



## **Teranet–National Bank National Composite House Price Index™ September Report: Monthly price rise of 0.5% in July**

**TORONTO, ON – September 27, 2010** – Canadian home prices in July were up 12.4% from a year earlier, according to the Teranet–National Bank National Composite House Price Index™. It was the smallest 12-month gain in four months. Such a deceleration was observed in Toronto and Vancouver, where the 12-month increase was nevertheless more than 14%. In Ottawa it was 10.9%. In the other three markets, it was more moderate, ranging from 6.5% to 8.5%.

For the first time in four months, prices did not rise from the month before in all six markets. The Vancouver index was down 0.3% from June. The monthly rises were 0.2% in Halifax, 0.4% in Montreal and Calgary, 1.2% in Toronto and 1.5% in Ottawa. It is plausible to think the index movement in the last two markets was influenced by transactions timed to avoid the July 1 introduction of the harmonized sales tax in Ontario. For the composite index as a whole the monthly rise was 0.5%, the smallest in four months. It was the 15th monthly rise, making this run of increases the longest since October 2006.

The report can be accessed at [www.housepriceindex.ca](http://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](http://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.