



RBC Financial Group
14th Annual
Homeownership Survey
May 2007



Introduction

14th Annual Homeownership Survey



Purpose & Methodology

- The annual survey is conducted to track Canadians' attitudes & behaviours around home buying & home ownership.
- The survey was administered online in English & French January 18th – 22nd, 2007.
- A total of 2,404 adult Canadians were surveyed, resulting in an overall confidence interval of +/-2.0%.
- Data was weighted by region, age & sex according to Census data



Executive Summary

➤ **Home purchase intentions remain positively stable**

- Three in ten likely to buy in the next two years, one in ten “very likely”.
- Purchase intentions follow an expected age pattern.
- Increased momentum in downsizing; again, following an expected age pattern.

➤ **Mortgages: Fixed vs. Variable, a tough decision to make**

- Mortgage holding rates continue to rise.
- Again, incidence of mortgages and size of mortgages follow an expected age pattern.

➤ **Insights on Retirement vary by age.**

- The propensity to think that it’s important to pay off your mortgage by retirement and/or that your home will be your primary source of retirement income when you retire decreases among older Canadians.



Detailed Findings

14th Annual Homeownership Survey



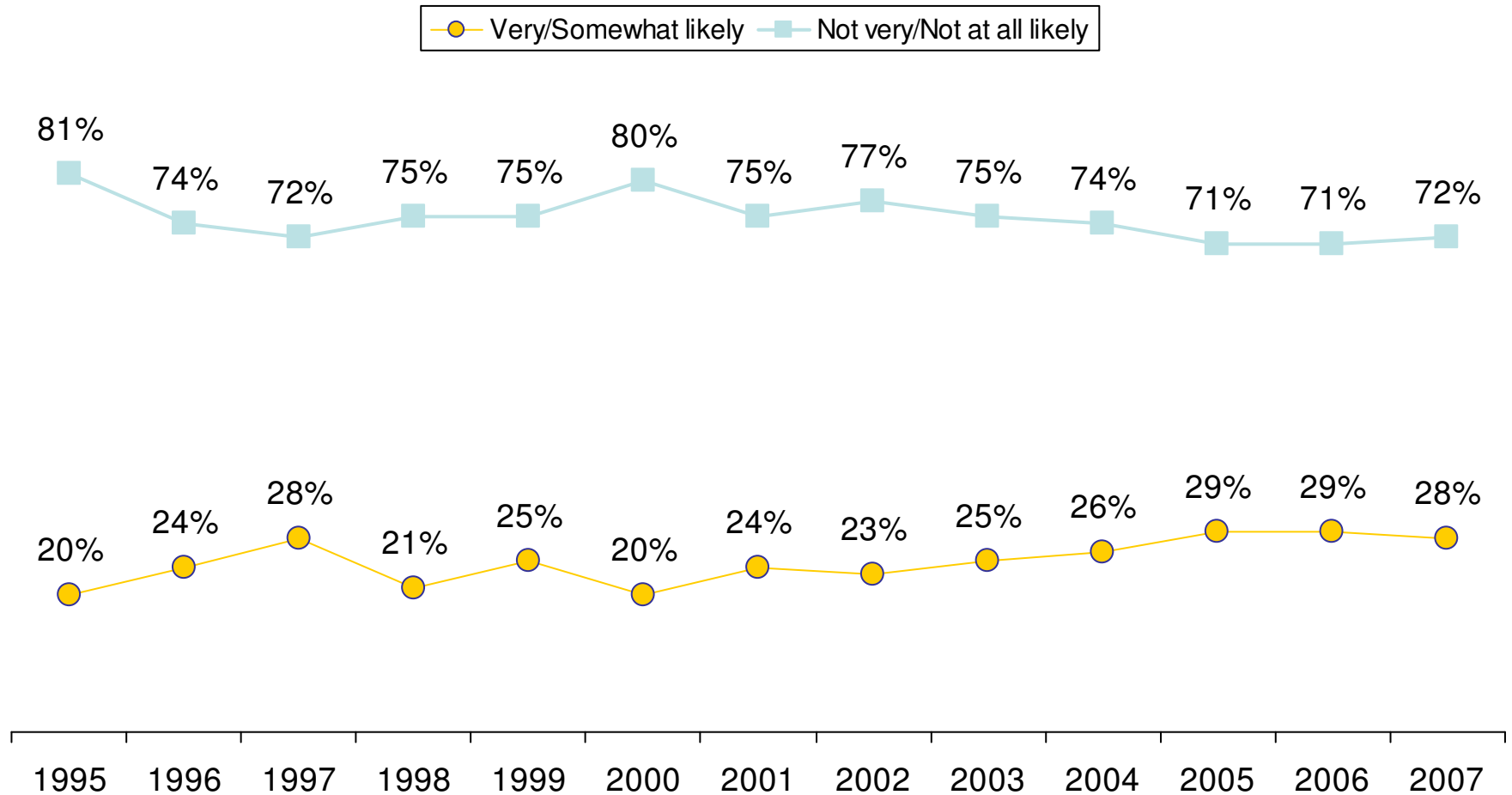
Purchase Intentions

14th Annual Homeownership Survey



Three In Ten Canadians Plan To Buy A House In The Next Two Years, Virtually Unchanged From The Past Few Years...

How likely are you to purchase a home (or another home) within the next two years?

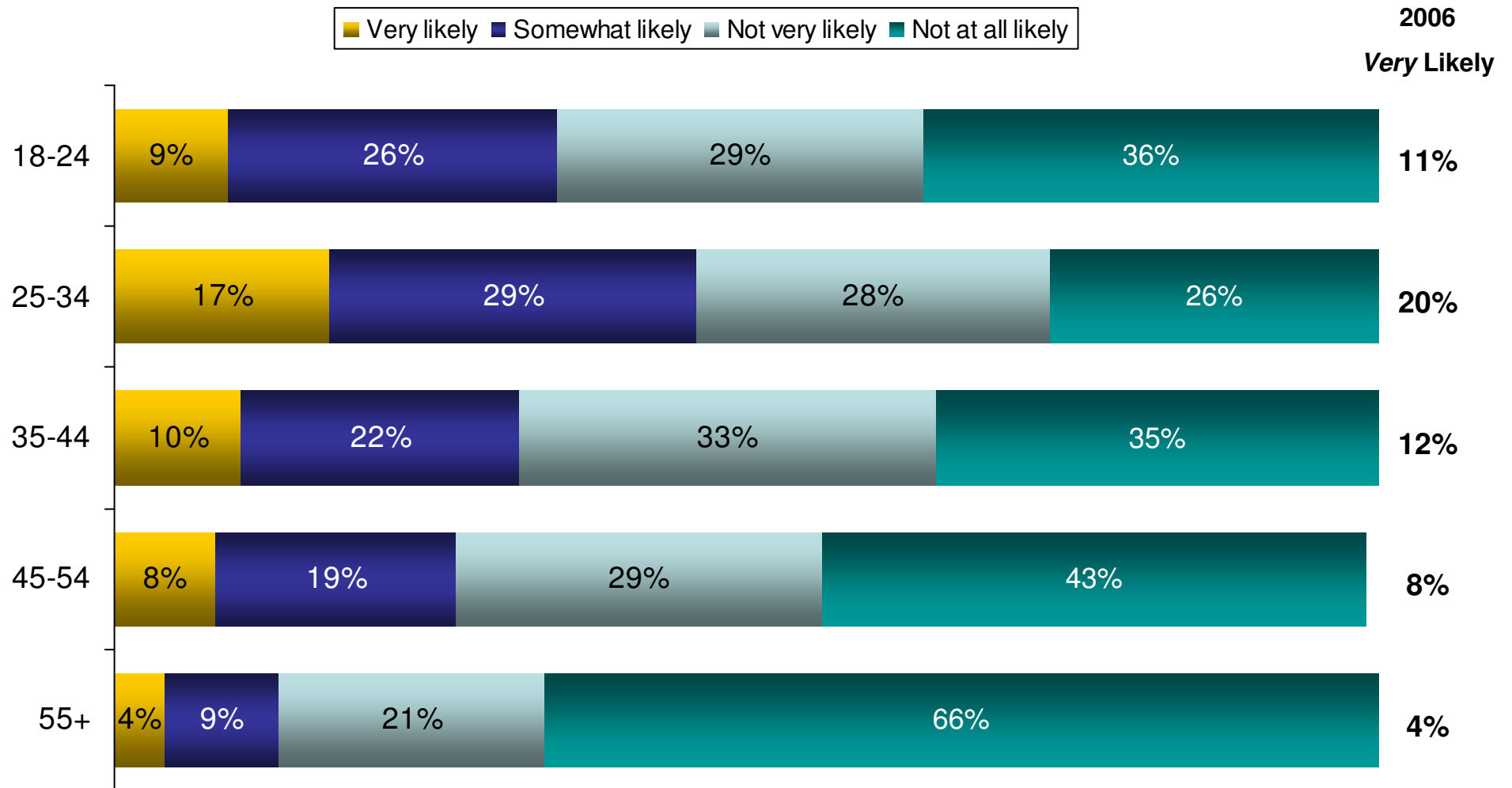


2007: 2404 Respondents; 2006: 2158 Respondents; 2005: 2,001 Respondents; 2004: 2,000 Respondents; 2002 & 2003: 1,500 Respondents; Previous years: 1,200 Respondents



Those 25-34 Most Likely To Buy; Expectedly Those 55+ Least Likely...Consistent With '06 Findings...

How likely are you to purchase a home (or another home) within the next two years?

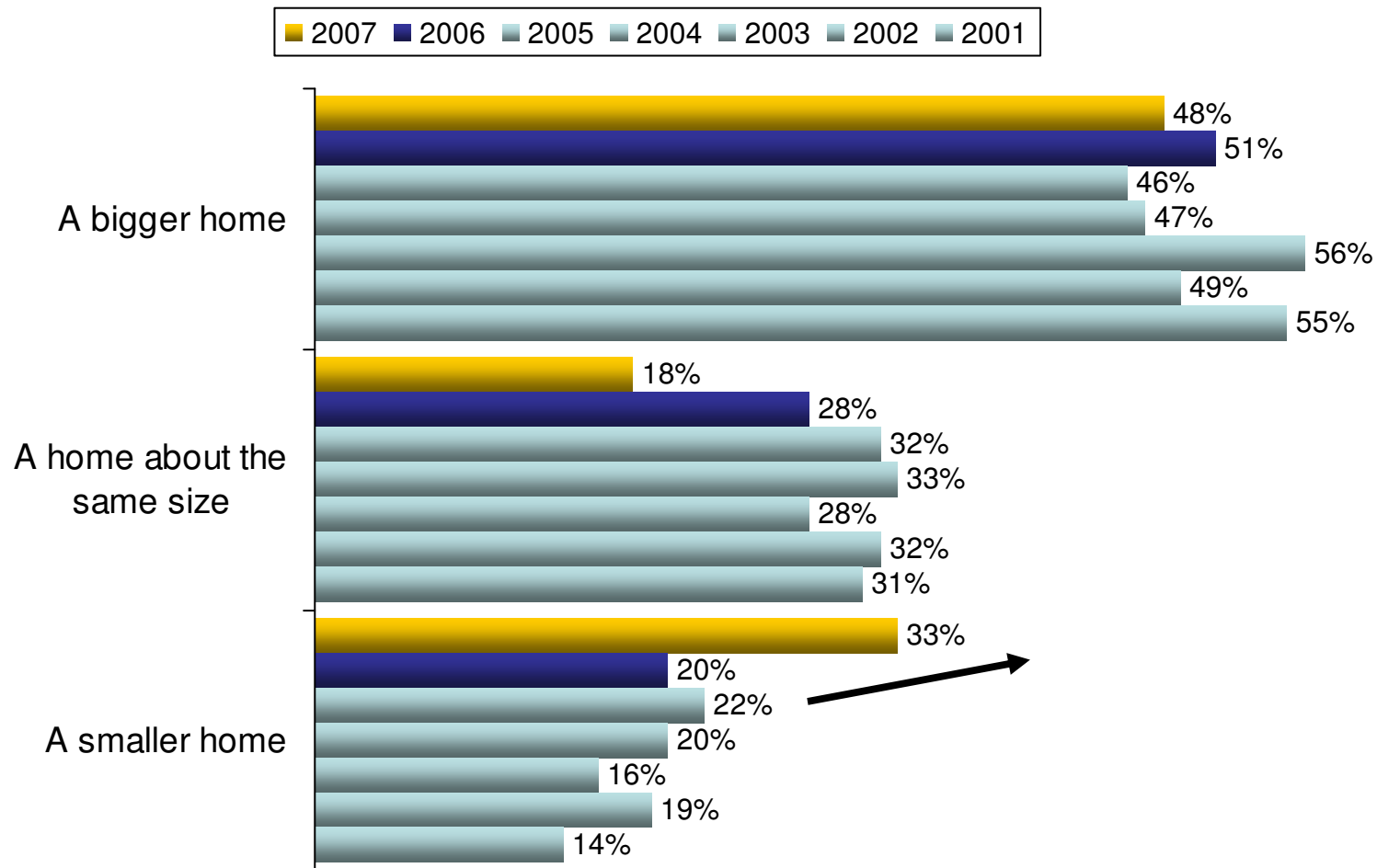


2007: 18-24 N=194; 25-34 N=387; 35-44 N=457; 45-54 N=596; 55+ N= 769



And, While A Bigger Home Continues To Lead, There Is Increased Momentum In Downsizing...

Are you planning to purchase a bigger home, a smaller home or a home about the same size as your current home?

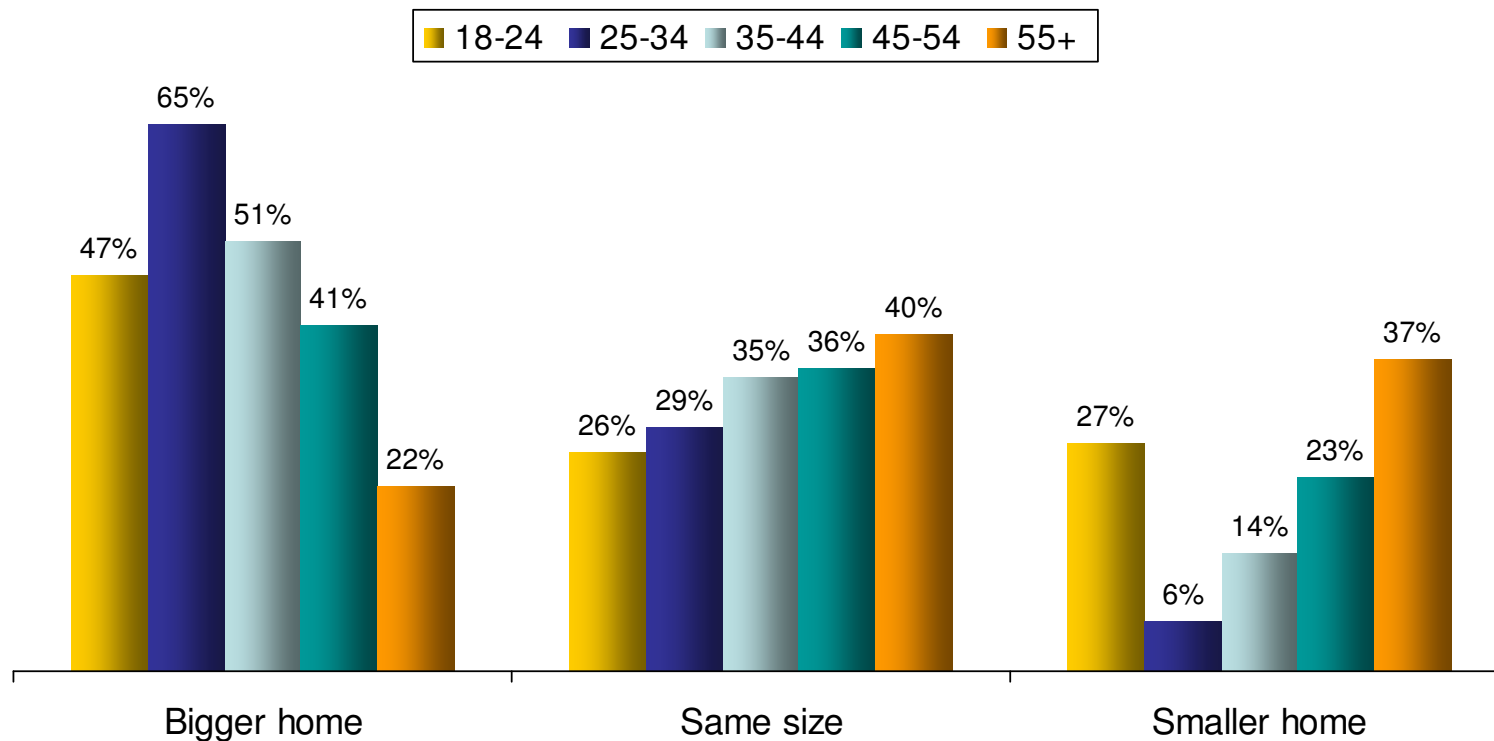


2007: Likely to buy in the next two years (N=659); 2006: Likely to buy in the next two years (N=660); 2005: Likely to buy in the next two years (N=576); 2004: Likely to buy in the next two years (N=510); 2003: Likely to buy in next two years (N=378); 2002: Likely to buy in next two years (N=348); 2001: Likely to buy in next two years (N=291)



In An Expected Age Pattern, The Propensity To Want To Downsize Increases With Age, And The Young To Middle-Aged Adults Want More Space

Are you planning to purchase a bigger home, a smaller home or a home about the same size as your current home?



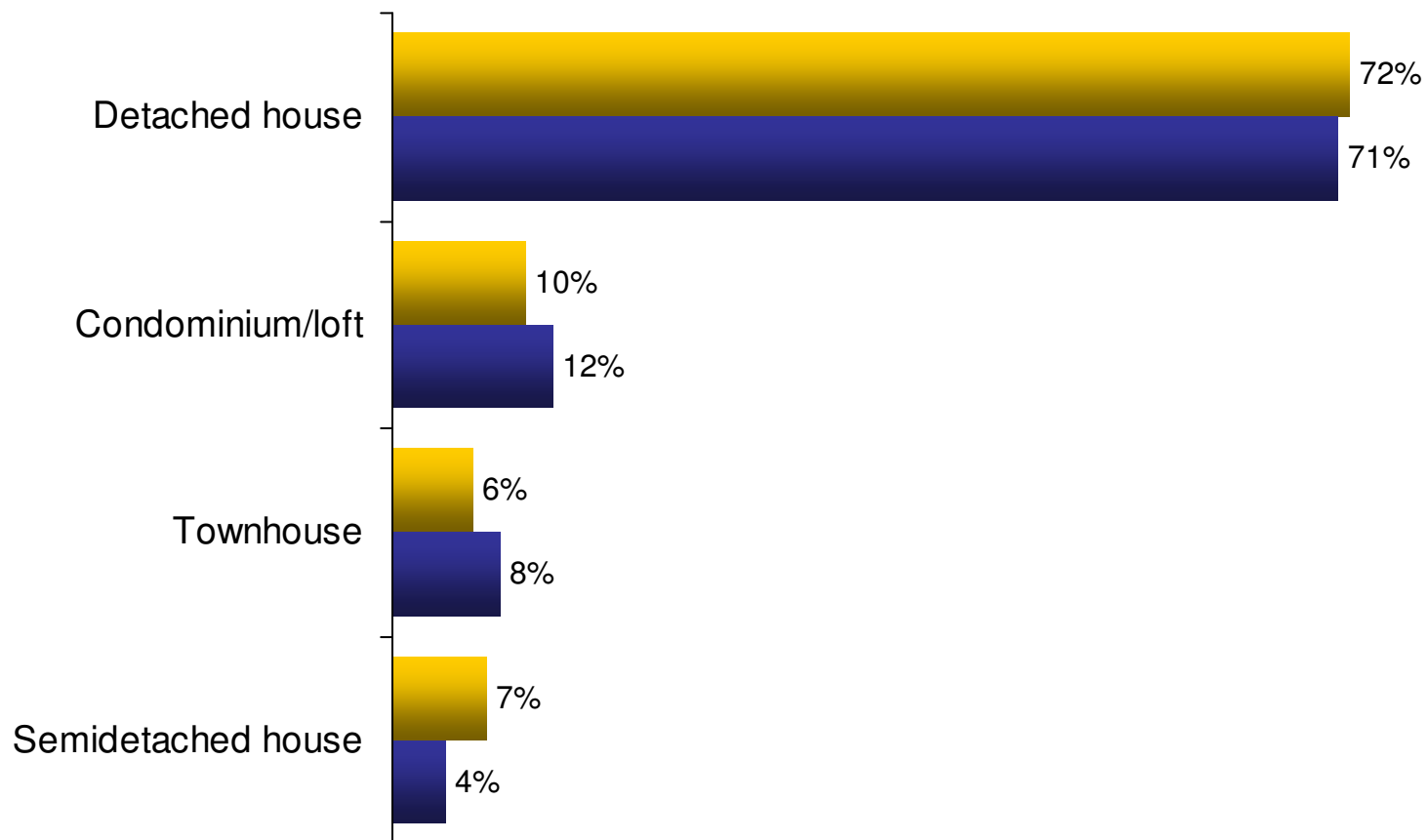
2007: Likely to buy in the next two years (N=659); 18-24 N= 68*; 25-34 N=176; 35-44 N=146; 45-54 N= 162; 55+ N=104

*Caution Small Base Size



Those Planning To Buy Continue To Favour Detached Houses...

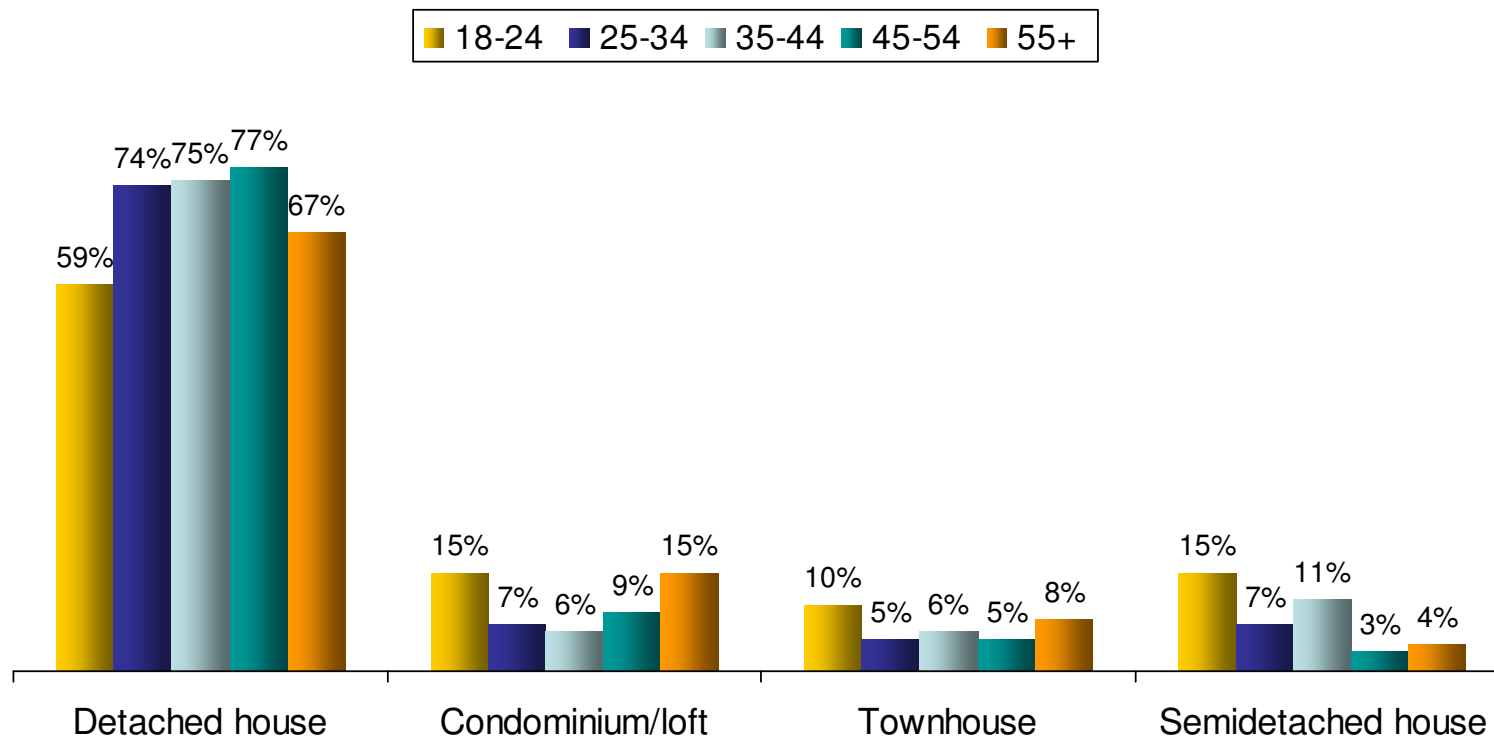
Which of the following types of housing best describes the home you plan to buy?





Across The Ages, Most Prefer Detached; The Young & The Old More Likely To Be Thinking Condo/Loft

Which of the following types of housing best describes the home you plan to buy?



2007: Likely to buy in the next 2 years (N=659); 18-24 N=68*; 25-34 N=179; 35-44 N=146; 45-54 N=162; 55+ N= 104

*Caution Small Base Size



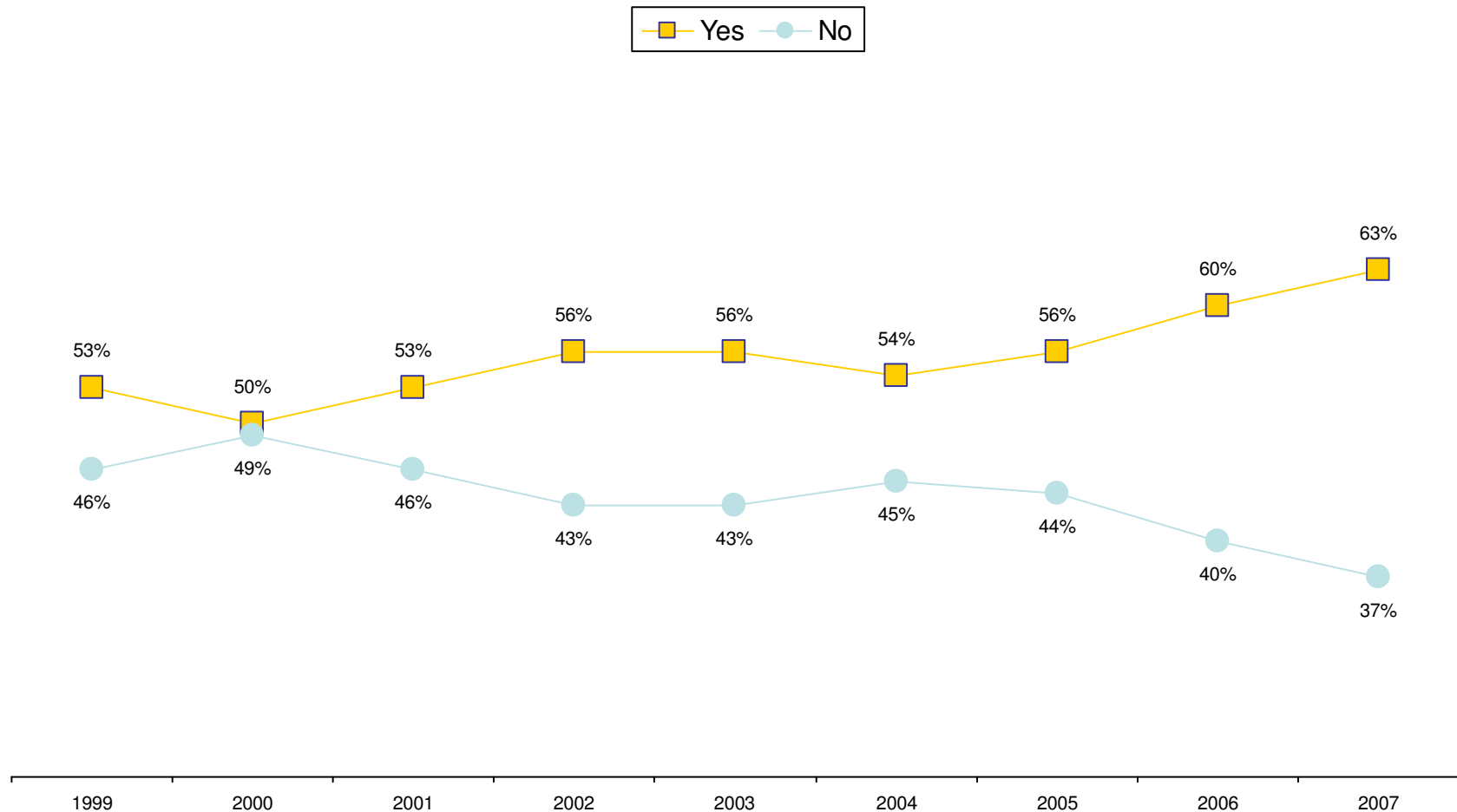
Mortgages

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The Proportion Of Homeowners With A Mortgage Continues To Nudge Upwards; 2 In 3 Today...

Do you have a mortgage on your home?

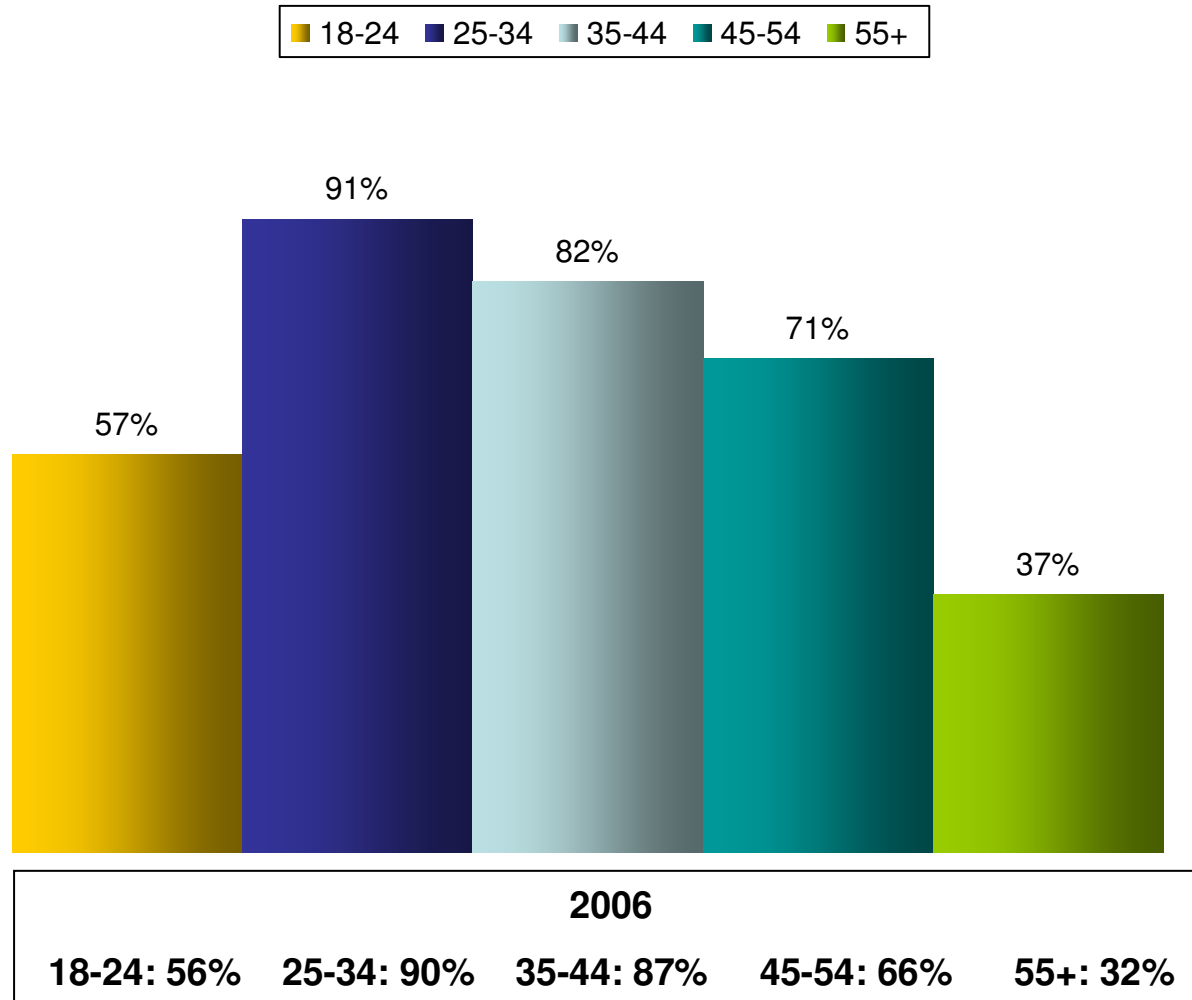


2007: Homeowner (N=1494); 2006: Homeowners (N=1434); 2005: Homeowner (N=1297); 2004: Homeowners (N=1268); 2003: Homeowners (N=1039); 2002: Homeowners (N=1027); 2001: Homeowners (N=800)



In An Expected Age Pattern, It's Middle-Aged Homeowners Who Are Most Likely To Hold A Mortgage; Unchanged From 2006...

Do you have a mortgage on your home?



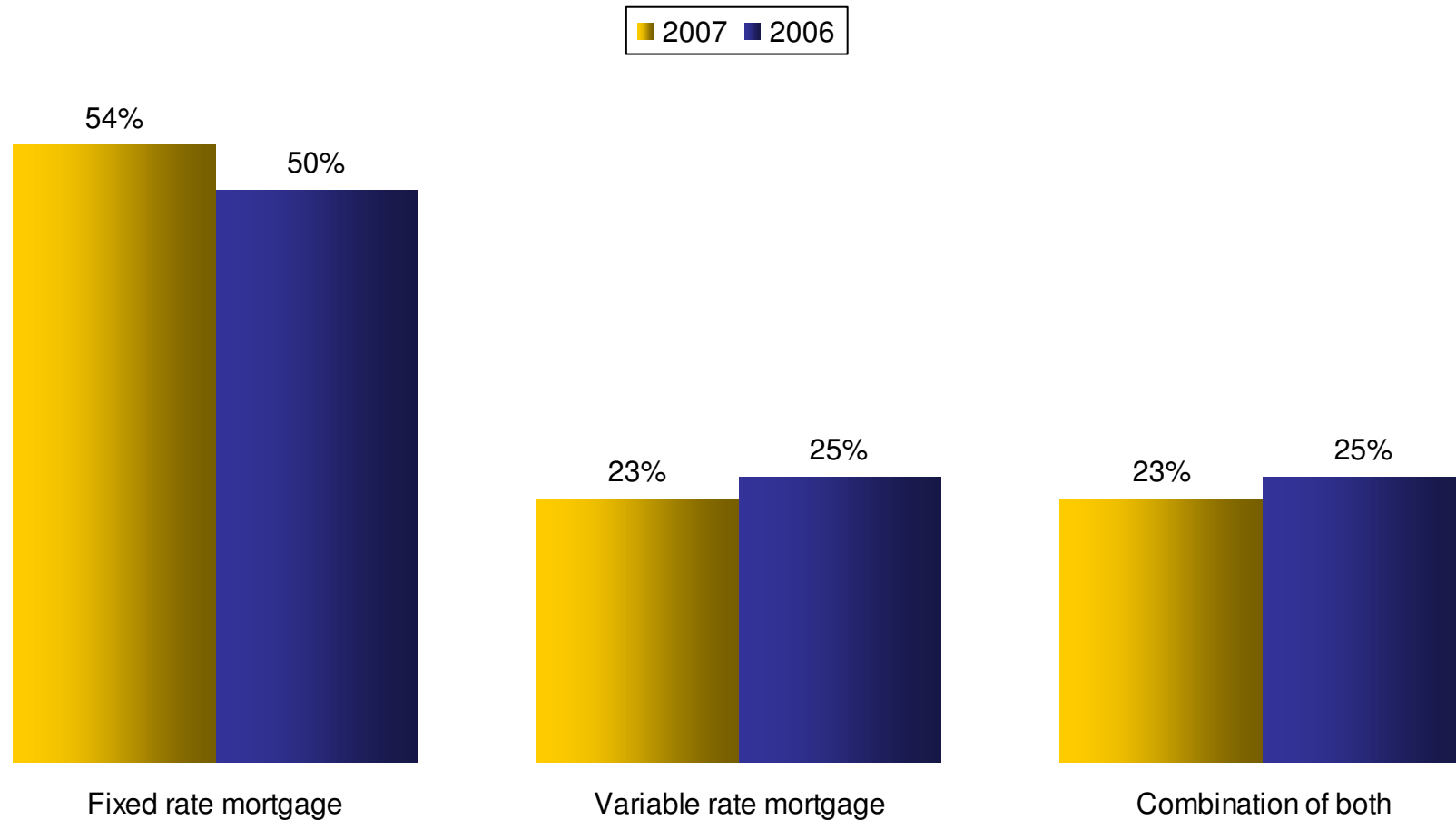
2007: 18-24 N=48*; 25-34 N=179; 35-44 N=274; 45-54 N=416; 55+ N= 576

*Caution Small Base Sizes



Among The 2/3 Of Homeowners With Mortgages, Half Plan To Go Fixed When They Next Renew, The Rest Are Split; Unchanged From Last Year

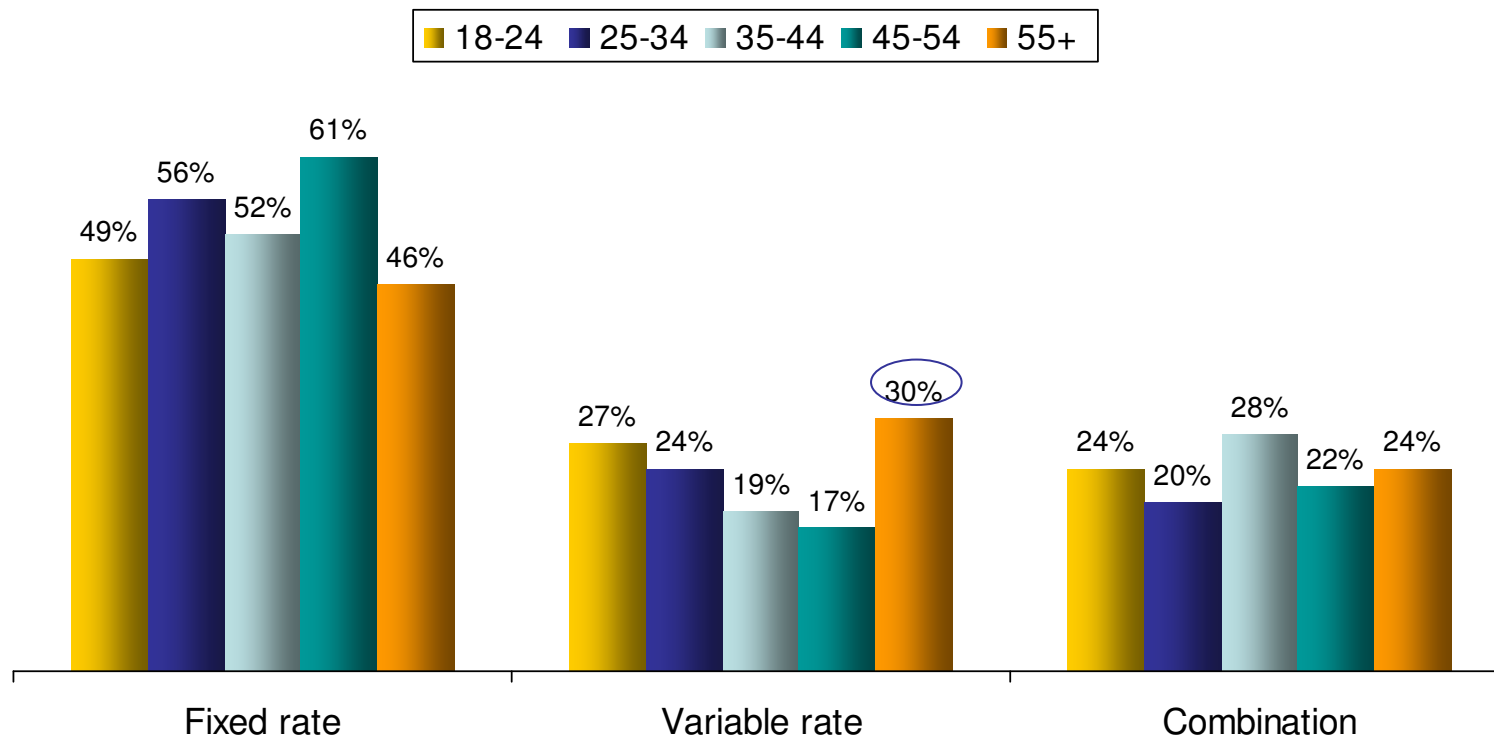
When you next renew your mortgage, are you likely to choose a fixed rate mortgage, a variable rate mortgage, or a combination of both?





Some Variation by Age...

When you next renew your mortgage, are you likely to choose a fixed rate mortgage, a variable rate mortgage, or a combination of both?



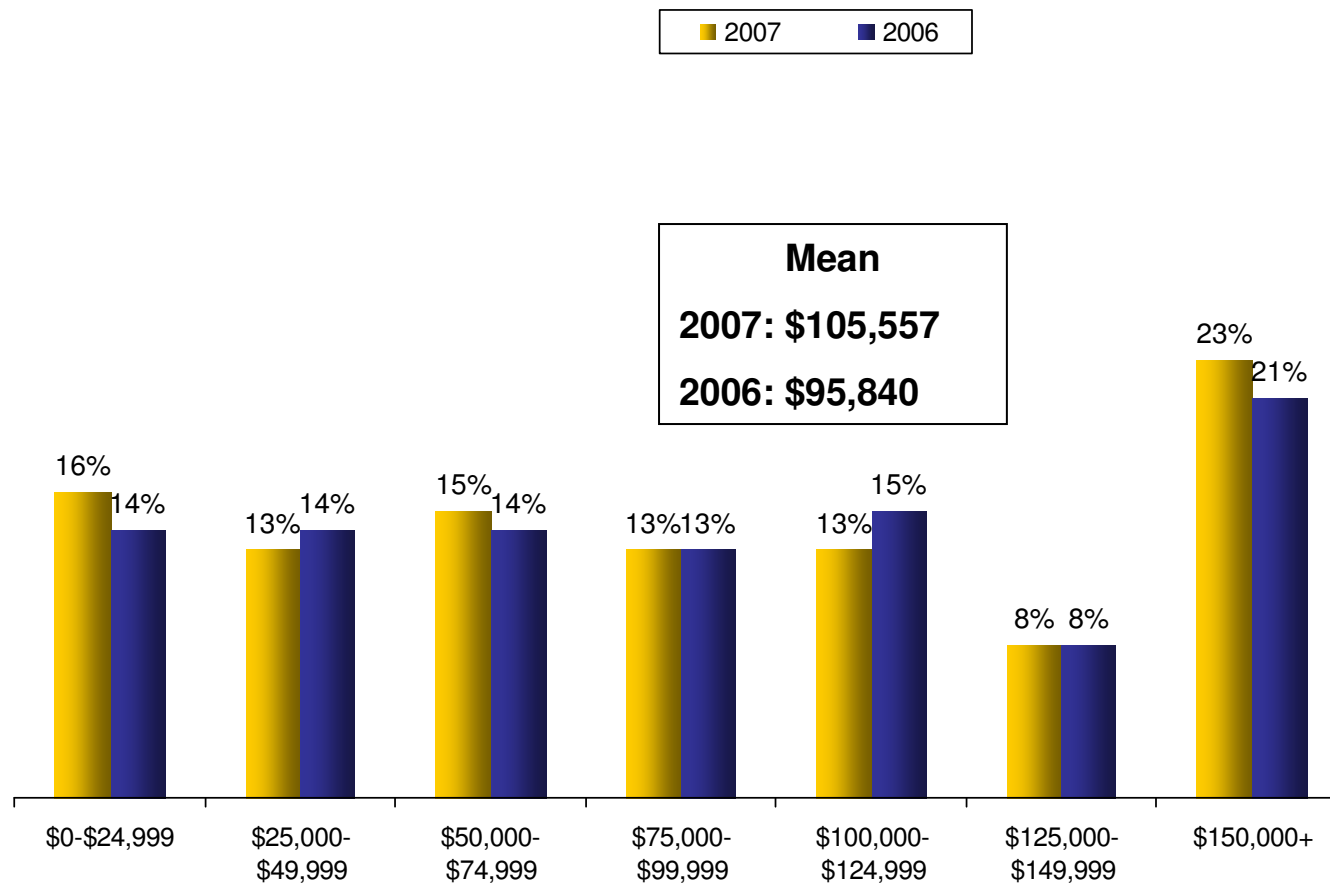
2007: 18-24 N=28*; 25-34 N=163; 35-44 N=223; 45-54 N=296; 55+ N= 214

*Caution Small Base Sizes



Mortgage Holders Have On Average \$106K Left To Pay, Up \$10K From Last Year

How much is left to pay on the mortgage on your home?



By Age:	
18-24:	\$93,707
25-34:	\$144,056
35-44:	\$104,871
45-54:	\$98,053
55+:	\$80,331



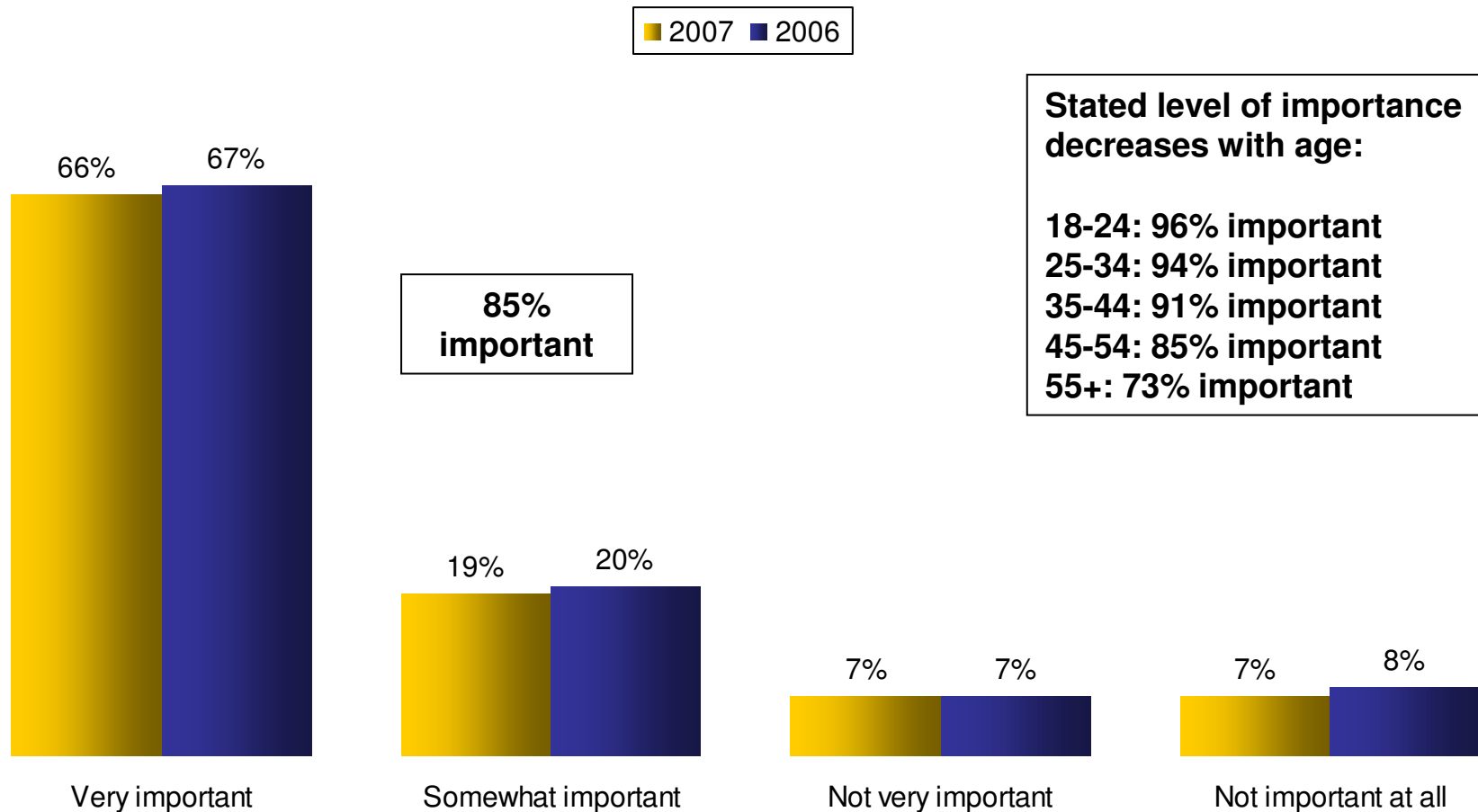
Insights On Retirement

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Most Canadians Think It's Important That Their Mortgage Be Paid Off By The Time They Retire

How important is it for you to have your mortgage entirely paid off by the time you retire?





Two In Ten Expect Their Home To Be Their Primary Source Of Income When They Retire

Do you expect your home to be your primary source of retirement income when you retire?

■ 2007 ■ 2006

Expectations decrease with age:

18-24: 26% yes

25-34: 25% yes

35-44: 20% yes

45-54: 19% yes

55+: 13% yes

19%



Yes

19%





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