



Ipsos Reid

The 20th Annual RBC Housing Poll

February 2013 (updated March 8)

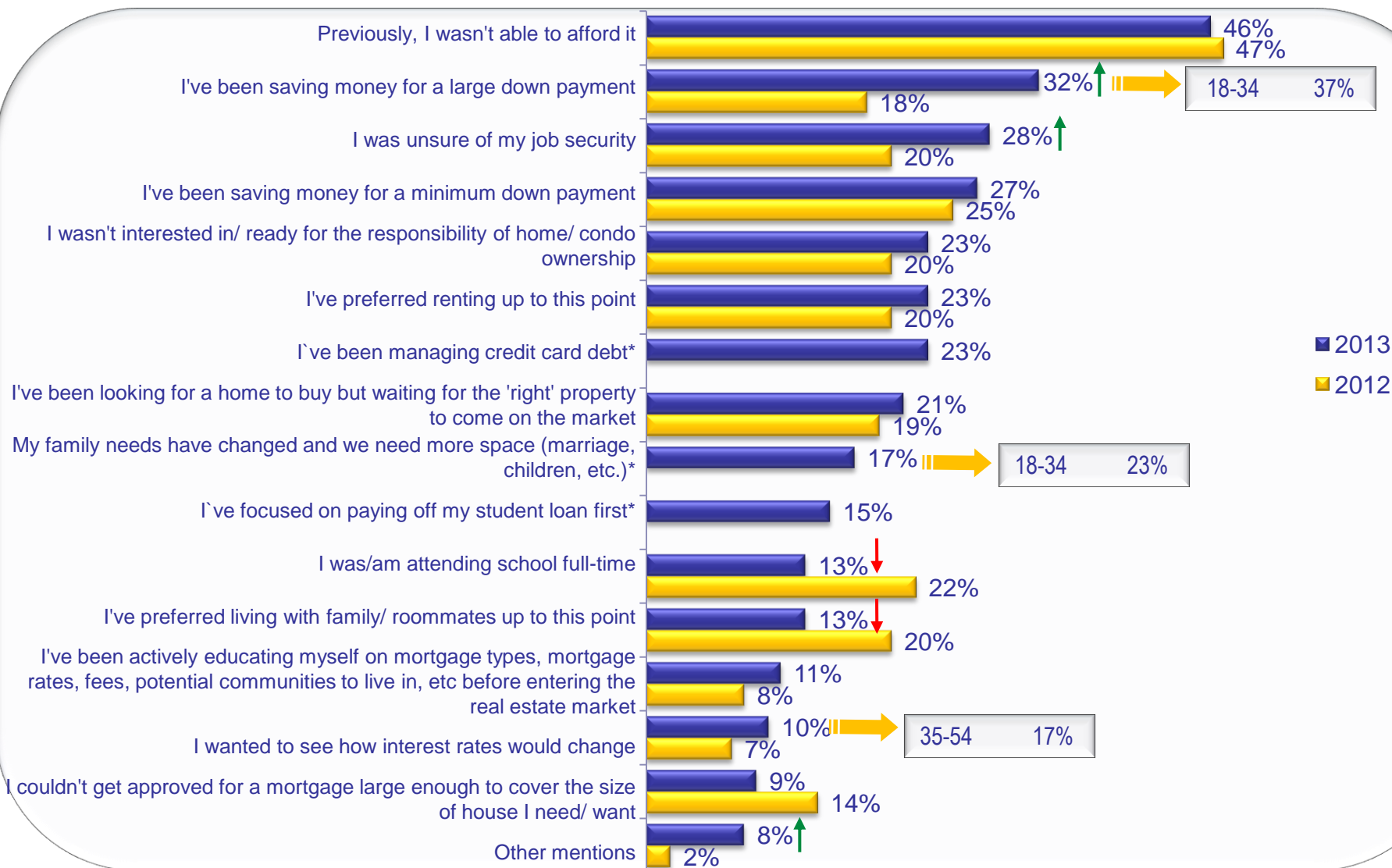


Nobody's Unpredictable

Methodology

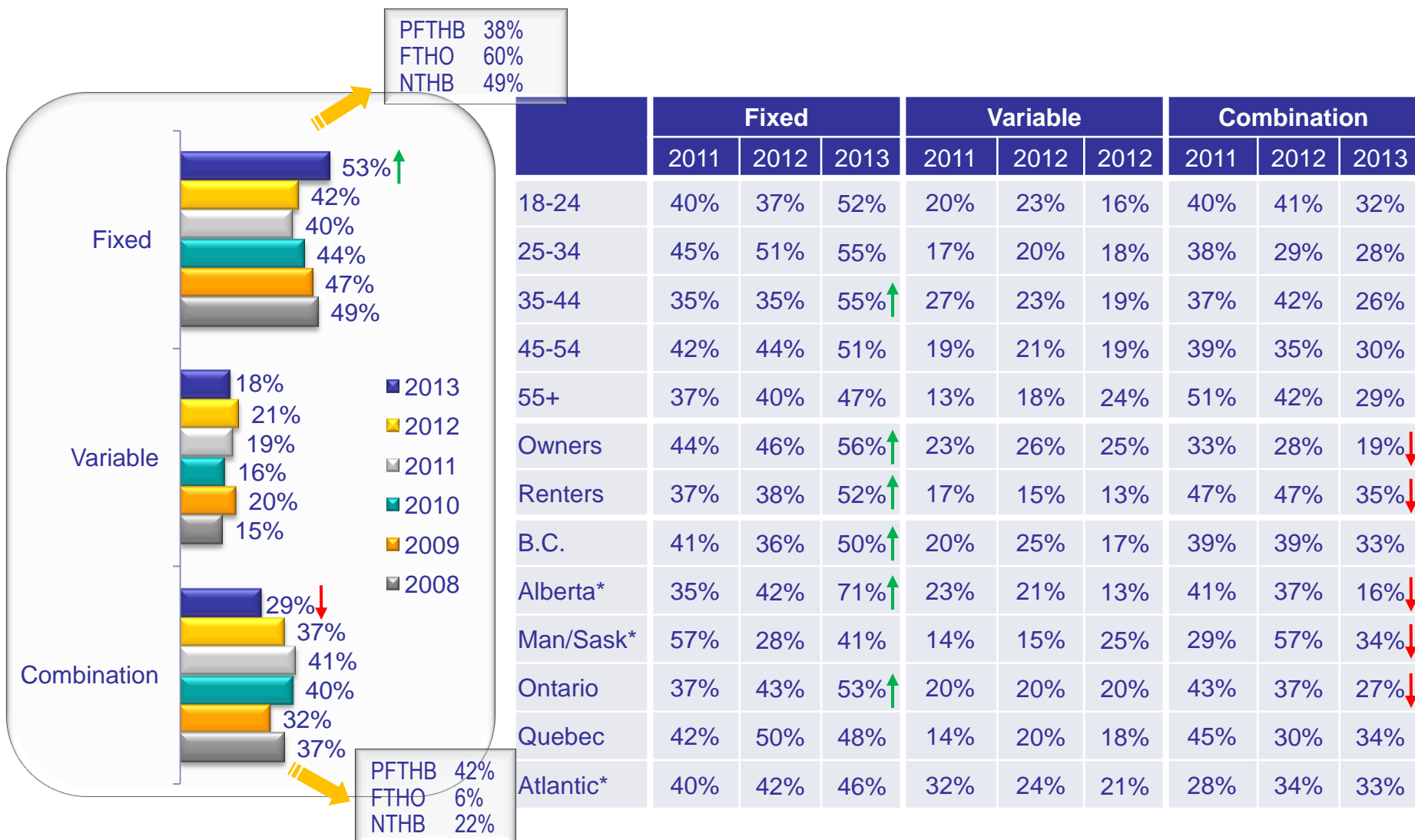
- Online interviews, in English and French, with a random sample of 3005 Canadian adults (aged 18 and over)
- In 2013, oversamples were included in order to have measurable results for the following groups:
 - Pre First Time Home Buyers (PFTHB), n=505 (These respondents anticipate buying their first home within the next 2 years); 153 are included in the Canadian random sample
 - First Time Home Owners (FTHO), n=203 (These respondents bought their first home within the past 2 years); 63 are included in the Canadian random sample
 - Next Time Home Buyers (NTHB), n=277 (These respondents anticipate buying another home within the next 2 years); all are included in the Canadian random sample
- Data collected January 31 – February 8, 2013
 - Data for the general population are weighted to reflect census for random sample. Margin of error ± 3 percentage points, 19 times out of 20, for the general population. Margin of error for subgroups will be larger.
 - Data for TOTAL Pre First Time Home Buyers and First Time Home Owners are unweighted. Margins of error are as follows:
 - Pre First Time Home Buyers ± 4 , 19 times out of 20
 - First Time Home Owners ± 7 , 19 times out of 20
 - Next Time Home Owners ± 6 , 19 times out of 20

Among first time home buyers, 'not being able to afford it' is still the top reason for not buying before now; saving for a down payment and/or fear of losing their jobs have increased in importance



Q8cnew. Why have you not purchased a home before now?
Base: Pre first time home buyers 2013 (n=216); 2012 (n=209) * new statement added in 2013

Fixed rate mortgages are trending upwards; although almost half of PFTHBs say they will take out a combination mortgage, the reality is that very few FTHOs actually did



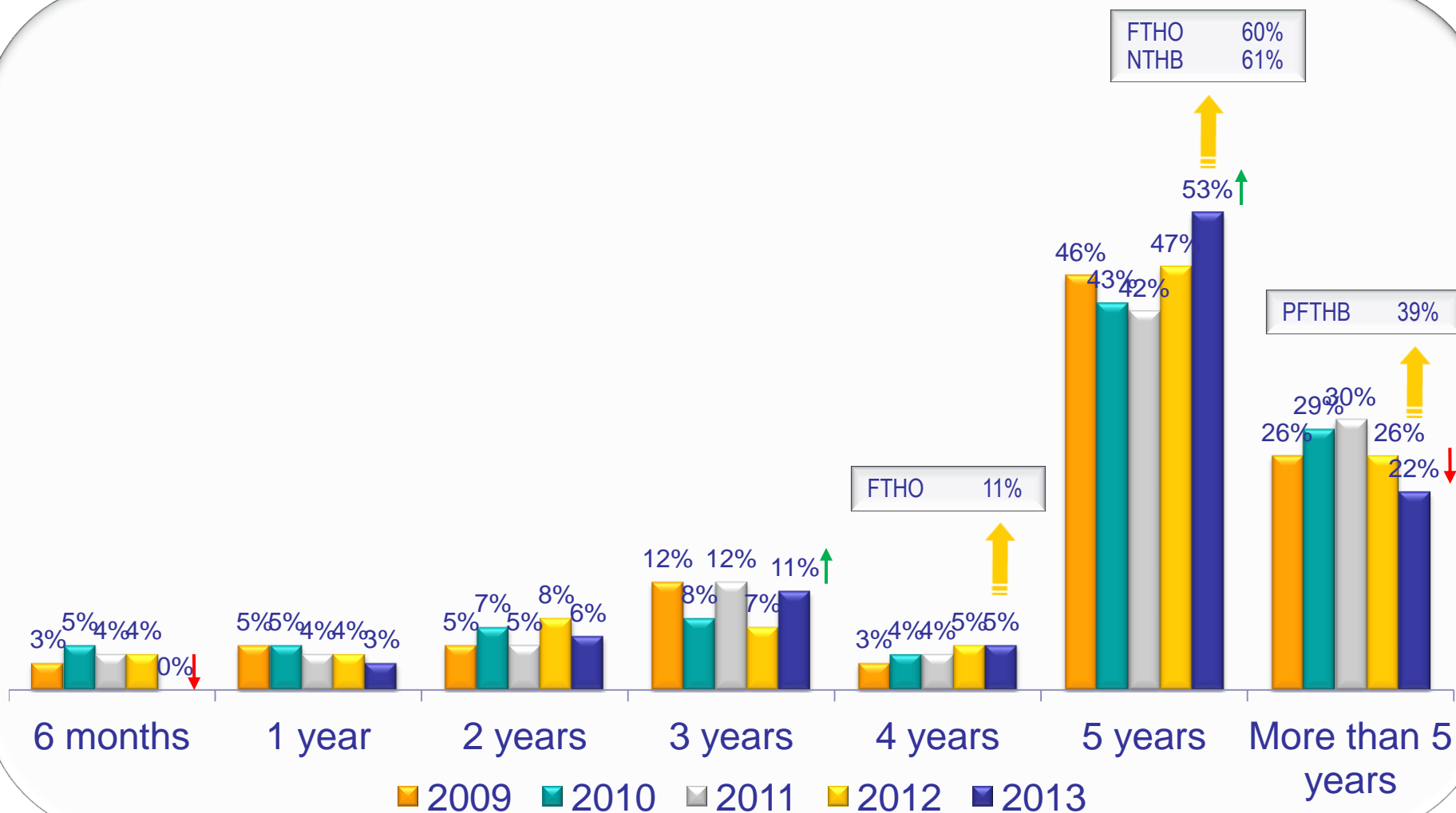
Q14. Do you plan to take out a fixed rate mortgage, a variable rate mortgage, or a combination of both on your new home?

Base: Pre first time home buyers/First time home owners/Next time home buyers 2013 (n=493); Likely to purchase home within next two years: 2012 (n=532); 2011 (n=613);

2010 (n= 624); 2009 (n=496); 2008 (n=692). *Caution Small Base Size

Note: New statement "No Mortgage" was added in 2013. Data shown has been calculated with "No Mortgage" option removed for trackability

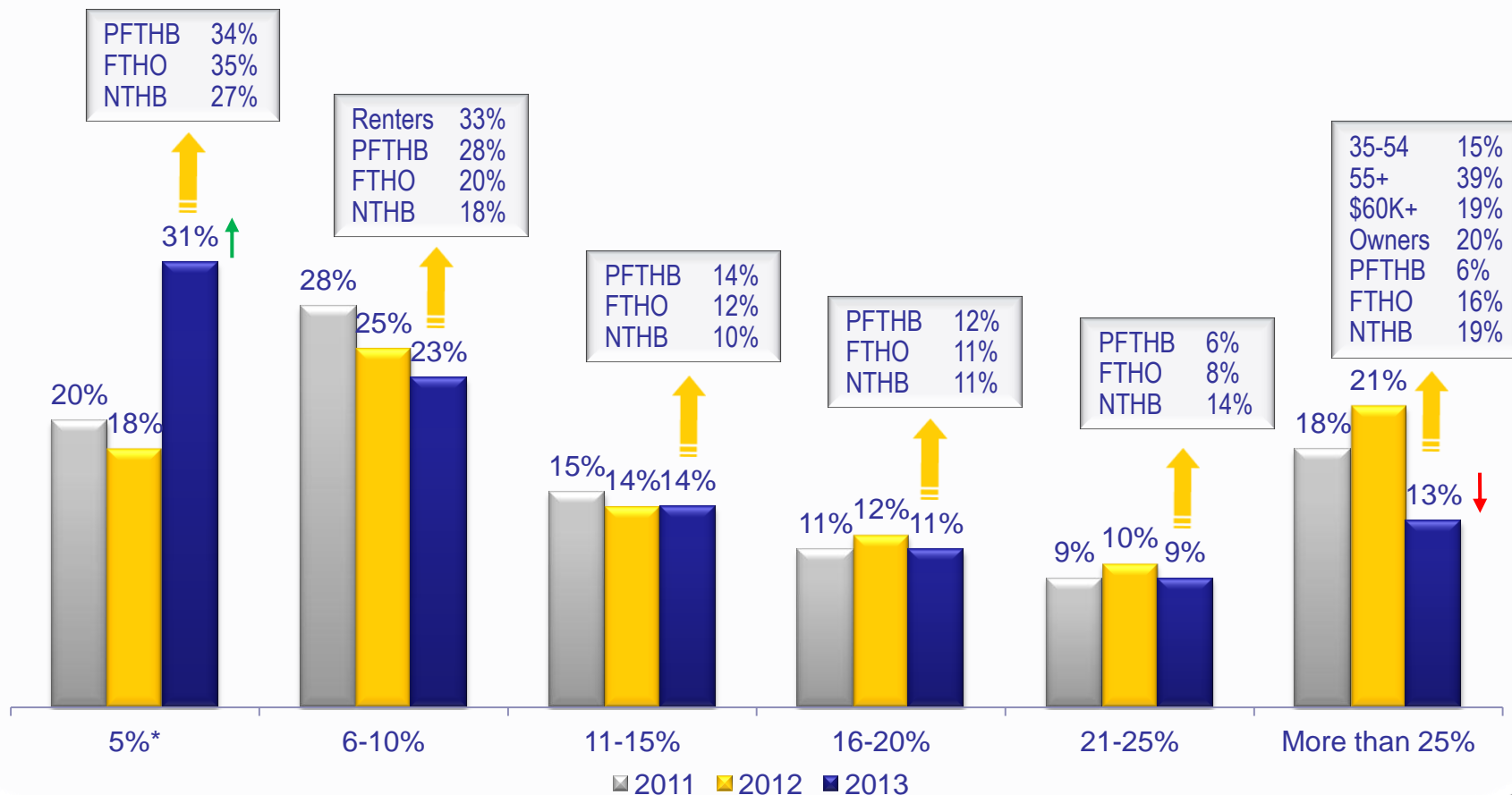
A 5 year term continues to gain in popularity for fixed rate mortgages; PFHBs are more likely than the other groups to be looking even longer term



Q15. What length of term are you most likely to [did you] choose for your fixed rate mortgage?

Base: Pre first time home buyers/First time home owners/Next time home buyers and plan to take out a fixed rate or combination mortgage: 2013 (n=325); 2012 (n=419); 2011 (n=494); 2010 (n= 525); 2009 (n=397); 2008 (n=590); 2007 (n=570); 2006 (n=523)

Almost 1-in-3 anticipated (and actual) down payments in 2013 represent 5% of the home's value



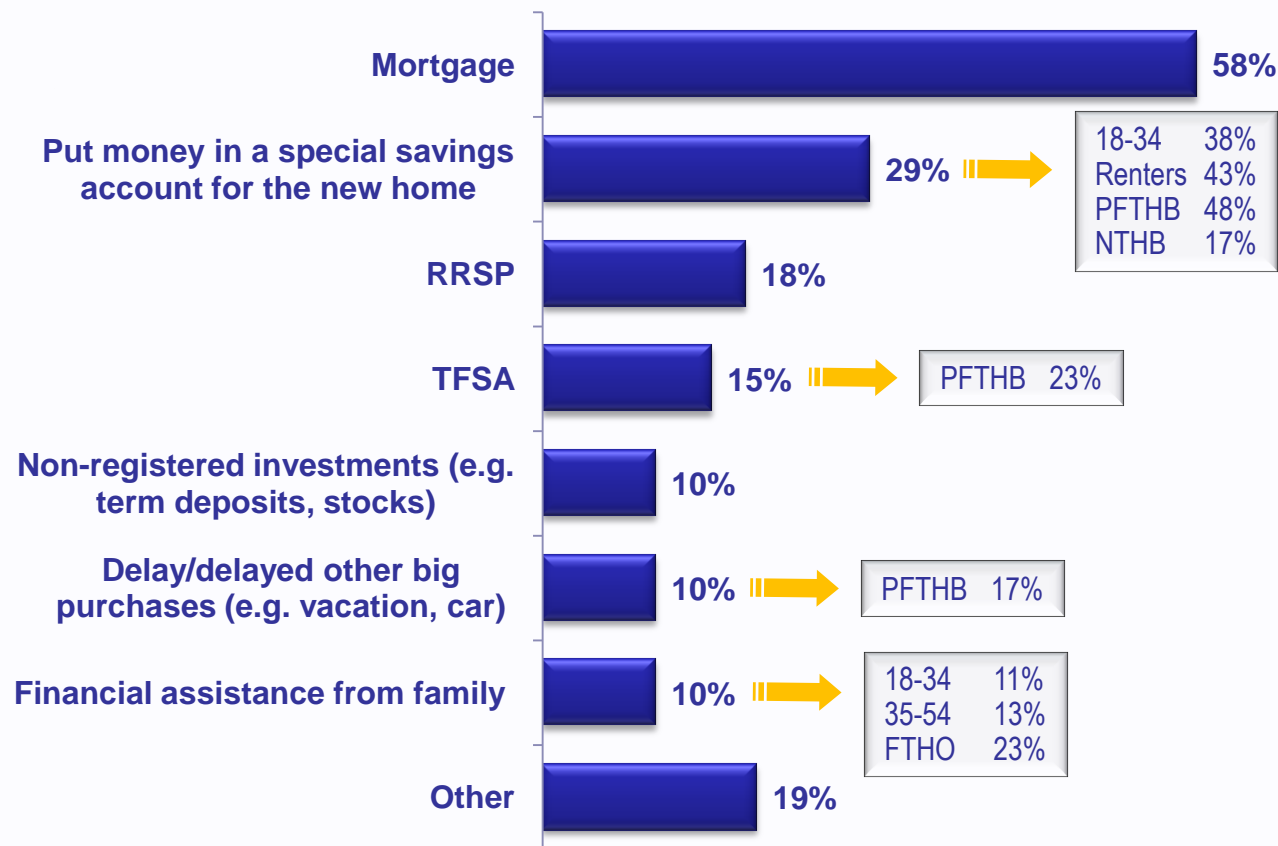
Q17. Approximately, how much of the home's value does [did] this down payment represent?

Base: Pre first time home buyers/First time home owners/Next time home buyers 2013 (n=418); Likely to purchase home within next two years: 2013 (n=418); 2012 (n=532); 2011 (n=613); 2010 (n= 624)

* Prior to 2013, category included 1-5%

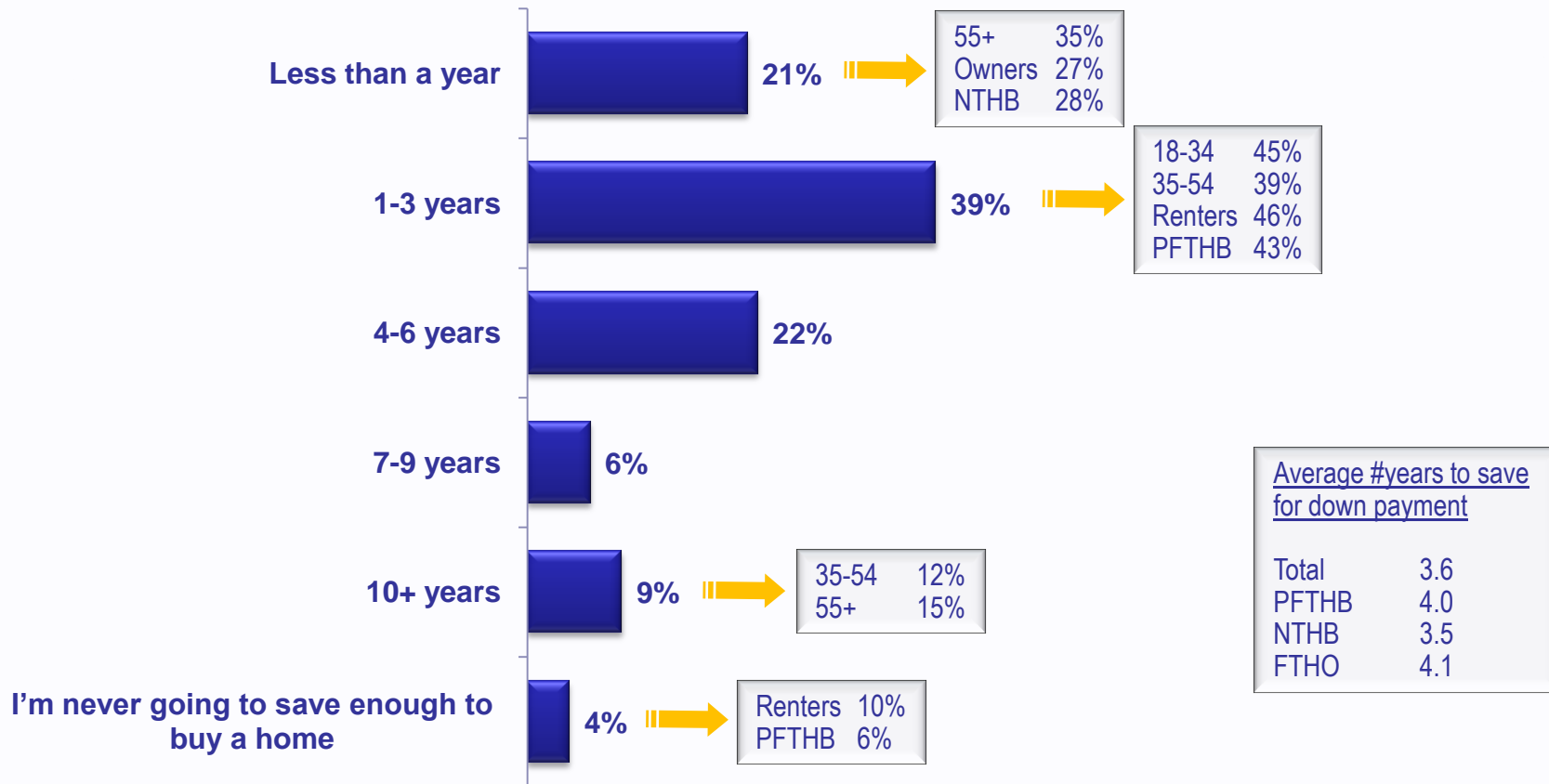


Half of PFTHBs are planning to fund their home purchase by putting money in a special savings account; 1-in-4 of them will use their TFSA; 1-in-4 FTHOs got help from their family



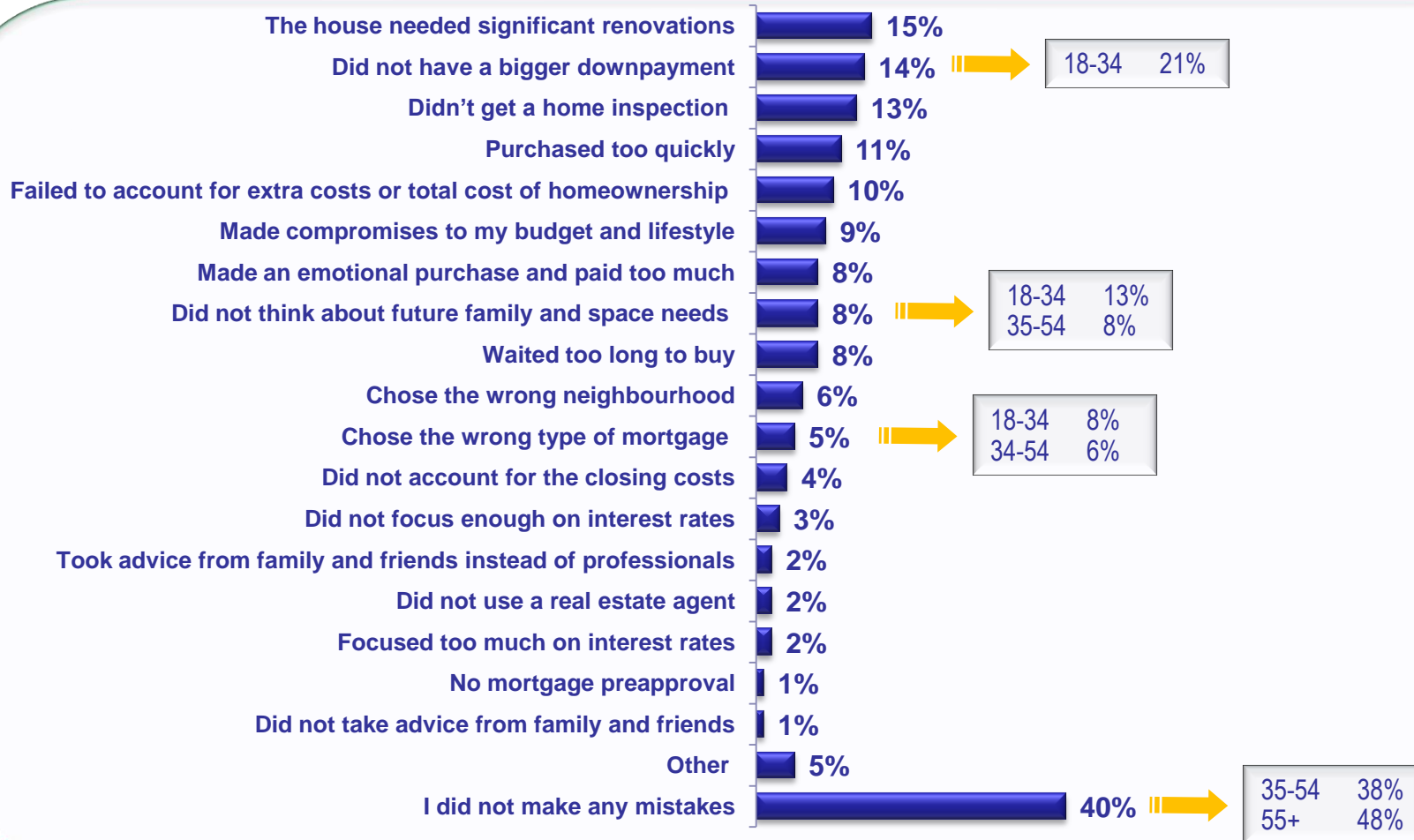
Q17a1new2013. How do you plan to fund your home purchase? How did you fund your last home purchase? Please select all that apply.
Base: PFTHB/FTHO/NTHB (n=493)

6-in-10 say it will take (or took) up to 3 years to save enough for the down payment on their first home; 1-in-10 renters think they will never save enough



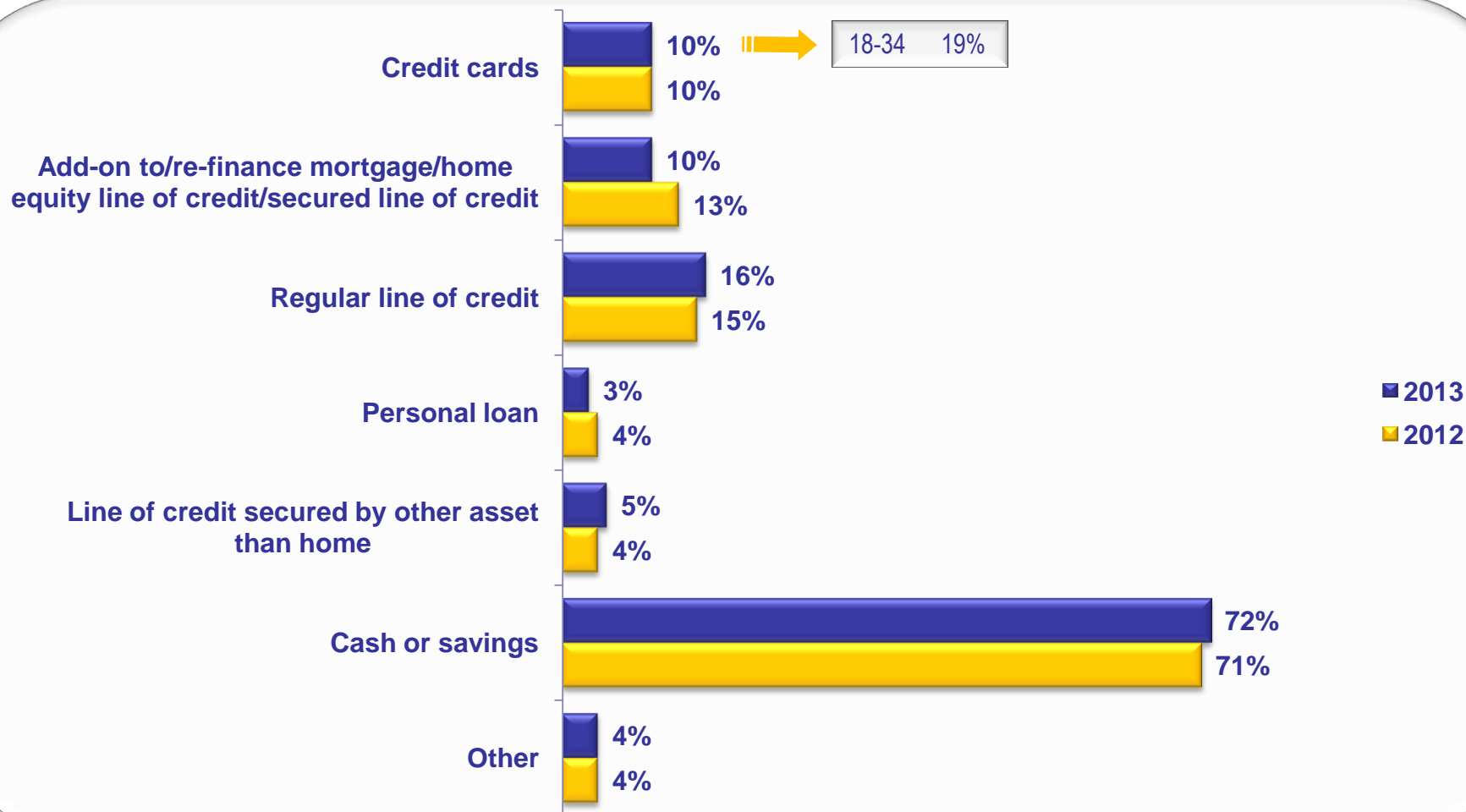
Q17a6new2013. How long will it have taken you to save enough for the down payment for your first home? How long did it take you to save for the down payment for your first home?
Base: PFTHB/FTHO/NTHB (n=493)

4-in-10 homeowners say they did not make any mistakes when they bought their home; 5-in-10 younger homeowners say that not having a bigger down payment was a mistake



Q17b2new2013. The following is a list of mistakes you might feel you made when buying a home. Please select up to three, if applicable, that you feel most apply to you.
Base: Home owners (n=2107)

7-in-10 respondents planning a home improvement plan to finance it with cash or savings; however 2-in-10 18-34 year olds plan to use their credit cards



Q17hnew. How do you plan to finance the cost of these renovations?
Base: Homeowners planning a home improvement: 2013 (n=1226); 2012 (n=826)