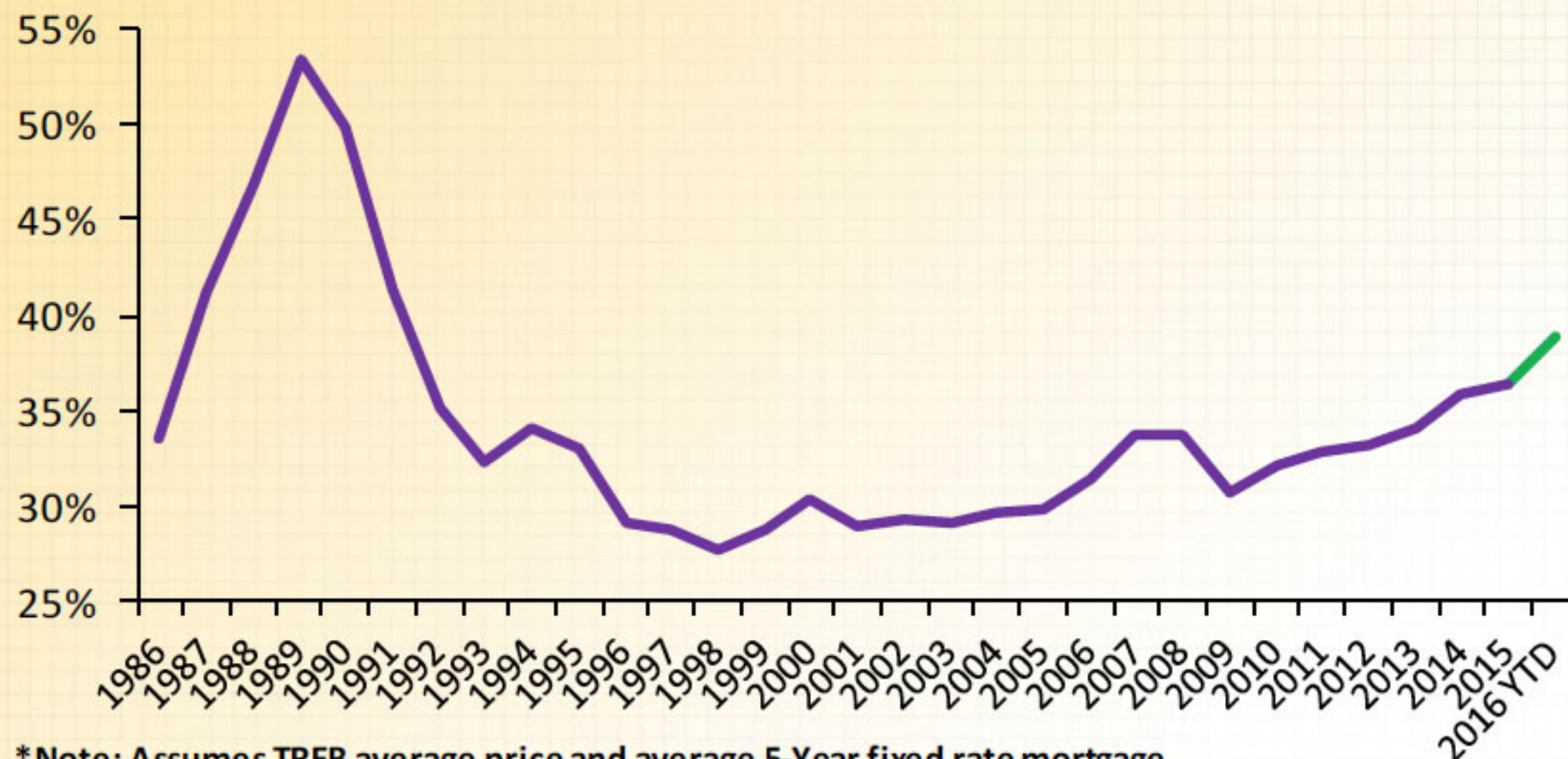




TREB Affordability Indicator

Share of Average Household Income Used for Mortgage Principal and Interest, Property Taxes and Utilities on the Averaged Priced GTA Resale Home



* Note: Assumes TREB average price and average 5-Year fixed rate mortgage

Source: Toronto Real Estate Board Data and Calculation; Statistics Canada

Explanation: This chart plots the share of average household income that goes toward mortgage principal and interest, property taxes and utilities for the average priced home in the GTA subject to the following assumptions:

1. Average annual or year-to-date home price as reported by TREB
2. 20 per cent down payment
3. Average 5-year fixed mortgage rate (Statistics Canada); 25-year amortization
4. Average property tax rate reported by/estimated from the Statistics Canada Survey of Household Spending
5. Average utilities cost reported by/estimated from the Statistics Canada Survey of Household Spending and components of the Consumer Price Index
6. Average household income reported by the Census of Canada. Years in between Censuses estimated using interpolation (years up to 2005) or annual growth in average weekly earnings reported by Statistics Canada in the Labour Force Survey (2006 onward).