



# VANCOUVER BUYERS

## SECOND MOST CONFIDENT IN NATION

Nearly half of all Canadians - and 58 per cent of those living in the Metro Vancouver region - plan to buy a home in the next five years, signally a "high level of confidence in the housing market", according to a BMO semi-annual report on housing released last week.

"Intent to buy is rising in [Metro Vancouver]," the survey found.

The study also indicates that the increased demand for homes could be linked to better affordability. According to the survey, there was a 10 per cent drop in the number of home owners making spending or saving cutbacks to afford their mortgage payments.

"The improvement in affordability reflects continued income growth

nationwide and softer home prices in a few regions since the summer," said Sal Guatieri, senior economist, BMO Capital Markets. "That said, affordability remains an issue in the detached markets of Vancouver pushing more buyers into the condo market."

This reflects the actual market. The Real Estate Board of Greater Vancouver reports that 1,562 strata homes - apartments and townhomes - sold last month, compared to 1,064 detached houses.

The BMO online survey, done by Pollard Research polled 1,008 Canadians aged 18 years and over at the end of February.

In Vancouver, homeowners expect a

price increase of 1.5 per cent compared to a decrease of 0.6 per cent in the fall. Furthermore, only 15 per cent expect values to drop - down from 27 per cent in the fall.

Not all Canadians are as eager as Vancouverites to buy a home, but only one city, Toronto, ranked higher. Plans to buy decreased in Calgary, where just 39 per cent said they would purchase within the next five years, down from 52 per cent.

Other highlights from the survey:

- Close to half of all home owners under 40 intend to purchase a larger home within the next five years (46 per cent), and are three times more likely to move to a more expensive rather

than a less expensive neighbourhood (24 per cent versus 8 per cent).

- Real Estate Investment: 10 per cent of homeowners plan to buy a recreational property in the next 5 years, down 2 points from last fall. Furthermore, homeowners planning to buy an investment property have declined to 6 per cent from 8 per cent last fall.

**Demand for homeownership is second highest in Metro Vancouver among all major Canadian cities, a new poll says.**