



PRESS RELEASE



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On Average, Households Across Ten Major Centres Spent More Than \$11,000 on Renovations in 2006

OTTAWA, Ontario, June 14, 2007 — Approximately 1.5 million households in 10 major Canadian centres surveyed¹ indicated they completed renovations last year, costing an average of more than \$11,000, according to the new Renovation and Home Purchase Survey² released today by Canada Mortgage and Housing Corporation (CMHC).

“More than \$17.3 billion was spent on renovations last year across the 10 major centres surveyed,” said Bob Dugan, Chief Economist at CMHC. “As well, 46 per cent of homeowners in these 10 centres surveyed indicated that they intend to spend \$1,000 or more on renovations this year.”

The new Renovation and Home Purchase Survey is part of CMHC’s suite of enhanced surveys and analytical reports. The Renovation and Home Purchase Survey reports on actual renovation expenditures made in the previous year, as well as intentions to buy or renovate in 2007 in 10 major centres across Canada³. The new survey enables all market participants to benefit from timely information on renovation market trends.

Close to half (47 per cent) of households reported that the cost of renovations was in line with what they had budgeted. More than a third of households went over their planned budget for the renovation. Twenty-four per cent of households that undertook a renovation project were do-it-yourselfers who hired a contractor for a portion of the work. Slightly more households contracted out the renovation work (40 per cent of respondents) as opposed to doing the work themselves (34 per cent).

The main reason given by households for renovating in 2006 was to update, add value or to prepare to sell the residence (61 per cent). Thirty per cent of respondents stated that the main reason for renovating was that their home needed repairs. The top three renovations completed last year were: remodelling of rooms (34 per cent), painting or wallpapering (32 per cent), and hard surface flooring and wall-to-wall carpeting (32 per cent).

The share of households who spent \$1,000 or more on renovations in 2006 was the largest in St. John’s at 37 per cent, followed by Halifax at 36 per cent, while a smaller proportion of households in Vancouver (30 per cent) undertook renovations last year.

As for renovation intentions across the 10 major centres in 2007, they are strongest in Edmonton and Winnipeg where 51 and 50 per cent of consumers, respectively, indicated they planned to undertake renovations costing \$1,000 or more this year. The share of potential renovators is lowest in Toronto and Vancouver with 43 per cent of households in each centre intending to renovate.

On the home purchasing front, eight per cent of households across the 10 major centres surveyed intend to purchase a home in 2007 that will be used as a primary residence. About half of the households that stated they intend to purchase a home in 2007 are first-time buyers, compared to 40 per cent in 2006. The majority of first-time buyers are between the ages of 25 and 34, with a household income between \$80,000 to about \$100,000.

Home buying intentions are strongest in Calgary where 14 per cent of households reported that they are considering buying a home this year. Purchase intentions are also strong in Edmonton where 11 per cent of households plan to buy, while the share is lowest in Montréal and Québec (6 per cent).

As Canada's national housing agency, Canada Mortgage and Housing Corporation (CMHC) draws on over 60 years of experience to help Canadians access a variety of quality, environmentally sustainable, and affordable homes — homes that will continue to create vibrant and healthy communities and cities across the country.

For more information call 1-800-668-2642.

¹ Ten major centres are: St. John's, Halifax, Québec, Montréal, Ottawa, Toronto, Winnipeg, Calgary, Edmonton, and Vancouver

² The Renovation and Home Purchase survey is an updated and expanded version of the consumer Intentions to Buy or Renovate a Home Survey. The new survey is conducted in selected Canadian centres. It provides information on the most popular renovation projects undertaken and homes purchased in the prior year, as well as, on household intentions to buy or renovate in the upcoming year. Respondents are also asked about motivations or barriers; the type, size and price range of homes; insights about their planned renovations as well as important demographics, income, tenure, and location information.

³ All 10 centres were asked whether they intend to spend more than \$1,000 on renovations in 2007 and whether they intend to buy a home in 2007. More detailed questions on intentions to buy or renovate were asked in Halifax, Montréal, Toronto, Calgary, and Vancouver.

To obtain the free electronic version of the Major Market Highlights report or the detailed data table reports for the individual centres or all centres combined, visit the CMHC website at:

www03.cmhc-schl.gc.ca/b2c/b2c/init.do?language=en

www03.cmhc-schl.gc.ca/b2c/b2c/init.do?language=fr

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Renovation and Home Purchase Survey

	Renovation and home buying activity in 2006			Intentions to buy and renovate in 2007	
	Households that bought a home in 2006 (per cent)	Households that renovated in 2006 (per cent)	Households that spent \$1000 or more on renovations in 2006 (per cent)	Households that intend to buy a home in 2007 (per cent)	Households that intend to spend \$1000 or more on renovations in 2007 (per cent)
St. John's	7	42	37	7	46
Halifax	6	42	36	7	48
Québec	6	38	31	6	45
Montréal	4	42	35	6	47
Ottawa	6	41	35	7	47
Toronto	5	39	33	9	43
Winnipeg	10	42	35	8	50
Calgary	10	36	31	14	47
Edmonton	12	39	33	11	51
Vancouver	6	35	30	8	43
Total	6	39	33	8	46