

Quebecers know what they want in their first home and they are determined to get it

-2011 TD Canada Trust First Time Homebuyers Report reveals house-hunting trends-

MONTREAL (June 15, 2011) – First time homebuyers in Quebec have uncompromising taste. In fact, according to the 2011 TD Canada Trust First Time Homebuyers Report, Quebecers are least willing to bend on what they want for virtually every feature of their home compared to the national average. This could be related to the fact that Quebecers plan to stay put in their first home longer than other Canadians. Almost half (46%) plan to stay in their first home for more than 10 years (versus 31% nationally).

The survey also found that many house-hunters are flying solo on the house-hunt. In Quebec, 37% of first time buyers plan to purchase their first home on their own (rather than with a co-purchaser). Nationally, nearly six-in-ten men (57%) will buy on their own, along with 33% of women.

“Buying a home is a very big purchase and it’s great that so many people feel financially equipped to take on the expense independently,” says Linda Dupont, Regional Sales Manager, Personal Credit, TD Canada Trust. “We always recommend that people find a home that they can comfortably afford and this is especially important for people buying a home on their own. Ensure the mortgage you take on allows room in your budget to set some money aside for the future, because should your financial situation change, you are the only person legally responsible for the mortgage.”

While people buying independently don’t have to compromise with anyone about the features, location and type of home they’re looking for, first time buyers may have to make concessions because the perfect home may not exist – or at least not be in their price range. Though the survey found Quebecers to be less compromising than the national average, there were some features that they were more willing to make concessions on than others.

First time homebuyers in Quebec are most likely to say they would not compromise on:

- Price (64% versus 50% nationally)
- Number of bedrooms (50% versus 43% nationally)
- Proximity to work (42% versus 30% nationally)

They are most willing to make concessions about:

- Number of bathrooms (76% versus 71% nationally)
- Proximity to recreational activities (73% versus 82% nationally)
- Proximity to shopping (72% versus 79% nationally)

Buyers looking for a bargain expect to look for a while:

The report found that those Canadian homebuyers who expect to pay more than the list price on a home spend less time looking and view less homes. One-third (31%) of those who are expecting to pay less than asking price will look at more than 10 homes and are almost twice as likely to spend more than a year shopping than those who will pay above asking (17% versus 10%). In Quebec, 21% of first time

buyers look at 1-3 homes, 35% look at 4-6 homes, 23% look at 7-10 homes and 21% look at more than 10 homes. Eighty-five percent spend less than a year house-hunting.

Buyers take in tenants to pay off mortgage faster:

One quarter of Quebecers surveyed (25%) bought or plan to buy a home with a rental unit. Six-in-ten (63%) say they will use the income from the rental property to pay their mortgage off faster. Those who will not be putting the payments towards their mortgage say it will help them live more comfortably (20%) or they'll put it towards savings (17%).

Two-thirds of those planning to buy a home with a rental unit expect it to generate \$500-\$750 per month in rental income (65%). Fifteen percent expect to earn \$750-\$1,000, while fewer (2%) expect to earn more than \$1,000. Seventeen percent expect to generate less than \$500 in extra income each month.

"Taking in a tenant can be an effective way to supplement your income and pay off your mortgage faster," says Dupont. "If you have a rental unit, I'd recommend exploring flexible mortgage options. These products allow you to pay more towards your mortgage when you can afford to and give you the peace of mind of knowing that if something changed financially – for instance your tenant moved out during the same month that your furnace broke down - you could miss payments with no penalty."

Compared to last year, homebuyers doing slightly less homework

Many first time homebuyers in Quebec are doing their homework to prepare for the homebuying process. Quebecers surveyed were most likely to research mortgage options (84%), estimate the cost of heating and water bills (78%), estimate annual maintenance fees (77%) and get pre-approved for a mortgage (77%).

Though a significant number of buyers are still taking steps to prepare themselves, the 2011 TD Canada Trust First Time Homebuyers Report found an over-all trend that not as many buyers as last year were preparing themselves; findings in Quebec kept with this trend. Nationally, steepest declines were in terms of getting pre-approved for a mortgage (76%, down from 91%), speaking to a mortgage lender before shopping (72%, down from 84%) and arranging for a home inspection (67%, down from 85%). First time buyers were also less likely this year to learn about mortgage options (85%, down from 93%), estimate heating, electricity and water bills (78%, down from 85%) and calculate closing costs (77%, down from 88%) in 2011 versus 2010.

"From getting pre-approved for a mortgage to estimating closing costs and hydro bills when you move in, there are many aspects of the homebuying process and homeownership that many first time buyers may not even consider," says Dupont. "A mortgage expert can walk you through the process and prepare you for each step along the way."

There is additional information about the home buying process, including [online mortgage calculators](#) that allow prospective buyers to calculate monthly mortgage payments and compare repayment plans available at www.tdcanadatrust.com. When you know what you can afford, you can narrow your search and shop with more confidence, knowing that the houses you view may fit within your budget.

About the 2011 TD Canada Trust First Time Homebuyers Report

From April 29 to May 16, 2011 results were collected by a custom online survey by Environics Research Group. Data was collected from 1,000 Canadians, including 230 in Quebec, who had either bought their first home in the past 24 months or intend to buy their first home in the next 24 months.

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