

# 2012 BMO Housing Confidence Report

## ▶ A Tale of Three Cities

Intentions to buy in the Greater Toronto Area **57%**, Calgary **62%** and Vancouver **53%** within five years are significantly outpacing the national average **46%**

## ▶ Intent by Sensitivity

However, buying intentions drops significantly from 46% to 36% in the event of a 5% increase in house prices

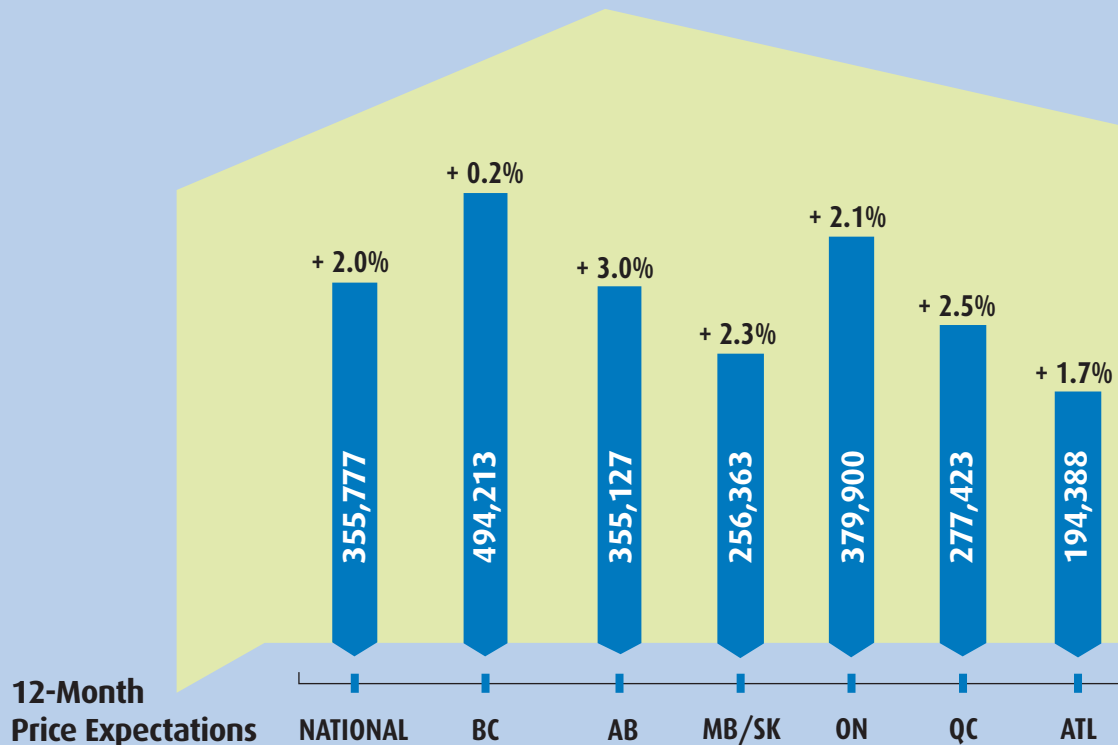
## ▶ Downsizing

Of those intending to buy, one in five, 18%, plan to either downsize to a smaller home or sell their home and 10% plan to move into a rental property, retirement community, or move in with family in the same time period

## ▶ Real Estate Investment

One-in-five, **21%**, plan to purchase an addition property for income, investment, or recreation

“Given that Vancouver is one of the priciest markets in the world, it’s not surprising that many people expect at least some correction,” said Sal Guatieri, Senior Economist, BMO Capital Markets.



12-Month Price Expectations

Homeowners in the GTA expect prices to rise by 2%, while those in Calgary expect a larger increase of 2.4%. However, 27% of Vancouver residents expect prices to decrease in the next year.

## Mortgage Affordability

- Over half, 55%, of all mortgage holders have made cutbacks to spending, while 17% have dipped into savings over the past year to make mortgage payments
- However, while homeowners are nearly unanimous in their view that debt is a serious problem facing Canada, just 19% feel household debt is a serious problem for them