

Just 3% of Wealthy Homeowners Come From Affluent Families

Most Credit Hard Work (46%) and Drive to Succeed (27%) as Key Factors in Being Financially Established

Public Release Date: Tuesday May 15, 6:00 a.m.



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Toronto, ON – A new survey conducted by Ipsos Reid on behalf of Royal LePage Realtors finds that just 3% of wealthy homeowners have come from affluent families. Conversely, almost all (93%) wealthy homeowners, with an estimated real estate value of \$500,000 or more, have come from ‘middle class’ backgrounds. Interestingly, 4% these homeowners have risen out of ‘poverty’ and now enjoy the luxury of a home worth at least \$500,000. In fact, many of these affluent homeowners don’t just own one house. Nearly four in ten (36%) claim to have at least two homes, including their primary residence.

And how did these individuals become financially well-established? Nearly half (46%) of these homeowners credit hard work as the key factor that helped in establishing themselves financially. Similarly, three in ten (27%) cite a ‘drive to succeed’ as the key factor for them. Very few Canadians say that they were ‘born into the right family’ (4%), while only 1% of wealthy Canadian homeowners say that it was just plain ‘luck’. What do these results suggest? These results could mean that if you work hard and have a drive and desire to succeed, you too could own a house over \$500,000.

These are the findings of an Ipsos Reid poll conducted on behalf of Royal LePage from April 30 to May 7, 2007. For the survey, a representative randomly selected sample of 249 adult homeowners, whose

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homes have an estimated value of \$500,000 or more, was interviewed online. With a sample of this size, the results are considered accurate to within ± 6.2 percentage points, 19 times out of 20, of what they would have been had the entire adult 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 that the sample's regional and age/sex composition reflects that of the actual Canadian population according to Census data.

Just 3% of Wealthy Homeowners Come from Affluent Families...

While some might think that those who were fortunate enough to come from affluent families would be more likely to be financially successful themselves, the results of the survey show that just 3% of wealthy homeowners, with a primary residence valued at \$500,000 or more, have come from affluent families. It appears as though Canadians have a high propensity to label themselves as coming from the middle class, with almost all (93%) wealthy homeowners indicating that they came from either the 'upper-middle class' (15%), the 'middle class' (48%), or the lower-middle class (31%). Interestingly, 4% of these wealthy homeowners have gone from rags to riches, claiming that they came from a family of 'poverty', but now have at least one home worth \$500,000 or more.

Hard Work Pays Off...

No matter what economic status these affluent homeowners came from, nearly half (46%) credit 'hard work' as the key factor that helped them in establishing themselves financially'. In a similar vein, three in ten (27%) say that it was their 'drive to succeed' that was the key to their financial success. Further, two in ten (18%) maintain that obtaining higher education was the key factor that helped in establishing themselves financially. A small portion of Canadians (5%) believe that their success was by chance.



Just 4% of wealthy homeowners agree that they just happened to be 'born into the right family', while only 1% chalk it up to just plain old 'luck'.

- Success seems to transcend occupation sectors, with homeowners citing a multitude of occupations including: entrepreneur (13%), business/finance executive (10%), medicine (10%), sales (7%), and law (3%). One third (32%) of those surveyed have already put in their life's work and say that they are 'retired'.

Work Hard, and You Could Have More than One Home...

Some Canadians are fortunate enough to own more than one home. In fact, nearly four in ten (36%) wealthy homeowners surveyed say that they have at least two homes. Specifically, one quarter (25%) claim to have two residences, with 6% claiming to have three, 3% claiming to have four homes, and 1% saying that they have five homes. To top it off, 2% of wealthy homeowners surveyed maintain that they have more than five homes.

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