



**Teranet–National Bank National Composite House Price Index™
May Report: More deflation, Montreal holding up best**

TORONTO, ON – May 26, 2009 – Canadian home prices in March were down 5.8% from a year earlier, according to the Teranet–National Bank National Composite House Price Index™. It was the fourth consecutive 12-month decline. March was also the seventh straight month in which the composite index was down from the month before – the longest run of monthly declines since the beginning of index coverage in February 2000. The composite is now down 8.5% from its peak of last August.

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.