



NEWS

RBC SURVEY FINDS ATLANTIC CANADIANS LEAST LIKELY TO PURCHASE HOMES IN THE NEXT TWO YEARS

But overwhelming majority say owning a home is a good investment

HALIFAX, March 4, 2008 — While Atlantic Canadians are the least likely of all Canadians (19 per cent) to purchase a home over the next two years, they are the most likely (90 per cent) to see buying a home as a good investment, according to RBC's 15th Annual Homeownership Survey.

The poll found that homebuying intentions in the region have slipped six per cent from 2007, when 25 per cent of residents in Atlantic Canada stated they were "very likely" or "somewhat likely" to purchase a home. Also falling this year, the percentage of those who said they would "buy now" rather than wait until next year, dropped to 62 per cent from 68 per cent.

"Much like other parts of the country where purchase intentions are cooling, we could see a slip in homebuying this year on the East coast," said Craig Bannon, regional manager, Mortgage Development. "Still, with an overwhelming majority saying that purchasing a home is a sound investment, Atlantic Canadians feel strongly about the long-term value that homeownership can provide."

Among those looking to buy within the next two years, 83 per cent said they will likely purchase a resale home, up 13 per cent from last year. Seventy-five per cent said they would be looking to buy a detached house and 50 per cent of those polled said they plan on buying a larger home than their current residence.

On average, Atlantic Canada homeowners approximate the market value of their homes at \$136,806, well below the national average of \$239,560 but up from last year's average of \$122,378. Homeowners estimate that the average value of their homes has increased by 11 per cent over the last two years.

According to the poll, 15 per cent of Atlantic Canadians who plan to buy a home in the next two years say they will choose a variable rate mortgage, up three percentage point from last year. While fixed rate mortgages remain a popular choice with 42 per cent of respondents planning to lock in their rate, the most popular mortgage option is a combination of both fixed and variable (43 per cent).

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Regional Differences	Nat	BC	AB	SK/MB	ON	QC	AT
Own A Home	64%	64%	65%	73%	67%	51%	74%
Percentage of Homeowners Who Have a Mortgage	62%	62%	62%	47%	63%	66%	57%
Owners and Renters Very Likely to Purchase a Home in the Next Two Years	7%	7%	8%	9%	7%	7%	5%
Believe Mortgage Rates Will Be Higher in One Year's Time	46%	49%	38%	48%	49%	41%	48%
Believe Housing Prices Will Be Higher in One Year's Time	56%	58%	39%	65%	61%	50%	64%
Homebuyers Likely to choose a Fixed Rate Mortgage on their new home	49%	44%	49%	42%	51%	51%	42%
Homebuyers Planning to Purchase a Detached Home	70%	62%	68%	71%	70%	74%	75%
Homebuyers Planning to Buy a Bigger Home	52%	41%	57%	57%	46%	63%	50%
Homebuyers Planning to Buy Resale Home	76%	85%	75%	79%	77%	65%	83%
Homebuyers Planning to Buy a New Home	24%	15%	25%	21%	23%	35%	17%

These are some of the findings of an RBC poll conducted by Ipsos Reid between January 17 and 21, 2008. The online survey is based on a randomly selected representative sample of 3,023 adult Canadians. With a sample of this size, the results are considered accurate to within ± 1.8 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 for residents of Atlantic Canada is ± 6.6 per cent (N=224) and the margin of error for Atlantic Canadian homeowners is ± 7.6 per cent (N=165). The margin of error will be larger for other sub-groupings of the population. These data were statistically weighted to ensure the sample's regional and age/sex composition reflects that of the actual Canadian population according to the 2006 Census data.

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For full tabular results, please see the Ipsos Reid website at www.ipsos.ca.