

JULY 2024

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 2nd QUARTER

The residential housing market during all of 2023 saw very similar trends from market to market and State to State. This was characterized by significant declines in sales volume, but resilient median sales prices mostly with slight appreciation. Starting in 2024 the market has started to vary, sometimes significantly on a market by market basis. Trends also appear to be forming on a State by State basis.

During the 2nd quarter there were more markets that saw increases in the number of sales on a year over year basis versus markets that saw declines. Overall (17) of the (28) markets we measure in the market report saw an increase in the number of sales. There were also trends developing on a State by State basis. For example (8) of the (11) markets we track in Iowa saw increases in sales volume while (5) of the (8) markets we track in Illinois saw declines. All (3) markets we track in Missouri also saw declines while markets in Indiana, Wisconsin and Nebraska were all positive in sales volume.

Generally, what appears to be causing this divergence is population trends. Markets that are experiencing flat to declining population have decreases in sales volume while markets that are experience population growth are not. Markets with declining population largely lack new housing starts while markets with increasing population trends have new housing starts. While this would not account for the entirety of the difference it has an impact. Interestingly this does not appear to be impacting the median sales prices of these markets at this time.

The Dubuque, IA market saw the greatest percentage increase in the number of sales year over year at a 32.88% increase. Conversely, for the second quarter in a row, Bloomington/Normal, IL saw the largest decrease with a decline of 27.25% on an annual basis.

The overall trend in pricing was still slight appreciation, with (21) of the (28) markets we measure being flat or positive for the quarter. The largest increase in median sales price was in Cedar Rapids, IA at 13%. The largest decline was in Decatur, IL at 11.71%.



2024 OUTLOOK

In a write up in 2023 it was mentioned that this was the first rate cycle in memory where Federal Reserve policy was impacting both supply and demand. Typically Fed policy greatly impacts demand through borrowing costs. What changed this time was the rapid rise in rates after historic lows which had the impact of “locking” many homeowners into their house.

Rates have recently decreased with the Federal Reserve signaling that rate cuts will be coming starting in September so it would appear that rates will be in a declining environment in the second half of 2024. Initially this will impact the demand side as it will increase the purchasing power of potential buyers. However, rates will most likely have to drop fairly substantially from current levels in order for homeowners that have rates at 4% or less to consider moving. In other words there is still a substantial amount of potential inventory that will remain locked down.

Therefore, as rates start to decline it is anticipated that pricing will increase as the demand side will be impacted while the supply side remains somewhat stagnant. It is hard to say how far rates would have to drop to entice homeowners with rates at 4% or less to re-enter the market, but it likely is substantially lower from where rates are currently at. We are anticipating more upward price pressure on housing as rates decline with a tight market where supply will increase, but not substantially. This will be positive for existing homeowners, but negative for housing affordability and particularly for first time home buyers.

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Iowa Residential Markets

Iowa Quad Cities

	2022-2023			2023-2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	712	\$224,450	3rd Quarter 2023	583	\$242,000	-18.12%	7.82%
4th Quarter 2022	544	\$208,250	4th Quarter 2023	498	\$231,000	-8.46%	10.92%
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%

Cedar Rapids

	2022-2023			2023-2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	1109	\$210,000	3rd Quarter 2023	842	\$217,000	3.19%	11.28%
4th Quarter 2022	816	\$195,000	4th Quarter 2023	695	\$207,500	16.42%	11.26%
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%

Iowa City/Coralville

	2022-2023			2023-2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	736	\$286,000	3rd Quarter 2023	586	\$307,750	-20.38%	7.60%
4th Quarter 2022	399	\$279,900	4th Quarter 2023	378	\$308,450	-5.26%	10.20%
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%

Omaha Iowa Market

	2022-2023			2023-2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	335	\$208,000	3rd Quarter 2023	278	\$219,750	-17.01%	5.65%
4th Quarter 2022	256	\$185,000	4th Quarter 2023	243	\$202,000	-5.08%	9.19%
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%

Dubuque

	2022-2023			2023-2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	358	\$231,500	3rd Quarter 2023	223	\$235,000	-37.71%	1.51%
4th Quarter 2022	236	\$208,500	4th Quarter 2023	210	\$221,625	-11.02%	6.29%
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%

Des Moines

	2022-2023			2023-2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	3553	\$285,975	3rd Quarter 2023	2283	\$315,000	-35.74%	10.15%
4th Quarter 2022	2443	\$275,000	4th Quarter 2023	1699	\$301,000	-30.45%	9.45%
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%

Cedar Falls/Waterloo

	2022-2023			2023-2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	583	\$175,000	3rd Quarter 2023	454	\$180,750	-22.13%	3.29%
4th Quarter 2022	379	\$162,500	4th Quarter 2023	374	\$179,450	-1.32%	10.43%
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%

Burlington

	2022-2023			2023-2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	147	\$120,000	3rd Quarter 2023	142	\$139,500	-3.40%	16.25%
4th Quarter 2022	128	\$126,150	4th Quarter 2023	127	\$132,000	-0.78%	4.64%
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%

Clinton

	2022-2023		2023-2024			
	Sales	Median Sale Price	Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	161	\$155,000	126	\$145,000	-21.74%	-6.45%
4th Quarter 2022	148	\$146,462	103	\$135,000	-30.41%	-7.83%
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%

Sioux City

	2022-2023		2023-2024			
	Sales	Median Sale Price	Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	322	\$205,500	276	\$212,250	-14.29%	3.28%
4th Quarter 2022	238	\$190,000	253	\$200,000	6.30%	5.26%
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%

Muscatine

	2022-2023		2023-2024			
	Sales	Median Sale Price	Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	123	\$183,000	100	\$178,000	-18.70%	-2.73%
4th Quarter 2022	111	\$159,000	84	\$185,500	-24.32%	16.67%
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%

Illinois Residential Markets

Illinois Quad Cities

	2022-2023			2023-2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	540	\$139,000	3rd Quarter 2023	436	\$157,400	-19.26%	13.24%
4th Quarter 2022	414	\$138,500	4th Quarter 2023	378	\$147,450	-8.70%	6.46%
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%

Peoria Metro

	2022-2023			2023-2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	862	\$140,000	3rd Quarter 2023	763	\$150,000	-11.48%	7.14%
4th Quarter 2022	707	\$123,500	4th Quarter 2023	593	\$127,500	-16.12%	3.24%
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%

Peoria Suburban

	2022-2023			2023-2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	572	\$153,750	3rd Quarter 2023	495	\$160,000	-13.46%	4.07%
4th Quarter 2022	433	\$140,000	4th Quarter 2023	378	\$159,450	-12.70%	13.89%
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%

Springfield

	2022-2023			2023			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	805	\$171,000	3rd Quarter 2023	636	\$175,000	-20.99%	2.34%
4th Quarter 2022	591	\$164,900	4th Quarter 2023	563	\$170,000	-4.74%	3.09%
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%

Bloomington/Normal

	2022-2023			2023-2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	797	\$212,000	3rd Quarter 2023	509	\$245,000	-36.14%	15.57%
4th Quarter 2022	547	\$200,000	4th Quarter 2023	406	\$230,000	-25.78%	15.00%
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%

St. Louis Metro East Illinois

	2022-2023			2023-2024			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	2219	\$190,000	3rd Quarter 2023	1813	\$195,000	-18.30%	2.63%
4th Quarter 2022	1701	\$175,000	4th Quarter 2023	1532	\$190,000	-9.94%	8.57%
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%

Rockford

	2022-2023		2023-2024				
	Sales	Median Sale Price	Sales	Median Sale Price	Sales +/-	Median +/-	
3rd Quarter 2022	1136	\$170,000	3rd Quarter 2023	1020	\$183,750	-10.21%	8.09%
4th Quarter 2022	817	\$155,000	4th Quarter 2023	829	\$172,500	1.47%	11.29%
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	813	\$196,000	-4.80%	12.00%

Decatur

	2022-2023		2023-2024				
	Sales	Median Sale Price	Sales	Median Sale Price	Sales +/-	Median +/-	
3rd Quarter 2022	423	\$149,040	3rd Quarter 2023	344	\$155,014	-18.68%	4.01%
4th Quarter 2022	332	\$134,247	4th Quarter 2023	294	\$142,341	-11.45%	6.03%
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%

Wisconsin Residential Markets

Madison

2022-2023			2023-2024				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	1760	\$416,500	3rd Quarter 2023	1342	\$445,000	-23.75%	6.84%
4th Quarter 2022	1076	\$400,000	4th Quarter 2023	1046	\$422,709	-2.79%	5.68%
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%

Janesville/Beloit

2022-2023			2023-2024				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	632	\$245,000	3rd Quarter 2023	503	\$250,000	-20.41%	2.04%
4th Quarter 2022	438	\$225,500	4th Quarter 2023	428	\$248,125	-2.28%	10.03%
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%

La Crosse

2022-2023			2023-2024				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	421	\$266,500	3rd Quarter 2023	330	\$295,000	-21.62%	10.69%
4th Quarter 2022	296	\$263,950	4th Quarter 2023	271	\$270,000	-8.45%	2.29%
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%

Missouri Residential Markets

St. Louis City

2022-2023			2023-2024				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	1106	\$212,750	3rd Quarter 2023	957	\$222,500	-13.47%	4.58%
4th Quarter 2022	852	\$191,500	4th Quarter 2023	780	\$199,900	-8.45%	4.39%
1st Quarter 2023	689	\$190,000	1st Quarter 2024	673	\$203,000	-2.32%	6.84%
2nd Quarter 2023	988	\$227,250	2nd Quarter 2004	877	\$235,000	-11.23%	3.41%

St. Louis County

2022-2023			2023-2024				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	4204	\$258,050	3rd Quarter 2023	3944	\$265,250	-6.18%	2.79%
4th Quarter 2022	3244	\$240,000	4th Quarter 2023	3425	\$225,000	5.58%	-6.25%
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%

St. Charles County

2022-2023			2023-2024				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	1866	\$325,000	3rd Quarter 2023	1555	\$346,000	-16.67%	6.46%
4th Quarter 2022	1376	\$315,000	4th Quarter 2023	1236	\$337,000	-10.17%	6.98%
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%

Nebraska Residential Markets

Omaha Metro

2022-2023			2023-2024				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	2509	\$285,000	3rd Quarter 2023	2082	\$299,000	-17.02%	4.91%
4th Quarter 2022	1688	\$275,000	4th Quarter 2023	1660	\$290,000	-1.66%	5.45%
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%

Indiana Residential Markets

Indianapolis Metro

2022-2023			2023-2024				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	3820	\$244,000	3rd Quarter 2023	3262	\$240,000	-14.61%	-1.64%
4th Quarter 2022	2748	\$230,000	4th Quarter 2023	2709	\$234,900	-1.42%	2.13%
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%

Indianapolis Suburban

2022-2023			2023-2024				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
3rd Quarter 2022	4262	\$365,000	3rd Quarter 2023	3745	\$375,000	-12.13%	2.74%
4th Quarter 2022	3309	\$365,650	4th Quarter 2023	2895	\$375,995	-12.51%	2.83%
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%