



NEWS

RBC SURVEY FINDS HOMEBUYING INTENTIONS SLIPPING IN ONTARIO

TORONTO, March 4, 2008 — According to RBC Royal Bank's 15th Annual Homeownership Survey, homebuying intentions in Ontario appear to be cooling. The poll found that seven per cent of Ontarians said they are "very likely" to buy a home, down two per cent from 2007; while those who said they are "somewhat likely" to buy fell from 21 per cent to 14 per cent.

The number of Ontario residents who would "buy now" rather than wait until next year has also slipped, falling 5 percentage points from last year, but remains strong at 57 per cent. While dipping slightly from last year, a majority of Ontarians (88 per cent) continue to believe buying a house or condominium is a "good" or "very good" investment.

"We expect to see some softening in homebuying in Ontario this year, which may be attributed in part, to a rise in home prices and concerns about the economic environment," said Kathy Ellis, sales manager, Builder Development. "But that hasn't deterred many prospective Ontario homebuyers from purchasing in 2008, and an overwhelming majority of Ontarians continue to see good investment potential in owning a home."

Among those looking to buy within the next two years, 77 per cent said they will likely purchase a resale home, and 70 per cent said they would be looking to buy a detached house. Forty-six per cent of those polled said they plan on buying a larger home than their current residence, while 25 per cent said they would be looking for something smaller.

On average, Ontario homeowners approximate the market value of their homes at \$242,262, in line with the national average of \$239,560. Homeowners estimate that the average value of their homes has increased by 16 per cent over the last two years.

According to the poll, 15 per cent of Ontario residents who plan to buy a home in the next two years say they will choose a variable rate mortgage, down a percentage point from last year. Fixed rate mortgages remain the preferred choice with 51 per cent of respondents saying they plan to lock in their rate. Thirty-four per cent said they plan to choose a combination of both fixed and variable.

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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 Ontario is ± 3.0 per cent (N=1,099) and the margin of error for Ontario homeowners is ± 3.5 per cent (N=775). 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.