

**HOMEOWNERS WITH A MORTGAGE:**  
***Two Thirds (64%) Do Not Plan For Renovations***  
***When Buying Home***  
***Three Quarters (74%) Have Undertaken Renovations Or***  
***Makeovers on Their Home***



**Public Release Date: March 17<sup>th</sup>, 2004 – 2:30 p.m. (EST)**

*Ipsos-Reid is Canada's leading marketing research and public affairs company, both in size and reputation. It operates in seven cities and employs more than 300 researchers and support staff in Canada. Ipsos-Reid has the biggest network of telephone call centres, as well as the largest prerecruited household and online panels in Canada. Its Canadian marketing research and public affairs practices are staffed with seasoned research consultants with extensive industry-specific backgrounds offering the premier suite of research vehicles in Canada, including the Ipsos Trend Report, the leading source of public opinion in the country. Ipsos-Reid is a member of the Ipsos Group, the second largest survey-based marketing research company in the world.*

*Visit [www.ipsos-reid.com](http://www.ipsos-reid.com)*

***For copies of other news releases, please visit***

***[http://www.ipsos-reid.com/media/content/PRE\\_REL.cfm](http://www.ipsos-reid.com/media/content/PRE_REL.cfm)***

---

© Ipsos-Reid

***Washington • New York • Minneapolis • San Francisco***  
***Vancouver • Edmonton • Calgary • Winnipeg • Toronto • Ottawa • Montreal***



## **HOMEOWNERS WITH A MORTGAGE:**

### ***Two thirds (64%) Do Not Plan For Renovations When Buying Home Three Quarters (74%) Have Undertaken Renovations Or Makeovers on Their Home***

**Toronto, ONTARIO** – According to a new survey conducted by Ipsos-Reid on behalf of President's Choice Financial, two in three (64%) Canadian homeowners with a mortgage do not often plan for home renovations and makeovers when purchasing their home.

However, three quarters (74%) of homeowners with mortgages have undertaken renovations or makeovers on their home. In addition, half (45%) plan to spend between \$1,000 to just under \$5,000 on home renovations or makeovers this year. Further, 17% plan to spend less than \$1,000, 14% will spend \$5,000 to just under \$10,000, 5% will spend \$10,000 to just under \$15,000, and 3% will spend more than \$15,000.

When considering which room in the house is in most need of renovation or makeover, three in ten (31%) say that their kitchen. One in five (22%) would consider their bathroom(s) in most need of renovation or makeover, another 18% would choose their living room, and 10% think their bedroom(s) most need a renovation or makeover.

The fact that the largest group of homeowners with a mortgage consider their kitchen to be most in need of renovation is not surprising, given that half (49%) believe a renovated kitchen would add to their home's overall resale value. One in five (21%) believe that renovated bathroom(s) would increase the resale value, and another one in five (18%) say their living room. A small group (6%) think their bedrooms, if renovated, would increase the resale value of their home.



*These are the findings of an Ipsos-Reid/President's Choice Financial poll conducted in two waves: the first wave running between February 17<sup>th</sup> and February 19<sup>th</sup> and the second wave running between February 24<sup>th</sup> and February 26<sup>th</sup>. The telephone survey is based on a randomly selected sample of 789 adult Canadian homeowner's with a mortgage. With a sample of this size, the results are considered accurate to within  $\pm 3.6$  percentage points, 19 times out of 20, of what they would have been had the entire adult Canadian homeowner with a mortgage population been polled. The margin of error will be larger within regions and for other sub-groupings of the survey population. These data were statistically weighted to ensure the sample's regional and age/sex composition reflects that of the actual Canadian homeowner with a mortgage population according to the 2001 Census data.*

## ***Majority (64%) Did Not Account For Renovations When Applying For A Mortgage***

The majority (64%) of mortgage holding homeowners did not factor in the costs for renovations or makeovers when purchasing their home. One third (36%) of homeowners planned for the costs of renovations and makeovers to their home when making the purchase.

- Three quarters of Albertans (75%), and British Columbians (74%) homeowners with a mortgage did not factor in costs of renovations or makeovers when purchasing their home, compared to seven in ten in Atlantic Canada (69%) and Ontario (67%), and half in Saskatchewan/Manitoba (54%) and Quebec (49%).
- Those respondents with a University degree were significantly less likely than all others to have not factored in the costs of renovations or makeovers when purchasing



their home (54% University, 69% Post Secondary, 68% high school, 71% less than high school).

## ***Three Quarters (74%) Have Undertaken Renovations Or Makeovers On Their Home***

In total three quarters (74%) of homeowners with a mortgage that were surveyed had undertaken a home renovation or makeover. Three in ten (28%) had begun their first renovation or makeover after one year of being in the home, while one in five (19%) had done so within the first year of living there. Others had begun renovations or makeovers either right after they had moved in (14%), or before they had moved in (13%). One quarter (25%) answered that they did not renovate their home.

- Quebec (36%) homeowners with a mortgage are the most likely to have waited one year after moving in before renovations, followed by Albertans (28%), Ontarians (27%), British Columbians (24%), Atlantic Canadians (23%), and residents of Saskatchewan/Manitoba (18%).

## ***Half (45%) Plan to Spend Between \$1,000 to \$5,000 On Home Renovations This Year***

The largest portion of homeowners with a mortgage (45%) plan to spend between \$1,000 to just under \$5,000 on home renovations or makeovers this year. Further, 17% plan to spend less than \$1,000, 14% will spend \$5,000 to just under \$10,000, 5% will spend \$10,000 to just under \$15,000, with 3% spending more than \$15,000. Of the remaining respondents, 14% plan

to spend no money on renovations in the coming year, and 1% doesn't know how much they will spend.

- Older respondents are the most likely not to plan to spend any money on renovations in the coming year (12% 18-34, 10% 35-54, 27% 55+).
- Half (50%) of those earning over \$60,000 a year plan to spend \$1,000 to \$5,000 this year on home renovations or makeovers, compared to 44% of those earning between \$30,000 to less than \$60,000, and 34% of those earning less than \$30,000.

### ***Three In Ten (31%) Say Their Kitchen Is Room Most In Need Of Renovation Or Makeover***

When asked which room in their home is in most need of a renovation or makeover, three in ten (31%) mortgage holding homeowners answer that it is the kitchen. One in five (22%) would consider their bathroom(s) in most need of renovation or makeover, and another one in five (18%) would choose their living room. One in ten (10%) think their bedroom(s) are in most need of a renovation or makeover. The remaining 19% say they don't know.

- British Columbians (37%), Ontarians (34%), and Albertans (33%), are the most apt to think their kitchen is in need of renovation, followed by Quebecers (28%), Atlantic Canadians (24%), and residents of Saskatchewan/Manitoba (17%).
- One in five in Saskatchewan/Manitoba (19%) and Atlantic Canada (17%) think their bedrooms are most in need of renovation, compared to one in ten in Alberta (11%), Ontario (9%), Quebec (8%), and British Columbia (8%).



## ***Half Say (49%) Renovating Kitchen Adds Most Value to Home***

Half (49%) of mortgaged homeowners believe that the one part of their home that would increase their home's overall resale value if it were renovated is their kitchen. One in five (21%) believe that renovated bathroom(s) would increase the resale value, and another one in five (18%) believe renovating their living room would increase value. A small group (6%) think their bedrooms, if renovated, would increase the resale value of their home. The remaining 7% don't know.

- Kitchens are considered the valuable room to renovate most in British Columbia (58%), followed by Ontario (51%), Quebec (47%), Atlantic Canada (42%), and Alberta (38%), and Saskatchewan/Manitoba (38%).
- The living room is considered to be the most value added room to renovate most by the younger respondents (27% 18-34, 17% 35-54, 13% 55+).

## ***Six in Ten (57%) Apply For A Mortgage After Finding a House They Want to Buy***

Six in ten (57%) homeowners with a mortgage did not apply for a mortgage until they found their house and decided they wanted to buy it. In contrast, a minority of four in ten (41%) did apply for a mortgage before deciding to buy their home. The remaining 2% didn't know when they applied for a mortgage.

- Quebec (64%) homeowners are the most likely to have applied for a mortgage after finding the house they wanted to buy, followed by residents of Ontario (56%), Atlantic Canada (56%), Saskatchewan/Manitoba (56%), and British Columbia (56%). Albertans (48%) are the least likely to do so.



Ipsos Reid

-30-

***For more information on this news release, please contact:***

***John Wright  
Senior Vice-President  
Ipsos-Reid  
Public Affairs  
(416) 324-2900***

***For full tabular results, please visit our website at [www.ipsos-reid.com](http://www.ipsos-reid.com). News Releases are available at [http://www.ipsos-reid.com/media/content/PRE\\_REL.cfm](http://www.ipsos-reid.com/media/content/PRE_REL.cfm)***

---

---

© Ipsos-Reid

***Washington • New York • Minneapolis • San Francisco  
Vancouver • Edmonton • Calgary • Winnipeg • Toronto • Ottawa • Montreal***