From an average of 2,750 homes sold annually the previous 12 months. Current home sales are down 28 percent, with 2,000 homes, compared with the number sold during the 12-month period ending March 2012. New home sales declined nearly 3 percent, to 1,900 units for sale shifting to the rental housing market. According to the Champaign County Association of REALTORS, the decreasing vacancy rate is in part because of the increase in units for sale shifting to the rental housing market. During the 12-month period ending March 2012, new and existing home sales declined nearly 3 percent, to 2,000 homes, compared with the number sold during the previous 12 months. Current home sales are down 28 percent from an average of 2,750 homes sold annually from 2005 through 2009. During the 12-month period ending March 2012, the average sales price of new and existing homes was $152,800, a decrease of nearly 2 percent compared with the average sales price during the 12-month period ending March 2011. According to LPS Applied Analytics, in February 2012, 5.3 percent of home loans in the metropolitan area were 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned), up from 4.7 percent in February 2011.

Home builders responded to the decrease in home sales by reducing new home construction, as measured by the number of single-family building permits issued. Based on preliminary data, 120 single-family homes were permitted during the 12 months ending February 2012, down 15 percent from the previous 12 months and down significantly from the average of 1,050 homes permitted annually from 2002 through 2006. Sales prices for new three-bedroom, single-family homes start at $155,000. New housing developments include Ashland Park, in Champaign, with plans for approximately 410 homes, of which 280 are complete thus far, with buildout expected in the next few years. Stone Creek, in Urbana, with homes prices starting at $200,000, is nearing buildout, with approximately 150 homes complete and 20 vacant lots.

Rental housing market conditions in the metropolitan area are soft, in part because of the weak economy during the past 3 years and an increase in single-family homes shifting to the rental market. According to the 2010 American Community Survey, approximately 32 percent of occupied rental units in the metropolitan area are single-family homes, up from 26 percent in 2008. The current overall rental vacancy rate is estimated to be 8.0 percent, down from 8.7 percent a year earlier. According to data from Axiometrics Inc., the apartment market is more balanced, with a vacancy rate of approximately 4.2 percent, down from 9.0 percent a year ago, because of the large number of students in the rental market. Approximately 30,000 UIUC students reside off campus and significantly affect the rental housing market surrounding the university. In March 2012, the vacancy rate for the University District submarket was 5.5 percent compared with the 6.5-percent rate in March 2011. The average rent in the submarket was $760, up 1 percent from March 2011. According to a recently completed survey of rental apartment managers conducted by HUD, the average apartment rent in the metropolitan area was $870 in March 2012, up 2 percent from March 2011. The average rents in the metropolitan area for one-, two-, and three-bedroom apartment units were $720, $890, and $1,175, respectively.
During the 12 months ending February 2012, building permits were issued for an estimated 350 multifamily units compared with the 280 units permitted during the previous 12 months, based on preliminary data. The current level of activity is well below the average of 800 units permitted annually from 2005 through 2008. Windsor West Apartments, in Champaign, is now a 316-unit project, having completed a 144-unit addition in June 2011. Rents for one-, two-, and three-bedroom units in the entire complex range from $815 to $1,100.