

THE 14TH ANNUAL RBC HOMEOWNERSHIP SURVEY FINDS POSITIVE CANADIAN CONSUMER OUTLOOK & STABLE PURCHASE INTENTIONS

*Mortgage Holdings May Be Rising; Incidence Of Borrowing &
Refinancing Stable*



Ipsos Reid



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Toronto, ON – According to the 14th Annual RBC Homeownership Survey, conducted by Ipsos Reid, most Canadians continue to think purchasing a home is a good investment (90%) and recommended buying now rather than waiting for next year (58% vs. 42%). Moreover, while a majority continues to think rental accommodations will only increase in price (69%), the proportion that think housing process is going up is shrinking (59% today vs. 72% in 2006). Additionally, there is less concern today about interest and/or mortgage rate hikes than this time last year: 51% concerned about interest rate increases vs. 56% in 2006 and 43% think mortgage rates will go up this year vs. 70% in 2006.

Three in ten (28%) Canadians indicate that they are likely to buy a house in the next two years, 9% very likely. These findings are virtually unchanged from the 2006 survey, though there is a directional decrease in the proportion of Albertans likely to buy. Similar to 2006 findings, most are considering a longer-term buying horizon, looking at re-sale (77%), detached (72%) homes, and while bigger homes are still the most popular choice (48%), there appears to be a growing trend towards downsizing (33% today vs. 20% in 2006).

Today two-thirds (63%) of homeowners carry a mortgage, the highest point recorded since tracking began in 1999. Incidence of mortgages follows an expected age pattern and is lower

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among those in the Prairies (52%). On average, Canadian mortgage holders have \$105,557 left to pay, up from \$95,840 last year.

Finally, four in ten (39%) homeowners indicate that they have borrowed against the equity in their home and 28% have refinanced their mortgage in the last 12 months, virtually unchanged from 2006.

These are some of the findings of an Ipsos Reid/RBC online survey conducted from January 18 to 22, 2007. For the study, a representative sample of 2,404 adult Canadians was interviewed by telephone. With a sample of this size, the results are considered accurate to within ± 2.0 percentage points, 19 times out of 20, of what they would have been had the entire adult Canadian population been polled. The margin of error will be larger within regions and for other sub-groupings of the survey population. These data were weighted to ensure the sample's regional and age/sex composition reflects that of the actual Canadian population according to Census data.

Please refer to the data tables and charts for further survey results.

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