

JANUARY 2025

RALLY APPRAISAL MARKET REPORT

A Quarterly Publication

MARKET TRENDS

Below are ongoing market trends for both residential and commercial real estate in the markets that Rally Appraisal LLC serves throughout the Midwest in the States of Iowa, Illinois, Wisconsin, Indiana, Missouri and Nebraska. Residential real estate trends are updated once a quarter with corresponding data for each metro market that Rally serves. Commercial real estate trends will be updated on a bi-annual basis as trends in these markets take longer to develop and measure.

RESIDENTIAL 4th QUARTER

The market in the Midwest overall recovered in 2024 from a sales volume standpoint. Most markets saw the number of sales increase during 2024 from 2023 levels. There were exceptions. Burlington and Muscatine in Iowa saw declines in the number of sales for 2024 versus 2023. In Illinois, the Quad Cities, Peoria Metro, Peoria Suburban, Bloomington/Normal, Rockford and Decatur markets all saw declines in the number of sales. In Missouri both St. Louis City and St. Louis County saw a decline in the number of sales.

Generally, what these markets share in common is that they are all markets with declining population. When population declines the demand for new housing starts is muted which impacts the number of sales. These markets therefore, were not able to take advantage of what was generally a better environment in 2024 versus in 2023.

All of the markets that we measure and are active in saw the median sale price increase in 2024 versus 2023 with two notable exceptions. Both Muscatine Iowa and Decatur Illinois saw the median sale price decline in 2024.

During the 4th quarter Des Moines Iowa saw the largest increase in the number of sales at 48.15%. Omaha, Nebraska saw the largest decline at 8.92%. The largest increase in the median sales price was in the Peoria Metro market at 25.49%. The worse performance came in the Muscatine, Iowa market which saw a decline of 5.71%.

2025 OUTLOOK

The outlook for 2025 deteriorated during the 4th quarter as at the conclusion of the election in November, the 10 year treasury yield increased significantly. As mortgage rates track this instrument, this caused the 30 year mortgage rate to increase as well. In addition, the latest Federal Reserve meeting indicated that the number of rate cuts expected in 2025 would decrease with the current outlook being for a potential of 2 cuts. Combined, this in all likelihood means that rates will be higher during 2025 than what was anticipated a few months ago.



2025 OUTLOOK (continued)

There are many unknown variables heading into 2025. Here are the items to watch for as they will impact interest rates and therefore housing significantly. What impact on inflation if any, do any tariffs instituted by the Trump administration have? What happens with the rate of inflation overall, as this will have a huge impact on what the Federal Reserve decides to do around any additional interest rate cuts. Is there any discipline around spending by the Federal Government as it is starting to appear that the interest rate required for Treasury's is being impacted by market participant's perceptions of the sustainability of the path that we are on?

We believe that the most likely outcome is that rates during 2025 are similar to what we had in 2024. Overall inventory levels are increasing and affordability is an issue. With a similar overall rate environment, in all likelihood we will see stable to slightly increasing sales volume in 2024 and also stable to slightly appreciating pricing. This assumes an overall interest rate environment in a range between 6-7%. Rates over 7% would significantly hinder demand while if the rate drops below 6% demand will increase significantly. We believe rates would have to drop below 5.5% to unlock the segment of the market that has a rate below 4% and are therefore staying in place until the interest rate environment improves.

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Iowa Residential Markets

Iowa Quad Cities

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	407	\$195,000	1st Quarter 2024	413	\$230,900	1.47%	18.41%
2nd Quarter 2023	572	\$235,000	2nd Quarter 2024	597	\$245,500	4.37%	4.47%
3rd Quarter 2023	583	\$242,000	3rd Quarter 2024	572	\$243,250	-1.89%	0.52%
4th Quarter 2023	498	\$231,000	4th Quarter 2024	560	\$225,000	12.45%	-2.60%

Cedar Rapids

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	597	\$186,500	1st Quarter 2024	516	\$210,000	-13.57%	12.60%
2nd Quarter 2023	835	\$200,000	2nd Quarter 2024	861	\$226,000	3.11%	13.00%
3rd Quarter 2023	842	\$217,000	3rd Quarter 2024	848	\$240,000	0.71%	10.60%
4th Quarter 2023	695	\$207,500	4th Quarter 2024	757	\$220,000	8.92%	6.02%

Iowa City/Coralville

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	282	\$309,950	1st Quarter 2024	275	\$319,900	-2.48%	3.21%
2nd Quarter 2023	676	\$309,900	2nd Quarter 2024	693	\$319,900	2.51%	3.23%
3rd Quarter 2023	586	\$307,750	3rd Quarter 2024	588	\$326,450	0.34%	6.08%
4th Quarter 2023	378	\$308,450	4th Quarter 2024	427	\$324,900	12.96%	5.33%

Omaha Iowa Market

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	204	\$196,000	1st Quarter 2024	216	\$209,500	5.88%	6.89%
2nd Quarter 2023	303	\$216,000	2nd Quarter 2024	285	\$218,000	-5.94%	0.93%
3rd Quarter 2023	278	\$219,750	3rd Quarter 2024	341	\$215,000	22.66%	-2.16%
4th Quarter 2023	243	\$202,000	4th Quarter 2024	251	\$230,000	3.29%	13.86%

Dubuque

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	167	\$207,700	1st Quarter 2024	173	\$230,000	3.59%	10.74%
2nd Quarter 2023	222	\$230,000	2nd Quarter 2024	295	\$246,000	32.88%	6.96%
3rd Quarter 2023	223	\$235,000	3rd Quarter 2024	249	\$237,000	11.66%	0.85%
4th Quarter 2023	210	\$221,625	4th Quarter 2024	251	\$240,000	19.52%	8.29%

Des Moines

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	1835	\$270,000	1st Quarter 2024	1941	\$288,000	5.78%	6.67%
2nd Quarter 2023	2532	\$310,000	2nd Quarter 2024	3104	\$309,457	22.59%	-0.18%
3rd Quarter 2023	2283	\$315,000	3rd Quarter 2024	2746	\$309,990	20.28%	-1.59%
4th Quarter 2023	1699	\$301,000	4th Quarter 2024	2517	\$304,900	48.15%	1.30%

Cedar Falls/Waterloo

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	273	\$168,000	1st Quarter 2024	298	\$187,500	9.16%	11.61%
2nd Quarter 2023	406	\$184,275	2nd Quarter 2024	422	\$195,250	3.94%	5.96%
3rd Quarter 2023	454	\$180,750	3rd Quarter 2024	416	\$190,000	-8.37%	5.12%
4th Quarter 2023	374	\$179,450	4th Quarter 2024	377	\$198,900	0.80%	10.84%

Burlington

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	84	\$127,450	1st Quarter 2024	85	\$132,500	1.19%	3.96%
2nd Quarter 2023	146	\$134,000	2nd Quarter 2024	114	\$134,200	-21.92%	0.15%
3rd Quarter 2023	142	\$139,500	3rd Quarter 2024	134	\$141,250	-5.63%	1.25%
4th Quarter 2023	127	\$132,000	4th Quarter 2024	127	\$130,000	0.00%	-1.52%

Clinton

	2023		2023-2024			
	Sales	Median Sale Price	Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	93	\$118,000	101	\$135,000	8.60%	14.41%
2nd Quarter 2023	113	\$165,000	116	\$149,950	2.65%	-9.12%
3rd Quarter 2023	126	\$145,000	125	\$168,000	-0.79%	15.86%
4th Quarter 2023	103	\$135,000	122	\$159,500	18.45%	18.15%

Sioux City

	2023		2024			
	Sales	Median Sale Price	Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	176	\$196,372	185	\$205,000	5.11%	4.39%
2nd Quarter 2023	266	\$200,000	295	\$215,000	10.90%	7.50%
3rd Quarter 2023	276	\$212,250	363	\$221,000	31.52%	4.12%
4th Quarter 2023	253	\$200,000	275	\$210,000	8.70%	5.00%

Muscatine

	2023		2024			
	Sales	Median Sale Price	Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	67	\$199,900	73	\$175,000	8.96%	-12.46%
2nd Quarter 2023	106	\$186,750	87	\$165,000	-17.92%	-11.65%
3rd Quarter 2023	100	\$178,000	102	\$179,950	2.00%	1.10%
4th Quarter 2023	84	\$185,500	87	\$174,900	3.57%	-5.71%

Illinois Residential Markets

Illinois Quad Cities

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	297	\$125,000	1st Quarter 2024	283	\$157,500	-4.71%	26.00%
2nd Quarter 2023	412	\$149,250	2nd Quarter 2024	379	\$145,000	-8.01%	-2.85%
3rd Quarter 2023	436	\$157,400	3rd Quarter 2024	399	\$166,400	-8.49%	5.72%
4th Quarter 2023	378	\$147,450	4th Quarter 2024	384	\$152,150	1.59%	3.19%

Peoria Metro

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	552	\$119,000	1st Quarter 2024	554	\$110,500	0.36%	-7.14%
2nd Quarter 2023	773	\$147,500	2nd Quarter 2024	729	\$155,000	-5.69%	5.08%
3rd Quarter 2023	763	\$150,000	3rd Quarter 2024	703	\$165,000	-7.86%	10.00%
4th Quarter 2023	593	\$127,500	4th Quarter 2024	606	\$160,000	2.19%	25.49%

Peoria Suburban

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	331	\$130,000	1st Quarter 2024	280	\$145,000	-15.41%	11.54%
2nd Quarter 2023	496	\$165,000	2nd Quarter 2024	439	\$176,000	-11.49%	6.67%
3rd Quarter 2023	495	\$160,000	3rd Quarter 2024	478	\$185,000	-3.43%	15.63%
4th Quarter 2023	378	\$159,450	4th Quarter 2024	413	\$178,000	9.26%	11.63%

Springfield

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	491	\$152,900	1st Quarter 2024	450	\$165,550	-8.35%	8.27%
2nd Quarter 2023	663	\$165,000	2nd Quarter 2024	696	\$185,550	4.98%	12.45%
3rd Quarter 2023	636	\$175,000	3rd Quarter 2024	704	\$191,450	10.69%	9.40%
4th Quarter 2023	563	\$170,000	4th Quarter 2024	598	\$182,750	6.22%	7.50%

Bloomington/Normal

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	354	\$215,950	1st Quarter 2024	265	\$260,000	-25.14%	20.40%
2nd Quarter 2023	488	\$249,500	2nd Quarter 2024	355	\$275,000	-27.25%	10.22%
3rd Quarter 2023	509	\$245,000	3rd Quarter 2024	531	\$250,000	4.32%	2.04%
4th Quarter 2023	406	\$230,000	4th Quarter 2024	437	\$241,000	7.64%	4.78%

St. Louis Metro East Illinois

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	1332	\$165,000	1st Quarter 2024	1351	\$186,000	1.43%	12.73%
2nd Quarter 2023	1777	\$203,000	2nd Quarter 2024	1791	\$211,000	0.79%	3.94%
3rd Quarter 2023	1813	\$195,000	3rd Quarter 2024	1826	\$210,000	0.72%	7.69%
4th Quarter 2023	1532	\$190,000	4th Quarter 2024	1637	\$205,000	6.85%	7.89%

Rockford

	2023		2024				
	Sales	Median Sale Price	Sales	Median Sale Price	Sales +/-	Median +/-	
1st Quarter 2023	623	\$146,300	1st Quarter 2024	587	\$177,500	-5.78%	21.33%
2nd Quarter 2023	854	\$175,000	2nd Quarter 2024	828	\$193,750	-3.04%	10.71%
3rd Quarter 2023	1020	\$183,750	3rd Quarter 2024	963	\$200,000	-5.59%	8.84%
4th Quarter 2023	829	\$172,500	4th Quarter 2024	879	\$195,000	6.03%	13.04%

Decatur

	2023		2024				
	Sales	Median Sale Price	Sales	Median Sale Price	Sales +/-	Median +/-	
1st Quarter 2023	233	\$134,235	1st Quarter 2024	234	\$152,213	0.43%	13.39%
2nd Quarter 2023	327	\$152,337	2nd Quarter 2024	327	\$134,500	0.00%	-11.71%
3rd Quarter 2023	344	\$155,014	3rd Quarter 2024	346	\$143,000	0.58%	-7.75%
4th Quarter 2023	294	\$142,341	4th Quarter 2024	286	\$140,000	-2.72%	-1.64%

Wisconsin Residential Markets

Madison

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	805	\$424,900	1st Quarter 2024	827	\$455,000	2.73%	7.08%
2nd Quarter 2023	1353	\$445,000	2nd Quarter 2024	1470	\$494,312	8.65%	11.08%
3rd Quarter 2023	1342	\$445,000	3rd Quarter 2024	1413	\$476,000	5.29%	6.97%
4th Quarter 2023	1046	\$422,709	4th Quarter 2024	1172	\$457,450	12.05%	8.22%

Janesville/Beloit

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	320	\$239,500	1st Quarter 2024	332	\$241,250	3.75%	0.73%
2nd Quarter 2023	468	\$259,850	2nd Quarter 2024	509	\$280,000	8.76%	7.75%
3rd Quarter 2023	503	\$250,000	3rd Quarter 2024	522	\$276,750	3.78%	10.70%
4th Quarter 2023	428	\$248,125	4th Quarter 2024	460	\$261,000	7.48%	5.19%

La Crosse

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	171	\$260,000	1st Quarter 2024	159	\$283,620	-7.02%	9.08%
2nd Quarter 2023	290	\$289,450	2nd Quarter 2024	308	\$319,000	6.21%	10.21%
3rd Quarter 2023	330	\$295,000	3rd Quarter 2024	346	\$315,000	4.85%	6.78%
4th Quarter 2023	271	\$270,000	4th Quarter 2024	293	\$300,000	8.12%	11.11%

Missouri Residential Markets

St. Louis City

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	689	\$190,000	1st Quarter 2024	673	\$203,000	-2.32%	6.84%
2nd Quarter 2023	988	\$227,250	2nd Quarter 2024	877	\$235,000	-11.23%	3.41%
3rd Quarter 2023	957	\$222,500	3rd Quarter 2024	882	\$225,000	-7.84%	1.12%
4th Quarter 2023	780	\$199,900	4th Quarter 2024	801	\$205,000	2.69%	2.55%

St. Louis County

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	2489	\$227,000	1st Quarter 2024	2666	\$218,500	7.11%	-3.74%
2nd Quarter 2023	3740	\$260,000	2nd Quarter 2024	3606	\$275,000	-3.58%	5.77%
3rd Quarter 2023	3944	\$265,250	3rd Quarter 2024	3661	\$277,000	-7.18%	4.43%
4th Quarter 2023	3425	\$225,000	4th Quarter 2024	3199	\$269,000	-6.60%	19.56%

St. Charles County

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	1031	\$315,000	1st Quarter 2024	1067	\$340,000	3.49%	7.94%
2nd Quarter 2023	1471	\$340,000	2nd Quarter 2024	1457	\$355,000	-0.95%	4.41%
3rd Quarter 2023	1555	\$346,000	3rd Quarter 2024	1501	\$353,000	-3.47%	2.02%
4th Quarter 2023	1236	\$337,000	4th Quarter 2024	1346	\$351,000	8.90%	4.15%

Nebraska Residential Markets

Omaha Metro

2023			2024				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	1349	\$271,000	1st Quarter 2024	1354	\$290,500	0.37%	7.20%
2nd Quarter 2023	2061	\$300,000	2nd Quarter 2024	2078	\$312,000	0.82%	4.00%
3rd Quarter 2023	2082	\$299,000	3rd Quarter 2024	2289	\$310,000	9.94%	3.68%
4th Quarter 2023	1660	\$290,000	4th Quarter 2024	1512	\$310,000	-8.92%	6.90%

Indiana Residential Markets

Indianapolis Metro

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	2572	\$229,900	1st Quarter 2024	2493	\$239,900	-3.07%	4.35%
2nd Quarter 2023	3215	\$245,000	2nd Quarter 2024	3308	\$254,938	2.89%	4.06%
3rd Quarter 2023	3262	\$240,000	3rd Quarter 2024	3251	\$250,000	-0.34%	4.17%
4th Quarter 2023	2709	\$234,900	4th Quarter 2024	2812	\$245,000	3.80%	4.30%

Indianapolis Suburban

	2023			2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
1st Quarter 2023	2785	\$355,960	1st Quarter 2024	2631	\$362,000	-5.53%	1.70%
2nd Quarter 2023	3537	\$380,000	2nd Quarter 2024	3771	\$384,000	6.62%	1.05%
3rd Quarter 2023	3745	\$375,000	3rd Quarter 2024	3777	\$387,500	0.85%	3.33%
4th Quarter 2023	2895	\$375,995	4th Quarter 2024	3417	\$379,900	18.03%	1.04%