



# Redfin Announces Home Price Index to Show Changes in U.S. Home Prices

*Redfin's new gauge of housing prices, which is similar to but more current than the Case-Shiller index, shows that home prices rose roughly 1% month over month in October*

SEATTLE--(BUSINESS WIRE)-- (NASDAQ: RDFN) — Today, Redfin is releasing a new tool that measures changes in U.S. home prices called the Redfin Home Price Index (RHPI). The RHPI uses the repeat-sales pricing method to calculate how sale prices of single-family homes change over time, according to a new [report](#) from Redfin ([redfin.com](https://www.redfin.com)), the technology-powered real estate brokerage.

The latest RHPI data shows that prices climbed roughly 1% from September to October.

## How the RHPI differs from the median home sale price

The median home sale price measures the typical sale price of homes that sold during a given period. Redfin compares that median price with the median price of homes that sold during a different period to measure how prices changed over time. Therefore, when Redfin reports on home price growth as measured by median sale price, it's comparing two different groups of homes. The RHPI, on the other hand, measures sale prices of homes that sold during a given period, and how those prices have changed since the last time those same homes sold. As such, it paints a more precise picture of the typical capital gain or loss and controls for shifts in factors such as home size and home quality, which can skew the median sale price.

Median sale prices aren't typically seasonally adjusted, meaning month-to-month changes are often caused by seasonal factors like holidays or the spring homebuying season. Because the RHPI is seasonally adjusted, it's easier to determine whether price trends are unexpected for a given time of year.

"The Redfin Home Price Index is a useful tool for current and aspiring homeowners at a time when mortgage rates and other economic forces are fluctuating rapidly," said Redfin Chief Economist Daryl Fairweather. "Prospective sellers can use the RHPI to help determine whether it's a good time to list a home in their area. And prospective buyers can monitor the index to understand how the market is reacting to mortgage rates and supply constraints."

## The RHPI is similar to the Case-Shiller home price index, with a few key differences

- **More current data:** The RHPI and the S&P CoreLogic Case-Shiller Home Price Indices both use the repeat-sale pricing method to measure changes in home sale prices over time. The primary difference is that the RHPI is more current. The Case-Shiller index is released with a two month lag, meaning that November data, for example, is slated to be released at the end of January. November RHPI data will

publish the second-to-last week of December. Redfin has access to real-time home sales data from multiple listing services (MLS) and does not have to wait for county records to be filed. Data often revises slightly because some home sale records trickle in after the close of the month.

- **More metro-level indices:** Redfin is releasing a national RHPI and individual RHPIs for each of the 50 most populous U.S. metropolitan areas. The national RHPI spans beyond the 50 most populous metros. The Case-Shiller dataset also includes a national index, as well as indices that track 20 major metros.
- **Equal-weighted:** The RHPI weights all home sales equally, whereas the Case-Shiller index gives more weight to expensive markets. Redfin chose to make the RHPI equal weighted so it doesn't skew toward higher-priced markets.

## Where and when to find RHPI data

Moving forward, the RHPI will be published in a report on the [Redfin News](#) site on the second-to-last Tuesday of each month, meaning November data will be released Dec. 19. It will also be published on the Redfin [Data Center](#).

## Other things to know about the RHPI methodology

- It only includes homes that have sold at least once before, meaning newly constructed homes that are changing hands for the first time are excluded.
- It excludes home flips. If a seller offloads their property within six months of buying it, it is excluded from the data to remove outliers and volatility.
- When Redfin refers to “month-over-month” or “monthly” changes, Redfin is comparing one rolling three-month period to the prior rolling-three month period. For example, October 2023 data represents the three months ending Oct. 31, 2023, and the “prior month’s” data represents the three months ending Sept. 30, 2023.

## Diving into October RHPI data: Pittsburgh sees biggest price increase, Austin sees largest drop

Nationwide, home prices rose 0.7% month over month in October to a record high. Monthly price growth is now on par with pre-pandemic levels following a pandemic rollercoaster ride that sent price growth soaring and then tumbling. On a year-over-year basis, prices climbed 6.1% in October, the largest annual increase since the start of 2023.

In [Pittsburgh](#), prices climbed 1.8% month over month in September, the largest monthly jump among the 50 most populous metros. Next came [Virginia Beach, VA](#) (1.7%), [Boston](#) (1.5%), [Columbus, OH](#) (1.5%) and [West Palm Beach, FL](#) (1.4%).

Twelve metros saw monthly price declines, with the largest drops in [Austin, TX](#) (-1.5%), [San Francisco](#) (-1.3%), [San Antonio](#) (-1.1%), [Cincinnati](#) (-1%) and [Philadelphia](#) (-0.9%).

To view the full report, including a chart and methodology, please visit: <https://www.redfin.com/news/redfin-home-price-index/>

## About Redfin

Redfin ([www.redfin.com](https://www.redfin.com)) is a technology-powered real estate company. We help people find a place to live with brokerage, rentals, lending, title insurance, and renovations services. We

also run the country's #1 real estate brokerage site. Our home-buying customers see homes first with same day tours, and our lending and title services help them close quickly. Customers selling a home in certain markets can have our renovations crew fix up their home to sell for top dollar. Our rentals business empowers millions nationwide to find apartments and houses for rent. Customers who buy and sell with Redfin pay a 1% listing fee, subject to minimums, less than half of what brokerages commonly charge. Since launching in 2006, we've saved customers more than \$1.5 billion in commissions. We serve more than 100 markets across the U.S. and Canada and employ over 4,000 people.

For more information or to contact a local Redfin real estate agent, visit [www.redfin.com](http://www.redfin.com). To learn about housing market trends and download data, visit the [Redfin Data Center](#). To be added to Redfin's press release distribution list, email [press@redfin.com](mailto:press@redfin.com). To view Redfin's press center, [click here](#).

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