Residential Market Analysis
Kankakee County

2025

Prepared by:

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The need for additional and affordable housing in Kankakee County is critical to supporting population growth and driving economic development. A residential housing analysis conducted by Tracy Cross & Associates, Inc. indicates a **strong opportunity for new residential development** over the next several years.

Future residential growth is particularly well-positioned in **Kankakee, Bradley, Bourbonnais, and Manteno**, where market conditions support new **rental apartments and for-sale housing**. This demand is driven by supply constraints, a strong existing household base, tight rental and homeownership markets, and other key economic factors.

Key Findings:

- **Population & Household Trends:** From 2000-2010, Kankakee County added **3,329 households** (333 annually), but post-2010 trends have shown stagnation. Encouragingly, projections indicate a return to positive growth, with an expected 247 new households annually through 2029
- **Housing Supply & Inventory:** 96.4% of the housing stock in the county was built prior to 2010. Almost 65% of the housing stock was constructed prior to 1980. In addition, fewer than 100 homes were built per year in Kankakee County in nine of the past 15 years. Residential construction has been severely constrained, averaging just 113 building permits per year since 2007—an 80% decline from the 2000-2007 period.
- **Future Housing Needs:** To meet demand, 450 new housing units per year will be required by 2029. This includes 235 for-sale homes (155 single-family, 80 attached) and 215 rental units, partially addressing the extreme shortage of modern rental housing in the area.
- **Rental Market Pressures:** Despite 12,000 renter households countywide, Kankakee County lacks modern apartment communities, with no large-scale market-rate developments in over **30 years**. Occupancy rates are at **100% with waiting lists**, far exceeding the 5-6% vacancy rate typical of a balanced market.
- **Rising Housing Costs:** The limited supply of new housing has driven prices upward. Resale prices for attached housing (duplexes, condos, townhomes) surged from **$160,049 in 2020 to $223,528 in 2024**, with units selling in just 20 days on average in 2024.

This forecast underscores the **urgent need for new residential development** to support Kankakee County's evolving demographic and workforce landscape. A proactive approach to housing development will be crucial in **attracting and retaining residents, supporting local businesses, and ensuring the county remains a competitive and thriving community**.