



OCTOBER 2026

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, 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 is broken down into segments with a different segment highlighted in each quarterly newsletter. This quarter focuses on the apartment or multi-family market.

RESIDENTIAL 3rd QUARTER

Parsing the data by market, 8 of 12 markets Rally serves in Iowa saw price appreciation in the quarter. Eight of 9 markets saw price appreciation in Illinois. In Wisconsin all 3 markets saw price appreciation. Two of 3 markets in Missouri saw appreciation and Nebraska saw price appreciation as well. This is a total of 6 markets that did not see price appreciation as compared to 3 markets that did not see price appreciation in the 2nd quarter. These 6 markets were, Council Bluffs, Dubuque, Burlington, Ames, the Illinois Quad Cities, Metro East S. Louis or the Illinois side of St. Louis and St. Louis City. Seven of 12 markets in Iowa saw stable to increasing sales volume. 2 of 9 markets saw increasing sales volume in Illinois. All 3 markets saw increasing sales volume in both Wisconsin and Missouri and Nebraska experienced decreasing sales volume. These trends overall would support a weakening market with more markets experiencing both declining median sales prices and declining sales volume versus 2nd quarter.

The strongest performing market Rally serves from a sales volume standpoint was St. Louis City which saw a 42.57% increase in sales volume during the quarter. The weakest performing market was Ames which saw a decline in sales volume of 43.81%. From an appreciation standpoint, the best performing market was Muscatine, IA which saw appreciation of 25.67% during the quarter. The market with the largest decline was Ames, IA which saw a decline in the median sales price of 7.55% during the quarter.

The Midwest single family housing market continues to be characterized as being more stable than the US overall and particularly the south and west. The interest rate environment became more challenging during the quarter and this trend has continued into 4th quarter, which most likely will continue to stall both sales volume and appreciation somewhat.

IMPACT OF HIGHER INTEREST RATES

At the tail end of the 3rd quarter the 10 year treasury and mortgage interest rates began to increase substantially. The measurable impacts so far on the residential housing market are noted below.

- **Sinking Affordability Tipping Point:** More than half of roughly 200 metro areas in the Midwest (including markets like Des Moines, Iowa; Indianapolis, Indiana; and Flint, Michigan) have crossed the threshold into general housing unaffordability as higher monthly payments squeeze local incomes.

- **Increased Monthly Debt Service:** With 30-year fixed rates climbing past 7.4%, financing a standard loan adds hundreds of dollars per month in principal and interest. For example, a 1 percentage point increase in rates translates to roughly an extra \$255 per month on a \$400,000 home loan, pricing out lower- and middle-income first-time buyers.
- **Stifled Purchase & Refinance Demand:** According to regional mortgage and real estate data, rising rates have driven purchase applications down by roughly 15% compared to the previous year, while refinance applications have plummeted by 56%.
- **Underwriting Disqualifications (The Credit Wall):** According to research from the [St. Louis Fed Working Paper](#), higher rates don't just psychologically discourage buyers; they actively disqualify qualified applicants with steady employment whose debt-to-income ratios now exceed strict regulatory underwriting thresholds.
- **Locked-In Sellers & Inventory Stagnation:** Existing homeowners holding pandemic-era sub-4% or 5% mortgage rates remain heavily dis-incentivized to sell, keeping regional inventory tight despite softening buyer demand.

IOWA

According to data compiled directly from the [Iowa Association of REALTORS® Reports](#):

- **The Recent Transaction Cliff:** Closed monthly home sales across Iowa plummeted by 10.5%.
- **The Pricing Correction:** The median statewide sale price dropped 4.5% to \$267,000, proving that Iowa's market is no longer immune to macro borrowing conditions.
- **The Ballooning Inventory:** Total active inventory statewide surged to 9,896 homes on the market—a 13.5% spike year-over-year.

The Major Economic Metros (Des Moines & Surrounding Suburbs)

The Des Moines metro area is experiencing the state's sharpest structural correction. High financing costs have created an intentional buyer standoff.

- **Inventory Double-Take:** Active listings in the Des Moines metro have ballooned to 4,931 homes for sale. This represents more than double the available inventory compared to the peak pandemic boom.
- **The Negotiating Flip:** Buyers have reclaimed pricing power. According to regional transaction data, 57% of closed properties are selling below their initial list price. Homes are sitting on the market longer—averaging 46 days before moving to pending—forcing sellers to build in deep price concessions or permanent mortgage rate buy-downs.

The Industrial, Tech & River Hubs (Cedar Rapids & Davenport)

Unlike the inventory pileups in Des Moines, Eastern Iowa's primary metros are absorbing the interest rate shock through sheer, entry-level demand.

- **Cedar Rapids Resilience:** The Linn County metro remains one of the state's most competitive submarkets. Because its baseline single-family prices sit slightly lower than Des Moines, buyers hit the 7.5% underwriting "debt-to-income wall" much later, preserving a steadier transaction pipeline.
- **Davenport (Quad Cities) Affordability Buffer:** Davenport continues to perform exceptionally well on a national level for first-time buyers due to structural affordability. With a median sale price around \$183,000, the average buyer only utilizes roughly 28% of their gross household earnings toward the monthly payment. This creates an enormous safety buffer against 7.5% rates, preventing the extreme buyer disqualifications seen in higher-priced U.S. markets.

The Micropolitan Reality: Paralyzed & Unyielding

Outside the metropolitan areas, in Iowa's smaller micropolitan the impact of 7.5% interest rates looks completely different. It has created market gridlock.

- **The Rate-Lock Grip:** Homeowners in smaller communities who secured 3% or 4% mortgages are entirely entrenched. Moving to a similarly priced home under 7.5% financing would spike their monthly debt service by up to 45% for no added property value.
- **Frozen Supply Chains:** This creates an absolute freeze. Because no existing owners are listing their properties, inventory stays critically choked, forcing local first-time buyers to compete for an incredibly thin margin of available properties.

DOWNTSTATE ILLINOIS

Downstate Illinois serves as a contrast to Iowa. While 7.5% mortgage rates are driving real price adjustments and a spike in active inventory in Iowa's larger metros, Downstate Illinois is reacting with extreme price stickiness and a refusal to build new inventory.

Because Downstate real estate remains fundamentally insulated from Chicago's tax and corporate landscape, the 7.5% interest rate crunch has created highly distinct submarket profiles.

The Central Industrial & Academic Metros

Peoria Area

The Peoria market is bucking the broader national cooling trends through sheer inventory scarcity. Despite 7.5% interest rates, Peoria is experiencing high demand.

- **Defying the Rate Hikes:** According to [Peoria Area Association of REALTORS](#) data, September year-to-date closed sales actually jumped 14.3%.

- **Rapid Velocity:** Homes are not lingering. The cumulative days on market until sale averaged just 39 days. The median sales price has climbed to \$175,000, up 6.1% year-to-date, proving that Peoria's ultra-affordable baseline absorbs 7.5% rates much better than national averages.

Bloomington-Normal

This area operates as a premium island within Downstate Illinois due to the corporate anchor of State Farm Insurance and the massive presence of Rivian Automotive.

- **The High-Income Buffer:** Unlike standard industrial hubs, local household incomes here are highly insulated. This means the 7.5% interest rate has not destroyed buying power, but it has completely compressed the market. Upper-middle-class corporate workers refuse to sell their existing homes, leaving the local market starved for listings.

Champaign-Urbana

Much like Iowa City or Ames, the home of the University of Illinois behaves like an institutional micro-economy.

- **The Transience Factor:** While regular buyers face strict 7.5% underwriting hurdles, Champaign-Urbana sees constant, mandatory housing turnover from visiting professors, international research capital, and medical professionals. This continuous demand absorbs the shock of higher interest rates, maintaining tight inventory and strong historical appreciation.

The Post-Industrial Micro Markets

Decatur

Decatur represents the absolute floor of major Illinois real estate pricing and has a completely different structural relationship with interest rates.

- **The Nation's Affordability Safe-Haven:** According to Resideline housing statistics, Decatur carries the lowest median closed sale price in the entire state at roughly \$134,500.
- **Rate Shock Absorption:** When home prices are this low, a 7.5% mortgage rate only adds roughly \$75 to \$90 a month to a typical principal and interest payment compared to a 5.5% rate. As a result, Decatur's real estate market remains active for local industrial workers and out-of-state cash-flow investors, facing very few rate-driven underwriting disqualifications.

Rockford & Quad Cities (Illinois Side)

Located on the northern and western borders, these markets are characterized by a complete freeze on the existing housing supply.

- **The Border Arbitrage Paradox:** Rockford has historically attracted spillover buyers fleeing higher property taxes in the Chicago collar counties. However, with mortgage rates hovering at multi-decade highs, that migration has slowed. Sellers are choosing to stay put rather than finance a new purchase at 7.5%, keeping the months' supply of inventory pinned near historic lows.

The Critical Structural Shift: Downstate Illinois vs. Iowa		
Metric / Behavior	Downstate Illinois	Iowa Metros
New Construction Volume	Anemic. New home completions are severely lagging, forcing buyers exclusively into older, existing homes.	Aggressive. Builders are actively developing land and offering interest rate buy-downs to move products.
Price Softening	Non-Existent. Low inventory forces buyers to pay at or above list price; values continue to climb.	Visible. Over half of listings are closing under list price as buyers force concessions.
The "Rate-Lock" Grip	Absolute. Homeowners are deeply entrenched in low-rate properties, leading to historic multi-year inventory stagnation.	Fluid. While rate-lock exists, life events and urban sprawl are still generating a steady supply of new listings.

WISCONSIN

Shifting focus to Wisconsin, the impact of 7.5% mortgage rates has interacted with the state's notoriously tight inventory to create distinct localized micro-climates. While Wisconsin registered one of the sharpest interest rate spikes in the Midwest, the market behavior across Madison, the Janesville/Beloit area, and La Crosse reveals a stark contrast between high-capital resilience and rate-driven price slicing.

Madison Metro: An Insulated, High-Velocity Tech Hub

Madison operates as the premier, highest-priced real estate engine in Wisconsin. Because the economy is anchored by the University of Wisconsin, state government, and Epic Systems capital, the market has absorbed 7.5% rates with startling resilience.

- **Premium Pricing Momentum:** The median closed sale price has marched up to \$430,000. Unlike Iowa where price drops are rampant, Madison's inventory shortages have kept the median sale-to-list price ratio at 100.8%.
- **The Velocity Anomaly:** Nationally, homes are sitting for months, but Madison homes are still going under contract in a median of just 7 to 10 days for prime listings.
- **The Buyer Squeeze:** Despite an annual increase in active inventory (+19% listing cuts), the market has only slightly over 1 month of available inventory. Wealthy cash buyers and corporate relocations continue to outpace supply, effectively shutting out baseline first-time buyers who are reliant on 7.5% financing.

Janesville & Beloit (Rock County): The Price-Cutting Capital

Located right on the Illinois border, Rock County represents a completely different relationship with interest rates. Because home prices are lower, sellers are having to actively compete and slash numbers to attract buyers facing high monthly payments.

A Tale of Two Price Spread Cities:

- **Janesville:** Carries a median sale price of \$296,667. Homes are taking noticeably longer to sell, averaging 42 days on market as buyers recalculate their loan allowances.
- **Beloit:** Serves as a more affordable industrial alternative with a median home value of \$207,819.
- **Widespread Price Slicing:** Rock County has seen a major wave of price corrections. In the City of Beloit, 35.1% of active listings have slashed their prices. Janesville is following closely, with more than 30.5% of homes selling below initial list price as the "credit wall" forces realistic concessions from sellers.

La Crosse: The Ultra-Competitive River Pocket

La Crosse sits on the Mississippi River border and represents a market that has completely frozen its existing housing stock due to the "rate-lock" phenomenon.

- **Extreme Inventory Gridlock:** The median home value rests at \$282,230. However, buyers have virtually nothing to choose from; the core city regularly registers only a handful of truly active, non-pending listings.
- **Insane Bidding Environments:** Because supply is non-existent, homes that do hit the market are hit with instant demand. The median days to pending is an incredibly tight 8 days. Over 51.9% of homes are still selling over list price, with multiple offers and waived contingencies remaining common.
- **The Renter Fallout:** Because the 7.5% mortgage rate prevents local workers from transitioning into homeownership, the local rental market is under severe duress. The median rent price in La Crosse County spiked 13.6% month-over-month to \$1,300, as trapped buyers flood local apartment supply.



MISSOURI (ST. LOUIS METRO)

The St. Louis bi-state metropolitan area—spanning eastern Missouri and southwestern Illinois—presents a fascinating look at the 7.5% mortgage rate crunch. Because the metro area is divided by the Mississippi River, it features a stark contrast in cost structures: the Missouri side carries higher list prices but lower property taxes, while the Illinois "Metro East" offers cheaper upfront home prices burdened by much higher tax rates.

As average 30-year fixed mortgages climb into the mid-7% range, the St. Louis market has officially transitioned into a sluggish, highly fractured environment defined by a growing inventory backlog, severe regional "rate-lock," and distinct state-line dynamics.

Metro-Wide Metrics: A Market in Slow Motion

Across the broader St. Louis CBSA (Core-Based Statistical Area), the immediate impacts of 7.5% rates include:

- **Sinking Contract Volume:** Pending home sales across the metro dropped 16.1% year-over-year. High monthly debt service has chilled fall demand, pushing median days on market up to 52 days—a 13% increase from last year.
- **The Listing Price Paradox:** The overall metro median listing price stands near \$289,900, representing a 3.4% year-over-year decrease. However, repeat-sale valuations on turnkey homes are still creeping up slightly. This means sellers putting homes on the market are forced to list more conservatively to avoid immediate stagnancy.
- **Seller Concessions Take Off:** Over 1 in 5 active listings have slashed their initial asking prices. On average, St. Louis homes are closing at 98% of list price, giving remaining buyers substantial room to negotiate inspections and rate buy-downs.

Missouri Side: The High-Demand Stand-Off

The Missouri counties are bearing the brunt of the "Credit Wall." Local research out of the St. Louis Fed Working Paper notes that 7.5% rates are structurally disqualifying qualified local buyers purely due to strict debt-to-income underwriting parameters.

St. Louis County & City

- **The "Tale of Two Cities" Pricing:** The median listing price in St. Louis County sits around \$215,000, while the independent St. Louis City holds a lower median of \$209,900.
- **Extreme Submarket Fragmentation:** Turnkey homes in preferred school districts or premium pockets (like Kirkwood or Maplewood) still command swift 20-day turnarounds. Meanwhile, dated properties or less competitive ZIP codes (such as 63118) are experiencing near-total demand evaporation, with pending-to-active inventory ratios dropping to a buyer-friendly 0.04.

St. Charles County

- **The Suburban Gridlock:** Located further west, St. Charles features the metro's highest price tags, with a median list price of \$440,450. Because buyers here are financing larger amounts, a 1% rate hike adds nearly \$280 per month to an average mortgage. This has trigger-locked existing homeowners—who are deeply anchored into sub-4% rates—refusing to downsize or trade up. Supply remains pinned at a razor-thin 1.97-month supply.

Illinois Side (The Metro East): The Tax & Price Trade-Off

The Illinois counties (primarily Madison and St. Clair) are acting as the safety valve for buyers entirely priced out of the Missouri side.

St. Clair & Madison Counties

- **The Upfront Price Discount:** Median sold prices across both St. Clair and Madison counties hover around \$224,000 to \$225,000. This makes the upfront purchase significantly cheaper than premium Missouri suburbs.
- **The High-Tax Friction:** While lower purchase prices absorb the sting of a 7.5% interest rate, buyers in Metro East are clashing with Illinois' aggressive property tax rates (averaging 1.7% to 2.1% compared to Missouri's 0.9% to 1.1%). When combined with 7.5% interest, the total monthly escrow payment leaves very little financial margin for local middle-class families, stalling entry-level sales volume.

NEBRASKA (OMAHA - COUNCIL BLUFFS, IA)

The Omaha-Council Bluffs bi-state metropolitan area—spanning Douglas and Sarpy counties in Nebraska and Pottawattamie County in Iowa—presents a highly localized housing environment currently testing the limits of 7.5% mortgage interest rates.

Unlike many regions across the United States where skyrocketing interest rates have triggered widespread price corrections, the Omaha metro remains remarkably resilient. Low historical housing inventory has acted as a structural mattress, preventing home values from dropping drastically even as buyer volume slows. However, a closer look at the data shows that the Nebraska and Iowa sides are digesting this rate environment in entirely different ways.

The Core Metros: By the Numbers

Market Metric	Omaha Metro Overall (NE Side Dominant)	Council Bluffs, IA Submarket
Median Sale Price	\$292,000 – \$330,000 (Up 4.3% to 8.2% YoY)	\$215,000 – \$224,333 (Down 3.4% YoY)
Transaction Volume	Down 20% month-over-month (September)	Down 28.2% year-over-year
Median Days on Market	16 to 18 days (Slightly slower)	14 to 26 days (Holding steady)
Price Softening Impact	Only 15.1% of active listings see price cuts.	Over 41.5% of transactions close under list price.

Nebraska Side: The Mid-Tier Flight & Entry-Level Squeeze

On the Nebraska side of the river (Omaha, Elkhorn, Papillion, Bellevue), the move past 7% financing has fractured buyer behavior into clear price tiers.

- **The Mid-Tier Supply Freeze (\$350K–\$750K):** This specific price tier was responsible for a major market slowdown. Month-over-month closings in this bracket plummeted by 43%. This isn't a drop in buyer demand, but rather an extreme "rate-lock" phenomenon. Move-up buyers who currently sit on 3% or 4% pandemic-era mortgages are refusing to sell, because trading up to a \$500,000 home at 7.5% would instantly warp their family budget.
- **Entry-Level Inelasticity (Under \$350K):** Surprisingly, entry-level closings actually rose slightly. First-time buyers are showing extreme determination, pushing the entry-level segment to make up over 60% of all Omaha sales. However, the 7.5% interest rate has eroded purchasing power; a buyer who could afford a \$350,000 home last year now only qualifies for \$300,000, forcing fierce competition over basic starter homes in suburban districts.
- **Local Policy Safety Valves:** To combat these numbers, local buyers are leaning into state-specific exceptions. The Nebraska Investment Finance Authority (NIFA) has been a vital cushion, offering qualifying buyers home programs with rates heavily discounted below national market tiers to offset macro pressures.

Iowa Side (Council Bluffs): Price Adjustments & Renter Gridlock

Across the river in Pottawattamie County, Council Bluffs represents a smaller, historically more working-class inventory base that lacks Omaha's suburban expansion. Here, high rates are triggering real price drops.

- **Visible Price Softening:** Unlike Omaha's steady price growth, the median home price in Council Bluffs dropped 3.4% year-over-year to \$215,000. Because local median household incomes are tightly correlated with manufacturing and regional logistics, local buyers hit the 7.5% underwriting "credit wall" much faster than move-up buyers in Omaha.
- **The Buyer Discount Shift:** Sellers in Council Bluffs are losing pricing power quickly. Real estate metrics confirm that 41.5% of homes are closing under their initial list price.
- **The Locked-Out Renter Reality:** Because the jump to a 7.5% rate has added hundreds of dollars to a standard monthly mortgage payment, a massive portion of the Council Bluffs demographic is trapped in place. This has created a permanent floor under the regional rental market, allowing multifamily properties to stay highly occupied and keeping local rental yields strong as home sales volume drops.

Midwest Apartment Market

Each quarterly market report will focus on a different commercial market segment. This quarters will focus on apartments. The table below breaks down the key market indicators, including average monthly rent, typical property size, and recent year-over-year (YoY) rental price shifts.

Location	Average Monthly Rent	Average Unit Size	Year-over-Year (YoY) Trend	Market Highlights
Omaha, NE	\$1,333	900+ sq. ft.	+1.75% (Increasing)	Rents are rising steadily; strong neighborhood activity in areas like Blackstone (\$1,411/mo.).
Des Moines, IA	\$1,119	779 sq. ft.	+1.46% (Increasing)	Navigating a temporary supply surge; urban hotspots like the Historic East Village peak around \$1,393/mo.
St. Louis, MO	\$1,448	836 sq. ft.	+1.66% (Increasing)	High renter engagement; premium submarkets like Lafayette Square reach averages of \$1,769/mo.
Rockford, IL	\$1,065	622 sq. ft.	+3.30% (Increasing)	Exceptionally tight market following its status as one of the nation's top housing markets.
Peoria, IL	\$1,056	690 sq. ft.	+4.80% (Increasing)	Tied for the most budget-friendly small U.S. city, with renters spending under 10% of income on rent.
Cedar Rapids, IA	\$1,114	626 sq. ft.	+6.70% (Increasing)	Experiencing rapid rental appreciation; tied with Peoria for exceptional renter affordability.
Quad Cities (IA/IL)	\$900 - \$1,140	670+ sq. ft.	Stable (-3.5% to +0.3%)	Highly pocketed; Davenport, IA averages \$906–\$939/mo. while Bettendorf, IA sits higher at \$1,138/mo.

Market Dynamics

- **The Affordability Advantage:** Every city on this list sits well below the national average rent. A massive percentage of available inventory across these regions remains priced under \$1,000 to \$1,500 per month.
- **Supply vs. Demand Balance:** While cities like Des Moines are absorbing heavy multifamily construction pipelines from the last two years, overall inventory in smaller markets like Peoria has dropped significantly (-27.5% YoY), shifting leverage strictly toward landlords.
- **Submarket Variations:** Across all metros, suburban or peripheral units offer considerable space value, whereas historic downtown and entertainment districts command a \$200–\$400 premium over their respective city baselines.

From an investment perspective, these seven Midwestern markets offer a compelling combination of stable yield, high cap rates, and minimal supply risk compared to hyper-volatile coastal cities. For multifamily investors, the region represents a classic yield-play sandbox rather than a rapid equity-appreciation play.

Multifamily Investment Matrix (2026)

Market	Average Cap Rate	Vacancy Trend	Primary Investor Profile	Strategic Market Thesis
Omaha, NE	5.5% – 6.2%	8.0% (Elevated but stabilizing)	Core-Plus / Value-Add	Growth Leader: Active absorption; heavy office-to-apartment conversions in Downtown balanced by rapid suburban expansion.
St. Louis, MO	5.8% – 6.5%	6.6% (Suburban) / High (City Core)	Institutional / Core-Plus	Submarket Tale: Suburban assets offer highly stabilized cash flows, while 25% of urban core assets require heavy concessions to lease.
Des Moines, IA	5.0% – 5.65%	6.2% – 7.1% (Peaking)	Long-Term Hold / Core	Pipeline Burn-Off: Supply has peaked. Construction starts collapsed by 66%, positioning the market for vacancy contraction into 2027.
Rockford, IL	8.0%	4.1% (Extremely Tight)	Opportunistic / High-Yield	High-Yield Haven: One of Illinois' strongest rental markets with 4.6% rent growth and massive cap rate premiums.
Peoria, IL	8.0%	6.7%	Opportunistic / Value-Add	Cash Flow Play: Exceptionally cheap entry points (avg home values ~\$126k) and low tenant rent-to-income burdens (<10%).
Cedar Rapids, IA	6.5% – 7.2%	Low / Stable	Regional Syndicate / Value-Add	Economic Tailwinds: \$2.6B in recent commercial pipeline investments (Google/QTS Data Centers) driving high blue-collar tenant demand.
Quad Cities (IA/IL)	7.0% – 7.5%	Balanced	Private Wealth / Yield	Pocketed Yields: Cross-border dynamic. Davenport and Bettendorf (IA) pull premium rents over Illinois counterparts.

Omaha (The Construction Hotbed): Omaha is undergoing a wave of transaction activity. Over 5,500 units are underway, with heavy concentration in major office-to-apartment conversions like the former FNBO Headquarters. Vacancy has ticked up to 8.0% due to this supply surge, but steady absorption metrics show that demand is healthy.

St. Louis (The Urban/Suburban Divide): St. Louis is hitting record effective rents (\$1,429/mo), but execution requires caution. Suburban submarkets feature low vacancy and strong landlord pricing power. Conversely, the Urban Core (CBD) is struggling with a supply overhang and structural population shifts, resulting in nearly 25% of city units being forced to offer concessions.

Des Moines spent 24 months working through a massive inventory expansion (~3,000 new units) which caused its first localized rent cuts in 15 years. However, forward-thinking investors are jumping in now: multifamily starts crashed 66%, meaning new competition will completely dry up by 2027. Buying Class A/B properties undergoing current lease-up concessions offers long-term arbitrage.

Rockford & Peoria: For private capital seeking high cap rates (8.0%), these secondary Illinois markets outperform the national average. Rockford is a standout with a tight 4.1% vacancy rate and strong 4.6% rent growth.

Cedar Rapids: Backed by massive private tech infrastructure investments (such as a \$750M QTS Data Center and a \$576M Google Data Center), this market has sustained local housing demand that outpaces current supply. It boasts high landlord safety because it ties with Peoria for the highest renter affordability in the U.S.

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This newsletter was co-authored by Gemini

Iowa Residential Markets

Iowa Quad Cities

2024-2025			2025-2026				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	560	\$225,000	4th Quarter 2025	523	\$250,000	-6.61%	11.11%
1st Quarter 2025	430	\$240,000	1st Quarter 2026	372	\$244,900	-13.49%	2.04%
2nd Quarter 2025	646	\$249,950	2nd Quarter 2026	571	\$248,000	-11.61%	-0.78%
3rd Quarter 2025	626	\$257,500	3rd Quarter 2026	531	\$278,000	-15.18%	7.96%

Cedar Rapids

2024-2025			2025-2026				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	757	\$220,000	4th Quarter 2025	808	\$232,250	6.74%	5.57%
1st Quarter 2025	581	\$208,000	1st Quarter 2026	612	\$230,000	5.34%	10.58%
2nd Quarter 2025	942	\$235,000	2nd Quarter 2026	979	\$241,000	3.93%	2.55%
3rd Quarter 2025	897	\$235,900	3rd Quarter 2026	1015	\$250,000	13.15%	5.98%

Iowa City/Coralville

2024-2025			2025-2026				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	427	\$324,900	4th Quarter 2025	452	\$329,900	5.85%	1.54%
1st Quarter 2025	334	\$320,895	1st Quarter 2026	339	\$328,500	1.50%	2.37%
2nd Quarter 2025	776	\$335,000	2nd Quarter 2026	790	\$334,900	1.80%	-0.03%
3rd Quarter 2025	585	\$335,000	3rd Quarter 2026	630	\$335,000	7.69%	0.00%

Omaha Iowa Market

2024-2025			2025-2026				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	251	\$230,000	4th Quarter 2025	264	\$250,000	5.18%	8.70%
1st Quarter 2025	195	\$216,000	1st Quarter 2026	193	\$230,000	-1.03%	6.48%
2nd Quarter 2025	262	\$215,000	2nd Quarter 2026	273	\$240,000	4.20%	11.63%
3rd Quarter 2025	330	\$240,000	3rd Quarter 2026	235	\$229,000	-28.79%	-4.58%

Dubuque

2024-2025			2025-2026				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	251	\$240,000	4th Quarter 2025	256	\$254,000	1.99%	5.83%
1st Quarter 2025	185	\$239,100	1st Quarter 2026	154	\$272,000	-16.76%	13.76%
2nd Quarter 2025	284	\$268,000	2nd Quarter 2026	292	\$268,700	2.82%	0.26%
3rd Quarter 2025	284	\$269,900	3rd Quarter 2026	307	\$263,000	8.10%	-2.56%

Des Moines

2024-2025			2025-2026				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	2517	\$304,900	4th Quarter 2025	2604	\$314,000	3.46%	2.98%
1st Quarter 2025	1973	\$302,500	1st Quarter 2026	2069	\$315,000	4.87%	4.13%
2nd Quarter 2025	3270	\$314,900	2nd Quarter 2026	3613	\$319,250	10.49%	1.38%
3rd Quarter 2025	3015	\$317,000	3rd Quarter 2026	3073	\$326,000	1.92%	2.84%

Cedar Falls/Waterloo

	2024-2025			2025-2026			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	377	\$198,900	4th Quarter 2025	371	\$200,000	-1.59%	0.55%
1st Quarter 2025	266	\$185,000	1st Quarter 2026	371	\$189,450	39.47%	2.41%
2nd Quarter 2025	430	\$214,250	2nd Quarter 2026	451	\$233,000	4.88%	8.75%
3rd Quarter 2025	440	\$221,000	3rd Quarter 2026	432	\$221,500	-1.82%	0.23%

Burlington

	2024-2025			2025-2026			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	127	\$130,000	4th Quarter 2025	130	\$147,250	2.36%	13.27%
1st Quarter 2025	95	\$115,000	1st Quarter 2026	92	\$133,500	-3.16%	16.09%
2nd Quarter 2025	149	\$137,500	2nd Quarter 2026	150	\$148,750	0.67%	8.18%
3rd Quarter 2025	127	\$151,500	3rd Quarter 2026	135	\$149,000	6.30%	-1.65%

Clinton

	2024-2025			2025-2026			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	122	\$159,500	4th Quarter 2025	121	\$148,000	-0.82%	-7.21%
1st Quarter 2025	103	\$137,900	1st Quarter 2026	69	\$139,900	-33.01%	1.45%
2nd Quarter 2025	154	\$156,250	2nd Quarter 2026	137	\$178,000	-11.04%	13.92%
3rd Quarter 2025	158	\$155,750	3rd Quarter 2026	127	\$160,000	-19.62%	2.73%

Sioux City

	2024-2025			2025-2026			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	275	\$210,000	4th Quarter 2025	259	\$220,000	-5.82%	4.76%
1st Quarter 2025	158	\$199,950	1st Quarter 2026	185	\$215,000	17.09%	7.53%
2nd Quarter 2025	259	\$228,000	2nd Quarter 2026	281	\$228,000	8.49%	0.00%
3rd Quarter 2025	275	\$230,000	3rd Quarter 2026	291	\$249,000	5.82%	8.26%

Muscatine

	2024-2025			2025-2026			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	87	\$174,900	4th Quarter 2025	70	\$186,200	-19.54%	6.46%
1st Quarter 2025	51	\$169,000	1st Quarter 2026	51	\$182,000	0.00%	7.69%
2nd Quarter 2025	84	\$173,450	2nd Quarter 2026	102	\$195,750	21.43%	12.86%
3rd Quarter 2025	92	\$187,000	3rd Quarter 2026	99	\$235,000	7.61%	25.67%

Ames

	2024-2025			2025-2026			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	153	\$280,000	4th Quarter 2025	188	\$281,250	22.88%	0.45%
1st Quarter 2025	113	\$310,000	1st Quarter 2026	98	\$329,450	-13.27%	6.27%
2nd Quarter 2025	209	\$308,500	2nd Quarter 2026	188	\$326,410	-10.05%	5.81%
3rd Quarter 2025	194	\$318,000	3rd Quarter 2026	109	\$294,000	-43.81%	-7.55%

Illinois Residential Markets

Illinois Quad Cities

2024-2025			2024-2025			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/- Median +/-
4th Quarter 2024	384	\$152,150	4th Quarter 2025	370	\$170,000	-3.65% 11.73%
1st Quarter 2025	299	\$155,000	1st Quarter 2026	248	\$150,000	-17.06% -3.23%
2nd Quarter 2025	447	\$161,000	2nd Quarter 2026	356	\$174,250	-20.36% 8.23%
3rd Quarter 2025	392	\$170,000	3rd Quarter 2026	387	\$169,900	-1.28% -0.06%

Peoria Metro

2024-2025			2025-2026			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/- Median +/-
4th Quarter 2024	606	\$160,000	4th Quarter 2025	620	\$151,500	2.31% -5.31%
1st Quarter 2025	476	\$135,500	1st Quarter 2026	425	\$152,000	-10.71% 12.18%
2nd Quarter 2025	723	\$165,000	2nd Quarter 2026	650	\$178,700	-10.10% 8.30%
3rd Quarter 2025	714	\$179,500	3rd Quarter 2026	656	\$185,000	-8.12% 3.06%

Peoria Suburban

2024-2025			2025-2026			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/- Median +/-
4th Quarter 2024	413	\$178,000	4th Quarter 2025	410	\$179,900	-0.73% 1.07%
1st Quarter 2025	287	\$159,900	1st Quarter 2026	339	\$170,600	18.12% 6.69%
2nd Quarter 2025	425	\$182,000	2nd Quarter 2026	440	\$190,000	3.53% 4.40%
3rd Quarter 2025	449	\$189,000	3rd Quarter 2026	447	\$191,000	-0.45% 1.06%

Springfield

2024-2025			2025-2026			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/- Median +/-
4th Quarter 2024	598	\$182,750	4th Quarter 2025	591	\$195,000	-1.17% 6.70%
1st Quarter 2025	449	\$179,000	1st Quarter 2026	378	\$205,000	-15.81% 14.53%
2nd Quarter 2025	648	\$210,000	2nd Quarter 2026	593	\$220,000	-8.49% 4.76%
3rd Quarter 2025	716	\$210,000	3rd Quarter 2026	613	\$210,000	-14.39% 0.00%

Bloomington/Normal

2024-2025			2025-2026			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/- Median +/-
4th Quarter 2024	437	\$241,000	4th Quarter 2025	406	\$258,475	-7.09% 7.25%
1st Quarter 2025	291	\$235,000	1st Quarter 2026	278	\$259,900	-4.47% 10.60%
2nd Quarter 2025	489	\$274,500	2nd Quarter 2026	499	\$270,000	2.04% -1.64%
3rd Quarter 2025	621	\$267,000	3rd Quarter 2026	518	\$279,950	-16.59% 4.85%

St. Louis Metro East Illinois

2024-2025			2025-2026			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/- Median +/-
4th Quarter 2024	1637	\$205,000	4th Quarter 2025	1622	\$219,900	-0.92% 7.27%
1st Quarter 2025	1337	\$195,000	1st Quarter 2026	1596	\$193,000	19.37% -1.03%
2nd Quarter 2025	2171	\$205,000	2nd Quarter 2026	2344	\$220,000	7.97% 7.32%
3rd Quarter 2025	1861	\$225,000	3rd Quarter 2026	2278	\$220,000	22.41% -2.22%

Rockford

2024-2025			2025-2026			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/- Median +/-
4th Quarter 2024	894	\$195,000	4th Quarter 2025	825	\$215,000	-7.72% 10.26%
1st Quarter 2025	657	\$195,000	1st Quarter 2026	591	\$224,900	-10.05% 15.33%
2nd Quarter 2025	842	\$207,000	2nd Quarter 2026	857	\$235,000	1.78% 13.53%
3rd Quarter 2025	915	\$225,000	3rd Quarter 2026	960	\$235,500	4.92% 4.67%

Decatur

2024-2025			2025-2026			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/- Median +/-
4th Quarter 2024	291	\$139,900	4th Quarter 2025	289	\$143,900	-0.69% 2.86%
1st Quarter 2025	244	\$139,450	1st Quarter 2026	231	\$125,000	-5.33% -10.36%
2nd Quarter 2025	359	\$144,000	2nd Quarter 2026	349	\$149,000	-2.79% 3.47%
3rd Quarter 2025	407	\$150,000	3rd Quarter 2026	364	\$155,000	-10.57% 3.33%

Champaign/Urbana

2024-2025			2025-2026			
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/- Median +/-
4th Quarter 2024	406	\$228,250	4th Quarter 2025	407	\$245,000	0.25% 7.34%
1st Quarter 2025	313	\$248,000	1st Quarter 2026	328	\$292,500	4.79% 17.94%
2nd Quarter 2025	493	\$261,500	2nd Quarter 2026	548	\$279,900	11.16% 7.04%
3rd Quarter 2025	526	\$270,000	3rd Quarter 2026	376	\$280,500	-28.52% 3.89%

Wisconsin Residential Markets

Madison

2024-2025			2025-2026				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	1172	\$457,450	4th Quarter 2025	1238	\$475,000	5.63%	3.84%
1st Quarter 2025	826	\$456,578	1st Quarter 2026	901	\$481,000	9.08%	5.35%
2nd Quarter 2025	1488	\$495,000	2nd Quarter 2026	1641	\$513,000	10.28%	3.64%
3rd Quarter 2025	1373	\$490,000	3rd Quarter 2026	1536	\$505,251	11.87%	3.11%

Janesville/Beloit

2024-2025			2025-2026				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	460	\$261,000	4th Quarter 2025	499	\$299,900	8.48%	14.90%
1st Quarter 2025	346	\$259,750	1st Quarter 2026	341	\$280,000	-1.45%	7.80%
2nd Quarter 2025	514	\$278,500	2nd Quarter 2026	515	\$314,900	0.19%	13.07%
3rd Quarter 2025	514	\$300,000	3rd Quarter 2026	550	\$310,250	7.00%	3.42%

La Crosse

2024-2025			2025-2026				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	293	\$300,000	4th Quarter 2025	308	\$305,000	5.12%	1.67%
1st Quarter 2025	195	\$292,000	1st Quarter 2026	203	\$325,000	4.10%	11.30%
2nd Quarter 2025	327	\$325,900	2nd Quarter 2026	347	\$335,000	6.12%	2.79%
3rd Quarter 2025	321	\$320,000	3rd Quarter 2026	365	\$334,900	13.71%	4.66%

Missouri Residential Markets

St. Louis City

2024-2025			2025-2026				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	801	\$205,000	4th Quarter 2025	708	\$236,000	-11.61%	15.12%
1st Quarter 2025	592	\$215,000	1st Quarter 2026	866	\$225,000	46.28%	4.65%
2nd Quarter 2025	1296	\$235,000	2nd Quarter 2026	1173	\$250,000	-9.49%	6.38%
3rd Quarter 2025	787	\$240,000	3rd Quarter 2026	1122	\$233,000	42.57%	-2.92%

St. Louis County

2024-2025			2025-2026				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	3199	\$269,000	4th Quarter 2025	3264	\$274,950	2.03%	2.21%
1st Quarter 2025	2441	\$250,000	1st Quarter 2026	2723	\$250,000	11.55%	0.00%
2nd Quarter 2025	3917	\$285,000	2nd Quarter 2026	4131	\$300,000	5.46%	5.26%
3rd Quarter 2025	3697	\$295,900	3rd Quarter 2026	3971	\$309,900	7.41%	4.73%

St. Charles County

2024-2025			2025-2026				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	1346	\$351,000	4th Quarter 2025	1435	\$365,000	6.61%	3.99%
1st Quarter 2025	1019	\$350,000	1st Quarter 2026	1204	\$345,000	18.16%	-1.43%
2nd Quarter 2025	1724	\$360,000	2nd Quarter 2026	1747	\$375,000	1.33%	4.17%
3rd Quarter 2025	1517	\$360,000	3rd Quarter 2026	1838	\$365,000	21.16%	1.39%

Nebraska Residential Markets

Omaha Metro

2024-2025			2025-2026				
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
4th Quarter 2024	1512	\$310,000	4th Quarter 2025	1646	\$310,000	8.86%	0.00%
1st Quarter 2025	1419	\$295,000	1st Quarter 2026	1367	\$319,000	-3.66%	8.14%
2nd Quarter 2025	1905	\$319,500	2nd Quarter 2026	2147	\$330,000	12.70%	3.29%
3rd Quarter 2025	1855	\$318,000	3rd Quarter 2026	1751	\$326,900	-5.61%	2.80%

Indiana Residential Markets

Indianapolis Metro

2023-2024							
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
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%
1st Quarter 2024	2493	\$239,900	1st Quarter 2025	2346	\$249,000	-5.90%	3.79%
2nd Quarter 2024	3308	\$254,938	2nd Quarter 2025	3504	\$258,500	5.93%	1.40%

Indianapolis Suburban

2023-2024							
	Sales	Median Sale Price		Sales	Median Sale Price	Sales +/-	Median +/-
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%
1st Quarter 2024	2631	\$362,000	1st Quarter 2025	2848	\$374,995	8.25%	3.59%
2nd Quarter 2024	3771	\$384,000	2nd Quarter 2025	4145	\$399,000	9.92%	3.91%

Market	Population	Growth Rate 2010-2020	Current Median Sale Price	2025 Median Increase
Iowa				
Iowa Quad Cities	174,669	5.70%	\$250,000	5.68%
Cedar Rapids	231,762	9.00%	\$232,250	3.13%
Iowa City/Coralville	152,854	17.00%	\$329,900	2.30%
Omaha Iowa	93,667	0.55%	\$250,000	4.51%
Dubuque	99,750	6.19%	\$254,000	8.15%
Des Moines	709,466	17.00%	\$314,000	3.01%
Cedar Falls/Waterloo	131,144	0.04%	\$200,000	7.07%
Burlington	38,910	-3.80%	\$147,250	4.21%
Clinton	46,440	-7.28%	\$148,000	-2.04%
Sioux City	105,941	3.70%	\$220,000	3.11%
Muscatine	43,235	1.02%	\$186,200	5.53%
Ames	101,000	13.25%	\$281,250	5.14%
Illinois				
Illinois Quad Cities	144,672	-2.05%	\$170,000	5.83%
Peoria Metro	181,830	-2.63%	\$151,500	8.14%
Peoria Suburban	131,343	-4.10%	\$179,900	4.23%
Springfield	196,343	-0.60%	\$195,000	9.42%
Bloomington/Normal	170,954	0.67%	\$258,745	3.42%
St. Louis Metro East	681,678	-2.50%	\$219,900	4.10%
Rockford	338,798	-3.00%	\$215,000	9.87%
Decatur	102,000	-6.35%	\$143,900	6.91%
Champaign/Urbana	205,865	2.25%	\$245,000	10.12%
Wisconsin				
Madison	561,504	13.10%	\$475,000	1.82%
Janesville/Beloit	163,687	2.10%	\$299,900	7.61%
La Crosse	120,000	5.30%	\$305,000	2.09%
Missouri				
St. Louis City	301,578	-5.75%	\$236,000	6.93%
St. Louis County	1,004,125	0.50%	\$274,950	6.77%
St. Charles Couty	406,417	12.33%	\$365,000	2.58%
Nebraska				
Omaha	967,604	11.50%	\$310,000	1.63%

Illinois	4353	\$182,427.78	4414	\$196,988.89	1.40%	7.98%
Iowa	4503	\$222,078.75	4657	\$234,816.67	3.42%	5.74%