



# NEWS

## **RBC FINDS HOMEBUYING INTENTIONS MAY COOL IN MANITOBA AND SASKATCHEWAN**

### **But a majority still think now is the time to buy**

**WINNIPEG, March 4, 2008** —Manitoba and Saskatchewan could see a slowdown in home purchases this year, according to RBC Royal Bank's 15th Annual Homeownership Survey. The poll found that only nine per cent of Manitoba and Saskatchewan residents are "very likely" to buy a home, while those who are "somewhat likely" to buy fell nine percentage points from last year, to 12 per cent.

The number of Manitoba and Saskatchewan residents who would "buy now" rather than wait until next year remains strong at 58 per cent, slipping only one percentage point from last year. In addition, 86 per cent residents from the two provinces continue to believe buying a house or condominium is a "good" or "very good" investment.

"This year, we're seeing some softening in buying intentions in both Manitoba and Saskatchewan, similar to the rest of the country," said Don Peard, vice-president, Mortgage Specialists. "But for those planning to buy a home this year, most won't shy away as people in Manitoba and Saskatchewan remain confident that buying a home is a sound investment."

Among those looking to buy within the next two years, 79 per cent said they will likely purchase a resale home, and 71 per cent said they would be looking to buy a detached house. A majority (57 per cent) of those polled said they plan on buying a larger home than their current residence, while only five per cent said they would be looking for something smaller.

On average, Manitoba and Saskatchewan homeowners approximate the market value of their homes to be \$168,444, well below the national average of \$239,560. Residents estimate that the average value of homes in the two provinces has increased by 33 per cent over the last two years – among the highest percentage increases in the country.

According to the poll, 14 per cent of Manitoba and Saskatchewan residents who plan to buy a home in the next two years say they will choose a variable rate mortgage, down two percentage points 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 (44 per cent) mortgage option is a combination of both fixed and variable.

<b>Regional Differences</b>	<b>Nat</b>	<b>BC</b>	<b>AB</b>	<b>SK/MB</b>	<b>ON</b>	<b>QC</b>	<b>AT</b>
Own A Home	64%	64%	65%	<b>73%</b>	67%	51%	74%
Percentage of Homeowners Who Have a Mortgage	62%	62%	62%	<b>47%</b>	63%	66%	57%
Owners and Renters Very Likely to Purchase a Home in the Next Two Years	7%	7%	8%	<b>9%</b>	7%	7%	5%
Believe Mortgage Rates Will Be Higher in One Year's Time	46%	49%	38%	<b>48%</b>	49%	41%	48%
Believe Housing Prices Will Be Higher in One Year's Time	56%	58%	39%	<b>65%</b>	61%	50%	64%
Homebuyers Likely to choose a Fixed Rate Mortgage on their new home	49%	44%	49%	<b>42%</b>	51%	51%	42%
Homebuyers Planning to Purchase a Detached Home	70%	62%	68%	<b>71%</b>	70%	74%	75%
Homebuyers Planning to Buy a Bigger Home	52%	41%	57%	<b>57%</b>	46%	63%	50%
Homebuyers Planning to Buy Resale Home	76%	85%	75%	<b>79%</b>	77%	65%	83%
Homebuyers Planning to Buy a New Home	24%	15%	25%	<b>21%</b>	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  $\pm 1.8$  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 Manitoba/Saskatchewan is  $\pm 6.4$  per cent (N=235) and the margin of error for Manitoba/Saskatchewan homeowners is  $\pm 7.5$  per cent (N=173). 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.

**For further information contact:**

Jackie Braden, RBC, (416) 974-2124

John Wright, Ipsos Reid, (416) 324-2900

For full tabular results, please see the Ipsos Reid website at [www.ipsos.ca](http://www.ipsos.ca).