

# ANNUAL RBC HOME RENOVATION STUDY FINDS 76% OF CANADIAN HOMEOWNERS PLAN TO RENOVATE IN THE NEXT TWO YEARS

*Homeowners Speak Up On Renovation Plans & Financing  
Intentions*



**Ipsos Reid**

**Public Release Date: - October 11, 2005 – 5:00 a.m. (EDT)**

*Ipsos Reid is Canada's market intelligence leader and the country's leading provider of public opinion research. With operations in eight cities, Ipsos Reid employs more than 300 researcher professionals and support staff in Canada. The company has the biggest network of telephone call centres in Canada, as well as the largest pre-recruited household and on-line panels. Ipsos Reid's*

*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—all of which provide clients with actionable and relevant information. Ipsos Reid is an Ipsos company, a leading global survey-based market research group. To learn more, visit*

[www.ipsos.ca](http://www.ipsos.ca)

*For copies of other news releases, please visit*

<http://www.ipsos-na.com/news/>

---

© Ipsos Reid

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



# ANNUAL RBC HOME RENOVATION STUDY FINDS 76% OF CANADIAN HOMEOWNERS PLAN TO RENOVATE IN THE NEXT TWO YEARS

## *Homeowners Speak Up On Renovation Plans & Financing Intentions*

**Toronto, ON** – A new Ipsos Reid survey conducted on behalf of RBC Financial group finds that homeowners will be busy with renovations over the next two years. Three-quarters (76%) of Canadian homeowners are planning renovations/home improvements in the next two years (“Renovators”).

Moreover, renovation intentions are strong. Virtually all (97%) Renovators say they would continue with their home improvement/renovation plans if prices were to decline/level off—in fact, 64% would definitely continue. And among all homeowners, three-quarters (74%) would prefer to renovate their current home than to sell and move.

What will they be doing? Equal proportions of Renovators will be undertaking renovations (79%) and home improvements (81%). Painting/staining/caulking (51%) tops the list of home improvements, followed by floors (35%) and windows (21%). While the most common renovation undertakings are to the bathroom (33%), landscaping (29%), the kitchen (27%), the basement (26%), the outdoor deck/patio (23%), and the bedroom (18%).

There are several reasons why homeowners are renovating. Most are doing so to make their home more attractive (61%), many are renovating for maintenance (35%), to increase the value of the home (29%), or simply because they enjoy it (30%).

---

© Ipsos Reid

- 1 -



Many Renovators will work on their project with friends and family. Still, more than one-third (37%) will hire a contractor.

Expected costs of renovation projects are varied. As a whole, Renovators expect their projects to cost a mean average of \$4,543. Notably, a full third (35%) don't know how much it will cost.

How will they pay for it? Nearly all (96%) Renovators will use cash and/or savings to pay for at least some of these renovation costs. Almost half (46%) will pay for the entire project with cash/savings. Of those who won't pay for all of it this way, 38% will use a line of credit and 27% will use credit cards. Interestingly, one-third (33%) of all homeowners (or 36% of Renovators) would consider borrowing against the equity in their home to finance a renovation.

Finally, the survey finds that 70% of homeowners have experienced a renovation in the past two years.

*These are the findings of an RBC Financial Group/Ipsos-Reid poll conducted from September 1 to September 2, 2005. For the survey, a representative randomly selected sample of 1,854 Canadian homeowners was interviewed online. With a sample of this size, the results are considered accurate to within  $\pm 2.3$  percentage points, 19 times out of 20, of what they would have been had the entire adult Canadian homeowner population been polled. The margin of error will be larger within regions and for other sub-groupings of the survey population. With a sample size of 1,377 renovators, the results are considered accurate within  $\pm 2.6\%$ . These data were weighted to ensure the sample's regional and age/sex composition reflects that of the actual Canadian population according to the 2001 Census data.*

## *Canadian Homeowner's Renovation Plans*

Three-quarters (76%) of Canadian homeowners are planning renovations/home improvements in the next two years (68% in the next year, 8% in two years). One in ten (9%) homeowners is not planning to renovate and 16% don't know.

- Regionally, intentions are stable: BC (75%), Alberta (76%), Saskatchewan/Manitoba (77%), Ontario (78%), Quebec (71%), and Atlantic Canada (82%).
- Young and middle-aged adults are more likely than older adults to be renovating: 18-34 (80%), 35-54 (79%), and 55+ (69%)
- And, women are more likely than men to be renovating (79% vs. 73%).

Virtually all (97%) Renovators say they would continue with their home improvement/renovation plans if prices were to decline/level off (64% “definitely” and 34% “probably”). Just 2% say “probably not” and 0% say “definitely not”.

Among all homeowners, three-quarters (74%) would prefer to renovate their current home than to sell and move (26%).

- Regionally, homeowners in Quebec (83%) and Atlantic Canada (82%) are the most likely to prefer to renovate, followed by homeowners in Saskatchewan/Manitoba (75%), Ontario (71%), BC (69%), and Alberta (62%).



Equal proportions of Renovators will be undertaking renovations (79%) and home improvements (81%).

Painting/staining/caulking (51%) tops the list of home improvements, followed by floors (35%), windows (21%), the roof (12%), the driveway (12%), big screen TV (6%), and a hot tub (5%). All other home improvements were mentioned by fewer than 5% of respondents.

The most common renovation undertakings are to the bathroom (33%), landscaping (29%), the kitchen (27%), the basement (26%), the outdoor deck/patio (23%), the bedroom (18%), and a home theatre (6%). All other renovations were mentioned by fewer than 5% of respondents.

Most homeowners are renovating to make their home more attractive (61%). Many are renovating for maintenance (35%), to increase the value of the home (29%), or simply because they enjoy it (30%); and one in ten are renovating to make their home easier to sell (12%) and/or to make more space (11%). All other reasons were cited by 1% of respondents or fewer.

- Interestingly, just 14% of Quebec renovators say they are renovating because they enjoy it.

Many Renovators will work on their project with friends and family. Half (50%) will do the majority of the work themselves, 38% say their spouse/partner will do most of the work, 16% say the family will do it, and 14% say friends will do the majority of the work. Still, more than one-third (37%) will hire a contractor for their renovation project.

- Renovators in Ontario (45%) are the most likely to hire a contractor, followed by renovators in BC (37%), Atlantic Canada (34%), Quebec (30%), Alberta (29%), and Saskatchewan/Manitoba (29%).

As a whole, Renovators expect their projects to cost a mean average of \$4,543. One-third (32%) say they will spend less than \$5,000; 14% say they will spend \$5,000-\$9,999; and 19% say they will spend \$10,000 or more. Notably, a full third (35%) don't know how much it will cost.

### ***Renovators' Financing Intentions***

Nearly all (96%) Renovators will use cash and/or savings to pay for at least some of these renovation costs. Almost half (46%) will pay for the entire project with cash/savings, 25% will pay for most of it this way, and 18% will pay for some of it with cash/savings. Just 4% say they will use no cash or savings for their renovation project.

Of those who won't pay for their entire renovation project with cash/savings, 38% will use a line of credit, 27% will use credit cards, 11% will use a secured line of credit, 10% will use a home equity line of credit, 7% will use a personal loan, and 5% will refinance the mortgage.



One-third (33%) of all homeowners would consider borrowing against the equity in their home to finance a renovation. Forty-five percent would not, and 22% don't know.

- Among Renovators, 36% would consider borrowing against the equity in their home to finance a renovation, 43% would not, and 21% don't know.

### ***Homeowners' Previous Renovation Experiences***

Finally, 70% of homeowners have experienced a renovation in the past two years (30% have not).

- Experience is fairly stable across the regions: BC (70%), Alberta (66%), Saskatchewan/Manitoba (78%), Ontario (68%), Quebec (72%), and Atlantic Canada (75%).

-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.ca](http://www.ipsos.ca). News Releases are available at: <http://www.ipsos-na.com/news/>*