastest, up 14% to 15% over 12 months. Clients in Gary, Dolton and South Shore are in ZIPs losing ground.

APPENDIX

Home values: Zillow Home Value Index (smoothed, seasonally adjusted, middle tier), © Zillow. Market signals: Zillow Research public data. Rates and unemployment: Freddie Mac and BLS via FRED. Forecasts blend two tested approaches, weighted by each one's recent accuracy for this metro, and we grade every miss each month on a like-for-like basis. All figures are statistical estimates, not investment advice. Full method: sialim.com/methodology.