



NEWS

RBC SURVEY FINDS MORE QUEBEC RESIDENTS PLAN TO PURCHASE HOMES IN THE NEXT TWO YEARS

MONTREAL, March 4, 2008 — While buying intentions across Canada appear to be cooling, the number of Quebec residents who plan to purchase a home over the next two years has risen to 21 per cent, from 19 per cent in 2007, according to RBC's 15th Annual Homeownership Survey.

“Bucking the trend that we’re seeing in every other region of the country, the pace of homebuying in Quebec may see a slight upturn in 2008,” said Danielle Coutlée, manager, Sales Strategy and Support. “As mortgage rates continue to decline and housing prices start to moderate, more Quebecers may be warming to the idea of homeownership.”

Just less than half (49 per cent) of Quebec residents would “buy now” rather than wait until next year, while a majority (82 per cent) believe buying a house or condominium is a “good” or “very good” investment.

Among those looking to buy within the next two years, 65 per cent said they will likely purchase a resale home, down 13 per cent from last year. Seventy-four per cent said they would be looking to buy a detached house and 63 per cent of those polled said they plan on buying a larger home than their current residence – the largest percentage in the country.

On average, Quebec homeowners approximate the market value of their homes at \$178,537, below the national average of \$239,560. Homeowners estimate that the average value of their homes has increased by 19 per cent over the last two years.

According to the poll, 15 per cent of Quebec residents 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. 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 Quebec is ± 3.5 per cent (N=782) and the margin of error for Quebec homeowners is ± 5.0 per cent (N=379). 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.