

COMMUNITY DEVELOPMENT YEAR END REPORT



2024





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PREFACE

This year-end report is issued for the benefit of the Village of Channahon Board of Trustees and staff, as well as decision-makers and elected officials of other local elected bodies, such as school and fire districts. Much of this report is broken-down into “Grundy County” and “Will County” as that dividing line serves as the border for several taxing districts. While there are school districts within the Village of Channahon other than Channahon Grade School District 17 and Minooka Grade School District 201, there was no home construction that occurred outside of those districts. Minooka Community High School District 111 encompasses all of the areas of Channahon that are currently undergoing development, and thus does not need to be mentioned explicitly.

In 2024, new home construction remained steady with the previous year, but still lower than previous years of the 2020’s. This is likely influenced by high interest rates and limited lot availability. Demand for homes remained robust and prices continued to appreciate, however. Meanwhile, commercial construction activity lagged, with only the O’Reilly Auto Parts project completed, while several others were approved for future development starting in 2025. Interest is growing in industrial development, particularly in areas designated for such use on the town’s west side.

METHODOLOGY

The statistics compiled herein are a result of reports generated by the Village of Channahon utilizing software developed by BS&A Software of Bath, MI. BS&A Software is utilized for all Community Development Department activities, including permitting, inspections, code enforcement, and business licensing. Geographic representations are compiled from data exported from BS&A Software into ArcGIS software by ESRI of Redlands, CA and Google Maps of Mountain View, CA. Portions of demographic information were obtained from Placer Labs, Inc., of Los Altos, CA.

Future predictions are based on information available, stated expectations of developers/builders, and market analysis to issue a professional opinion. Predictions are not guaranteed, and external events have the possibility of causing unknown deviation from predictions to results.



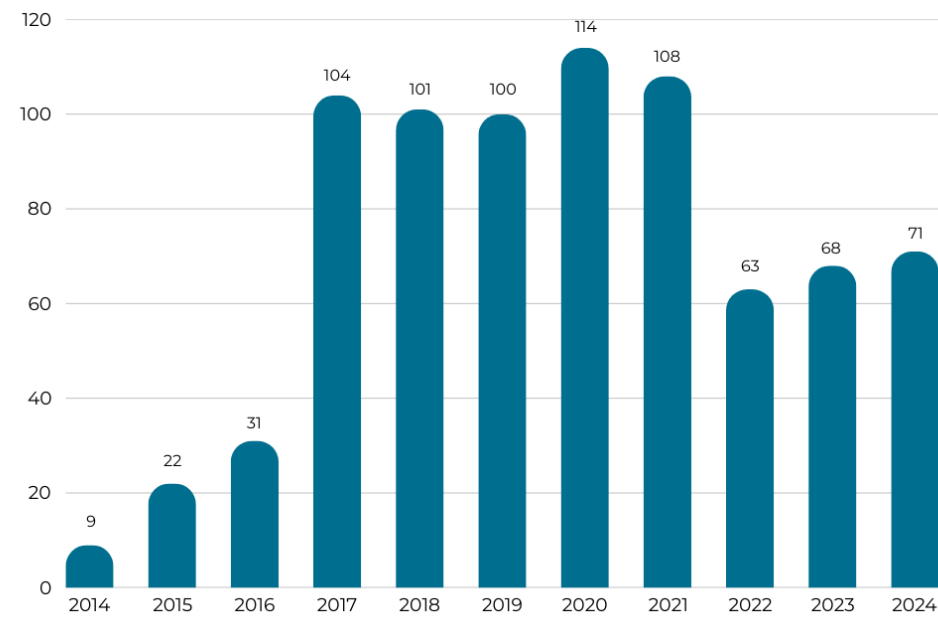


2024 DEVELOPMENT STATISTICS

PERMITS & NEW CONSTRUCTION

In 2024, new home construction maintained a steady pace, continuing the trend seen over recent years. The rise in construction permits over the five-year average indicates a sustained growth trend in the construction sector, reflecting continued demand and strong activity. This is evidenced by the triple-digit increase in new construction starts each year from 2019 to 2023. This upward trajectory suggests a healthy construction market and potential economic expansion throughout the Village.

New Housing Permits, Previous 10 Calendar Years



The issuance of total permits saw a significant 17% increase in 2024 compared to 2023, exceeding the average growth of the past five years. This was accompanied by two non-residential projects. The steadiness in residential new construction permits points towards a promising trend continuing into 2025.

In the Village of Channahon, permit activity has remained consistent with previous years, with the majority of permits issued for roof and window replacements (355) and fences (162). Other notable categories include alterations (64), flatwork (61), and accessory structures (39). Channahon counts new construction projects as a single permit, excluding individual permits for related work like flatwork, electrical, and plumbing.

	2019	2020	2021	2022	2023	2024	Change
Total Permits	755	947	1008	809	858	1004	17%
New Construction Permits (All Types)	104	119	108	70	73	73	0%
Construction Value (Millions)	\$135.03	\$137.52	\$74.06	\$58.99	\$53.37	\$44.49	-16.6%





RESIDENTIAL NEW CONSTRUCTION

In 2024, new home construction in Channahon saw a 4.4% increase, with 71 permits issued. However, demand for two-bedroom homes targeting empty-nesters declined, likely due to a shortage of available home sites rather than a decrease in market interest. The Villas of Keating Pointe completed its previous units, leaving fewer options until the next phase is developed.



NON-RESIDENTIAL NEW CONSTRUCTION

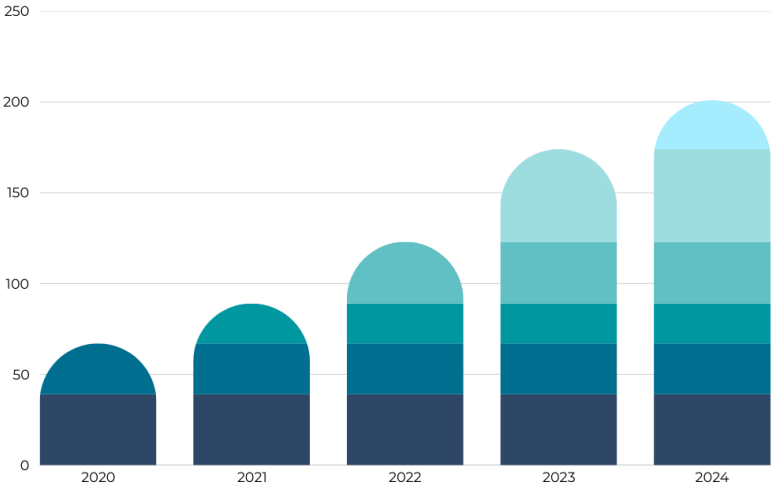


Non-residential construction fell off from 2023, with the issuance of only two permits for brand new construction; O'Reilly Auto Parts, which has completed a 7,460 square foot store in the Southern Crossing commercial development, and AMCC, which is constructing a 2,000 square foot metal accessory building as part of the Channahon General Rental improvements. The combined permitted construction value of these projects is approximately \$1.5M.

GREEN ENERGY

In 2024, the Village of Channahon issued 27 permits for rooftop solar systems, contributing to a total of 201 homes permitted for solar installations since 2019, reflecting a continued investment in renewable energy in the community.

Total Residential Rooftop Solar Installations

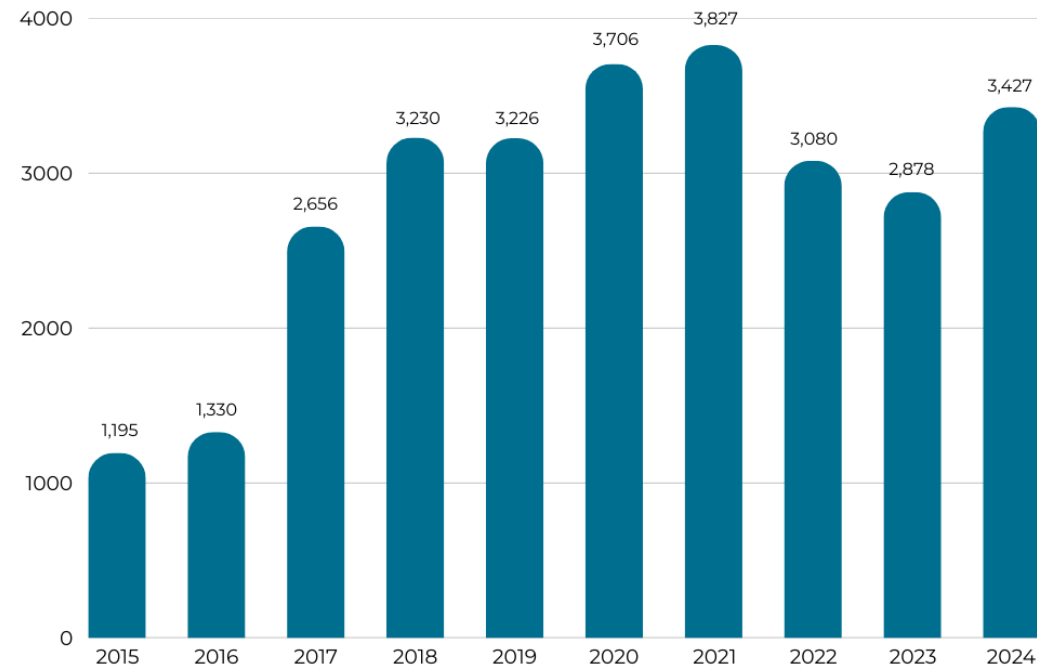


INSPECTIONS

The recent increase in new construction permitting has led to a notable 19.1% rise in inspection numbers, despite a steady influx of new projects compared to the previous year. Annual inspections have increased and still remain well above the 10-year average. Most inspections are performed by the Village of Channahon's staff, including the Chief Building Official, Building Inspector, and Code Enforcement Officer, while plumbing inspections are conducted by a licensed plumber due to regulatory requirements. Certain specialized inspections, particularly those related to fire protection and life safety systems in non-residential structures, may also involve contracted professionals.

Anticipated increases in inspection activity in 2025 will likely be influenced by the

2015 - 2024 Inspections



economic climate, particularly potential interest rate reductions. Should these reductions occur early in the year, a surge in home building, purchasing, and commercial investments could materialize, driving inspection demand. Conversely, if rates decline later, their effect may resonate more strongly in 2026, ultimately shaping the pace and nature of inspection operations during that period.

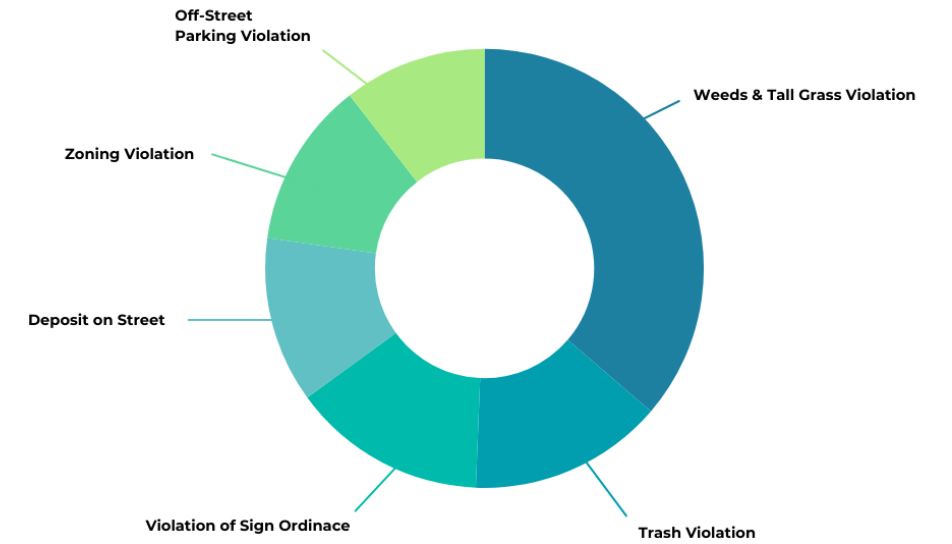
	2019	2020	2021	2022	2023	2024	2023-2024 Change
Total Inspections	3,226	3,706	3,827	3,080	2,878	3,427	+19.1%

CODE ENFORCEMENT

In 2024, Code Enforcement within the Community Development Department is experiencing growth due to a staffing change in 2023 and a shift towards a more proactive enforcement strategy. This approach has resulted in nearly doubling the number of new code enforcement cases from 2020 to 2022. The primary objective remains to maintain a proactive stance in order to enhance the organization and cleanliness of the Village's businesses and residences.

Weeds & Tall Grass emerged as the predominant violation category, with 86 complaints filed, marking an increase from 59 in 2023. Conversely, violations related

Code Enforcement Activity Categories: 2024



to Trash, Sign Ordinance, and Zoning experienced a consistent decline, suggesting that an effective and proactive Code Enforcement program is fostering greater compliance among property owners.

	2019	2020	2021	2022	2023	2024	Change
New Code Enforcement Cases	210	181	155	175	316	327	+3.5%



HOME SALES

The Village of Channahon experienced a notable 16.5% increase in home sales in 2024, with 219 homes sold. This is a diverging trend from the overall decline in home sales observed at the national and state levels, largely attributed to high mortgage interest rates.

In 2024, new construction home sales reached 52, with projections indicating

that this trend will move upward in 2025. It's important to note that the number of homes sold may not directly correlate with the number of permits issued, as some homes may remain incomplete and unsold in the year they are permitted. Furthermore, the sales figures exclude certain real estate transactions, including those related to divorces, inheritance, quit-claim deeds, as well as townhomes and condos.

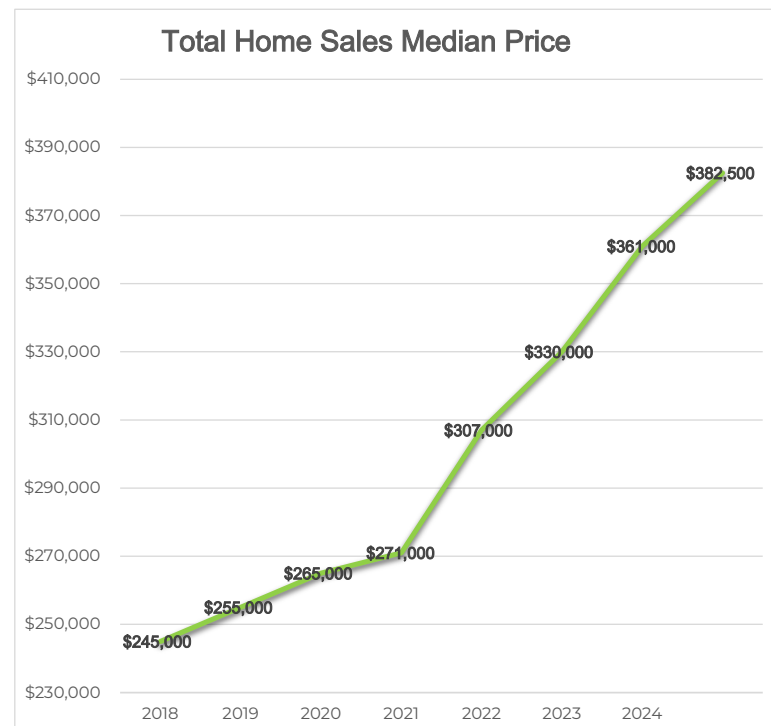
	2020	2021	2022	2023	2024
New Home Sales	96	103	86	52	52
Existing Home Sales	249	256	202	136	167
Total Home Sales	345	359	288	188	219

HOME PRICES

As is expected with the number of existing homes and construction interest in the Village, about 76% of all home sales were of existing homes. The median sales price of an existing home in the Village of Channahon in 2024 was \$360,000. This was an increase of \$10,000 (+2.8%) from the previous year. There continues to be a greater price range of existing homes as the sizes, ages and conditions of homes are more varied than new homes. This resulted in a range of \$121,000 to \$720,000.

The median price of a new home is now \$423,685. This is an increase of \$27,874 (+7%) from the median price one year ago. The price range for newly constructed homes in the Village of Channahon during 2024 ranged from \$346,270 to \$599,735. While the top end of the price for a new home continues to increase, the entry level price of a new home soled in 2024 has also

increased significantly year over year.



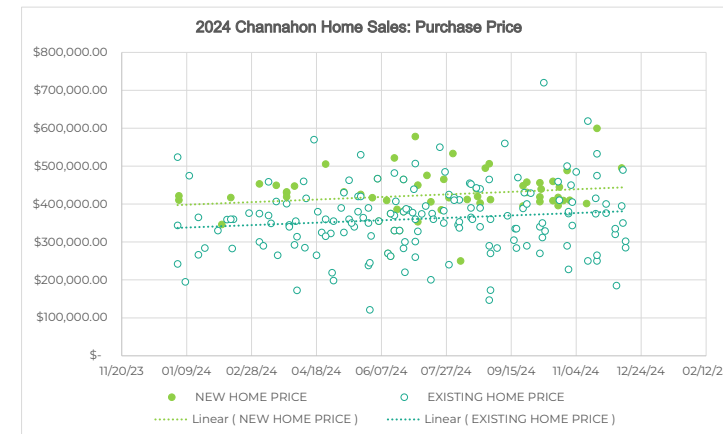
The median sales price comparison between existing homes and new construction homes indicated that new construction homes remain more expensive by about 17.7%. This median price difference between existing homes and new homes is now nearly \$64,000.

The trend in home purchases between Will and Grundy Counties aligns with expectations, as Will County features a higher number of lower-priced homes, largely due to its stock of older properties. In contrast,



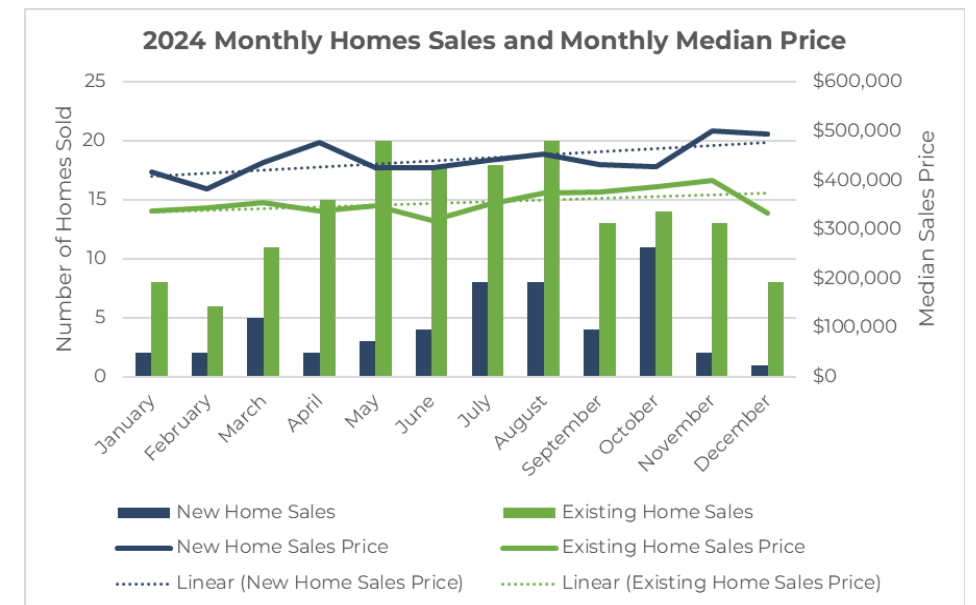
generally on an upward trajectory in pricing, indicating a parallel movement between the two segments as the year progressed.

In early 2024, home sales were particularly sluggish due to economic uncertainty and high interest rates, deviating from typical winter trends. However, as warmer months approached, the usual uptick in sales from May to August occurred, possibly reflecting a shift in consumer behavior as buyers acclimated to the higher interest rate environment and resumed more normal purchasing activity.



Grundy has seen a surge in new construction over the past decade, contributing to a higher average price point. Consequently, this demographic shift reflects the typical market dynamics where older homes offer more affordability in Will County compared to the newer developments in Grundy County.

Throughout the year, the sales prices of new homes exhibited stability with a slight upward trend, particularly influenced by increased deliveries in July, August, and October. Conversely, existing home sales demonstrated some monthly fluctuations but were

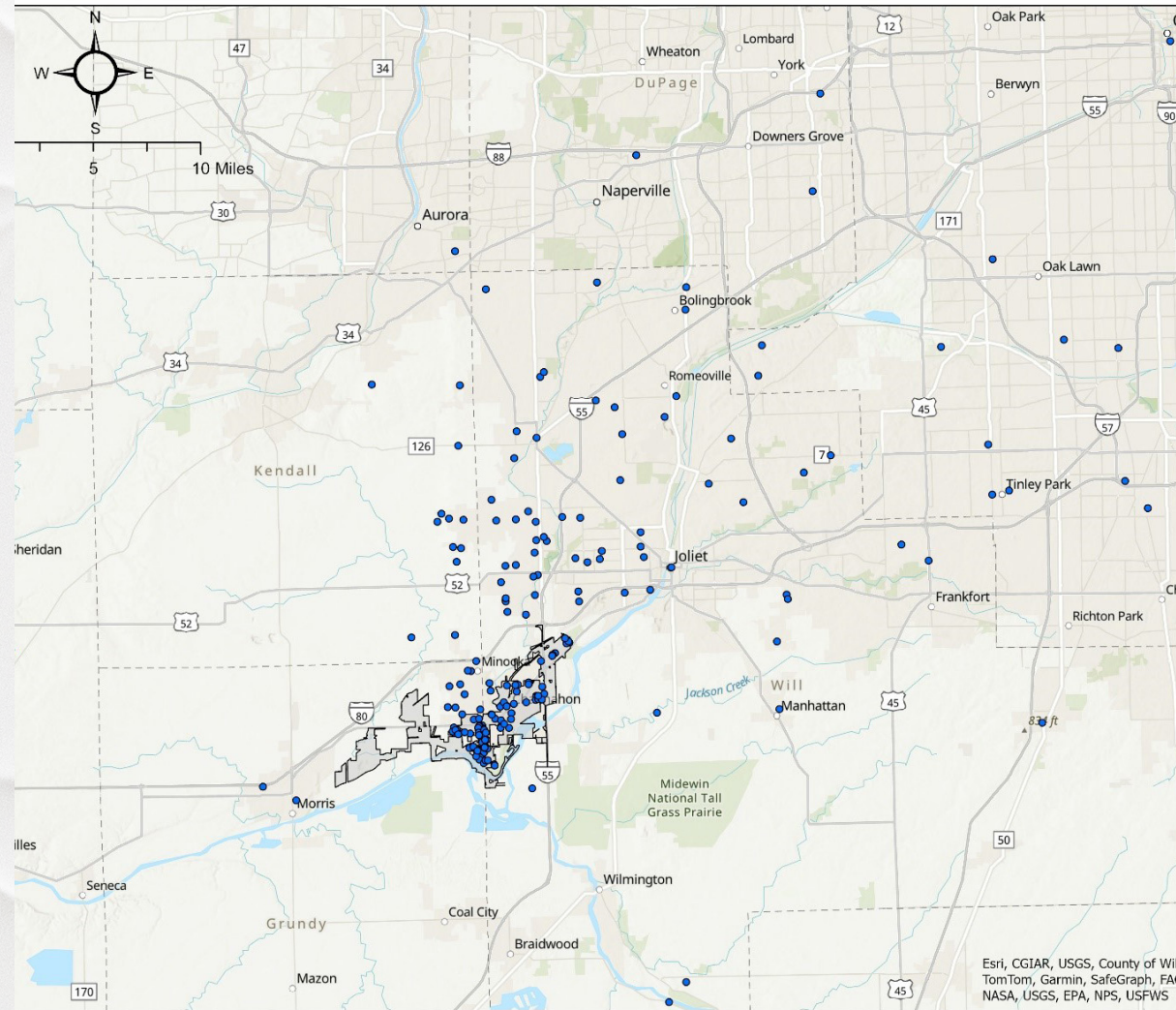


NEW RESIDENTS & MOVE-IN ANALYSIS

The majority of home buyers in Channahon originated from the town itself and nearby areas, with 19% being current Channahon residents. This is an increase from just over 15% in previous years. It remains an indication that many

are satisfied with their hometown and are upgrading or right-sizing their home type to match changing life situations. Alongside Channahon, a significant portion of buyers hailed from Joliet (16%), Plainfield (11%), and Shorewood (8%), collectively accounting for nearly 40% of purchases. Overall, local buyers comprised three out of five transactions,

while 4% of home buyers came from outside Illinois, maintaining a trend seen in 2023 and reflecting a doubling of out-of-state buyers compared to 2021.

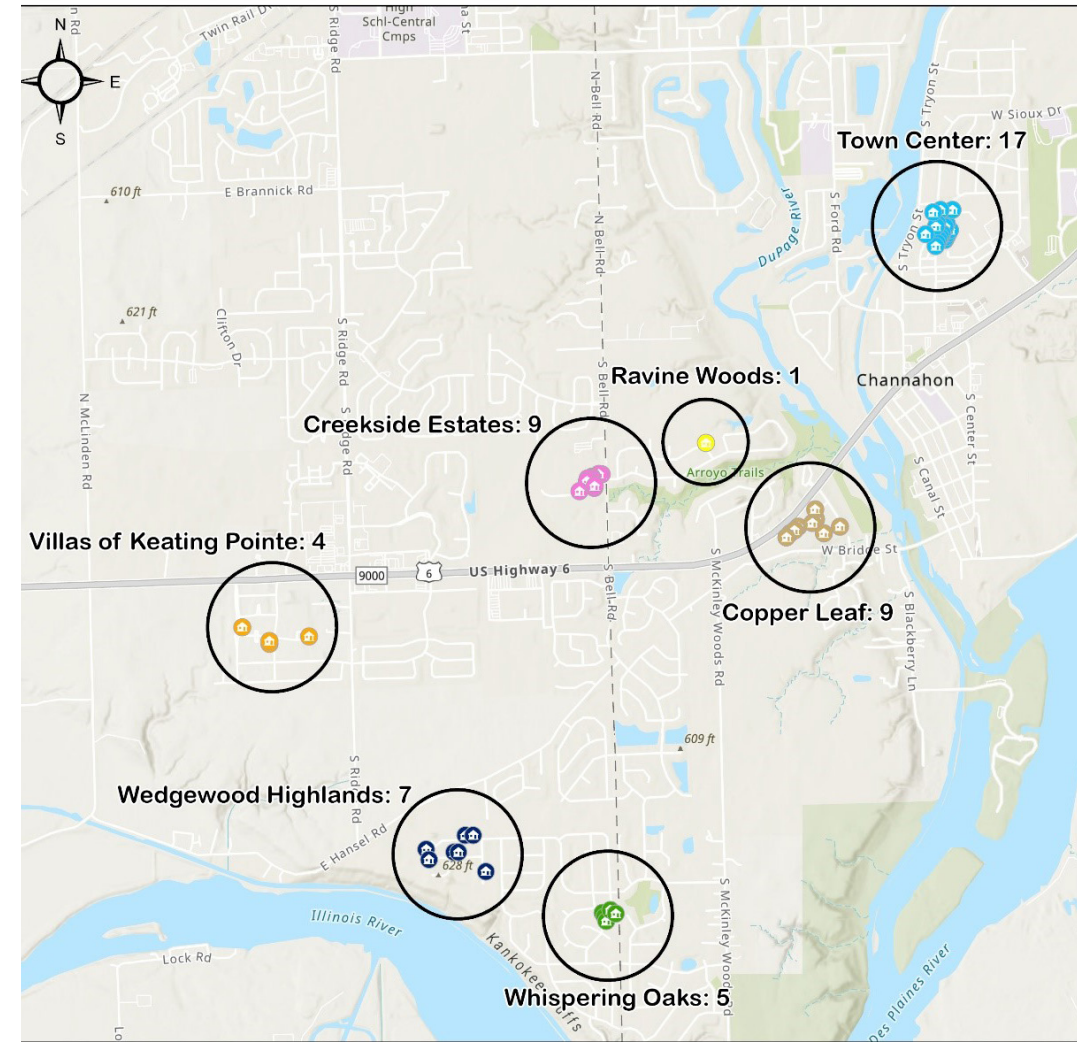


DISTRIBUTION OF NEW HOUSING UNITS IN 2024

The trend of new home construction in Grundy County continues, but for the first time in recent years, it was slightly surpassed by Will County in sales throughout Channahon in 2024. Despite a steady ratio of homes constructed in Grundy County, the percentage dropped significantly to 48% from 62% in 2023. Creekside Estates emerged as the top development with nine new homes sold, followed by Wedgewood Highlands with seven, Whispering Oaks with five, and Villas of Keating Pointe with four.

In Will County, the housing market saw a notable surge in new home construction and sales, with Town Center nearly doubling its figures from 10 homes in 2023 to 17 homes in 2024, reflecting strong demand. Additionally, Copper Leaf contributed significantly

by selling nine homes, a remarkable achievement considering the premium price points.



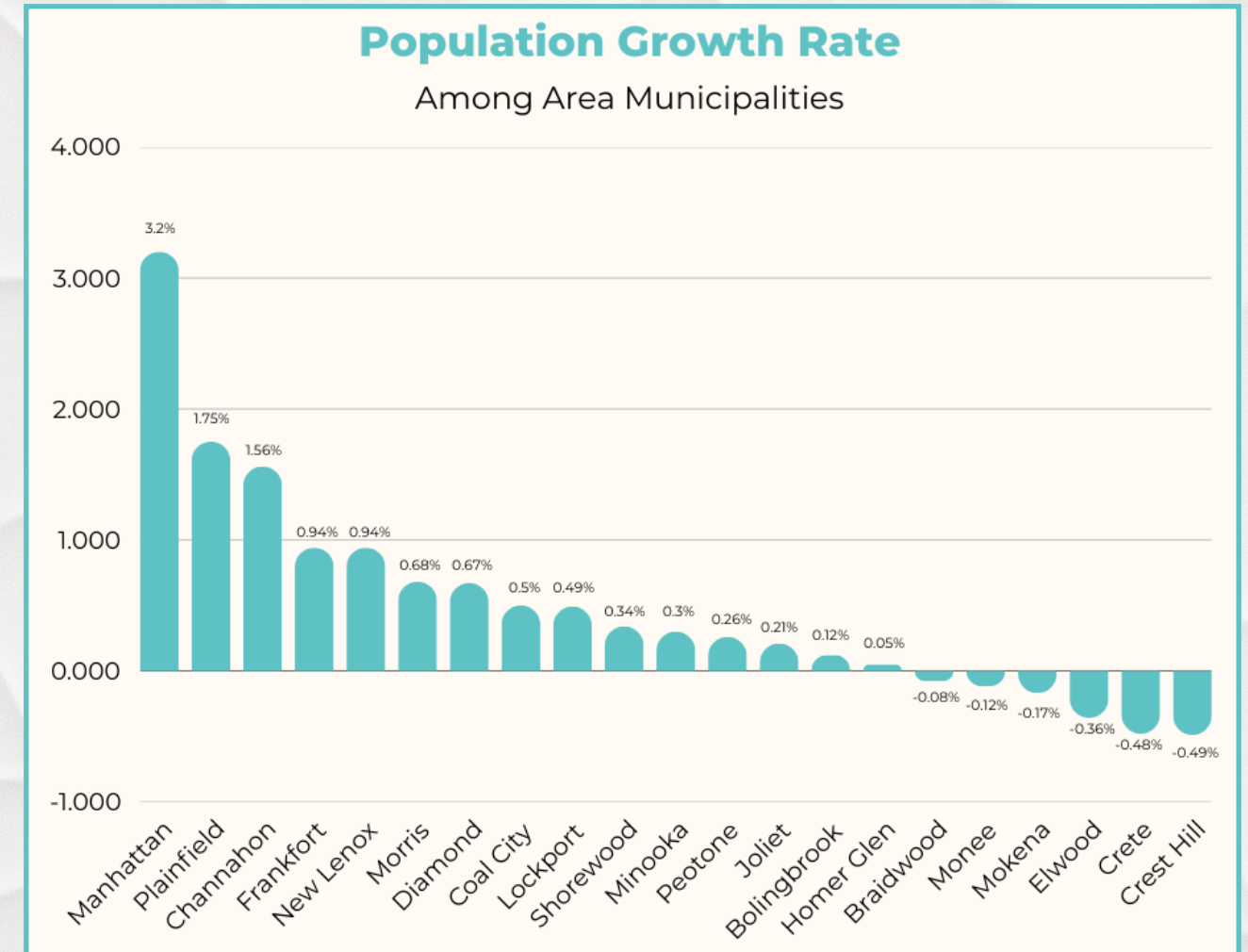
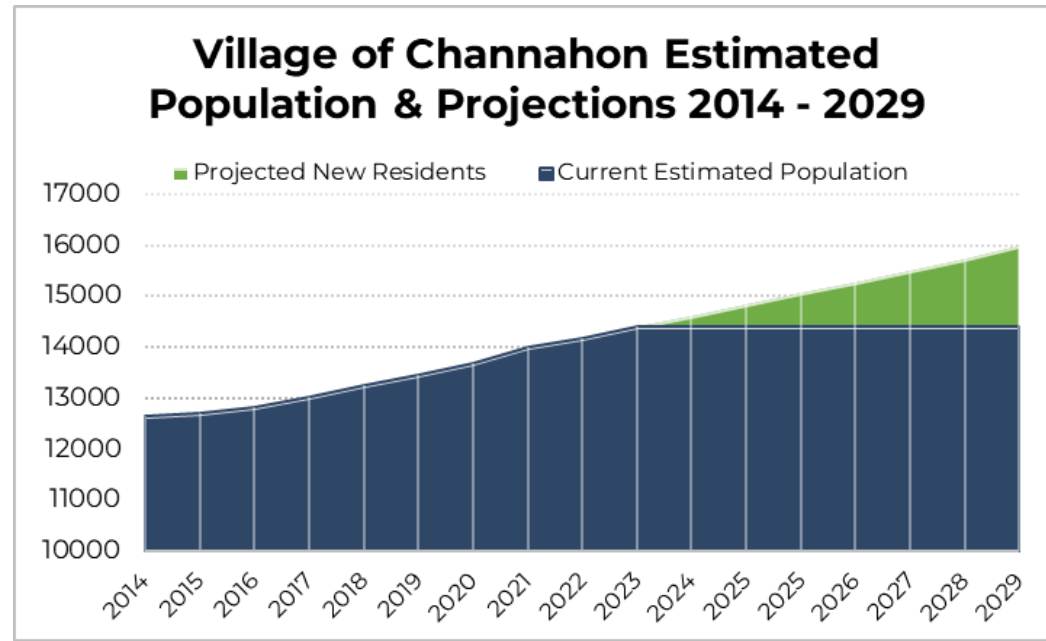
New Construction by Subdivision			
25 in Grundy County (48%)		27 in Will County (52%)	
Creekside Estates	9	Town Center	17
Wedgewood Highlands	7	Copper Leaf	9
Whispering Oaks	5	Ravine Woods	1
Villas of Keating Pointe	4		

POPULATION

The population of Channahon, estimated at 14,539 as of the end of 2024, reflects a growth of 6.6% from the 2020 Census count of 13,475. This increase may be attributed to the addition of new homes added to the community.

The growth of Channahon's population is primarily driven by new construction, but changes within existing homes, such as empty nesters remaining in their homes and new families moving in, complicate accurate population estimates. While additional bedrooms from new developments contribute to population projections, the fluctuating dynamics of existing homeownership, where children leave and parents stay, can lead to a reduction in population that is often overlooked in these calculations. This makes it challenging to fully account for population changes and necessitates a more nuanced approach to demographic forecasting in the community.

Channahon is experiencing a steady population growth rate of 1.56% as of 2024, which is also the five-year average. This trend suggests that the population could reach about 16,000 residents by the end of the decade, indicating that over 10% of the 2030 population will be new residents. If this steady growth continues, projections estimate that Channahon may grow to 20,000 residents by 2045.



*Source: worldpopulationreview.com

County/School District	Grundy County/District 201	Will County/District 17
New Housing Units in 2024	25	27
Total New Population in 2024	87	67
New K-8 Students in 2024	18	11
New Sr. High Students in 2024	8	3

EMPLOYMENT

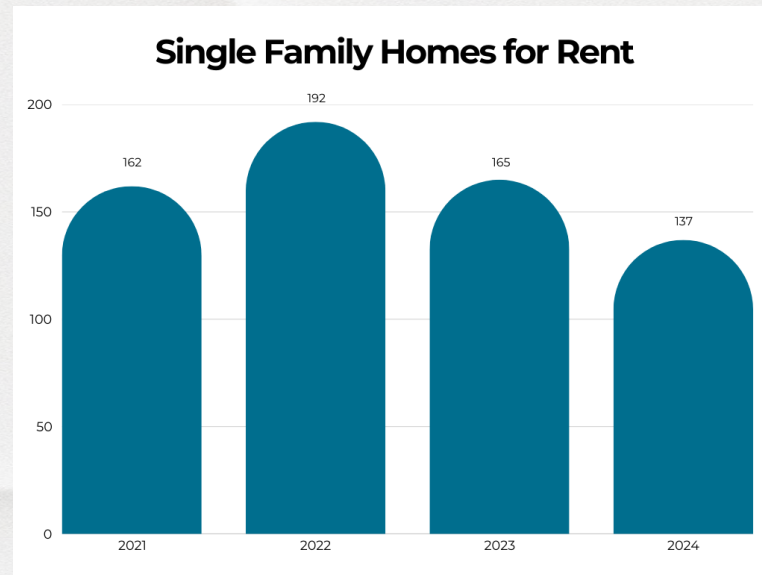
Based on information provided through the business licensing process, the Village of Channahon has 4,602 counted employees that work within its boundaries. This does not include government employees, such as those at schools or the park district because those organizations do not register with the Village. It also does not include businesses that did not report the number of employees during business licensing. At the end of 2024, Amazon remains the Village of Channahon's largest employer

boasting 1,973 employees across its two facilities. Discounting the large number of employees at Amazon and considering the average number of employees per business, it is approximated that there is a total of 5,872 non-governmental employees working throughout the Village of Channahon. When combined with employment figures provided by the various school districts and government organizations, there are an estimated **6,600 total employees** working in Channahon.

OWNER & RENTER OCCUPANCY

Since 2020, the Village has been reporting the occupancy status of housing occupied by their owners and those renting/leasing their homes. This data is derived from water and garbage billing information and is an approximation. In 2024, Channahon experienced a slight increase in available rental properties despite a notable decline in rental occupancy. Rental occupancy fell to 3.6% of the total 4,815 housing units - an almost 8% decrease compared to 2023. This shift may be attributed to an increase in owner-occupied homes in the community and a reduction in single-family homes occupied by renters, reflecting changing housing dynamics in the area.

The Channahon rental market has seen a notable shift, with no new purpose-built rental properties introduced since this data tracking began. This stagnation has led to a decrease in available rental options, contrasting with the prior trend of increasing single-family homes being converted from owner-occupied to leased properties. As a result, the market dynamics are tightening, potentially impacting rental prices and availability for prospective tenants.



Channahon faces a significant housing shortage, with no new market-rate rental units constructed in years, leading to long waiting lists and escalating rental prices, evidenced by a median monthly rent of \$1,423 in 2023. The limited supply of rental options has forced prospective residents to consider single-family homes, intensifying the challenges for those unable to pursue home ownership. This situation highlights the urgent need for increased affordable housing developments in the area to meet the rising demand and provide suitable living

arrangements for a diverse population.

The shift in the number of homes for rent may be largely attributed to relatively high interest rates and subsequent cooling of the housing market, which has prompted property owners to sell their appreciating assets for cash rather than continue renting them out. As homeowners opt to occupy these properties themselves, the availability of rental homes decreases, illustrating the impact of broader economic conditions on real estate trends.

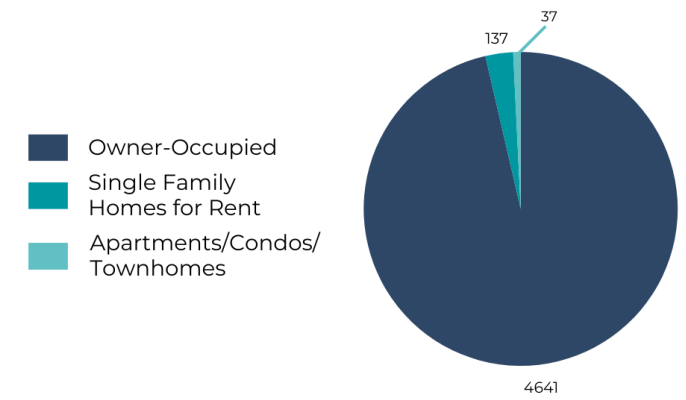
The availability of rental properties in the Village of Channahon is low at 3.6%. In Illinois about 33% of the population is renting their living space, slightly less than the national rental rate of 34%. To achieve a rental-to-ownership ratio comparable to Illinois and the country, the community would require over 1,000 single-family homes

REMAINING LOT INVENTORY

The persistent decline in available lots for new homes is significantly impacting the rate of new construction starts. Despite some inventory entering the market, the imbalance persists as the demand for new homes outpaces the supply of suitable land for development. This situation leads to an accelerated pace of building on existing lots, while fewer new lots are being developed, ultimately constraining the overall growth of the housing market and contributing to potential housing shortages in the future.

The expansion of building sites in the Villas of Keating Pointe and Creekside Estates for 2024 signals positive prospects for future buyers, helping to meet demand in the housing market. While the current inventory snapshots as of December 31, 2024 indicate steady development progress, developments like Copper Leaf are nearing full capacity, and others - including Town Center, Four

Owner and Renter Occupancy



to shift towards rentals or an addition of 1,525 new rental units without increasing owner-occupied structures. Given these conditions and projected trends, it's likely that Channahon will continue to maintain a higher level of home ownership compared to state and national figures for the foreseeable future.



2025 DEVELOPMENT PROJECTIONS

PROJECTED POPULATION & DISTRIBUTION OF NEW HOUSING UNITS IN 2025

While there continues to be the possibility that the reduction in lot supply will lead to an eventual slowdown of homebuilding, the market has continued to thus far provide for enough new lots to prevent this from happening. With buyers continuing to purchase homes throughout a period of rising interest rates, it appears that economic uncertainty has not had the ability to halt the construction of new housing in Channahon.

In 2023, high interest rate aversion and fears of economic turmoil did not materialize to the level that it could have. Still, the threat remains that many buyers are choosing to stay on the sidelines and wait for a more opportune time to become homebuyers. With buyers of new construction homes in Channahon seemingly less concerned by these factors, it is likely a similar build rate will be realized. As was predicted with the previous year, high interest rates may not be enticing people to buy homes, but rates have not necessarily been significantly preventing construction from happening in Channahon either.

While sufficient lot supply is an ever-present concern for the future, there are enough properties in builders' inventories to sustain numbers throughout the coming year. While there are also some additional new units of subdivisions that will be constructed in 2025, the lack of a new and different product on the market will likely lead to very similar concentrations of new construction starts as was seen in the previous year. Existing developments have ample interest to continue building, but there is a limit to the amount of homes they can construct in a single year. Without additional builders coming to market in new developments,

numbers should remain approximately equal. Additionally, with new units being constructed in several subdivisions, these home sites will not be fully available until later in the year. This likely means that there will be fewer new construction starts in those areas compared to if they were already in existence today.

The leaders of new construction in the coming year will be dependent on how soon development construction begins. Creekside Estates and the Villas of Keating Pointe have both been residential leaders in the past. With new units being built in each of those subdivisions, their development timing will impact the number of home sites that will be ready for construction. While Creekside Estates still has some lot inventory left to work with, the Villas of Keating Pointe is effectively at a standstill until the next unit is ready for homes to be built. That said, Town Center development was quite productive in 2024, with the sale of 19 new construction units.

Ravine Woods Unit 3 was approved in 2024, bringing 71 single family residential lots to market. This will be the final phase for the Ravine Woods Subdivision.

A synopsis of each available subdivision is below:

Copper Leaf (Will County)

Copper Leaf Subdivision has had its ups and downs throughout its lifespan of development. Started just before the Great Recession, the subdivision only constructed a few homes prior to the collapse of the housing market. Intended for higher-value homes, this subdivision was slower

to attract buyers than were some of the median-market products offered in other developments. Under new ownership, the subdivision has quickly come around and became a leader in new construction. In 2025, Copper Leaf should reach final build-out.

Creekside Estates (Grundy County)

Creekside Estates was again one of the highest volume selling subdivisions in 2024. The development is the first significantly-sized new subdivision to come to market in the Village of Channahon since the Great Recession. The first phase of 52 units was platted in 2021, and only a few of those remain available. Phase 2 of the development was approved by the Village Board and construction began in 2024 to bring an additional 34 units to market. The duplex housing product is marketed to be a higher-end home, typically targeting those that are downsizing. This is a sector of the housing market that is less impacted by interest rates than others. Many buyers simply roll over the equity value of their existing homes when they sell into their new purchase.

Four Oaks Subdivision (Will County)

The four-home subdivision on large homesites along Ford Rd. began construction of its first home in 2021. The remaining three lots transferred ownership to a new owner in 2023. As a higher-priced product, the homes built on these lots attract a smaller audience than some main-market offerings throughout Channahon. With only three lots to offer, it is possible they could construct and finalize the subdivision at any time.

Town Center (Will County)

Town Center has been perennially successful in selling a unique single-family home product. The mixture of homes with period appropriate architecture are constructed in a traditional Americana fashion, with reduced setbacks and enhanced curb appeal. While Unit 4 started buildout in 2024, this

development still has enough availability to build at a steady rate in 2025. Like all developments, the absorption of lots by buyers typically slows as selection dwindles. With the nature of the development being slightly less differentiated than some other typical subdivisions, this may not be as impactful in this area. Additionally, the developer has its own mortgage arm and is therefore able to be priced more competitively than some other offerings. Activity is predicted to approach complete buildout in 2025.

There also still remain 8 brownstone/duplex lots that have been on-hold due to ownership constraints imposed by the Illinois Housing & Development Authority. A portion of the land was purchased with IHDA funds when the St. Elizabeth Residences, an affordable senior housing development, was constructed in 2016. GDP Homes has been working with IHDA to clear this development hurdle and could begin construction of the product immediately upon resolution. Construction is predicted to resume at a later time.

The Villas of Keating Pointe (Grundy County)

The Villas of Keating Pointe was also a perennial best seller in years past. Core Homes began the development of the new unit in the spring of 2024. The date of availability for homes to begin construction will weigh heavily on the number of homes able to be permitted during this calendar year.

The Villas of Keating Pointe redesigned what were originally townhome lots and constructed a single-family product as a "detached townhome." The homes are completed as detached structures, but with all exterior maintenance included as it would be with a townhome development. Like Creekside Estates, the housing product is targeted to those buyers who are choosing to reduce the size of their homes, but perhaps increase their quality. The product

SUMMARY & CONCLUSIONS

The housing market in Channahon is projected to maintain a steady rate of new construction in 2025, supported by sufficient lot supply and ongoing demand despite stagnant interest rates affecting homebuying. While the area has seen an uptick in interest for multifamily and attached single-family developments, the ability of current builders to meet this demand may be limited. This indicates the need to attract additional builders to the area. As housing prices continue to rise, the demand for rental properties also grows, incentivizing developers to explore more new dedicated rental opportunities, especially for younger residents and first-time buyers. Channahon's appeal as a family-oriented community with quality amenities continues to foster steady growth, emphasizing the

importance of diverse housing to cater to varying demographic needs.

As 2025 draws close, Channahon is poised for a gradual resurgence in commercial development despite the recent slowdown. While industrial construction may remain limited in the short term, ongoing regional projects and improvements in transportation infrastructure will shape future development patterns.

Channahon is well-positioned to attract families and workers, yet there is an urgent need to diversify housing options to meet the evolving preferences of younger generations and ensure they have suitable living opportunities within the community.



Acknowledgments

This report is published annually by the Village of Channahon Community Development Department. Facts and figures contained in this report cover the period between January 1 - December 31, 2024.

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