



Press Release

Fewer Canadians (82%) Think Buying a Home is a Good Investment (82%, -5 pts)

Fewer Have Plans to Buy a Home in the Near Future (-4pts)

Toronto, ON, April 10, 2017 — Canadians are less likely to think buying a home is a good investment than at any point since 2009, a new Ipsos poll for RBC has found. The RBC Home Ownership Poll, which has run annually since 1998, found that eight in ten Canadians (82%) currently feel that buying a house or condominium is a good investment (33% very / 49% good). While clearly a majority, this is nonetheless down five points from the 87% who said the same in 2016, and is the lowest point recorded by the survey since 2009, when consumers were still in the grips of the global financial crisis.

With fewer thinking home-buying is a good investment, Canadians are also less likely to say they're considering purchasing a home in the next two years: one in four (25%) say they're at least somewhat likely (6% very / 19% somewhat) to purchase a home within the next two years; down four points from 2016. The consideration of a home purchase is strongest among Millennials, aged 18-34: four in ten (39%) are at least somewhat likely (10% very / 29% somewhat) to buy a home within the next two years, compared to 24% of Gen X'ers aged 35-54 and 15% of Baby Boomers aged 55 and up.

Top reasons for delaying or avoiding a home purchase are all tied to house prices and the uncertainty as to which way they – and the market more generally – will swing. Among Canadians who think it makes more sense to wait until next year to buy a house instead of buying one now:

- Six in ten (58%) think **house prices may come down** (+4 pts from 2016);
- Half (51%) are **uncertain about the economy** (-7 pts);
- Four in ten (38%) have concerns about the **affordability of homes** (+8 pts).

Potential Fallout from Volatile Interest Rates

This uncertainty about the economic climate and the affordability of house prices can be seen in how many Canadians see the state of their own finances. While two in three (65%) say that they and their family are well-positioned to weather a potential downturn in house prices, this is an 8-point downturn from 2016. Fewer Canadians (57%) also think that they and their family are well-positioned to weather a potential increase in interest rates (-6 pts).

The impact of a potentially interest-rate hike could be financially trying for some Canadian homeowners. One in three (36%) say they'd be concerned if their mortgage payments were to suddenly increase. This includes nearly one in four (23%) who would be concerned if their payments increased by more than 10%, and a further 13% who say they're already at their limit in terms of what they can pay.

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House Prices Seen to Keep Rising

For the second year in a row, more Canadians expect house prices will be higher next year than they are today: more than four in ten (44%) think house prices will go up (+4), while one in three (35%) think they will stay the same, and two in ten (21%) think they'll go down.

Regionally, residents of all nearly all provinces are more likely than in 2016 to think that house prices will increase. British Columbia is the exception to the rule: one in three BC residents (36%) believe house prices will go up in the next year, down significantly from the 50% who felt the same a year ago (-14 pts).

Despite this, BC residents (60%) rival Ontarians (61%) in terms of thinking they are living in a sellers' market, where demand exceeds the number of available homes.

	Believe prices will go up		Seller's Market	
	2016	2017	2016	2017
British Columbia	50%	36%	53%	60%
Alberta	22%	35%	6%	10%
Manitoba/Saskatchewan	23%	41%	30%	27%
Ontario	51%	56%	44%	61%
Quebec	34%	36%	13%	16%
Atlantic	28%	39%	11%	13%

These are some of the findings of an Ipsos poll conducted between January 13 and January 25, 2017, on behalf of RBC. For this survey, a sample of 2,073 Canadians from Ipsos' online panel was interviewed online. Weighting was then employed to balance demographics to ensure that the sample's composition reflects that of the adult population according to Census data and to provide results intended to approximate the sample universe. The precision of Ipsos online polls is measured using a credibility interval. In this case, the poll is accurate to within +/- 2.5 percentage points, 19 times out of 20, had all Canadian adults been polled. The credibility interval will be wider among subsets of the population. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error, and measurement error.

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For full tabular results, please visit our website at www.ipsos-na.com.
News Releases are available at: <http://www.ipsos-na.com/news-polls/>

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With offices in 88 countries, Ipsos delivers insightful expertise across five research specializations: brand, advertising and media, customer loyalty, marketing, public affairs research, and survey management.

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