



**Teranet–National Bank National Composite House Price Index™
December Report: Slower monthly price rises in three out of six markets**

TORONTO, ON – December 29, 2009 – Canadian home prices in October were up 0.6% from a year earlier, according to the Teranet–National Bank National Composite House Price Index™. It was the first 12-month rise in almost a year. The reason for this turnaround after 10 consecutive months of 12-month deflation is that October was the sixth straight month in which the composite index was up from the month before. The monthly gain of 1.3% was the same as in September. Prices have now risen 1% or more for five months in a row. In October, however, the monthly rise varied significantly among the six metropolitan markets surveyed.

The report can be accessed at www.housepriceindex.ca

The Teranet–National Bank House Price Index™ is estimated by tracking observed or registered home prices over time using data collected from public land registries. All dwellings that have been sold at least twice are considered in the calculation of the index. This is known as the repeat sales method; a complete description of the method is given at www.housepriceindex.ca.

The Teranet–National Bank House Price Index™ is an independently developed representation of average home price changes in six metropolitan areas: Ottawa, Toronto, Calgary, Vancouver, Montreal and Halifax. The national composite index is the weighted average of the six metropolitan areas. The weights are based on aggregate value of dwellings as retrieved from the 2006 Statistics Canada Census. According to that census, the aggregate value of occupied dwellings in the metropolitan areas covered by the indices was \$1.168 trillion, or 53% of the Canadian aggregate value of \$2.207 trillion.