



**NATIONAL ASSOCIATION OF REALTORS®**  
**House Price Measures Explained**

**Tracking Home Prices**

Since all real estate is local, interpreting changes in home prices at the national or metropolitan level can be difficult. This can be problematic for policy makers and market participants like home buyers, sellers, and REALTORS®. The first step is understanding what the various measures of house prices are actually tracking and how this information can be used. To tackle that challenge, we'll review the most closely watched home price indexes and discuss the major differences between them.

There are four major home price indexes that market participants follow. They are the National Association of REALTORS® Median Sales Price, the Case-Shiller Index group, and two Conventional Mortgage Home Price Indices, one by the Office of Federal Housing Enterprise Oversight (OFHEO) and one by Freddie Mac.

