



PRESS RELEASE



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Consumers Support Certification for Mortgage Professionals

TORONTO, Ontario, November 24, 2003 — More than eighty per cent of consumers agree, when asked, that mortgage professionals in Canada should be nationally certified and registered according to results of the fifth annual survey on the shopping behaviours of Canadian mortgage consumers.

The survey completed by the Canadian Institute of Mortgage Brokers and Lenders (CIMBL), is sponsored and managed for CIMBL by Canada Mortgage and Housing Corporation (CMHC).

"CMHC is pleased to be working with Canada's mortgage industry to better understand today's mortgage consumer," noted Karen Kinsley, CMHC President. "This survey provides a unique perspective on consumer perceptions, behaviours and expectations when getting, renewing, or refinancing a mortgage and will help the industry to better meet the mortgage financing needs of Canadians."

Michael Bequette, President of CIMBL added, "This key survey on emerging consumer trends in our industry enables us to respond effectively to our clients' needs. For example, 27 per cent of mortgage consumers arrange a mortgage in their home, either face to face with a mortgage professional or over the phone."

Highlights from the 2003 survey include:

- (1) Among first-time buyers use of the Internet as a source for mortgage-related information jumped to 58 per cent from 44 per cent in 2002.
- (2) Mortgage consumers are remaining loyal to their current lender with more than 60 per cent of homebuyers and nearly 90 per cent of those renewing mortgages staying with their current financial institution when getting or renewing a mortgage.
- (3) Mortgage pre-approvals are also very popular, with 69 per cent of consumers having their mortgage pre-approved before buying a home. While the majority only got one pre-approval, 16 per cent of consumers were pre-approved by two institutions and 14 per cent by three or more.
- (4) Fifty per cent of consumers also obtain other financial products with their mortgage, most notably, lines of credit, credit cards, and life insurance.
- (5) One-quarter of homebuyers rely on mortgage brokers to arrange their mortgage financing. In 2003 mortgage brokers arranged mortgage financing for 26 per cent of home purchases in Canada. The use of mortgage brokers is particularly strong among first-time buyers where 30 per cent report using a broker. Mortgage brokers also arranged financing for 15 per cent of homeowners who refinanced their home.

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The 2003 survey was based on a national probability sample of 1,500 active mortgage consumers comprised of first-time buyers, repeat purchasers, renewers and those refinancing a mortgage. Survey results are accurate to within plus or minus 2.5 percentage points 19 times out of 20.

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