



ONTARIO SEES BALANCED HOUSING MARKET, LESS URGENCY TO BUY NOW: RBC POLL

TORONTO, March 9, 2011 — Ontarians (46 per cent) feel that it's a balanced housing market, the highest in the country, according to the 18th annual RBC Home Ownership Study. Only 40 per cent see the current market favoring buyers, a drop of four points over last year and 33 points from 2009.

Ontarians are less interested in purchasing a home over the next two years, as those likely to buy dropped to 28 per cent, with the majority of homebuyers (72 per cent) saying they are not likely to buy a home in the next two years, a rise of six points over 2010. Those intending to buy a home are looking longer term, with four-fifths (80 per cent) planning to purchase in the next 12 to 24 months, the highest rate in the country.

"Ontario's housing market has experienced quite a bit of volatility over the past two years so buyers are being a little more cautious," said Patrick Tremblay, VP Mortgage Specialists, Ontario, Royal Bank of Canada. "Speaking to a mortgage specialist can give you more clarity about what type of mortgage and home options are right for you."

The poll found that Ontarians are still bullish on housing, with half indicating it makes more sense to buy a home this year (56 per cent) rather than waiting until next year (44 per cent), but the gap has narrowed from 2010 (68 per cent versus 32 per cent).

Overall confidence in housing is high in Ontario, as 89 per cent feel that real estate in Canada is a good long term investment, close to the national average. The majority of homeowners (71 per cent) indicate they and their families can weather a downturn in prices and two-thirds (67 per cent) feel the value of their home has increased in the past two years, slightly below the national average of 69 per cent.

Canadians are balanced in preferring larger or smaller homes, as 46 per cent are planning to buy a bigger home, on par with the national average. Alternatively, 54 per cent are planning to buy a smaller or equal size home to the one they currently occupy.

Ontarians indicate they are looking to buy the following types of homes according to the 18th Annual RBC Homeownership Poll:

- Detached house 66 per cent
- Condo/loft 13 per cent
- Semi detached house eight per cent
- Townhouse 10 per cent

Highlights from across Canada:

- **British Columbia:** Interest in buying a home has remained steady in B.C. with 29 per cent of residents likely to buy a home in the next two years. B.C. leads the country in looking to buy a new home (30 per cent) rather than resale (70 per cent) and one third (34 per cent) of British Columbians are most concerned with home prices increasing, the most in Canada.
- **Alberta:** Interest in purchasing a home has declined in Alberta, with one third (33 per cent) saying they are likely to buy in the next two years, down two points from last year (35 per cent). Alberta leads the country in seeing the housing market shifting towards buyers, as 57 per cent say it's a buyers market. Almost one third of home owners in the province (32 per cent) say the value of their home as decreased in the last two years, almost double any other province.
- **Prairies:** Saskatchewan and Manitoba lead the country in believing that it's a sellers market, over 23 per cent higher than any other province. Purchase intentions have remained steady in the Prairies, with 29 per cent indicating they are likely to purchase a home in the next two years, up slightly from 2010 (28 per cent)
- **Quebec:** Quebec leads Canada in planning to buy a bigger home (59 per cent) and feeling that the value of their home has increased in the last two years (86 per cent). Three-quarters (76 per cent) of homebuyers in Quebec intend to buy in the next one to two years.
- **Atlantic Canada:** Almost three quarters of Atlantic Canadians (74 per cent) think it makes more sense to buy now than wait until next year, higher than any other province. Interest in purchasing a home has declined over last year, with 24 per cent saying it is likely they will buy in the next two years, down two points from 2010.

RBC is the largest residential mortgage lender in Canada. As the country's number one source of financial advice on homeownership, RBC conducts consumer surveys as one way to provide insight to Canadians about the marketplace in which they live. These are some of the findings of the RBC's 18th Annual Homeownership poll conducted by Ipsos Reid between January 12 to 17, 2011. The annual online survey tracks Canadians attitudes and behaviours around homebuying and home ownership. It is based on a randomly selected representative sample of 2,103 adult Canadians that was statistically weighted by region, age and sex composition according to the 2006 Census data. The results are considered accurate to within ± 2.2 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 will be larger within regions and for other sub-groupings of the survey population.

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