



The Homeownership Experiences and Expectations of New Immigrants to Canada

December 6, 2007

Background and methodology

- Telephone interviews were conducted by a national pollster between September 17 and October 3, 2007 among 418 residents of Toronto, Vancouver, Montreal, Calgary and Ottawa-Gatineau who have immigrated to Canada within the past ten years.
- The overall results of this study are accurate to within $\pm 4.8\%$, nineteen times out of twenty.

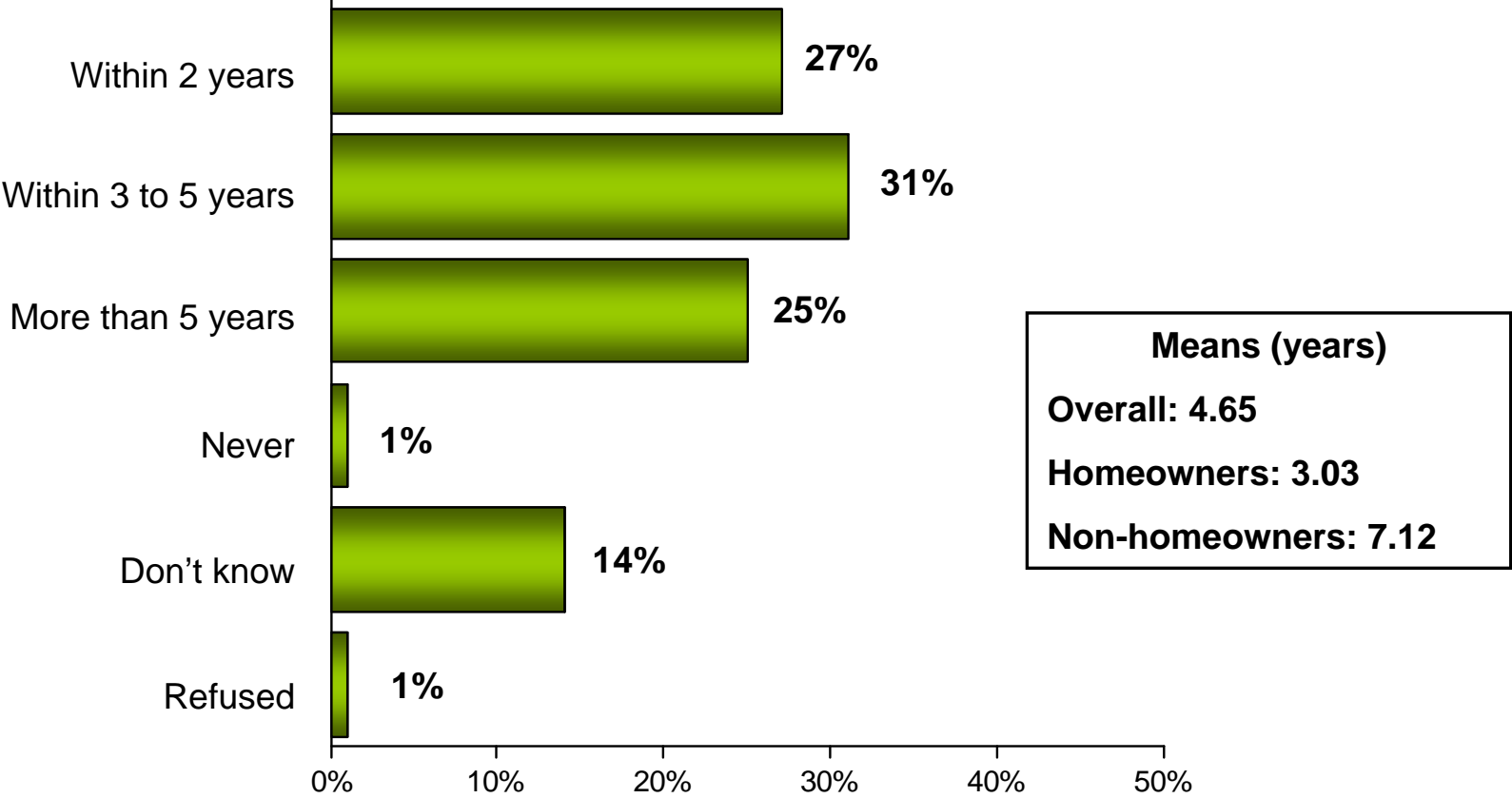
Summary of key findings

- The desire for homeownership among new immigrants is widespread. More than half (52 per cent) of immigrants to Canada purchased a home within three years of arrival.
- Among those who do not own a home 91 per cent say that homeownership is either very or somewhat important.
- Neighbourhood safety, location and price are the most important factors to new immigrants; the least important factor is whether local residents share same ethnic background.

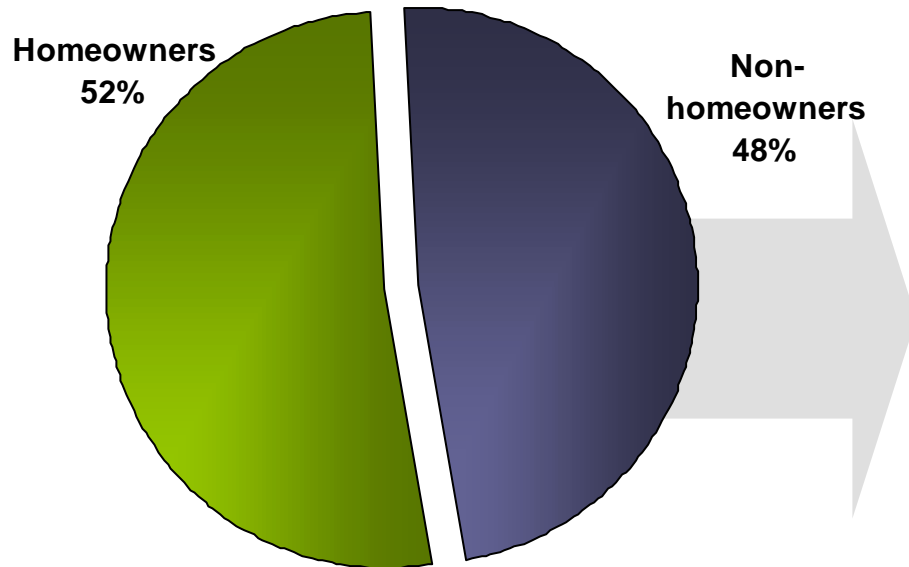
Summary of key findings, cont'd

- Housing costs and down payments are the leading barriers to homeownership for new immigrants.
- The need to establish their credit history in Canada and finding a job in Canada that suits their level of education are also significant barriers.
- Most new immigrants understand that they must establish a credit history in Canada in order to qualify for a mortgage.
- Most appear to be working toward building their credit history in Canada by using credit cards.
- A demand for alternate language financing information exists. 45 per cent of new immigrants indicated that finding information about financing a home in a language they easily understand is important or somewhat important.

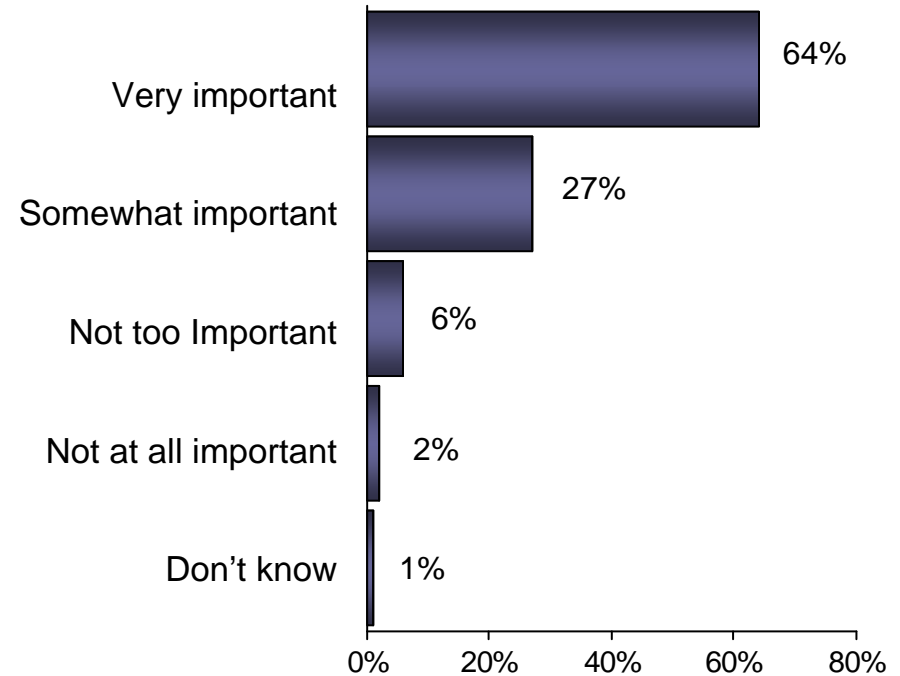
58% of new immigrants purchased or expect to purchase a home within 5 years of arriving in Canada



More than half of new immigrants own homes; almost all non-homeowners see homeownership as important to them and their family

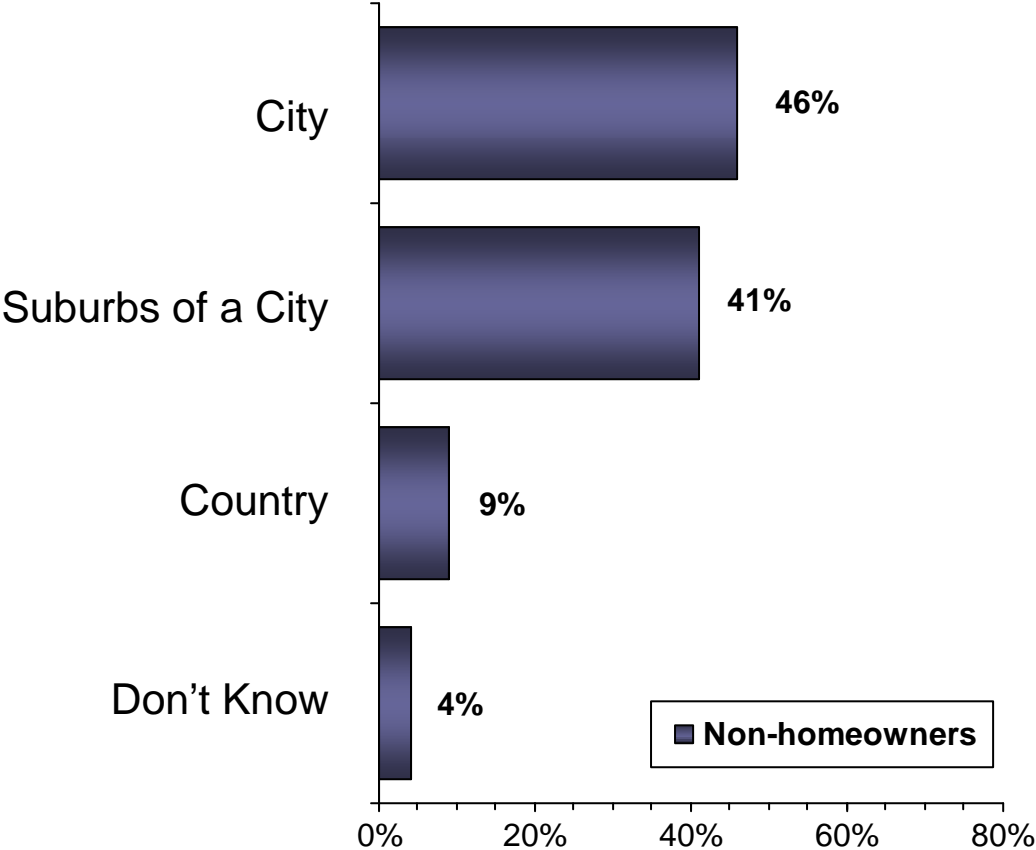


Current homeownership status

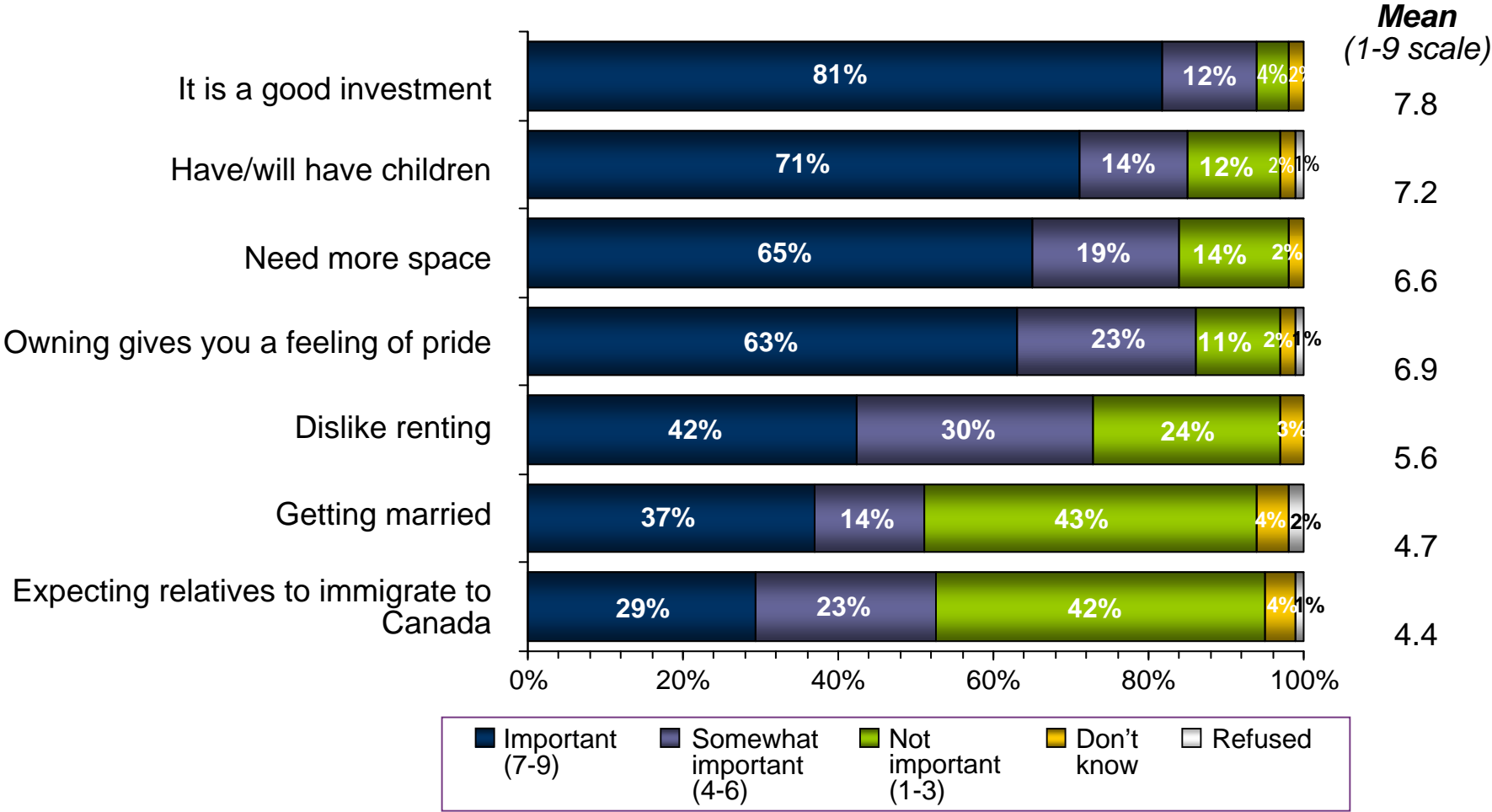


(Non-homeowners) Importance owning home in Canada

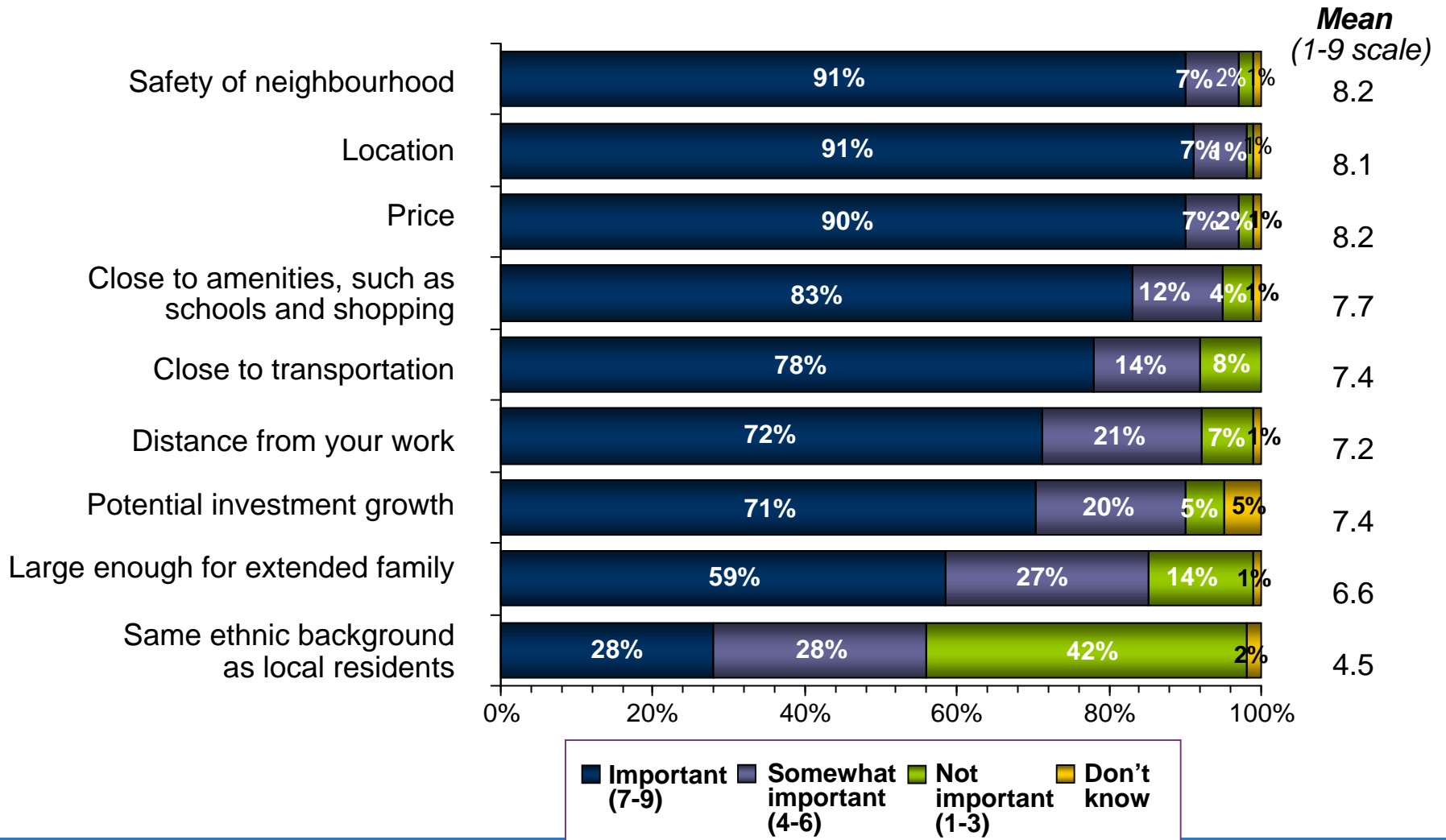
Non-homeowners report being more likely to purchase a home in the city as they are to purchase in the suburbs



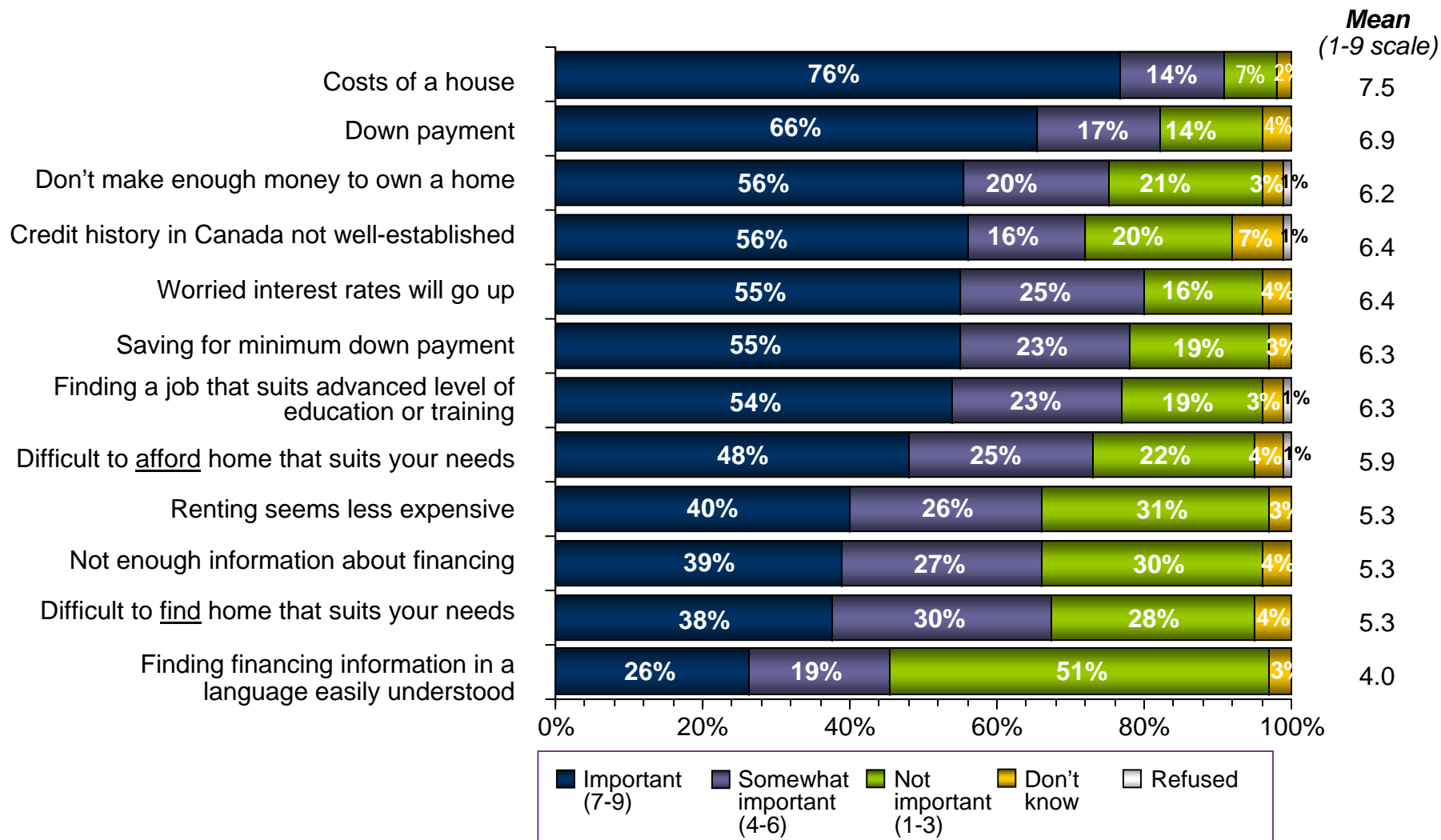
The most compelling reason for new immigrants to buy a home is its investment potential, followed by having or planning to have children



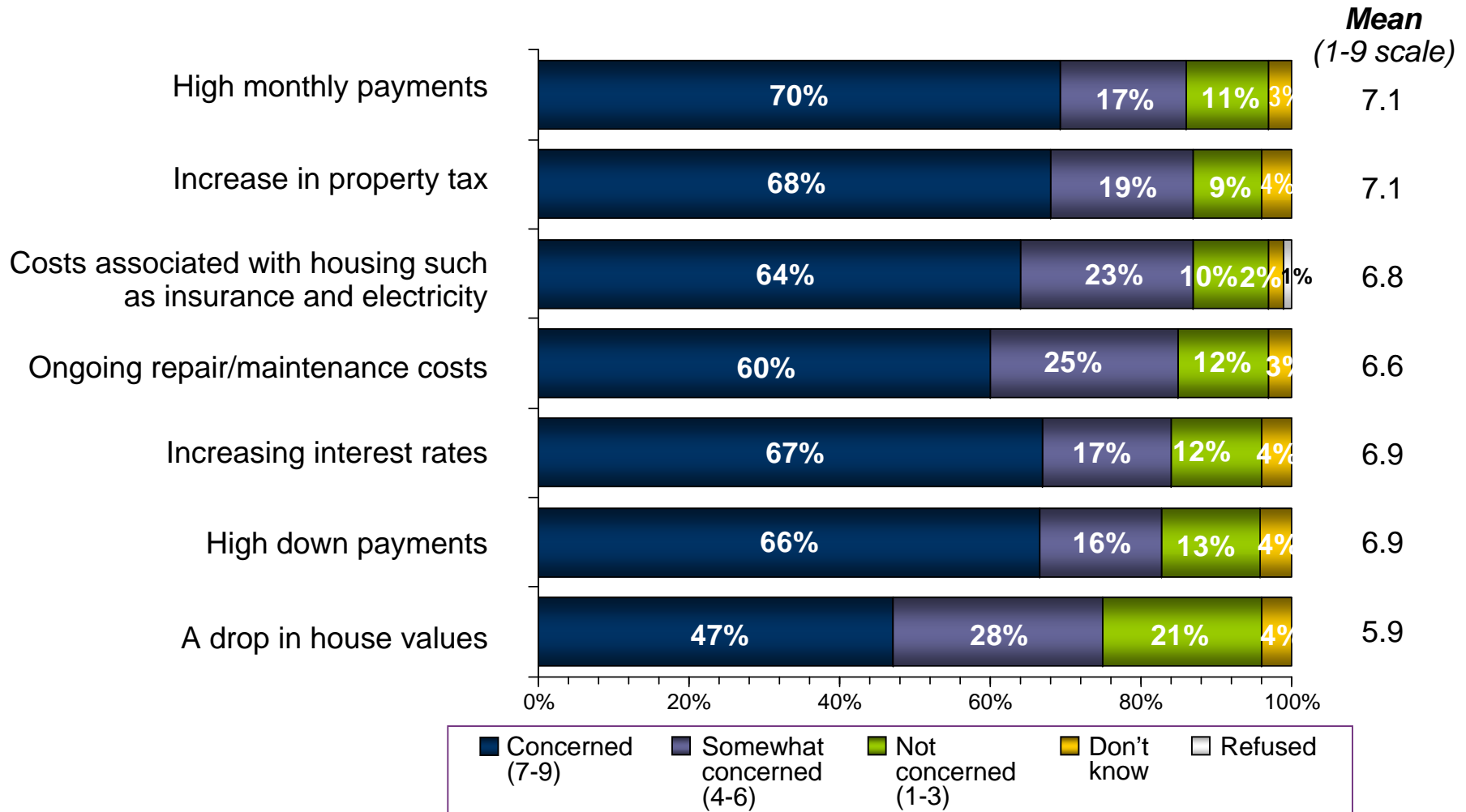
Neighbourhood safety, location, and price are the most important factors considered when buying a home



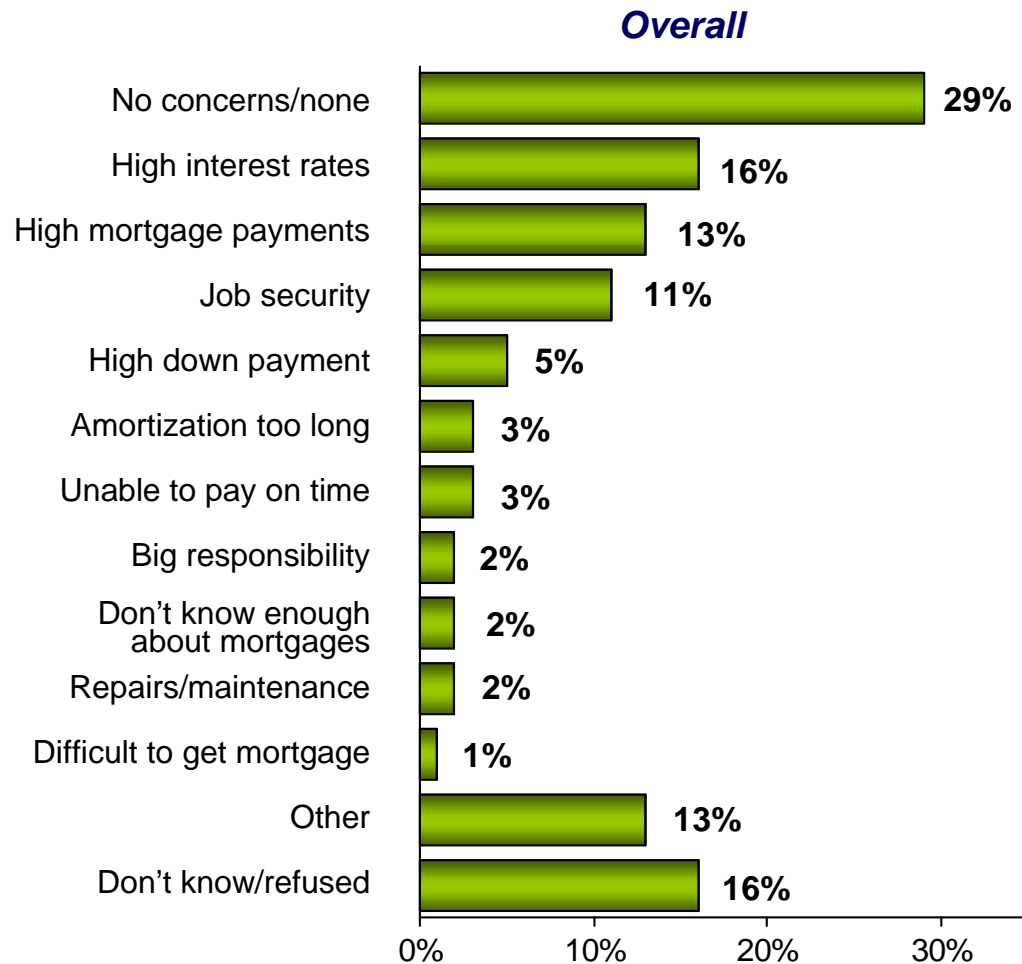
House costs and down payments are the leading barriers to homeownership for new immigrants



High monthly payments is the most significant homeownership concern among new immigrants followed by property tax increases

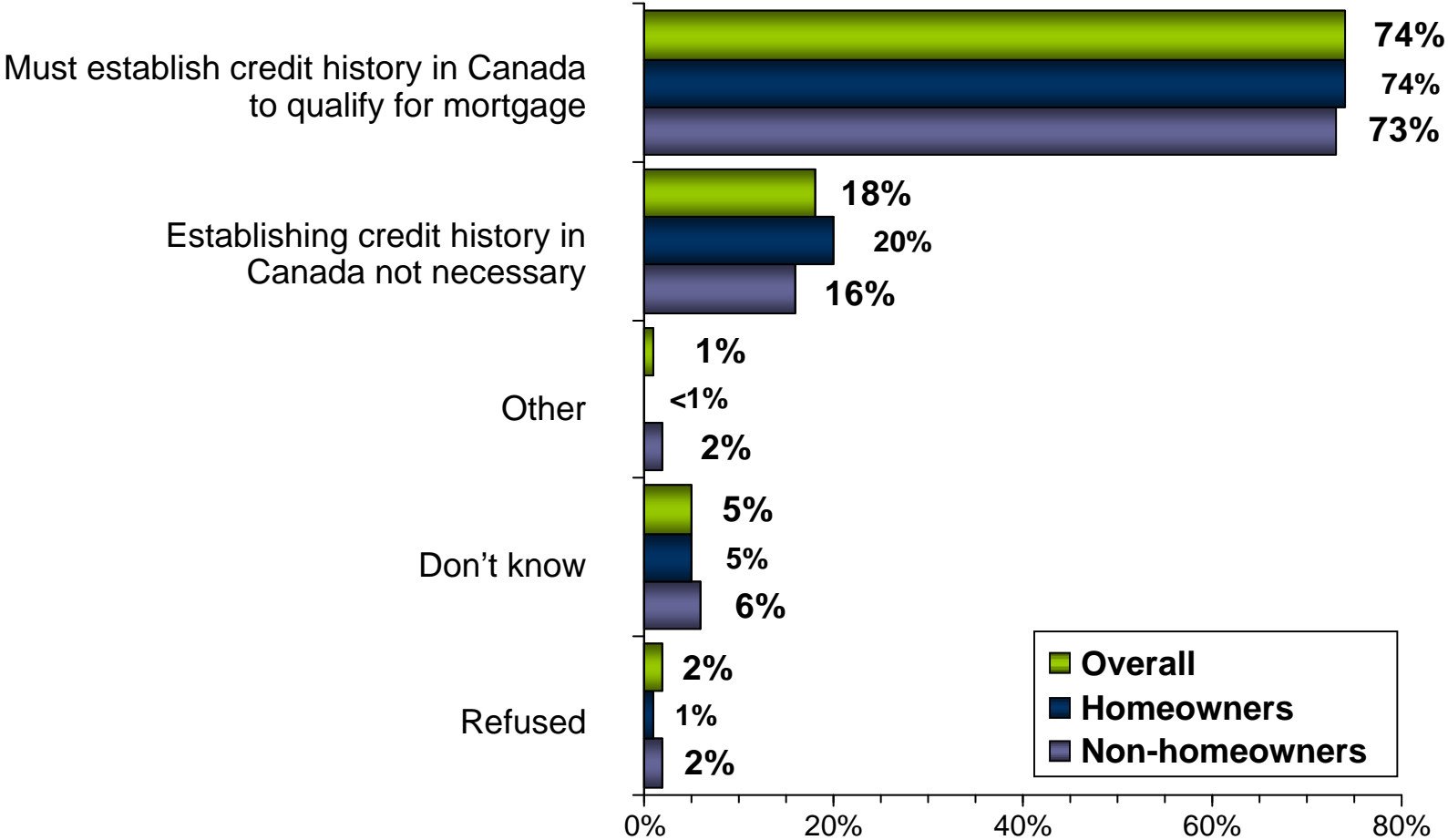


Despite interest rates being low relative to other periods, high interest rates top the list of mortgage concerns among new immigrants

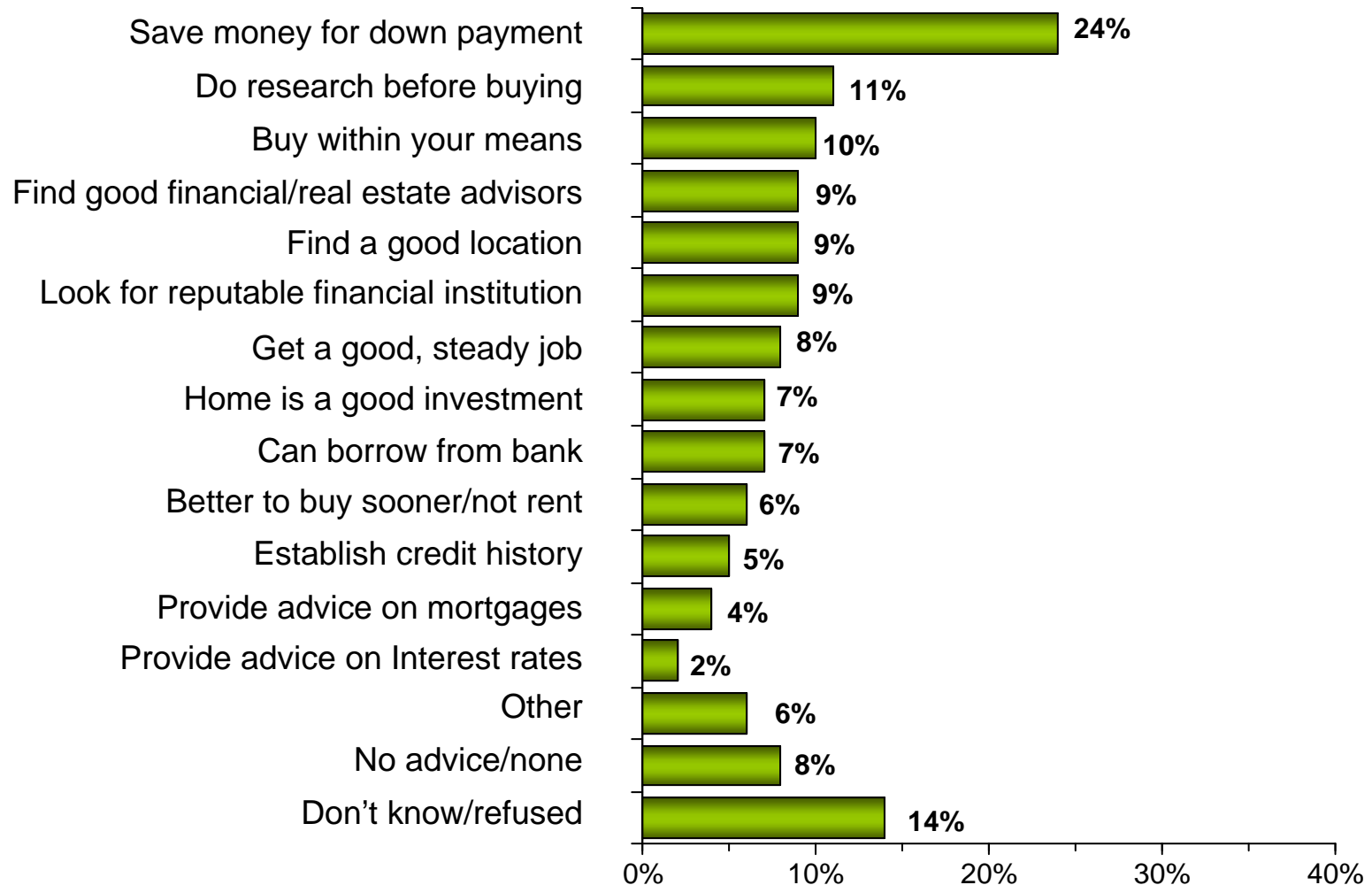


	Non-homeowners	Homeowners
No concerns/none	26%	31%
High interest rates	16%	16%
High mortgage payments	10%	16%
Job security	14%	9%
High down payment	5%	4%
Amortization too long	3%	2%
Unable to pay on time	2%	3%
Big responsibility	<1%	4%
Don't know enough about mortgages	3%	<1%
Repairs/maintenance	3%	<1%
Difficult to get mortgage	2%	<1%
Other	13%	13%
Don't know/refused	15%	16%

Three-quarters of new immigrants understand that an established credit history in Canada is important to qualify for a mortgage, while one-in-five feels this isn't necessary



When asked what advice they would provide to other new immigrants about homeownership financing, homeowners advise saving for the down payment



Six-in-ten new immigrants purchased, or expect to purchase, a home with less than a 20% down payment

