



RENOVATION INTENTIONS MAY BE COOLING IN ONTARIO

But majority of renovators intend to use the tax credit

TORONTO, October 21, 2009 — A healthy majority (67 per cent) of Ontario homeowners are planning renovations over the next two years, but that number has decreased slightly from 71 per cent last year, according to a new RBC survey.

More Ontarians say they have completed renovation projects this year (62 per cent) compared with 2008. In fact, 63 per cent of renovators in Ontario plan to take advantage of the federal government's home renovation tax credit this year and half (50 per cent) of those who are utilizing the credit have renovated more due to the tax break, according to the RBC study.

"The renovation tax credit may have spurred more Ontarians to renovate this year and could be part of the reason for this cool-down in renovation intentions," said Doug Crowe, vice-president, Mortgages, Greater Toronto Area, RBC. "However, with 67 per cent planning home improvements, we're still going to see a lot of renovation activity in the province."

According to the RBC survey, conducted by Ipsos Reid, Ontario homeowners expect to spend an average of \$12,428 on their home improvements. Of those who plan to finance their renovations, 35 per cent of Ontario homeowners will be using a line of credit, 24 per cent will rely on their credit cards and 18 per cent will add-on to or refinance their mortgage to cover the cost.

Among homeowners who have completed renovation projects in the last two years, the poll found that 71 per cent of respondents in Ontario had a budget for their renovations with 54 per cent going over budget by an average of 25 per cent, the highest in the country.

"Renovating can quickly become expensive with unexpected costs and unrealistic expectations breaking your budget," added Crowe. "By planning ahead with the proper financing options and budget, you can save yourself a lot of headaches later on."

Bathroom and kitchen renovations lead the way as the most popular planned renovation projects in Ontario (38 per cent and 36 per cent, respectively). Among home improvement projects, 50 per cent said they intend to paint and 34 per cent said new floors were on the agenda. Compared with other regions, Ontario homeowners planning to renovate are most likely to enlist the help of a contractor to work on their renovation (40 per cent) while 22 per cent will rely on family and 14 per cent on friends.

Eco-friendly renovation

Three-quarters of Ontario homeowners (74 per cent) would choose an environmentally-friendly approach if it would save money in the long run, even if it costs more now. The majority (68 per cent) believe that 'green' improvements would increase the value of their home, down from 78 per cent in 2008.

Renovation Intentions Among Regions		Average Spend
B.C.	65%	\$10129
Alberta	64%	\$12374
Sask/Man	73%	\$15133
Ontario	67%	\$12428
Quebec	65%	\$ 7734
Atlantic Canada	72%	\$ 12586

These are some of the findings of an RBC poll conducted by Ipsos Reid between September 8 -16, 2009. The online survey is based on a randomly selected representative sample of 3,120 adult Canadian homeowners including 1,192 Ontario residents. With a representative sample of this size, the results are considered accurate to within ± 2.8 percentage points, 19 times out of 20, of what they would have been had the entire Ontario adult population been polled. The sample's composition reflects that of the actual Canadian population according to Census data.

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