



HOME RENOVATION INTENTIONS HIGH IN ONTARIO: RBC POLL

However vast majority anxious about managing household finances

TORONTO, October 27, 2010 — A majority of Ontarians (61 per cent) intend to undertake home renovations within the next two years, a slight drop from 2009 (down six per cent) but consistent with the national average (62 per cent), according to the 2010 RBC Home Renovation Survey.

While renovation planning remains popular in the province, balancing the household budget is a significant concern for Ontario homeowners with 80 per cent noting they are experiencing anxiety over their financial situation.

“Our research consistently indicates that Canadians are focusing on managing their finances and paying down debt, but they are clearly still intent on investing in their homes,” said Doug Crowe, vice-president, Mortgages, Greater Toronto Area, RBC. “Renovations don’t have to break the household budget if you get the right advice before diving into home improvement projects. A financial advisor can help you successfully balance your finances while also investing in what is often your largest asset – your home.”

Many Ontarians believe that staying within a set budget is easier said than done according to the RBC survey. While 68 per cent of homeowners had budgets in mind when completing renovations over the past two years, 51 per cent overspent and of those who exceeded their budgets, one-third (35 per cent) did so by between 11 and 20 per cent. The biggest renovation mistake identified by Ontario homeowners is “going over budget” (29 per cent), followed by “using the wrong contractor or tradespeople” (18 per cent) and “doing the job myself” (13 per cent).

Nevertheless, the majority of Ontario homeowners are now “reno debt” free with 60 per cent saying that they have already paid off the costs associated with renovations completed in the past two years.

Ontarians also indicate they are settled in their homes with almost half (44 per cent) saying they have lived in the same home for more than 10 years and 40 per cent expect to remain in their current homes for more than the next 10 years. Of all the province’s homeowners, a solid majority (60 per cent) responded that they would rather renovate rather than sell and move if their home required major renovations and they had a choice.

2010 RBC Home Renovation Survey – Regional comparisons at-a-glance

| Regional Renovations | Intentions for next 2 yrs. | Completed since 2008 |
|-----------------------------|-----------------------------------|-----------------------------|
| BC | 55% | 59% |
| Alberta | 58% | 61% |
| Saskatchewan/Manitoba | 67% | 75% |
| Ontario | 61% | 68% |
| Quebec | 65% | 66% |
| Atlantic Canada | 63% | 72% |
| National | 62% | 66% |

| Biggest mistake | BC | AB | SK/MB | ON | QB | AC | National |
|---|-----------|-----------|--------------|------------|-----------|-----------|-----------------|
| Going over budget | 31% | 25% | 25% | 29% | 28% | 24% | 28% |
| Using the wrong contractor/tradespeople | 17% | 16% | 17% | 18% | 11% | 14% | 15% |
| Doing the job myself | 14% | 12% | 15% | 13% | 10% | 16% | 10% |

| Overspend | BC | AB | SK/MB | ON | QB | AC | National |
|------------------|-----------|-----------|--------------|------------|-----------|-----------|-----------------|
| 1-10% | 30% | 23% | 28% | 22% | 23% | 28% | 24% |
| 11-20% | 28% | 37% | 39% | 35% | 36% | 38% | 35% |
| 21-30% | 16% | 16% | 16% | 21% | 21% | 20% | 19% |

| Current home | BC | AB | SK/MB | ON | QB | AC | National |
|--|-----------|-----------|--------------|------------|-----------|-----------|-----------------|
| Have lived in more than 10 years | 42% | 41% | 45% | 44% | 50% | 50% | 45% |
| Expecting to remain in more than 10 years | 36% | 37% | 51% | 40% | 58% | 58% | 46% |
| Home over 25 years old | 49% | 48% | 70% | 56% | 63% | 68% | 58% |
| Reno if needed major renovations, rather than sell and move, if had a choice | 57% | 51% | 64% | 60% | 73% | 68% | 63% |

These are some of the findings of an RBC poll conducted by Ipsos Reid between September 17 -22, 2010. The online survey is based on a randomly selected representative sample of 3,565 adult Canadian homeowners including 1,365 Ontario residents. The results are based on a sample where quota sampling and weighting are employed to balance demographics and ensure that the sample's composition reflects that of the actual population according to Census data. Quota samples with weighting from the Ipsos online panel provide results that are intended to approximate a probability sample. An unweighted probability sample of 1,365 Ontario respondents, with 100 per cent response rate, would have an estimated margin of error of ± 5 per cent, 19 times out of 20.

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