

2021 ONTARIO HOME BUYER & SELLER PROFILE

ONTARIO REAL ESTATE ASSOCIATION
(OREA)

Report of Findings

May 20, 2021

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INTRODUCTION

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Methodology



METHODOLOGY

- **Online survey** through the Ipsos I-Say panel among Ontario residents aged 18+.
- The interviews were conducted between **March 1 and March 6, 2021**.
- In the end, we gathered the opinions of **1,421 Ontario residents**, of which 1,186 said they were likely home buyers in the next 12 months and 1,000 said they were likely home sellers in the next 12 months. Overlapping was allowed between the buyer and seller groups, since many both buy and sell.
- The total number of participants (including those who disqualified or dropped out) was **weighted according to Statistics Canada census data by gender, age, and region** to accurately reflect the actual distribution of Ontarians.
- As a result, we believe that the resulting sample paints an accurate sociodemographic portrait of home buyers and sellers in Ontario.



INTERPRETATION OF FINDINGS

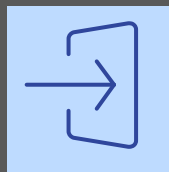
- The precision of Ipsos online polls is measured using a credibility interval. In this case, the polling is considered **accurate to within ± 3.3 percentage points for buyers and ± 3.5 points for sellers**, 19 times out of 20, of what the results would have been, had every adult in Ontario been polled. The credibility interval is wider among sample subsets.

Statistical significance in data tables and charts is indicated with colouring. **Red** indicates that a percentage is **statistically lower** than all other groups, whereas **green** indicates that a percentage is **statistically higher** than all other groups.

- In all cases, groups are compared within subgroups (i.e. age groups are compared to each other, and personas are compared to each other).
- Where relevant and interesting, this year's data will be compared against last year's wave.
- All statistical testing is done at the **95% confidence interval**.
- Figures might not always sum to 100% given rounding.

Selected Profiles of Home Buyers/Sellers

- In addition to age breaks, we would also like to profile three specific groups of home buyers and sellers that could be of interest to real estate professionals.
- These groups are those who are buying for the very first time, those who are already in the housing market and looking to upgrade their home, and those who are looking to exit the housing market.
- Different profiles certainly demonstrate different preferences when it comes to buying or selling a home.



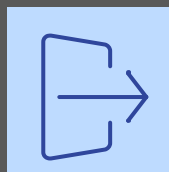
FIRST-TIME HOMEBUYERS

- Defined as those who are buying a home for the first time
- Represent approximately 26% of likely buyers in Ontario
- 56% fall into the 18-34 age group
- Tend to be female (57% of first-time buyers are women)
- 44% are single (never married)



UPGRADERS

- Defined as those who are buying a larger home
- Represent approximately 18% of likely buyers in Ontario
- 49% fall into the 18-34 age group, while 47% fall into 35-54
- On average have at least 1 kid in the household
- 61% are married
- Bigger families, bigger incomes



EXITERS

- Defined as those who are selling their primary residence but are not buying another one
- Represent approximately 11% of likely sellers in Ontario
- 47% fall into the 55+ age group
- More likely to be in Eastern (21%) and Central (11%) Ontario than other groups



SNAPSHOT OF FINDINGS

2

The Difference a Year Makes

What has changed?

As can be expected, **prices have gone up**; buyers expect to pay more, and sellers expect to be able to sell their home for more. The average change in expected purchasing price has increased by \$67,000 from last year and the average change in anticipated selling price has increased by almost \$87,000. As it stands, **the average price that homeowners anticipate selling for is \$663,647**, which is slightly higher than the **\$610,208 that buyers anticipate spending**.

Also as expected, given COVID, **there is weakening interest in buying in downtown cores and urban areas**. Those most likely to still be looking in these densely populated areas are younger buyers, perhaps due to their work situations. However, even among this demographic, interest in buying in urban areas is down over last year. By contrast, **likely buyers aged 55+ have not changed their minds** from last year, further indicating that their decision-making calculus has been less affected by the pandemic.

Though not a problem just yet, there is also a **gradually widening disconnect in terms of the types of homes on the market and the types of homes in demand**. No doubt, detached homes are the most common type of home both for sale and in demand. However, in this move outwards to less densely populated areas, slightly more urban dwellers are selling their condominiums and looking at detached homes. As a result, owners of detached homes realize they have a hot commodity and may be a little less likely to sell, further tightening supply of detached homes and putting upward pressure on prices.

Among sellers, there is also a **small uptick in the proportion saying that favourable market prices are a main motivation for selling a home**; some homeowners would like to cash out now to get the most out of their investment. This is a situation that could favour older sellers, as they are more likely to be listing homes that are in demand now – detached homes in non-urban areas. Given the situation, **sellers of all kinds are also more confident that they will get their asking price**.

What hasn't changed?

Surprisingly, what hasn't changed significantly is the **proportion of likely buyers or sellers**. It may be the case that this has to do with timing – if we had fielded the study 2-3 months into the pandemic, there may have been more uncertainty around buying or selling intentions. However, it seems that **the real estate market has had time to adjust to the pandemic reality**.

Furthermore, the actual size and amenities of the houses on offer is the same. Even with more interest in buying homes in non-urban areas, **likely buyers are not looking for bigger homes on average** (even if there is increased interest in the 2500+ square foot segment), hoping that a modest size can accommodate a home office or have a yard. This points to the possibility that likely buyers are paying more attention to how a home is laid out and space is being used, and more size = more \$\$\$.

Among buyers, any sort of pandemic 'savings' that may have come about from a year of WFH has not translated into buyers putting down larger down payments, which is likely a function of rising prices: **the size of anticipated mortgage and down payment have remained the same from last year**, which is remarkable given the pace of growth. Any extra money Ontario households may have been fortunate to find themselves with may have merely served as a motivation for them to take the plunge into the housing market.



Summary

Buyers

- 19% of Ontarians are at least somewhat likely to buy a home in the next 12 months (holding steady with last year). Among those who are, most (78%) are looking for a primary residence in which to live, while 17% are looking for an investment property and 5% are hunting for a vacation property.
- Who are likely buyers? As can be expected, younger Ontarians are more likely to buy (42% are aged 35-54 and 40% are aged 18-34), given that older ones most likely already have a home (and are not looking to change homes soon). Those in the GTA are also most likely to be buyers (though they may not necessarily be buying in the GTA).
- Reasons for why prospective buyers are choosing to buy now vary, though there are some purchase decisions stemming from the pandemic, as 21% of them want a larger home. For others, they simply want to own a home (20%), they are taking advantage of low mortgage/interest rates (12%), are looking to move closer to family/friends (10%) or are facing changes to life due to the pandemic (9%).
- Lower interest rates have impacted some of the decisions to buy a home in a few ways – primarily, four in ten (40%) indicate they can now have lower monthly payments. This reason is more pronounced among those aged 18-34 who are jumping on the opportunity to purchase and lock in at more affordable rates.
- A strong majority (68%) indicate that the pandemic has not changed where they were looking for a home – this is more pronounced among those 55+ (81%) than those 18-34 (59%). However, the pandemic has changed where those aged 18-34 were looking for a home, as two in ten (20%) were looking at downtown homes, but the pandemic has made them less appealing. This coincides with some of the ways the pandemic has influenced the type of home, including that nearly three in ten (28%) are looking into homes with a yard/more outdoor space.

Summary

Buyers (continued)

- The majority (63%, +3) of homebuyers are most likely to buy a detached home, with smaller proportions likely to buy a town/rowhouse (14%, -1), high-rise condo (8%, -2), semi-detached (9%, unchanged) or low-rise condo (6%, unchanged). Given the new work-from-home reality, it is perhaps not surprising to see interest in detached homes tick slightly upwards, while interest in high-rise condo is slightly dented. Upgraders (75%) are far more likely than first-time homebuyers (50%) to be buying a detached home.
- The average anticipated purchase price of likely homebuyers in Ontario is \$610,208. This is up \$66,941 from the previous wave. First-time homebuyers anticipate spending considerably less, on average, at \$503,964, but still more than last year: first-time homebuyers have increased their anticipated spending by \$49,475 since last year.
- On average, Ontarians anticipate being able to contribute 35% of the purchase price of the home as a down payment. Among first-time homebuyers, the average down payment is 23%. The size of the down payment grows with the age of the buyer, as equity can build over time. Interestingly, only 7% of buyers anticipate putting down less than 10%.
- Given how the housing market has been during the pandemic, the average prospective buyer says that they have either been searching or anticipate searching for 13 weeks on average, down from 18 weeks from the previous wave. It looks as though buyers believe they'll be able to find a new home considerably faster than before.

Summary

Sellers

- 18% of Ontarians are at least somewhat likely to sell in the next 12 months, holding steady since last year and continuing the tight supply of inventory seen in the past 12 months. Among those who are considering a sale, most (81%) are selling their primary residence, while 13% are selling an investment property, and 5% a vacation property.
- Given the pandemic and the current housing market, the leading factors impacting the timing of their home sale is that prices are favourable for selling (19%). Additional factors behind the home sale is timing is right (19%), family reasons (17%), or downsizing (14%). Boomers specifically are looking to cash in on their investment.
- Who are likely sellers? Of those who say they are likely to list their home in the next 12 months, 42% fall between the ages of 35-54. Younger and older Ontarians are equally likely to list. (31% and 27%, respectively). While the GTA remains a popular place for house listings, nearly a quarter (23%) of sellers live in the Southwestern Ontario region.
- Roughly two in three (62%, -4) sellers will be selling a detached home, while 13% (-1) will sell a town/rowhouse. Slightly more will be selling a high-rise condo (11%, +2), semi-detached (10%, +3) or low-rise condo (4%, +1). Both the increased interest in detached homes and weakening supply on the market could put upward pressure on prices for these most sought-after type of homes.

Summary

Sellers (continued)

- One quarter (25%) will be selling a downtown/urban home, while four in ten (42%) will sell a suburban home. Fewer Ontarians looking to sell say their home is in a small city/town (22%) or rural locale (11%). This follows the trend of buyers wanting to purchase more outdoor/yard space.
- The average price that homeowners anticipate selling for is \$663,647, which is slightly higher than the \$610,208 that buyers anticipate spending. The anticipated selling price is up \$86,955 from the previous wave. 17% of the homes being sold are anticipated to be sold for over \$1,000,000.
- Nearly two in ten (27%) of sellers say they are not willing to accept an offer below their asking price in order to close the deal – rising to 37% among sellers aged 55+, who may be looking to get the best price in the market right now. Given the current real estate market, it's not too surprising that most sellers are confident that they'll get their anticipated selling price.
- Sellers think it will take 5.1 weeks for their home to sell, which is down from 6.5 weeks from the previous wave. Exiters think they'll have their house sold more quickly (4.4 weeks), whereas upgraders think it may take a bit more time (4.9 weeks). This is perhaps because upgraders are looking to find the best price for their home.

Summary

REALTORS® for Selling

- Most (88%) say they will use a REALTOR® to help them sell their home. REALTORS® working hard to retain former clients is key, as half say they are using the same agent as last time. This repeat business is most likely to come from younger sellers, most likely because they tend to stay in a home for a shorter period of time, or they could have made connections when they purchased their first property. By comparison, only 37% of older sellers are using the same agent.
- The most common reason for non-repeat business is due to moving. Given that older buyers tend to move further away than other age groups, it is not surprising to see this reason among the top explanations for non-repeat business. On the other hand, young sellers have more stringent expectations when it comes to working with the same REALTOR®. Younger sellers are more likely to say they won't work with the same REALTOR® because of not getting enough money for their home, managing the selling process poorly, or they overpromised services and didn't deliver.
- One of the main reasons why likely sellers might choose not to use a REALTOR® is due to cost. This is particularly a reason for older sellers compared to younger sellers. Likely sellers aged 35-54 are most inclined to say that they can get by with online resources, more so than younger sellers. These middle-aged sellers may be feeling brave having previous experience selling a home.
- When it comes to importance services a REALTOR® can offer, older sellers place importance on marketing the home to buyers and finding buyers for the home. On the other hand, younger sellers tend to think preparing the home for selling is key.

Summary

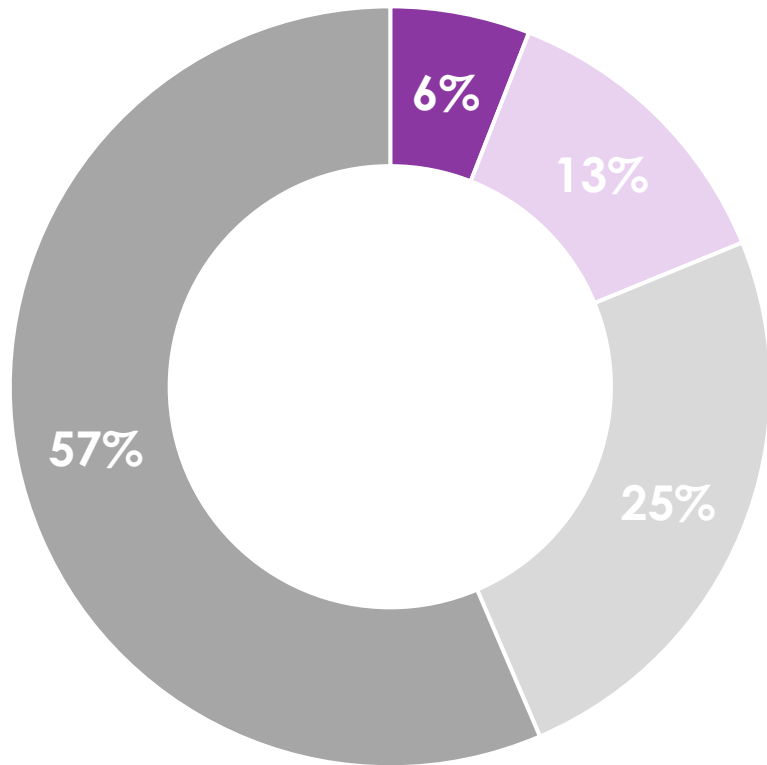
REALTORS® for Buying

- Just 11% of prospective buyers say they won't use a REALTOR® to help them through the home buying process. Among those likely to buy a home, 71% have already actively started searching for a home. Upgraders are also more likely (80%) than first-time homebuyers (68%) to say they've actively started searching for their home.
- Home buyers of all ages find value in using the services of a REALTOR®. Notably, they are using REALTORS® for assistance with the paperwork, navigating the process, and help save time. For both first-time buyer or one with experience, guidance with paperwork and process are two often cited reasons for using a REALTOR®.
- Among buyers who will not use a REALTOR®, younger people believe they can navigate the process of buying without a REALTOR® even though they do not have much previous experience. On the other hand, buyers aged 55+ will rely on their experience to help them through the process without a REALTOR®. Those aged 35-54 don't want to use an agent purely for the reason of saving money.
- The top three traits for a real estate professional are: trustworthy, has experience, and is a skilled negotiator. Older buyer's top trait is trustworthiness, but they also value local market knowledge, which is perhaps even more important given that people appear to be moving further afield. On the other hand, younger buyers are less likely to cite trustworthiness, and place more value negotiating skills and experience.

BUYERS

3

Likelihood of Buying a Home in Next Year



19%

Very/somewhat
likely to buy
2020: 19%

81%

Very/somewhat
unlikely to buy

- Even a global pandemic has not dampened home buying intentions across Ontario.
- Remarkably stable from last year, demonstrating the strength and resilience of the market throughout the pandemic, 19% of Ontarians are considering the purchase of a house in the next twelve months.
- Of that, 6% say they are 'very likely' to buy a home in the next year, while the remaining 13% say they are 'somewhat likely'.

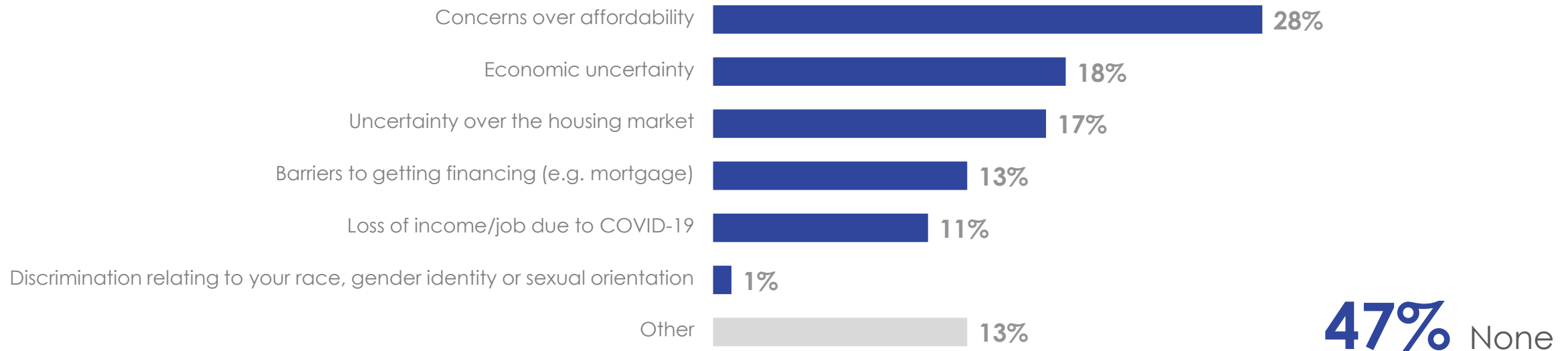
Who are likely buyers?

While 19% of the general Ontario population says they are likely to buy a home in the next 12 months, who are they?

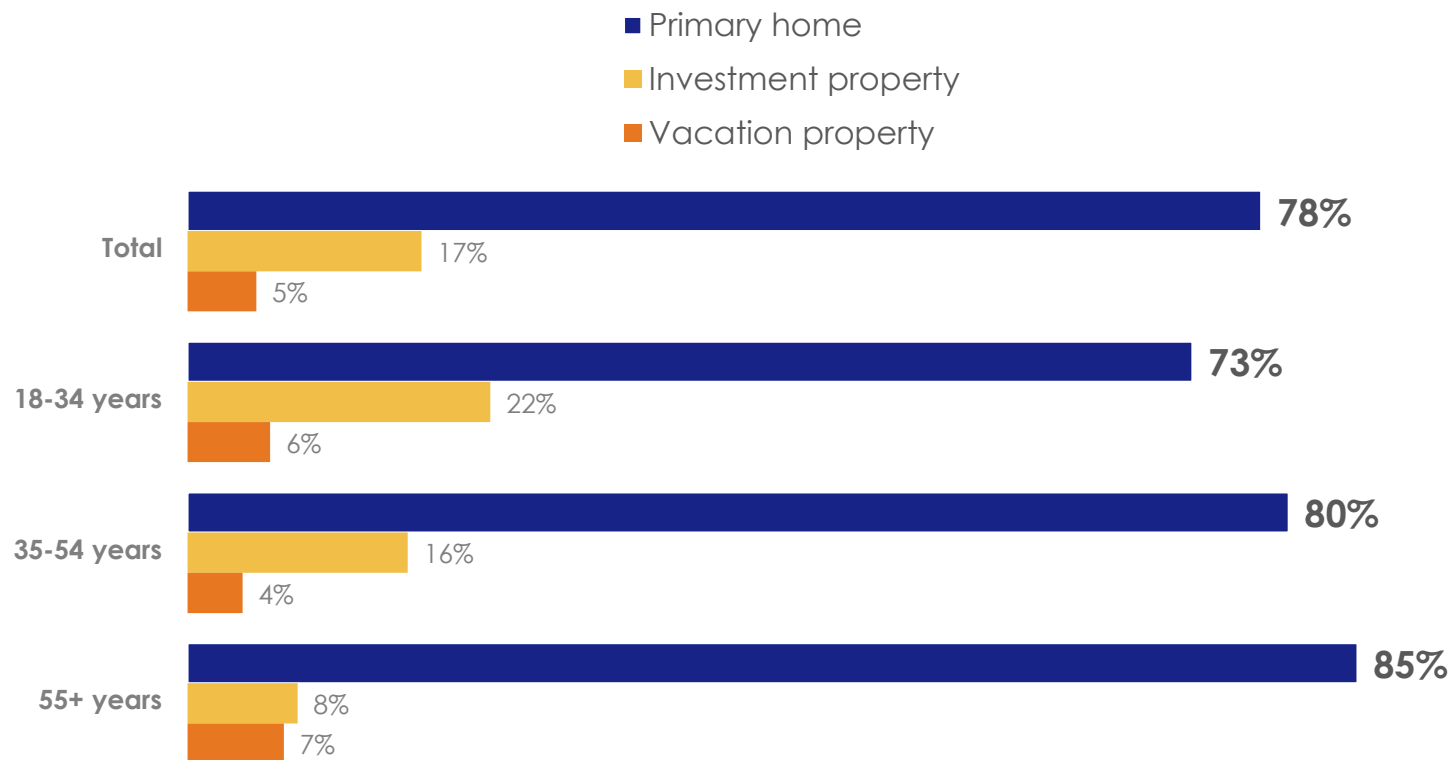
- Mostly **young**: 40% are aged 18-34, 42% are aged 35-54
- Mostly **live in the GTA** (30% live in 905, 27% live in 416)
- 20% identify as **black, Indigenous, or a person of colour**
- 29% **immigrated to Canada from another country**
- 16% are **single-person households** (29% in two-person households)
- 8% identify as **members of the LGBTQ2+ community**
- 17% **have extended family living with them** (e.g. parents, grandparents, uncles)

Barriers to Buying a Home in the Next Year

- For almost half (47%) of those not likely to buy a home in the next 12 months, it simply isn't their time – they are unlikely to buy simply because they aren't interested or are happy where they currently are.
- However, the remaining half cite at least one barrier to buying a home within the next year. Affordability is the most common barrier, with nearly 3 in 10 (28%) of those unlikely to buy citing the hot real estate market as a reason why they won't be throwing their hat in the ring in the next year.
- Economic uncertainty (18%) and uncertainty over the housing market (17%) make up a second tier of concerns, followed by barriers to getting financing (13%) and job/income loss due to the pandemic (11%).
- A small proportion (1%) say they encounter barriers to buying a home related to discrimination based on their race, gender identity, or sexual orientation.



Intended Home Purchase (Likely Buyers)



- This stability continues when looking at the types of home likely buyers are intending to purchase. There are no statistically significant changes from last year.
- Among those looking to buy a home, the vast majority (78%) are looking for a primary home (a home in which to live), while 17% are focused on buying an investment property.
- Just 5% of those likely to buy are looking to purchase a vacation property. Although those aged 55+ were more likely to buy an investment property last year (11%), their enthusiasm has cooled slightly.

Previously Bought a Home vs. First-Time Homebuyers

NUMBER OF TIMES				
	Total	18-34	35-54	55+
None (First-Time)	26%	37%	24%	7%
One	36%	43%	39%	14%
Two	19%	15%	19%	28%
Three	9%	2%	12%	18%
Four	4%	1%	3%	12%
Five or more	5%	1%	3%	20%

- Overall, 26% of those looking to buy a home are first-time homebuyers.
- For the vast majority of homebuyers, they have been through the process before a maximum of one other time (62% have either bought no homes previously or only one home).
- Among buyers aged 18-34, 37% are first-time homebuyers, which drops to 24% among those aged 35-54, and 7% among those aged 55+.

Timing of Home Purchase

- Reasons for why prospective buyers are choosing to buy at this time vary, and the addition of two answer choices to this wave have soaked up some variation seen in last year's numbers. One in ten (12%) likely buyers say low interest rates are the main reason why they're looking to buy, followed by changes in their lives due to the pandemic (9%).
- The effects of the pandemic may also be seen in the proportion of likely buyers saying their main motivation was needing a larger home (21%) and changes to their family situation (9%).
- Perhaps not surprisingly, the top reason for those aged 18-34 is owning a home (27%), though this is down five points from last year. Among those aged 35-54, homeownership in itself as the main motivation behind a home purchase is down eight points.

MAIN REASON

	Total	Δ	18-34	Δ	35-54	Δ	55+	Δ
I need a larger home	21%	-1	26%	-2	24%	-1	5%	-3
I want to own my own home	20%	-5	27%	-5	19%	-8	4%	-6
Low mortgage/interest rates	12%		11%		14%		11%	
I'm looking to move closer to family/friends	10%	-1	9%	-2	7%	-2	16%	+2
Changes to my life due to the pandemic	9%		9%		10%		6%	
There's been a change in my family situation	9%	-5	7%	-2	10%	-7	10%	-7
I'm retiring	6%	-2	1%	-1	3%	+1	22%	-5
I've found a new job and need to reallocate	3%	-2	5%	-4	3%	-2	1%	-1
Other	11%	-4	6%	-3	9%	-6	24%	+2

Timing of Home Purchase

- For first-time buyers, the leading cause driving their decision to buy continues to be a desire to own their own home, with 60% expressing this desire – far beyond any other motivation.

MAIN REASON

	Total	Δ	First Time Buyer	Δ	Upgrader
I need a larger home	21%	-1	6%	-6	100%
I want to own my own home	20%	-5	60%	-6	-
Low mortgage/interest rates	12%		8%		-
I'm looking to move closer to family/friends	10%	-1	7%	+5	-
Changes to my life due to the pandemic	9%		7%		-
There's been a change in my family situation	9%	-5	6%	-2	-
I'm retiring	6%	-2	1%	-	-
I've found a new job and need to reallocate	3%	-2	1%	-2	-
Other	11%	-4	2%	-6	-

Ways COVID-19 Impacted Decision to Buy Home

- Although 9% mentioned changes to their lives due to pandemic as their *main* motivation behind buying a home, it is clear that COVID-19 has impacted likely buyers' decision-making calculus in various ways, even if it wasn't their main reason: re-evaluated priorities (24%), saw strong growth in the market (23%), and others simply wanted to live somewhere less densely populated (23%).
- Among young likely buyers (aged 18-34), for one quarter of them, COVID-19 had a silver lining in that they saved money and can now afford to buy (25%) or now have more time to dedicate to their home search (22%).

MAIN REASON

	Total	18-34	35-54	55+
I re-evaluated my priorities when buying a home	24%	27%	23%	22%
Given strong growth in the market, I feel I have to act now	23%	25%	23%	20%
I want to live somewhere less densely populated	23%	21%	24%	24%
I need more space for home office/gym/schooling	19%	24%	19%	4%
I have saved more money throughout the year, so I can afford to buy	19%	25%	17%	7%
I have more time to search for a home and move right now	17%	22%	16%	12%
I don't need to commute into work as often	16%	19%	15%	13%
Other	13%	6%	13%	30%

Ways Lower Interest Rates Affected Decision to Buy a Home

- Lower interest rates have also affected likely buyers' decision to buy a home in a few ways, with some interesting differences by age group. Overall, four in ten (40%) indicate they can now have lower monthly payments as a motivating factor. This reason is more pronounced among those aged 18-34 and 35-54 than those aged 55+.
- Furthermore, approximately a quarter say lower interest rates have meant that they can buy a more expensive home (23%) or that they can have a shorter mortgage (24%), though those aged 55+ are not swayed by this logic. In fact, over half (54%) of those 55+ indicate the interest rates have not affected their decision to buy a home.

MAIN REASON				
	Total	18-34	35-54	55+
I can have lower monthly payments	40%	43%	43%	26%
They have not influenced my decision	26%	15%	24%	54%
I can have a shorter mortgage	24%	30%	23%	12%
I can buy a more expensive home	23%	28%	24%	8%
I can buy a investment property or vacation home	10%	13%	8%	8%
Other	3%	2%	3%	3%



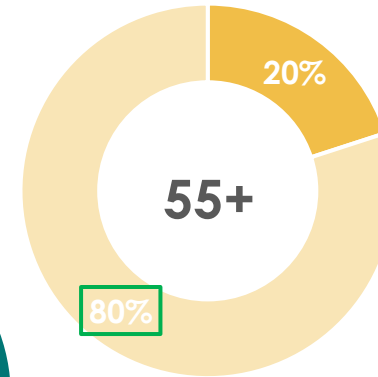
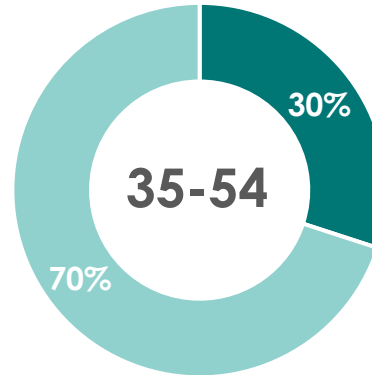
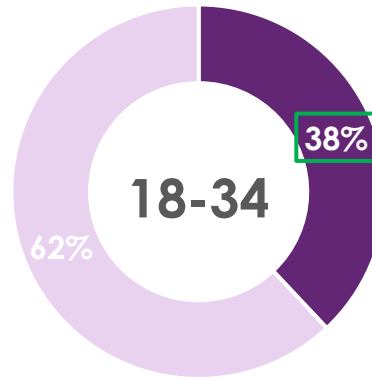
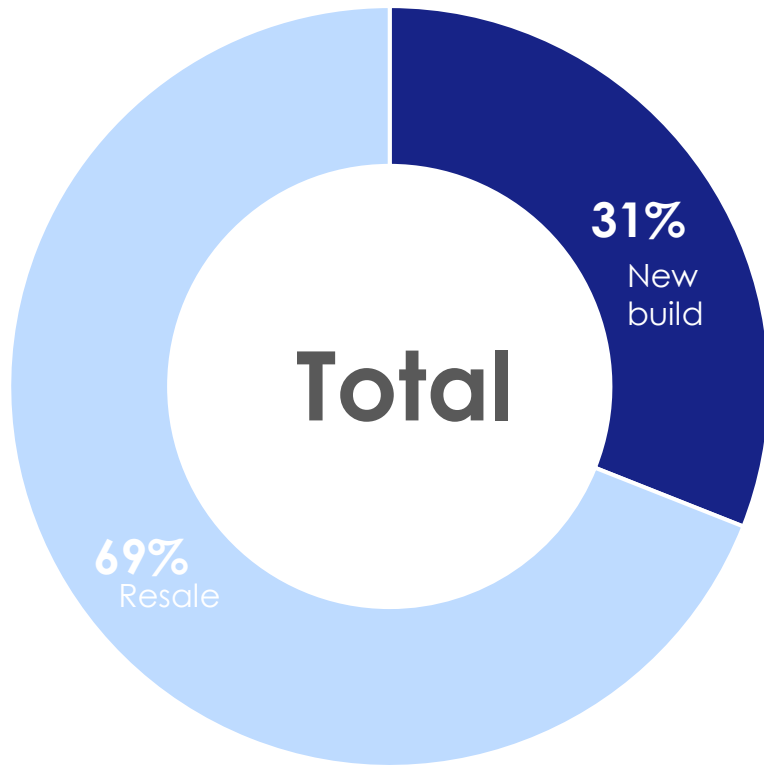
Ways Pandemic Influenced Type of Home

- The pandemic has influenced buyers in a few key areas – nearly three in ten (28%) are looking into homes with a yard/more outdoor space and/or homes that are more affordable.
- More so than other age groups, younger likely buyers (aged 18-34) place more emphasis on homes in areas with reliable internet/WFH infrastructure.
- For likely buyers aged 55+, they are more likely to be unfazed by the pandemic when it comes to the kind of homes they are looking for. If anything, they are looking to have a smaller space -- speaking to the tendency among this demographic to downsize.

MAIN REASON

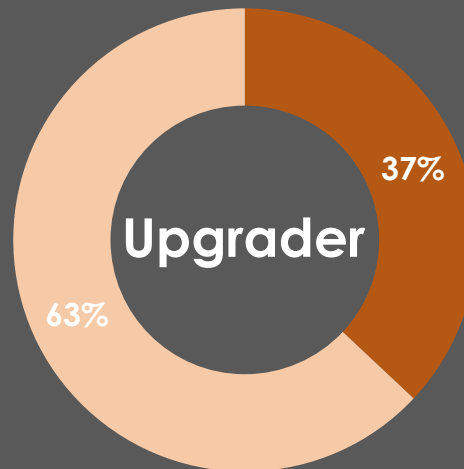
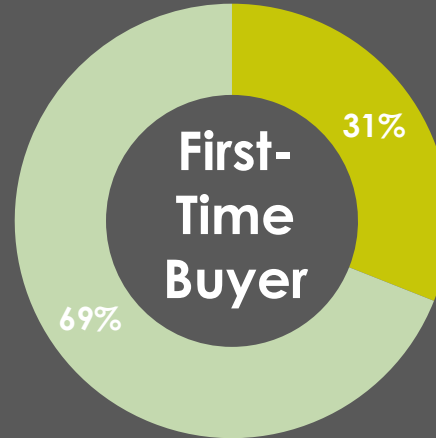
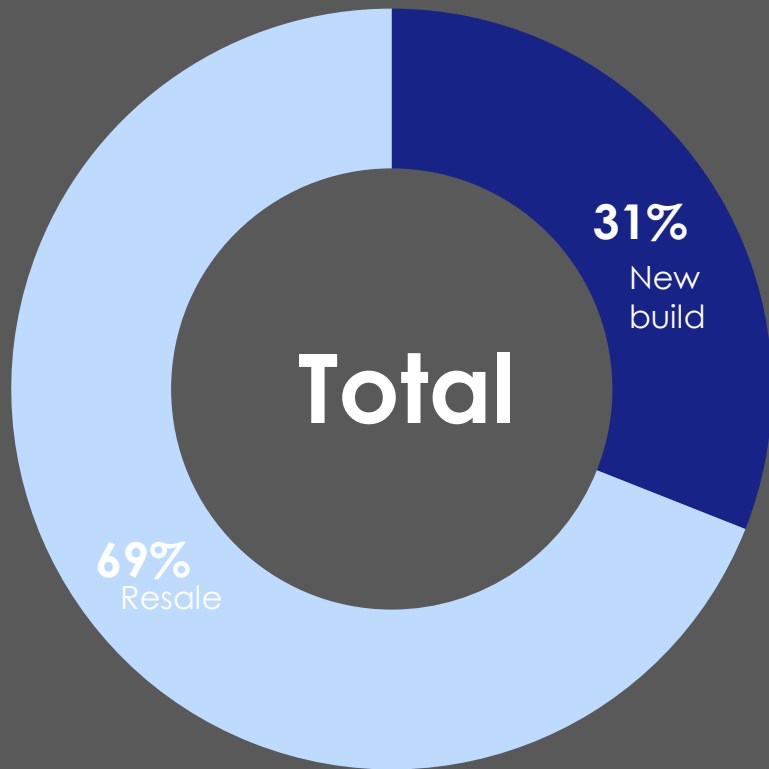
	Total	18-34	35-54	55+
I am looking at homes with a yard/more outdoor space	28%	31%	31%	17%
I am looking into homes that are more affordable	28%	32%	27%	21%
I am looking for homes that can accommodate a home office/work from home space	25%	30%	28%	9%
I am looking into homes that are bigger/have more space than I normally would	21%	27%	23%	5%
I am looking at different types of homes (e.g. bungalow v. townhouse)	20%	23%	18%	19%
The pandemic has not changed the kinds of homes I am looking for	19%	12%	16%	41%
I am looking into homes in areas with reliable internet/work-from-home infrastructure	18%	24%	15%	9%
I am looking into homes that are smaller/have less space than I normally would	12%	11%	11%	18%
I am looking into homes that are more expensive	8%	12%	8%	3%
Other	2%	1%	3%	4%

New Build vs. Resale Home



- Stable from last year, buyers are leaning more towards resale homes (69%, +1) than new builds (31%, -1).
- Younger buyers are more likely than other groups to lean towards new builds (38%, -3), but a majority will still buy a resale home (62%, +3).
- For those aged 35-54, the split is more heavily towards resale (70%) than new (30%).
- For those aged 55+, most (80%) will opt for a resale over a new build (20%).

New Build vs. Resale Home



- Stable when compared to last year, upgraders are more likely (37%, -1) than first-time homebuyers (31%, +3) to be inclined to buy a new build.
- First-time homebuyers (69%, -3) are more likely than upgraders (63%, +1) to say they're most likely to buy a resale home.

Type of Home

- As might be expected as a by-product of the pandemic, those likely to buy are a little more likely to purchase detached homes than they were last year. This tendency is magnified in older age groups, most likely due to their greater purchasing power. This increased interest comes at the expense of high-rise condos, which have seen purchase intentions decline slightly (once again, driven by older age groups).
- The majority (63%) of homebuyers are most likely to buy a detached home, with smaller proportions likely to buy a town/rowhouse (14%), high-rise condo (8%), semi-detached (9%) or low-rise condo (6%).
- In general, the inclination towards a detached home grows with age, although some Boomers are opting for low-rise condos (10%), more so than any other generation.

MOST LIKELY TO BUY

	Total	Δ	18-34	Δ	35-54	Δ	55+	Δ
Detached home	63%	+3	56%	-1	66%	+6	71%	+6
Town/rowhouse	14%	-1	16%	+1	13%	-2	11%	-
Semi-detached	9%	-	11%	-	9%	-	4%	-1
High-rise condo (6+ stories)	8%	-2	11%	-2	7%	-3	5%	-4
Low-rise condo (≤5 stories)	6%	-	6%	+2	5%	-1	10%	-

Type of Home

- Upgraders (75%) are far more likely than first-time homebuyers (50%) to be buying a detached home, a trend that has only grown in the past year. Given the higher price-point of a detached home, using one's existing equity can help greatly. As such, upgraders are slightly less interested in semi-detached and condominiums.
- These same shifts are not present among first-time homebuyers. While half do say they are likely to buy a detached home, their newness to the real estate market likely means a smaller budget. As such they may be more drawn to less expensive homes such as town/rowhouses (21%), high-rise condos (11%), or low-rise condos (7%) than those looking to upgrade their home.

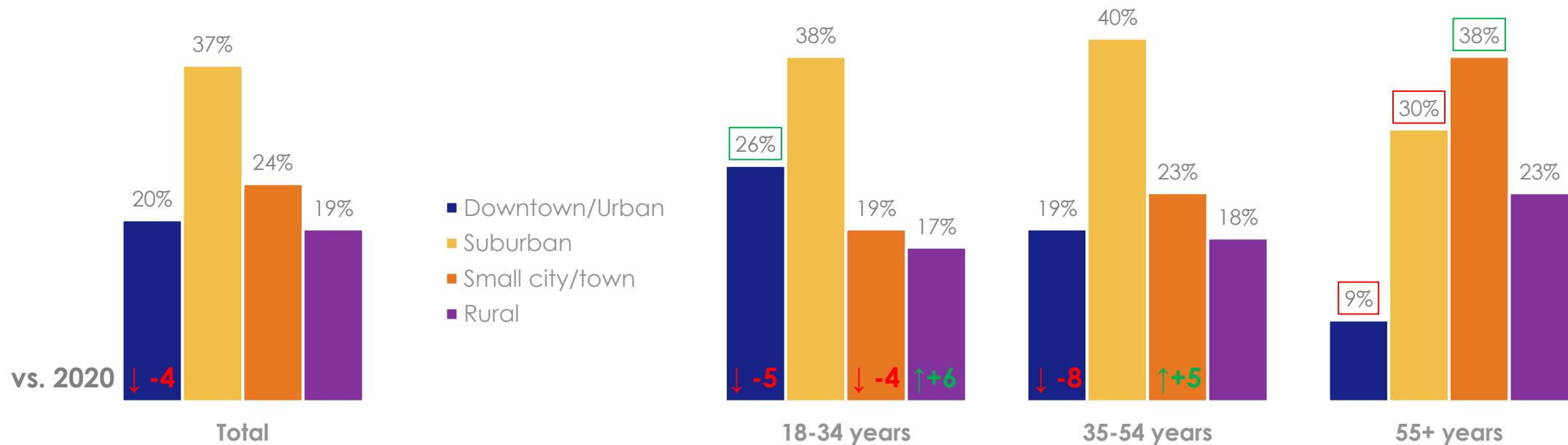
MOST LIKELY TO BUY

	Total	△	First Time Buyer	△	Upgrader	△
Detached home	63%	+3	50%	-1	75%	+9
Town/rowhouse	14%	-1	21%	-1	10%	+1
Semi-detached	9%	-	10%	-	9%	-4
High-rise condo (6+ stories)	8%	-2	11%	-1	6%	-2
Low-rise condo (≤5 stories)	6%	-	7%	+3	1%	-3

Location

- Overall, two in ten likely buyers will be buying downtown/urban centres, a decrease of 4 points from last year. Suburban locations (37%) receive the largest share of the pie, while small cities and towns are the most likely location for 24% of buyers. Fewer than two in ten (19%) homebuyers in the province say they are looking at a rural location.
- Those aged 18-34 are more likely than other generations to be looking at downtown/urban cores, though interest in buying homes in rural areas has increased since last year. Among those aged 35-54, interest in downtown/urban cores is down, but interest in small cities/towns is up.
- In the aggregate, likely buyers aged 55+ have not changed their minds from last year as to where they would like to buy a home, further indicating that their decision-making calculus has been less affected by the pandemic. Their interest in downtown/urban areas was already low.

LOCATION OF THE HOME WILL PURCHASE



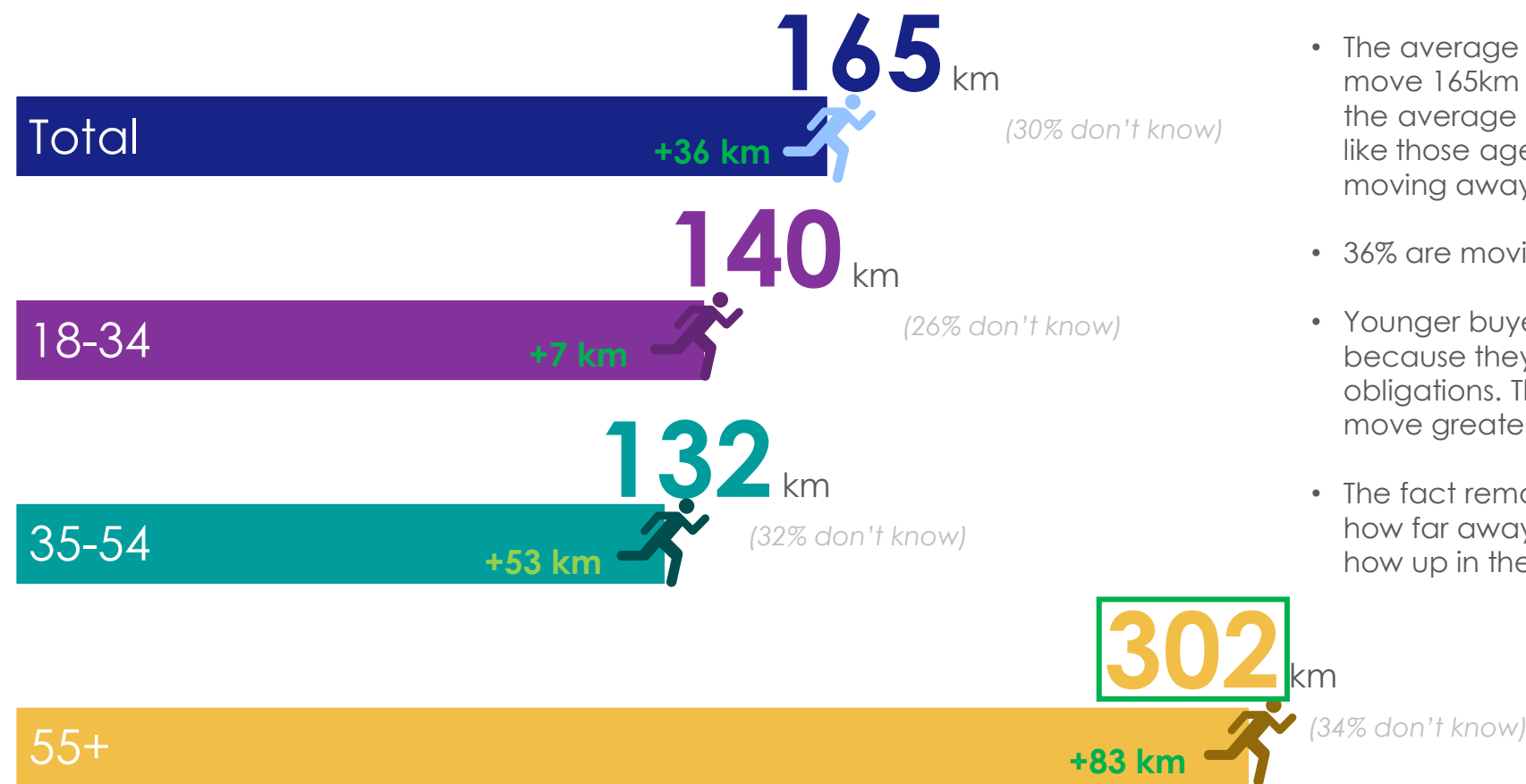
Ways Pandemic Changed Search Location

Over a majority (68%) indicate that the pandemic has not changed where they were looking for a home. This is more pronounced among those 55+ (81%) than those 18-34 (59%), reflecting this older buyers' preference for less crowded areas even before the pandemic.

By contrast, the past year has changed where likely buyers aged 18-34 were looking for a home, as two in ten (20%) said they were looking at downtown homes, but the pandemic made them less appealing.

MAIN REASON				
	Total	18-34	35-54	55+
No, I had always intended to buy in this location.	68%	59%	70%	81%
Yes, I was looking at downtown homes, but they became less appealing	15%	20%	13%	6%
Yes, I was looking at suburban homes, but they became less appealing	10%	10%	10%	7%
Yes, I was looking at small city/town homes, but they became less appealing	10%	11%	11%	5%
Yes, I was looking at rural homes, but they became less appealing	3%	4%	2%	4%

Average Distance from Current Home



- Compared to last year, Ontarians are looking to move further away from where they are now.
- The average Ontarian who is planning to move will move 165km away from their current home. However, the average is pulled by those moving great distances, like those aged 55+. This age group may even be moving away from Ontario or Canada altogether.
- 36% are moving within 25km of their current home.
- Younger buyers are moving shorter distances, most likely because they need to be close to family or have work obligations. This of course makes it more difficult to move greater distances.
- The fact remains that 3 in 10 likely buyers don't know how far away their new home will be, hinting at just how up in the air purchasing decisions can be.

Choosing Location

MOST IMPORTANT FACTORS

	Total	Δ	18-34	Δ	35-54	Δ	55+	Δ
Affordability of homes	40%	-3	38%	-3	40%	-1	42%	-7
Safe community	39%	+1	38%	-1	40%	+4	38%	-2
Quality of the neighbourhood	35%	+1	29%	-1	38%	+3	42%	+4
Close to amenities like restaurants, shopping, theatres, parks, etc.	25%	-	23%	+1	23%	-1	33%	-1
Convenient to work/job	19%	-8	25%	-11	20%	-9	7%	-2
Close to family and/or friends	19%	-1	19%	+1	15%	-4	27%	+4
Walkable community	18%	+2	14%	+2	18%	+3	25%	+2
Close to transit	17%	-	19%	+1	18%	+1	9%	-3
Child-friendly	15%	+2	17%	-1	19%	+5	2%	-1
Close to schools	15%	-	18%	+3	17%	-2	2%	-3
Style or age of homes in neighbourhood	13%	-	10%	-2	15%	-2	18%	+3
Senior-friendly	7%	-2	3%	-	4%	-	26%	+2

- The top factors influencing where Ontarians will buy their home are the same as last year: affordability (40%, -3), safety (39%, +1), and quality of neighbourhood (35%, +1).
- With the rise of WFH, buying a home at a convenient distance from their job has significantly fallen as an important factor influencing their buying decision (19%, -8).
- Boomers have a slightly different list of priorities. Compared to other groups, they place more emphasis on proximity to amenities or family/friends, and walkability. There is less emphasis on being in a child-friendly neighbourhood or one that is close to transit or work, given that many will be retired.

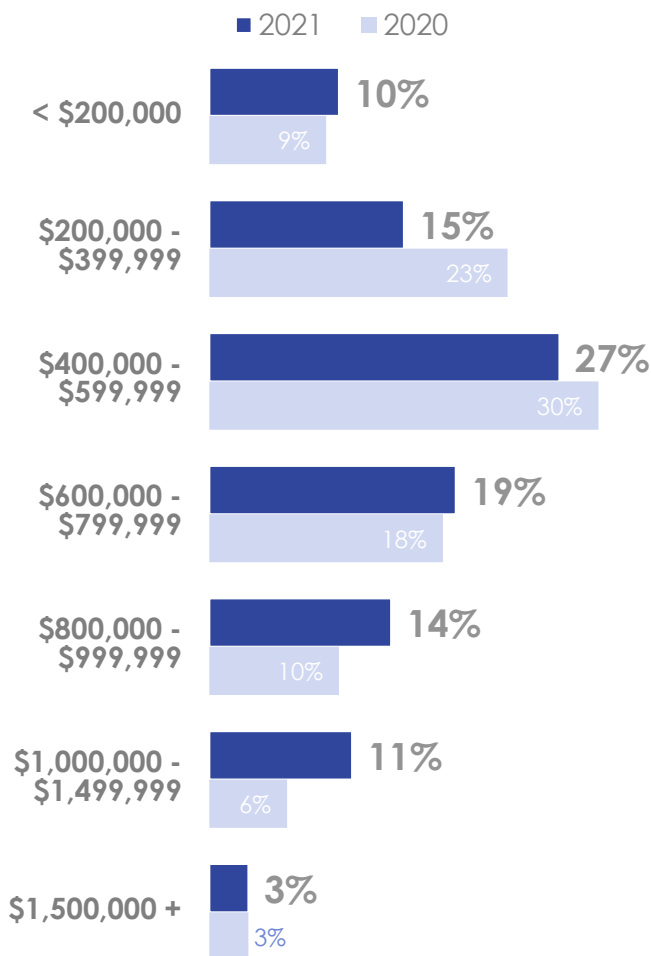
Choosing Location

MOST IMPORTANT FACTORS

	Total	Δ	First Time Buyer	Δ	Upgrader	Δ
Affordability of homes	40%	-3	48%	-	33%	-5
Safe community	39%	+1	35%	-7	39%	-1
Quality of the neighbourhood	35%	+1	29%	-	44%	+5
Close to amenities like restaurants, shopping, theatres, parks, etc.	25%	-	26%	-	21%	+2
Convenient to work/job	19%	-8	28%	-1	18%	-14
Close to family and/or friends	19%	-1	17%	+3	17%	-2
Walkable community	18%	+2	14%	+2	17%	+6
Close to transit	17%	-	24%	-1	14%	-2
Child-friendly	15%	+2	14%	-1	20%	+4
Close to schools	15%	-	15%	+1	19%	-6
Style or age of homes in neighbourhood	13%	-	8%	-2	17%	+5
Senior-friendly	7%	-2	4%	-1	4%	-1

- First-time homebuyers are more likely than those who are climbing the property ladder to place emphasis on affordability and having a safe community (though the latter has fallen 7 points since last year).
- They are also more likely than upgraders to prioritize proximity to work and being close to transit.
- Upgraders are more likely to be searching for a high-quality neighbourhood with close proximity to schools, given they are more likely to have children than first-time homebuyers.
- Furthermore, proximity to work/job is less of a concern for upgraders when compared to first-time buyers, most likely reflecting the fact that they are more likely to have a job that allows working remotely.

Anticipated Purchase Price



AVERAGE

Total: \$610,208 (+\$66,941)

18-34: \$573,974 (+\$33,056)

35-54: \$636,483 (+\$73,586)

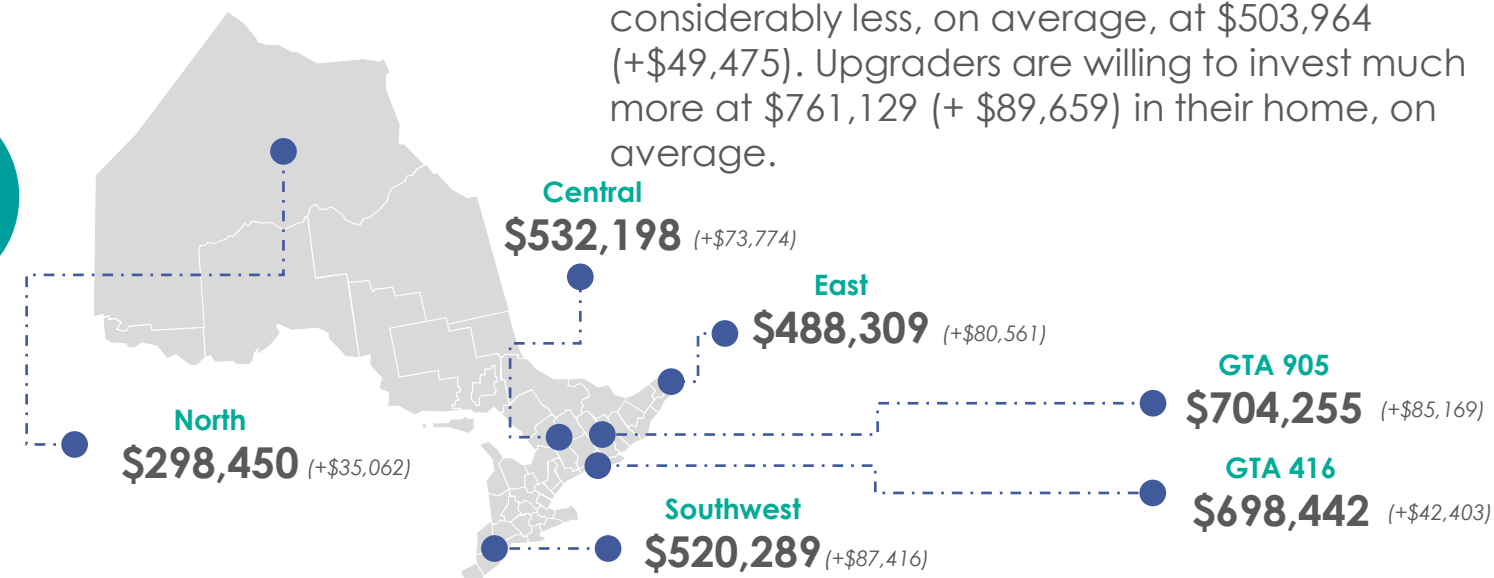
55+: \$629,646 (+\$120,017)

First-timers: \$503,964 (+\$49,475)

Upgraders: \$761,129 (+\$89,659)



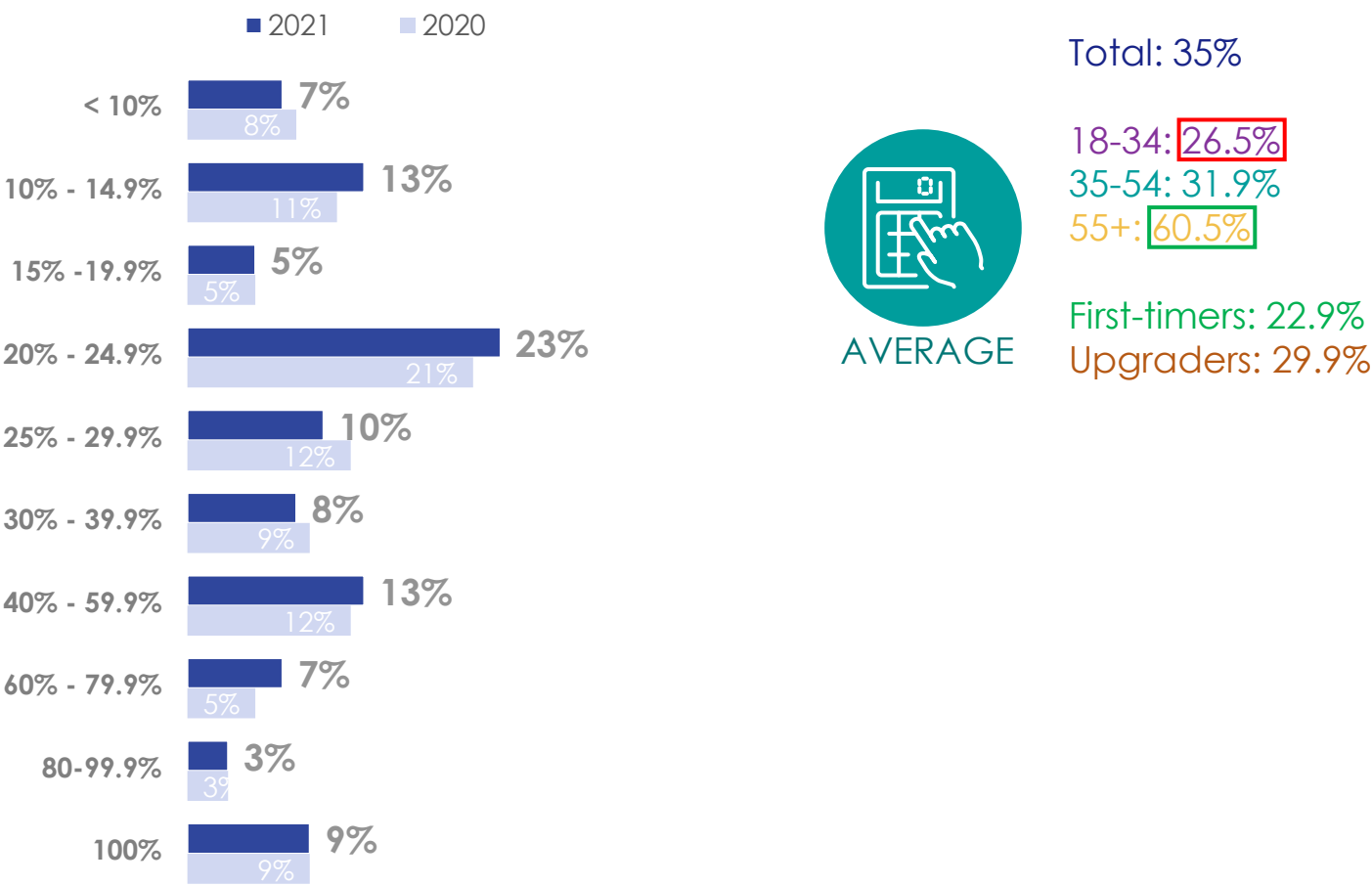
REGION



- The average anticipated purchase price of likely homebuyers in Ontario is \$610,208 (+\$66,941). No matter the region, prices are up from last year, with the City of Toronto registering the smallest increase in anticipated purchase price.
- Reflecting rising prices, the proportion of those anticipating buying homes worth \$1,000,000+ has increased (14%, +6).
- First-time homebuyers anticipate spending considerably less, on average, at \$503,964 (+\$49,475). Upgraders are willing to invest much more at \$761,129 (+\$89,659) in their home, on average.

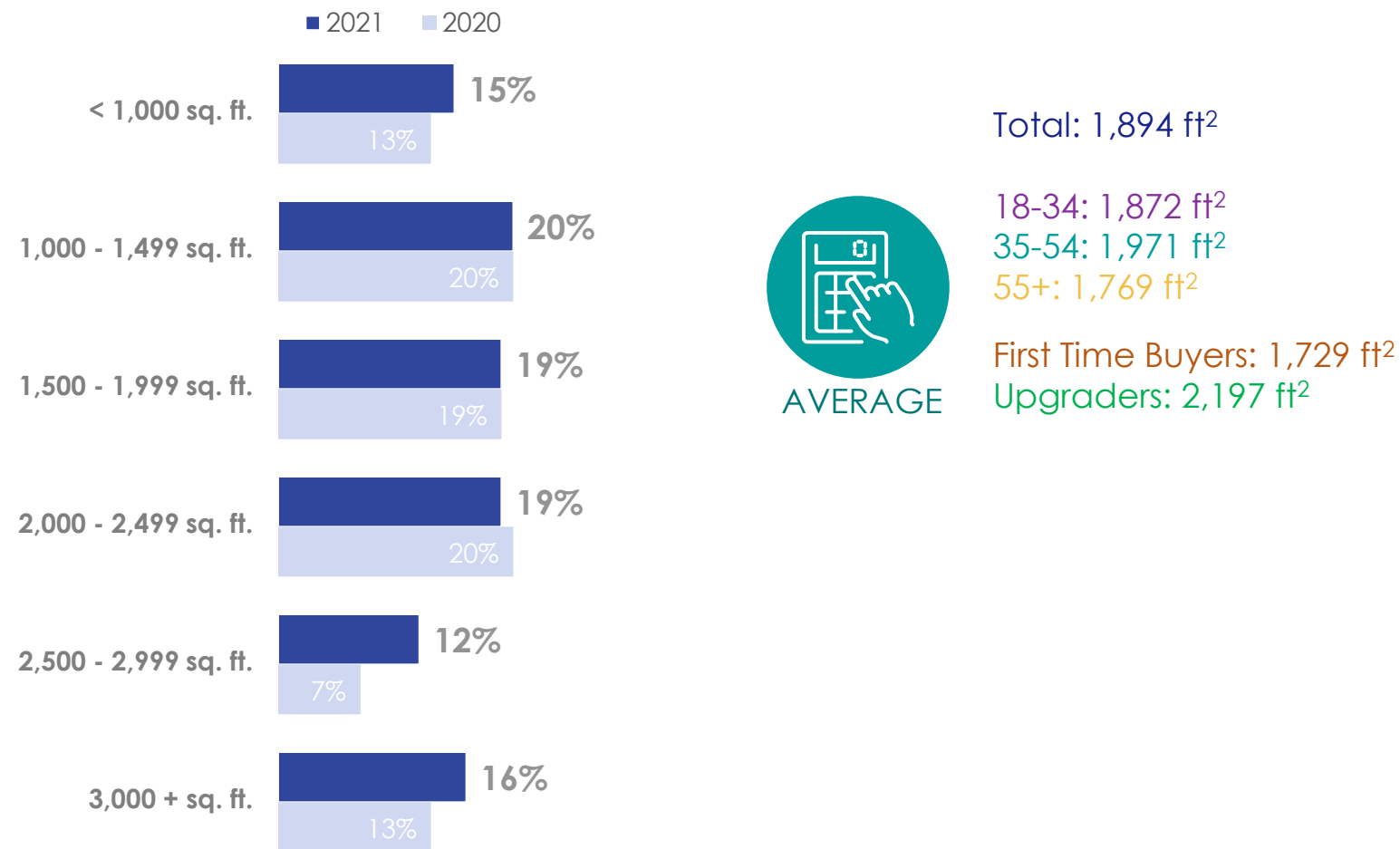
Percentage Down Payment

% OF PURCHASE PRICE



- Overall trends in estimated down payments have not changed significantly from last year.
- On average, Ontarians anticipate being able to contribute 35% of the purchase price of the home as a down payment, roughly unchanged from 2020. Even among first-time homebuyers, the average down payment is stable at 23%.
- Naturally, the size of the down payment grows with the age of the buyer (since they've had more time to build equity). Those aged 55+ anticipate putting down 61% of the home price (+5.1%p from last year), perhaps a reflection of them benefitting from selling their previous home at a high price.

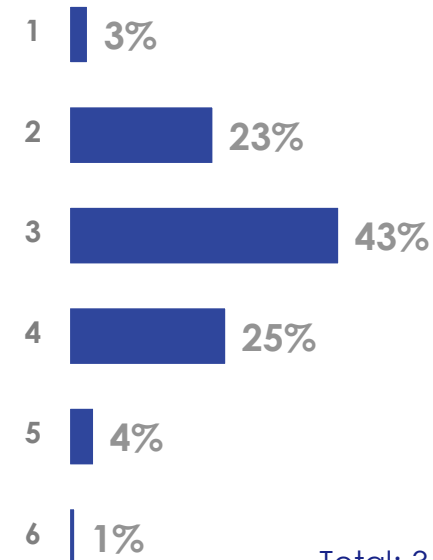
Size of Home Would Like to Buy



- The average sized home being purchased is 1,894 square feet, relatively unchanged from last year. However, 28% anticipate buying at least 2500 square feet, up 8 points since last year.
- First-time homebuyers are on the slightly smaller side at 1,729 square feet, with upgraders desiring more space on average at 2,197 square feet.
- Only 15% of buyers anticipate buying a home that is less than 1000 square feet, which skews more heavily towards younger people in large urban centres.

Number of Bedrooms and Bathrooms Desired

BEDROOMS



Total: 3 bedrooms

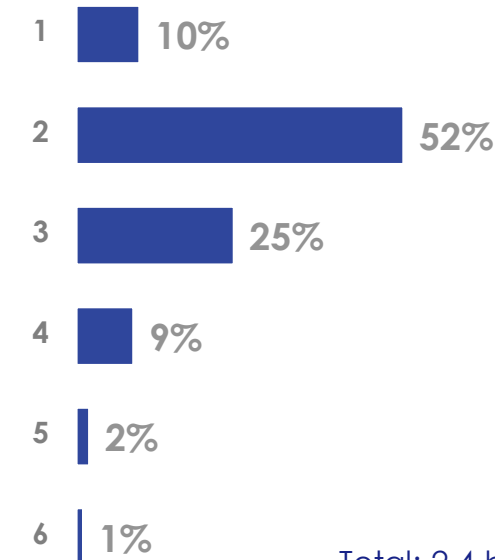


AVERAGE

18-34: 3.1 bedrooms
35-54: 3.2 bedrooms
55+: 2.9 bedrooms

First-Timers: 2.8 bedrooms
Upgraders: 3.5 bedrooms

BATHROOMS



Total: 2.4 bathrooms



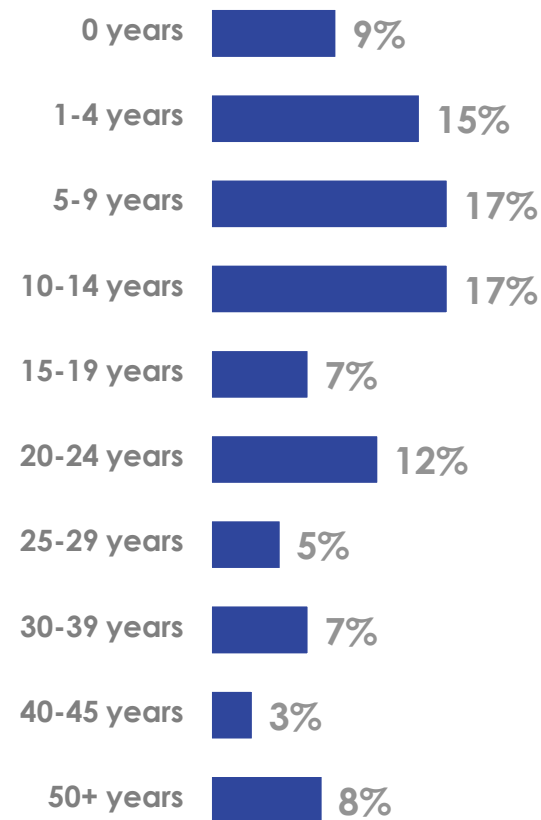
AVERAGE

18-34: 2.4 bathrooms
35-54: 2.5 bathrooms
55+: 2.4 bathrooms

First-Timers: 2.1 bathrooms
Upgraders: 2.9 bathrooms

- Similar to last year, the most commonly sought-after home type is a three-bedroom home with two bathrooms.
- Over four in ten (43%) would want three bedrooms, whereas very few (3%) would want a 1 bedroom home.
- Only 10% of the population is looking for only one bathroom, while over half (52%) want 2 bathrooms in their next home.

Age of Home Likely to Buy



Total: 16 years

18-34: 13.4 years

35-54: 16.7 years

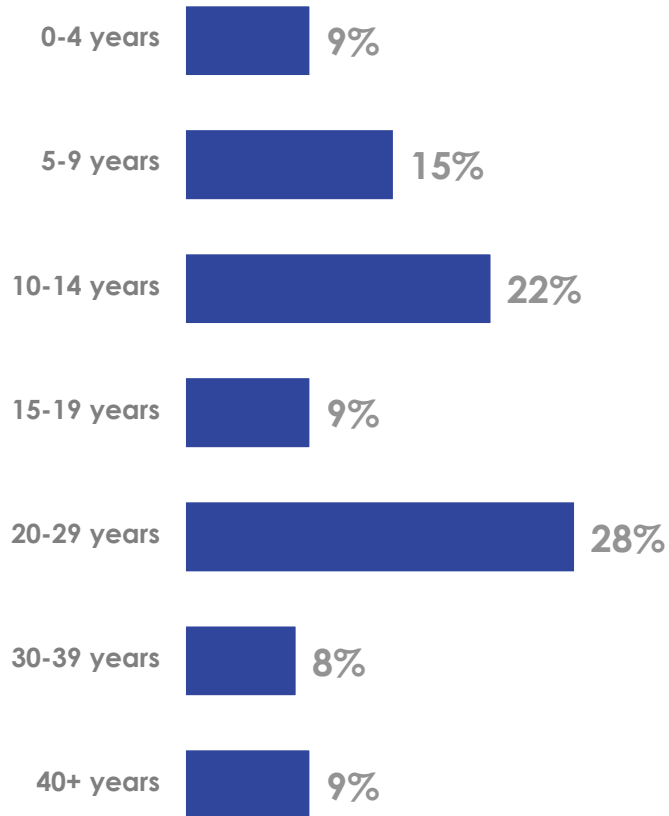
55+: 20 years

First-Time Buyers: 16.3 years

Upgraders: 12.5 years

- Only a change of 0.6 years from last year, the average age of home Ontarians are looking to buy is 16 years old.
- Four in ten (41%) want a home that is less than 10 years old; conversely, 8% want a home that is more than 50 years old.
- First-time homebuyers are okay with a slightly older home than upgraders are.
- Younger buyers also prefer younger homes, while Boomers preferences skew more towards older homes.

Expected Period of Tenancy



Total: 17.4 years

18-34: 15.7 years

35-54: 18.3 years

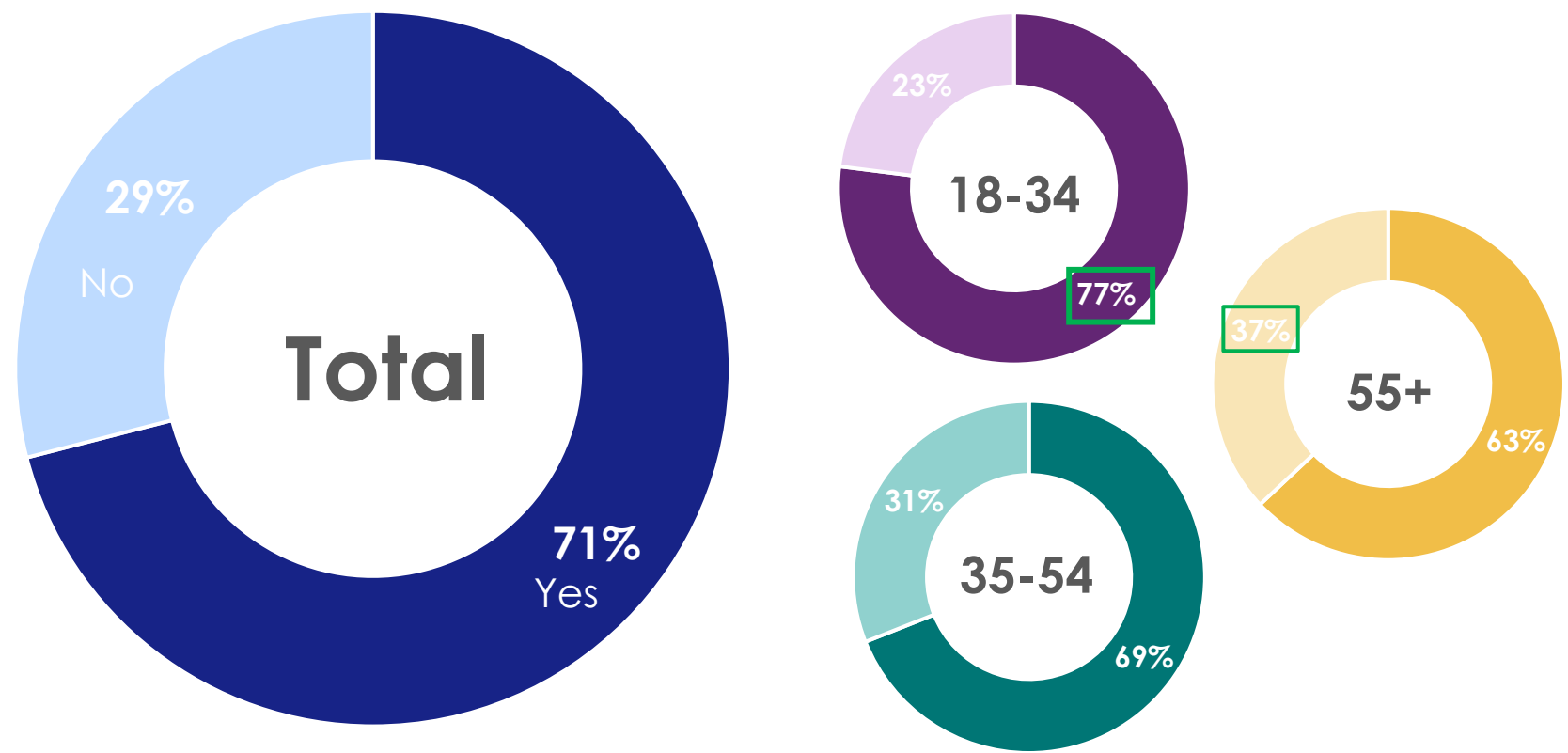
55+: 18.9 years

First-Timers : 17.4 years

Upgraders: 20.0 years

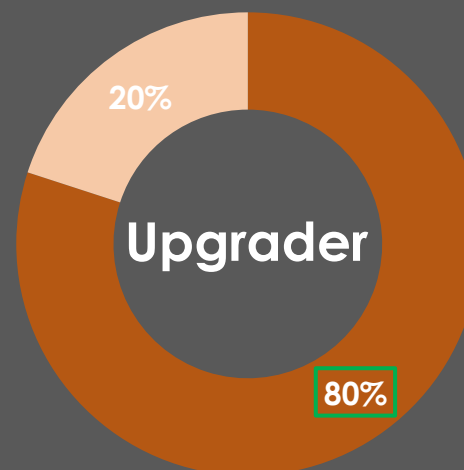
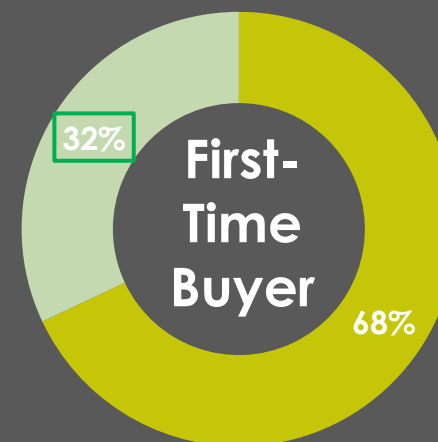
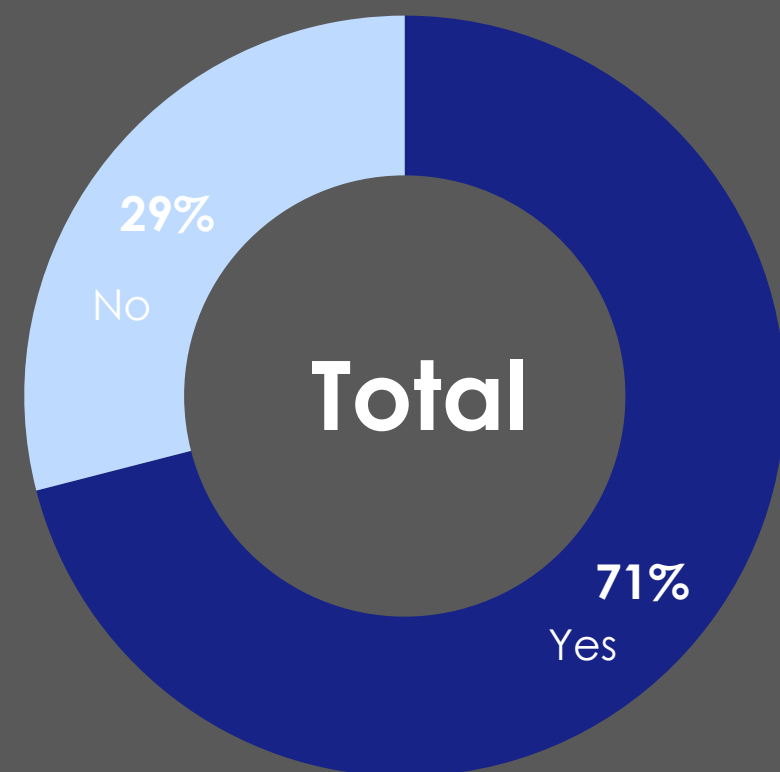
- Virtually unchanged from last year, most buyers anticipate being in their home for quite a long time – 17.4 years on average. First-time buyers expect to stay in their home for 17.4, whereas, upgraders expect to stay for 20 years. This is not unexpected, as younger people are climbing the property ladder and move more often.
- For 24% of buyers, they anticipate being in their home for less than 10 years.
- For 17% of buyers, they anticipate being in their home for at least 30 years.

Actively Started Searching



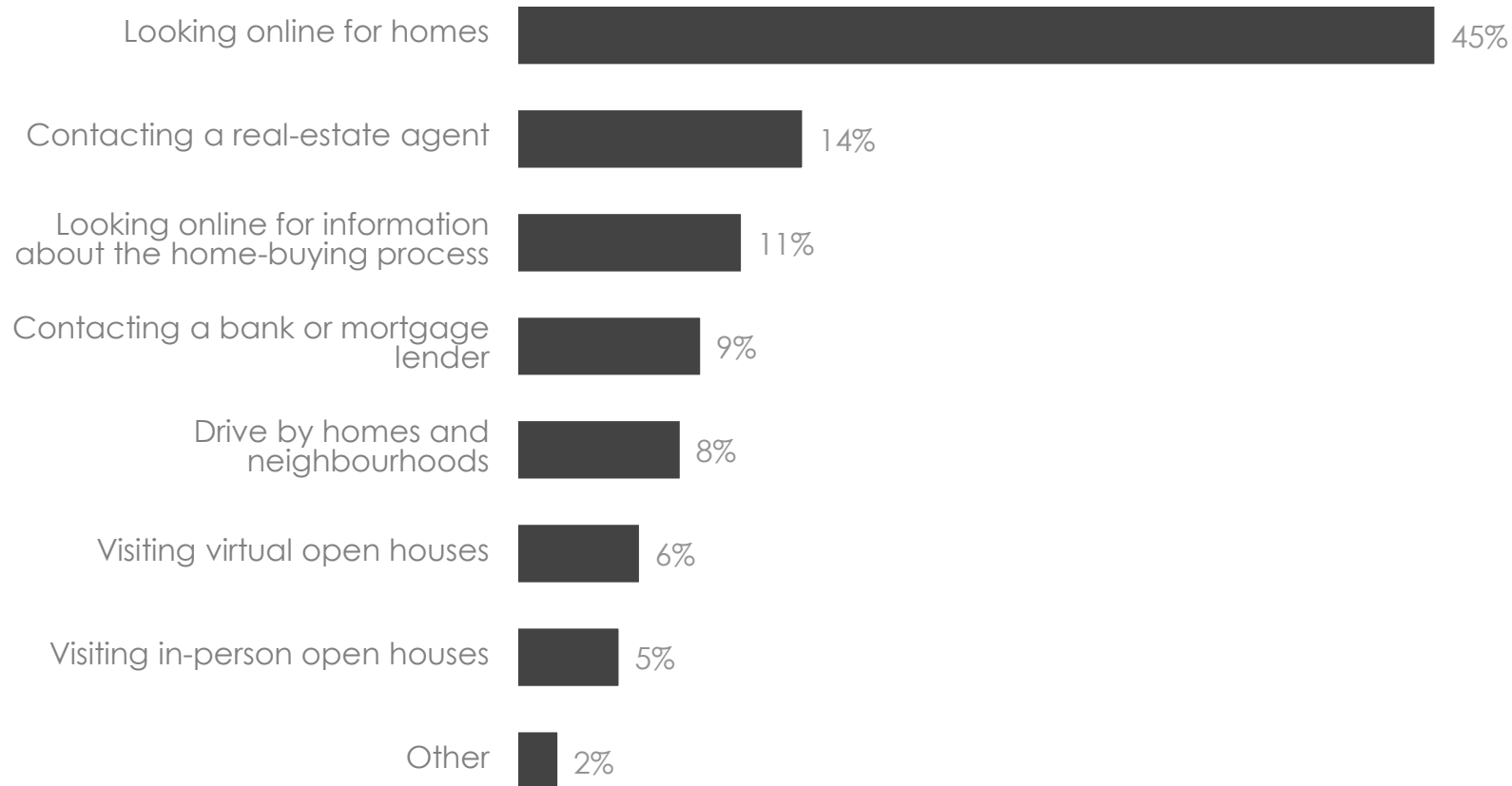
- Among those likely to buy a home, 71% have already actively started searching for a home (+5), while 29% say they have not yet started. This increase over last year could be the result of potential buyers having more time to search, given the pandemic.
- Younger buyers (77%) are the most likely to say they've begun their search (+5), while fewer 35-54 year olds (69%, +5) and those 55+ (63%, +2) have actively begun their search.

Actively Started Searching



- Upgraders are also more likely (80%, +7) than first-time homebuyers (68%, +7) to say they've actively started searching for their home, suggesting that first-time homebuyers may be a little more unsure about the process or timing.
- However, the increases over last year among both subgroups mean that they are more eager to find a suitable home for them. For instance, they may have already started doing research on homes while in lockdown.

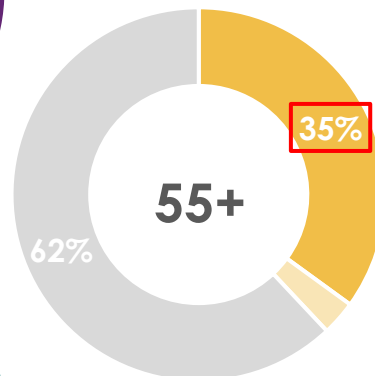
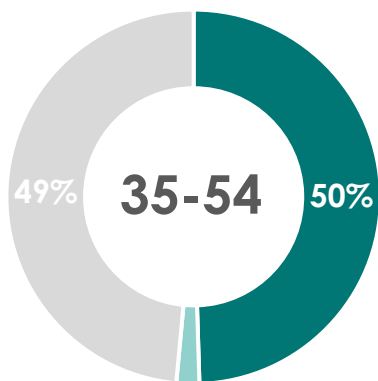
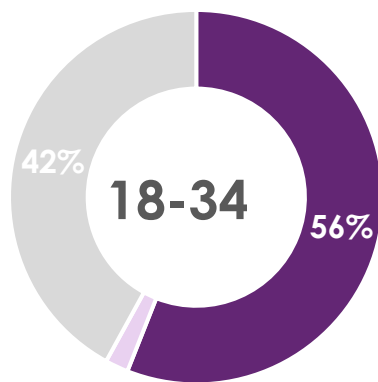
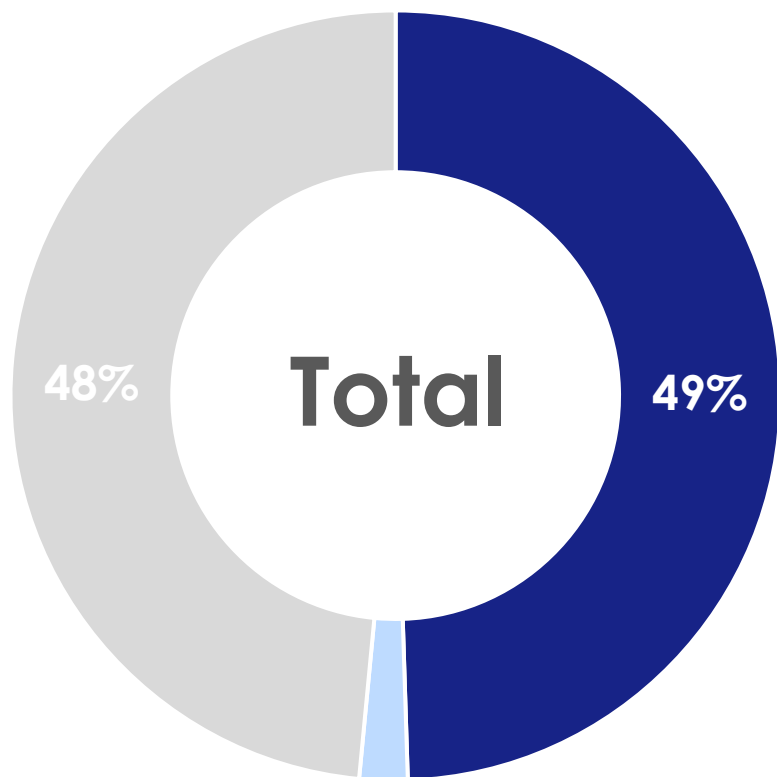
First Step in Home-Buying Process



- For nearly half of homebuyers, the first step starts with an online search for homes (45%, +3), growing given COVID restrictions.
- For others, though, the first step includes contacting a real estate agent (14%, unchanged), looking online for information about the homebuying process (11%, -2), contacting a bank or mortgage lender (9%, -1), or driving by homes and neighbourhoods (8%, unchanged).
- More common over the past year, virtual open houses (6%) are an interesting option and on par with in-person visits (5%) when it comes to first steps.

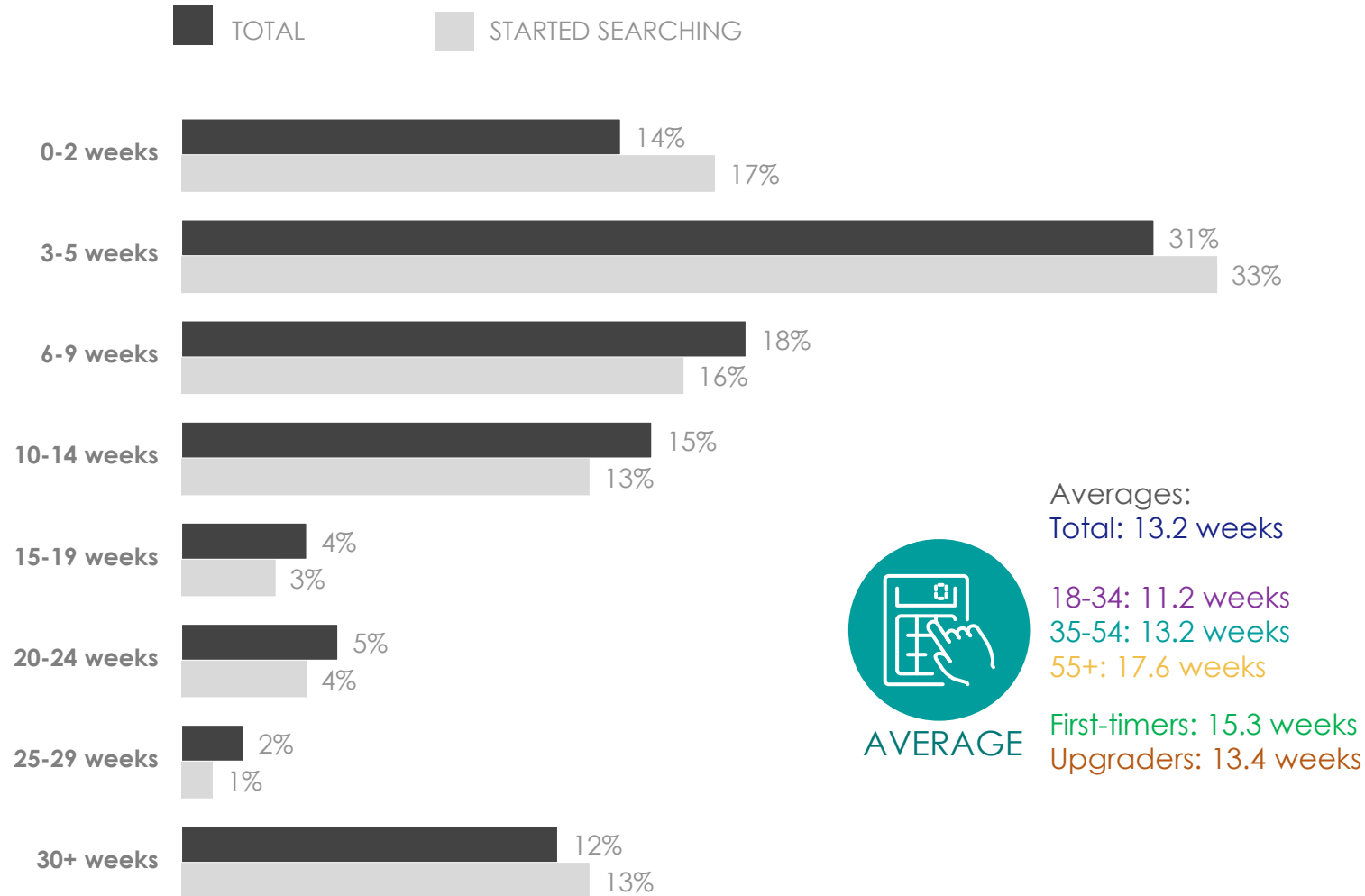
Importance of Viewing a House In-Person Before Making an Offer

- Very/somewhat important
- Not very/not at all important
- I wouldn't buy a home without touring it in person



- The pandemic has not dampened likely buyers' desire to visit a home in-person before making an offer; understandably, it still remains an important part of the decision-making process.
- Among those likely to buy a home, almost all (98%) think it is important to view a house in-person before making an offer, with only 2% saying that it is not important.
- Over a majority (62%) of those 55+ indicate they would not purchase a home without seeing it in-person, higher than 18-34 and 35-54.

Expected Number of Weeks to Be Spent Searching for Home



- Similar to last year, the average prospective buyer says that they have either been searching or anticipate searching for 13 weeks on average.
- First-timers anticipate a search of close to 15 weeks, while upgraders are in slightly more of a rush and say they've been searching or are likely to search for 13 weeks.
- Interestingly, Boomers are the most patient (or picky!), with an average search of 18 weeks.
- One in ten (13%) of those who have started searching have been searching for over 30+ weeks.

Sources Consulted about Homes or Home-Buying Process

	Total	Δ	18-34	Δ	35-54	Δ	55+	Δ
REALTOR.ca	55%	-	52%	-2	60%	-	50%	+2
REALTOR®	35%	-2	35%	-7	35%	-3	34%	+5
Friends or family	30%	-3	34%	-2	27%	-6	26%	-4
Real estate franchise website	29%	-4	26%	-9	29%	-1	36%	+1
Real estate broker website	26%	-1	25%	-1	24%	-	31%	-4
Kijiji.ca	18%	-3	23%	-6	15%	-4	11%	-1
Home-builder website/sales office	14%	-4	14%	-5	14%	-2	16%	-2
Purplebricks.ca	12%	+1	11%	-3	12%	+2	13%	+2
Newspaper	11%	-4	15%	-1	9%	-4	11%	-6
Zillow.ca	11%	+3	15%	+1	10%	+3	6%	+4
Bank or mortgage lender	11%	-3	14%	-1	11%	-4	6%	-5
Yard signs	11%	-	12%	-	9%	-1	11%	+1
Redfin.ca	5%	+2	6%	-1	5%	+2	2%	+2
Other	8%	-	6%	-	9%	+2	11%	-4

- The top three sources that buyers use to get their information about the home-buying process are the same as last year: REALTOR.ca (55%), a REALTOR® (35%), and friends and family (29%).
- More are also turning towards website such as zillow.ca and redfin.ca to find information about buying homes.
- But there are generational dynamics to which website are preferred. Younger buyers are more likely than others to consult kijiji.ca and zillow.ca. Middle-aged buyers gravitate more towards REALTOR.ca, while older buyers get their information from real estate franchise website.

Sources Consulted about Homes or Home-Buying Process

	Total	Δ	First Time Buyer	Δ	Upgrader	Δ
REALTOR.ca	55%	-	50%	+5	64%	+3
REALTOR®	35%	-2	32%	-3	36%	-3
Friends or family	30%	-3	39%	-	24%	-7
Real estate franchise website	29%	-4	27%	-5	25%	-
Real estate broker website	26%	-1	25%	+1	23%	-2
Kijiji.ca	18%	-3	24%	-2	15%	-4
Home-builder website	14%	-4	16%	-3	12%	-7
Purplebricks.ca	12%	+1	7%	-4	9%	-7
Newspaper	11%	-4	10%	-3	7%	-10
Zillow.ca	11%	+3	13%	+6	8%	-2
Bank or mortgage lender	11%	-3	14%	-1	10%	-7
Yard signs	11%	-	9%	-1	9%	-2
Redfin.ca	5%	+2	5%	+2	4%	-1
Other	8%	-	7%	-1	10%	+4

- The internet is becoming more important to the home buying processes.
- The number-one source for first-time buyers is the same as other buyers, including upgraders – REALTOR.ca. In fact, upgraders are more likely to say they consult this website as a source, most likely the result of a previously positive experience with a REALTOR®.
- First-time homebuyers are more likely than those who have been through the process before to cite friends or family as a source of information, as well as to use kijiji.ca and zillow.ca.

Website Features Most Valued

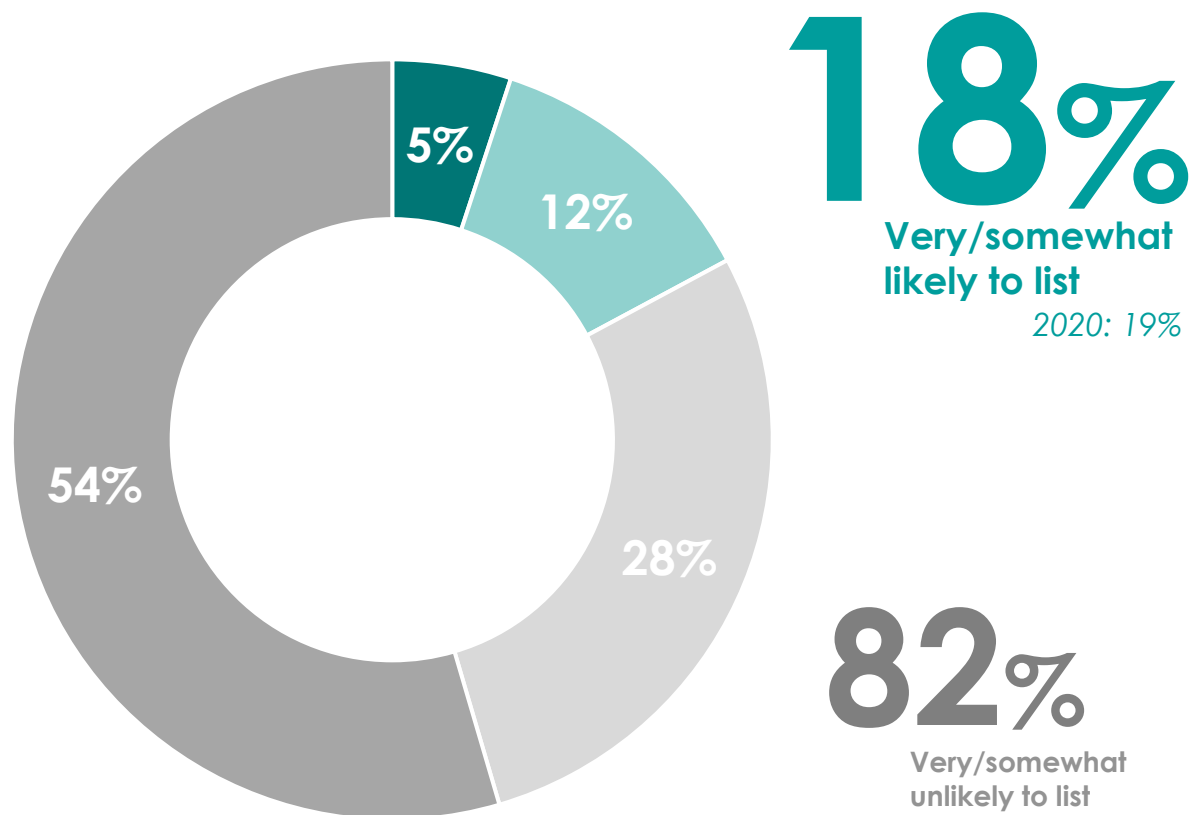
	Total	Δ	18-34	Δ	35-54	Δ	55+	Δ
Pictures	65%	+2	61%	+4	69%	+6	64%	-9
Details about the property	58%	-2	48%	-3	61%	+1	69%	-4
Floor plans	46%	-1	43%	-1	48%	-2	50%	-4
Property tax and other financial details	45%	-	38%	+2	49%	+2	52%	-2
Virtual tours	41%	+4	34%	+2	48%	+9	44%	+3
Details about the neighbourhood	36%	+1	33%	-1	37%	+4	37%	-3
Ease of use of website	32%	+1	30%	-3	36%	+4	26%	-1
Videos	29%	+7	31%	+5	31%	+10	23%	+7
Anticipated mortgage payments	23%	-1	27%	-5	26%	+2	11%	-2
Open-house information	21%	-6	22%	-10	22%	-6	16%	-2
Details about the listing agent	14%	-1	18%	-1	13%	+3	8%	+1
Other	2%	-1	1%	-1	2%	-1	3%	-1

- In terms of website features that buyers value most when looking online for homes, those aged 55+ place the most emphasis on details about the property, significantly more so than those aged 18-34.
- Perhaps because they might have less experience with the home buying process, younger buyers value details such as anticipated mortgage payments and details about the listing agent, when compared to buyers aged 55+.
- During a time when in-person open houses are less of a viable option, video content has become a more in-demand feature when looking online for homes.

SELLERS

4

Likelihood of Listing Home for Sale in Next Year



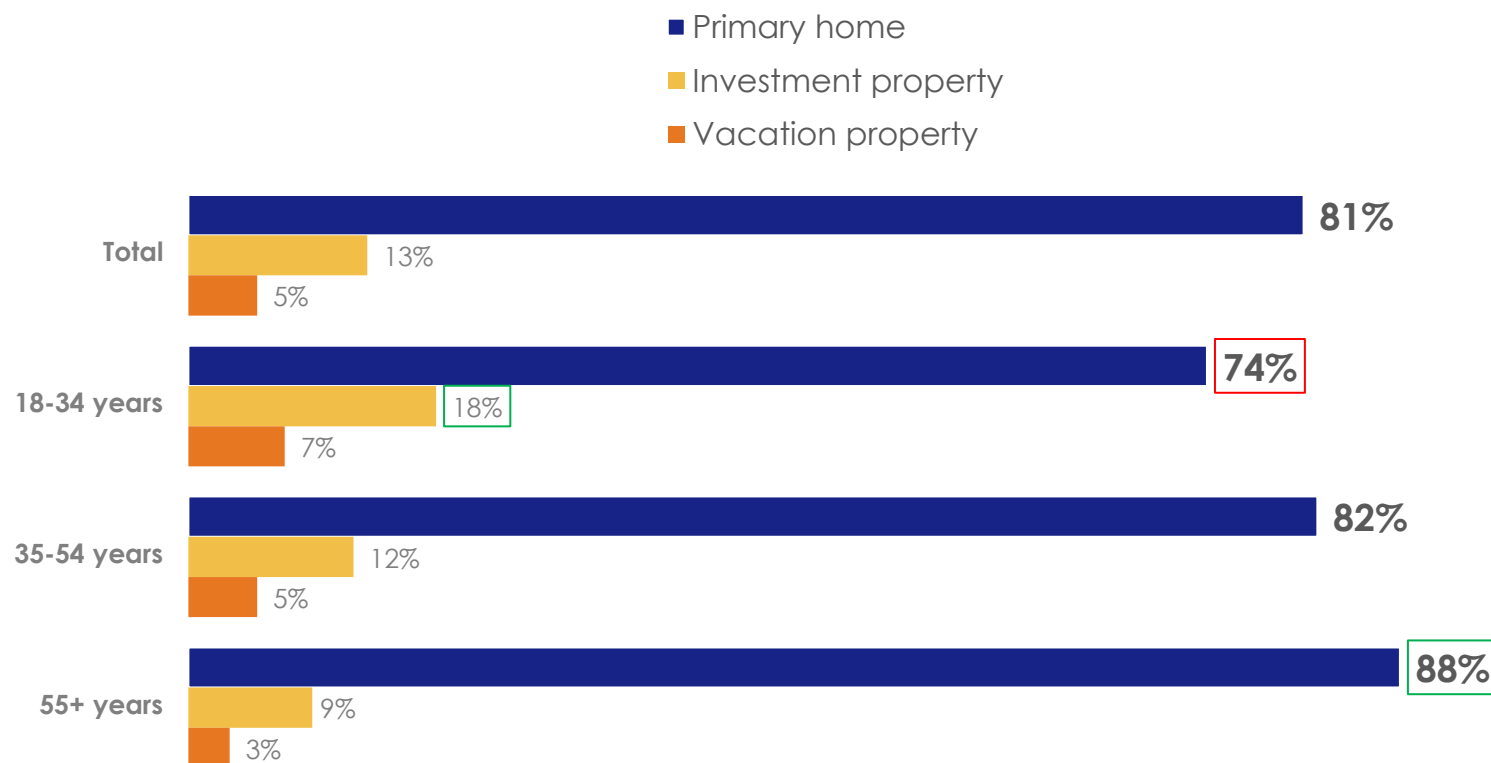
- As with buying intentions, selling intentions seem to be stable, largely unaffected by the pandemic on aggregate.
- 18% of homeowners are at least somewhat likely to list their home for sale in the next twelve months.
- Of that, 5% say they are 'very likely' to list their home for sale sometime in the next year, while the remaining 12% say they are 'somewhat likely'.

Who are likely sellers?

While 18% of the general Ontario population says they are likely to list their home in the next 12 months, who are they?

- Mostly **middle-aged**: 42% are aged 35-54, 31% are aged 18-34, 27% are aged 55+
- Mostly **live in the GTA** (30% live in 905, 24% live in 416), though many are also looking to sell in **Southwest Ontario** (23%)
- 16% identify as **black, Indigenous, or a person of colour**
- 25% **immigrated to Canada from another country**
- 18% are **single-person households** (31% in two-person households)
- 7% identify as **members of the LGBTQS2+ community**
- 11% **have extended family living with them** (e.g. parents, grandparents, uncles)

Type of Home Being Sold



- There continues to be stability in the types of homes likely sellers are putting on the market.
- Among those likely to sell a home, the vast majority (81%) say they are selling their primary residence (-2), while 13% are selling an investment property (+1) and 5% are likely to sell a vacation property (unchanged).
- Sellers aged 55+ are most likely to be selling their primary residence as opposed to a vacation or investment property (88%, -3).
- Sellers aged 18-34 are more likely than other age groups to be selling their investment property (18%, unchanged) as opposed to their primary home or vacation property.

Previously Sold a Home

NUMBER OF TIMES

	Total	18-34	35-54	55+
None (First-Time)	35%	48%	37%	18%
One	30%	33%	31%	25%
Two	18%	15%	19%	21%
Three	7%	2%	9%	12%
Four	3%	1%	1%	9%
Five	5%	1%	3%	14%

- One in three (35%) sellers is navigating the process of selling a home for the very first time.
- For the vast majority (65%), they've been through the process of selling a home either one time or multiple times already.
- Among sellers aged 18-34, a little under half (48%) have never sold a home before and would likely require a little more guidance from a REALTOR as a result.

Main Reason Behind Home Sale

- Last year, personal reasons for moving topped the list of motivations for selling (i.e. family reasons or downsizing). This year, the leading factors are more market-oriented: prices are favourable for selling (19%, +4) and timing is right (19%, +2). However, family reasons (17%, -2) and downsizing (14%, -5) are still playing some role in likely sellers' calculations.
- Younger sellers are more likely to cite moving due to favourable housing prices or the timing being right. Boomers are by far the most likely to say they're selling to downsize (30%), or for age or health reasons (12%).

MAIN REASON

	Total	Δ	18-34	Δ	35-54	Δ	55+	Δ
Housing prices are favourable right now for selling	19%	+4	23%	+8	20%	+2	14%	+4
I'm ready to sell - the time is right	19%	+2	23%	-	21%	+3	10%	-
I'm moving for family reasons	17%	-2	19%	-1	18%	-7	14%	+2
Downsizing	14%	-5	4%	-	12%	-2	30%	-7
Low mortgage/interest rates	7%		8%		8%		3%	
I'm moving for work reasons	6%	-2	11%	-5	5%	-3	2%	-
Age or health reasons	6%	-3	6%	+1	2%	-3	12%	-6
I want to exit the real estate market	2%	-1	3%	-4	2%	-	1%	-
Other	10%	-	4%	-7	11%	-	15%	+5

Main Reason Behind Home Sale

- Those looking to upgrade mainly cite the time being right (26%, -1) and favourable housing prices (23%, +3) as why they are looking to move. In addition, exiters are also looking to sell due to the favourable housing prices right now (21%, +8), thereby maximizing their investment. However, they also cite downsizing (26%, -3), family reasons (15%, +4) and age or health-related reasons (12%, -6).

MAIN REASON						
	Total	Δ	Upgrader	Δ	Exiters	Δ
Housing prices are favourable right now for selling	19%	+4	23%	+3	21%	+8
I'm ready to sell - the time is right	19%	+2	26%	-1	7%	-3
I'm moving for family reasons	17%	-2	21%	-1	15%	+4
Downsizing	14%	-5	1%	-	26%	-3
Low mortgage/interest rates	7%		7%		3%	
I'm moving for work reasons	6%	-2	5%	-1	3%	-4
Age or health reasons	6%	-3	5%	-2	12%	-6
I want to exit the real estate market	2%	-1	2%	-1	2%	-
Other	10%	-	10%	-3	10%	-

Type of Home Being Sold

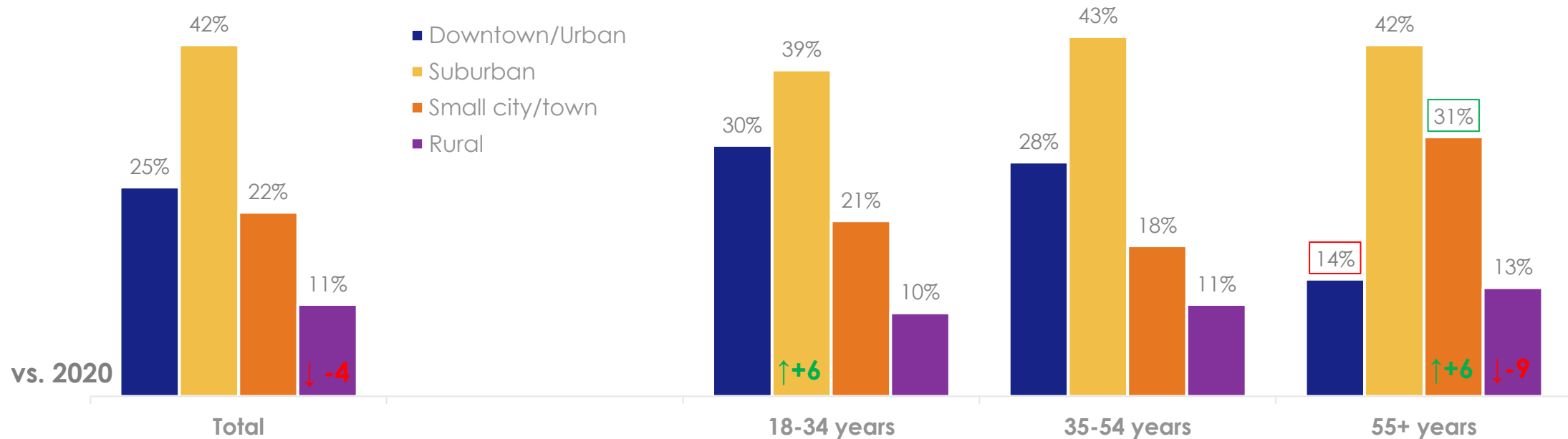
- Mirroring the trend of likely buyers being more interested in detached homes and eschewing condominiums, the biggest changes over last year among those looking to sell in the next year are in terms of listing condos or semi-detached homes for sale. Those with detached homes are more likely to hold on to them compared to last year.
- However, detached homes remain the most common type of home being sold overall. Roughly two in three (62%, -4) sellers will be selling a detached home, while 13% (-1) will sell a town/rowhouse. Fewer (although up from last year) will be selling a high-rise condo (11%, +2), semi-detached (10%, +3) or low-rise condo (3%, +1).
- The increased interest in buying a detached home, combined with fewer sellers listing a detached home for sale, could create a situation where there is even more upward pressure on prices of these homes, all while the price growth of condominiums is not as strong.

	Total	Δ	18-34	Δ	35-54	Δ	55+	Δ
Detached home	62%	-4	50%	-4	65%	+2	73%	-7
Town/rowhouse	13%	-1	18%	-2	12%	-3	9%	+1
High-rise condo (6+ stories)	11%	+2	14%	-1	11%	+2	8%	+4
Semi-detached	10%	+3	14%	+5	8%	-	8%	+2
Low-rise condo (≤5 stories)	4%	+1	5%	+2	4%	-	2%	-

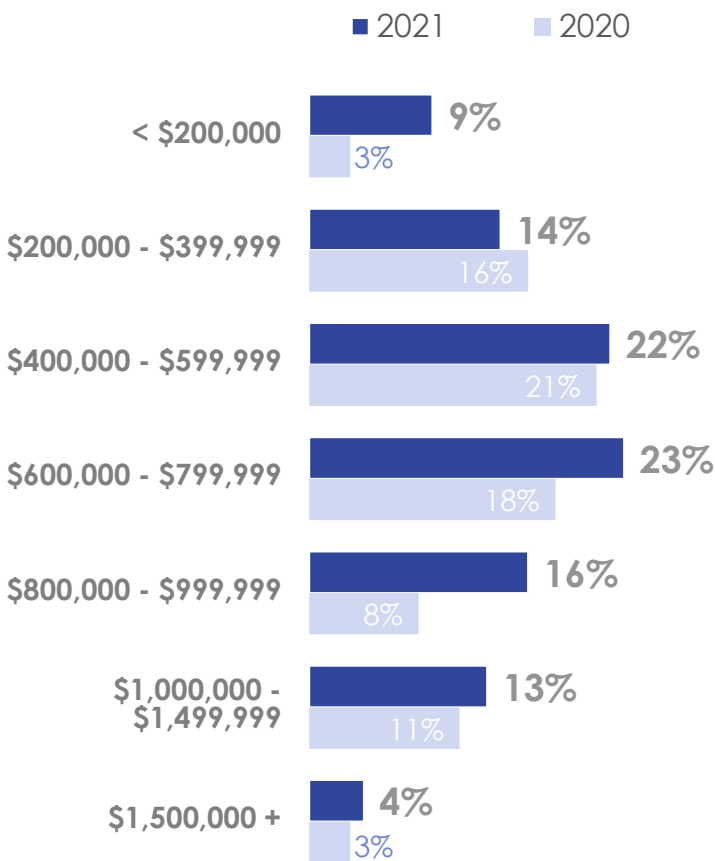
Location of Home Being Sold

- One quarter (25%, +1) will be selling a downtown/urban home, while four in ten (42%, +3) will sell a suburban home. Fewer Ontarians looking to sell say their home is located in a small city/town (22%, unchanged) or rural locale (11%, -4).
- Younger people are more likely to be selling a home in an urban setting (30%, -3) and there has been a recent increase in those in this age group listing a suburban home (39%, +6). Those aged 55+ are more likely to be selling a home in either a suburban (42%, +3) or small city/town (31%, +6). Compared to last year, older homeowners in rural areas are rethinking whether they will sell (13%, -9).

DESCRIBE THE LOCATION OF THE HOME YOU WILL SELL



Anticipated Selling Price



- While the average change in expected purchasing price has increased by \$67,000 from last year, the average change in anticipated selling price has increased by almost \$87,000. The average price that homeowners anticipate selling for is \$663,647, which is quite a bit higher than the \$610,208 that buyers anticipated spending – suggesting the need for some negotiation to bridge that gap.
- Those looking to climb the property ladder anticipate selling their home for \$671,728 on average; those looking to exit the real estate market anticipate selling their investment for \$620,660.
- 17% of the homes being sold are anticipated to be sold for over \$1,000,000, an increase of 3 points from last year. By comparison, 14% of likely buyers expect to be paying \$1,000,000 and over for their home.



AVERAGE

Total: \$663,647 (+\$86,955)

18-34: \$599,707 (+\$95,685)

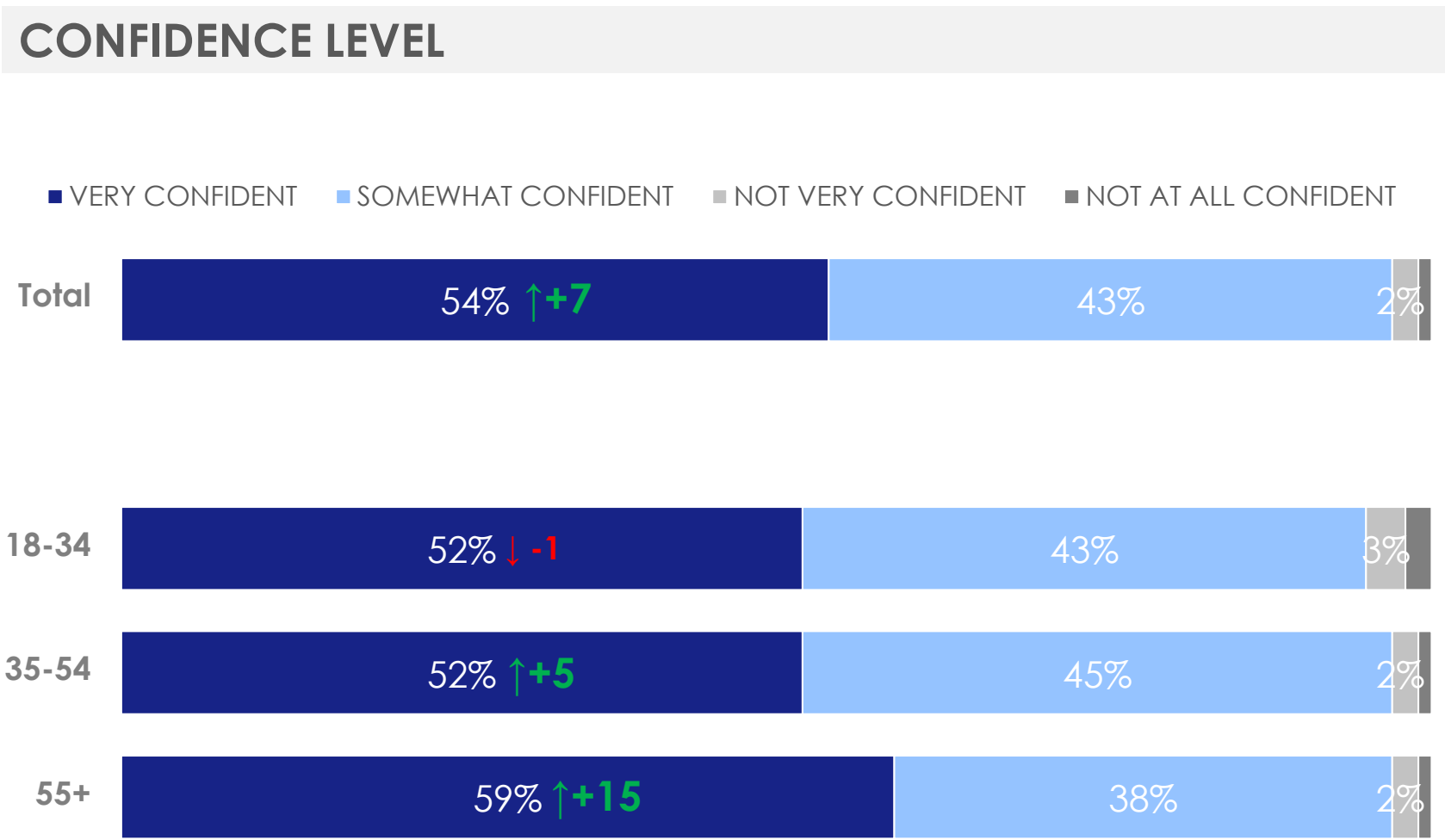
35-54: \$679,362 (+\$79,347)

55+: \$712,944 (+\$104,972)

Upgraders: \$671,729 (+\$91,387)

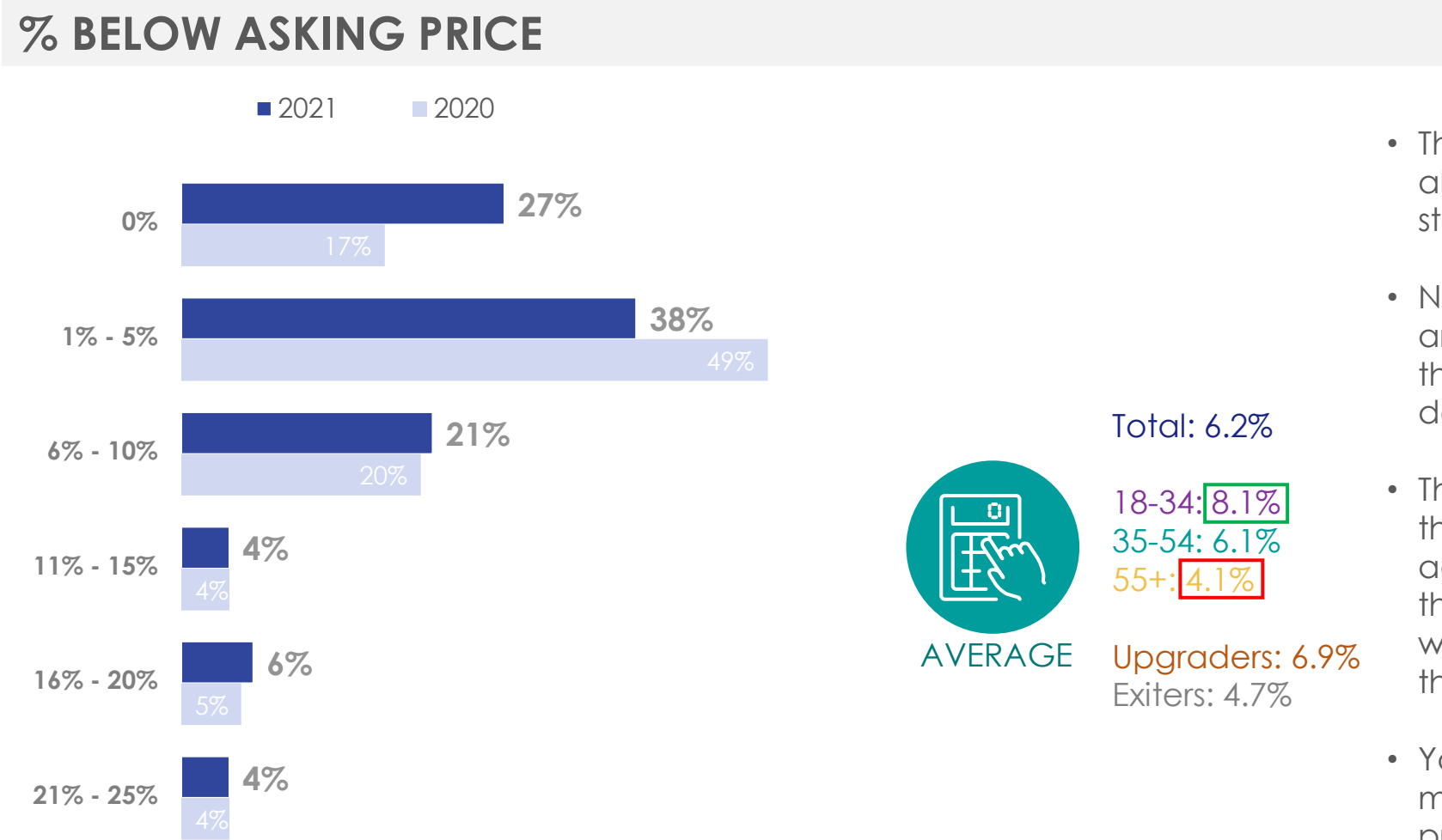
Exiters: \$620,660 (+\$100,516)

Confidence in Getting Selling Price



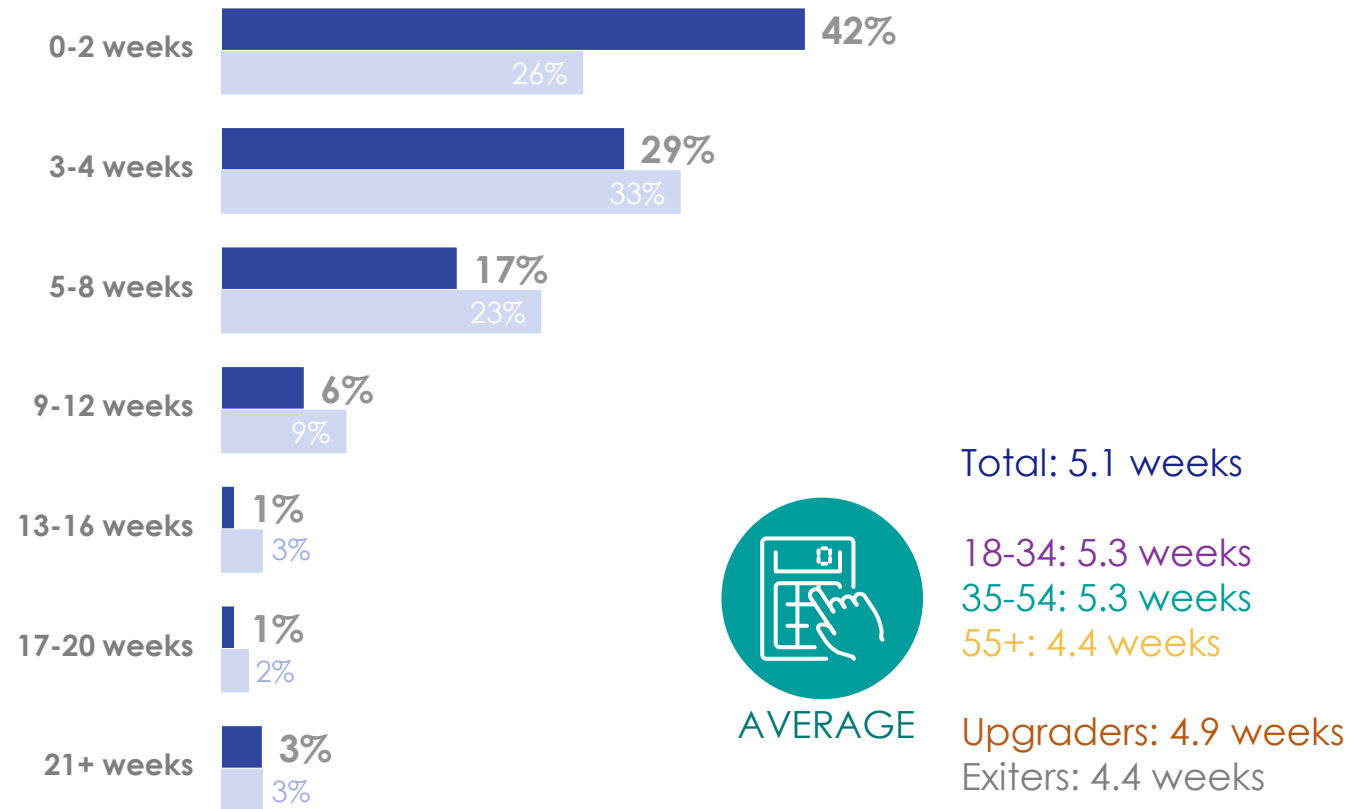
- Given that the pandemic may have exacerbated an already tight seller's market, it's perhaps not surprising that sellers are even more confident that they'll get their anticipated selling price (54%, +7).
- While younger sellers were more confident that they'd get their asking price, the tables have turned this year. Older sellers are more confident they will get their asking price, perhaps reflecting the tendency of these age groups to have the now-desired detached homes in non-urban areas, whereas younger sellers may be looking to sell a condominium in a densely populated urban area.

Amount Below Asking Price Willing to Go



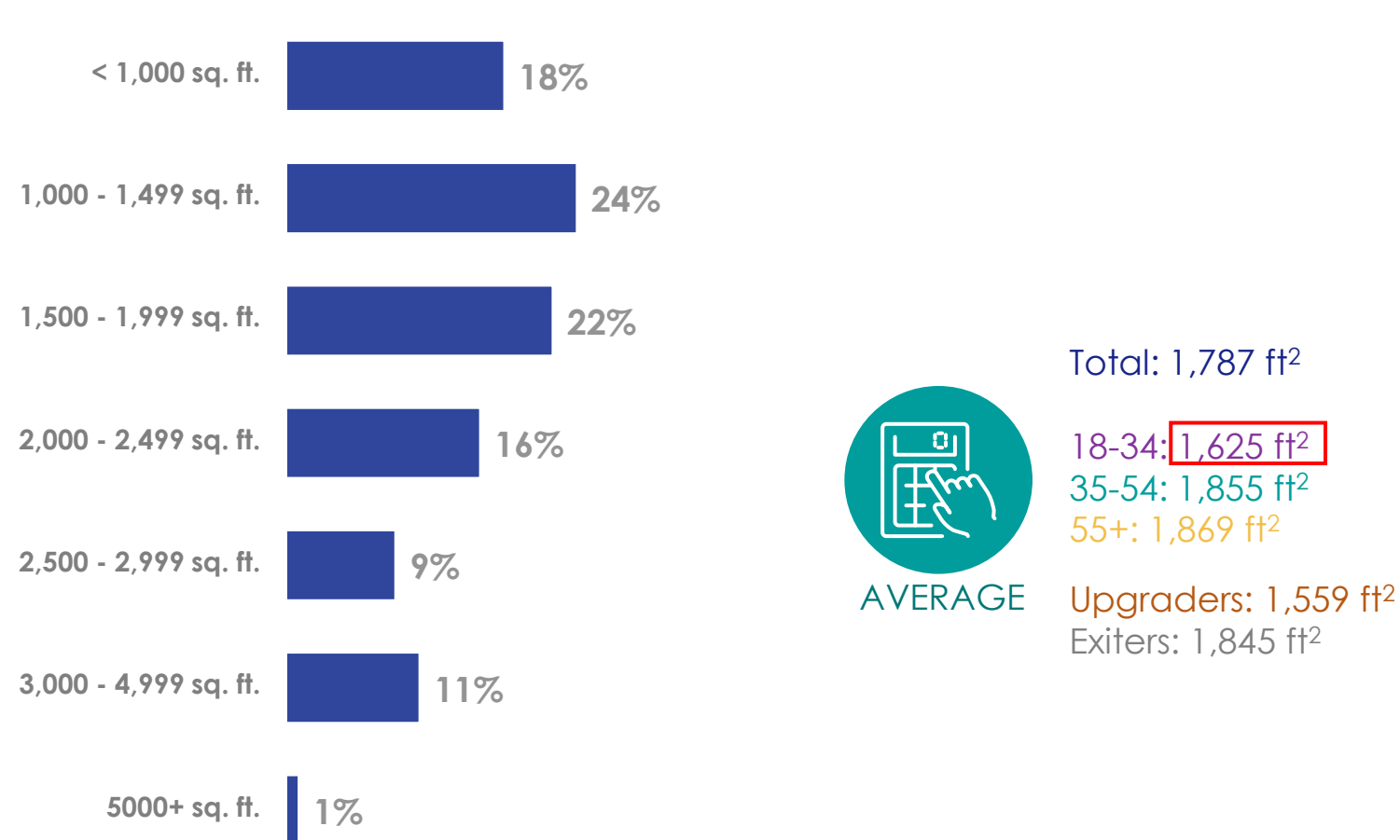
- This shift in the market in only a year is also reflected in how firmly sellers are sticking by their asking prices.
- Nearly two in ten (27%) sellers say they are not willing to accept an offer below their asking price in order to close the deal, a ten-point increase from last year.
- This increase appears to have come at the expense of the proportion willing to accept 1-5% below asking price. As such, the average discount that sellers are willing to tolerate in order to sell is roughly the same: 6.2% (-0.3%p).
- Younger sellers still appear to be a little more willing to accept a lower asking price.

Expected Waiting Time from Listing to Accepting an Offer



- Once again, the dynamic nature of the Ontario real estate market at this time is also reflected in how long sellers think it will take before accepting an offer.
- Sellers think it will take 5.1 weeks for their home to sell, down from 6.5 weeks. Exiters think they'll have their house sold more quickly (4.4 weeks, down from 6.2 weeks), most likely related to the type of home an exiter may be selling.
- By comparison, upgraders see no change in how long it will take them to accept an offer (4.9 weeks).
- Four in ten (42%) home sellers think they'll have their home sold in less than two weeks, up from 26%. Approximately one in ten (11%) think it will take more than about 9+ weeks to accept an offer on their home.

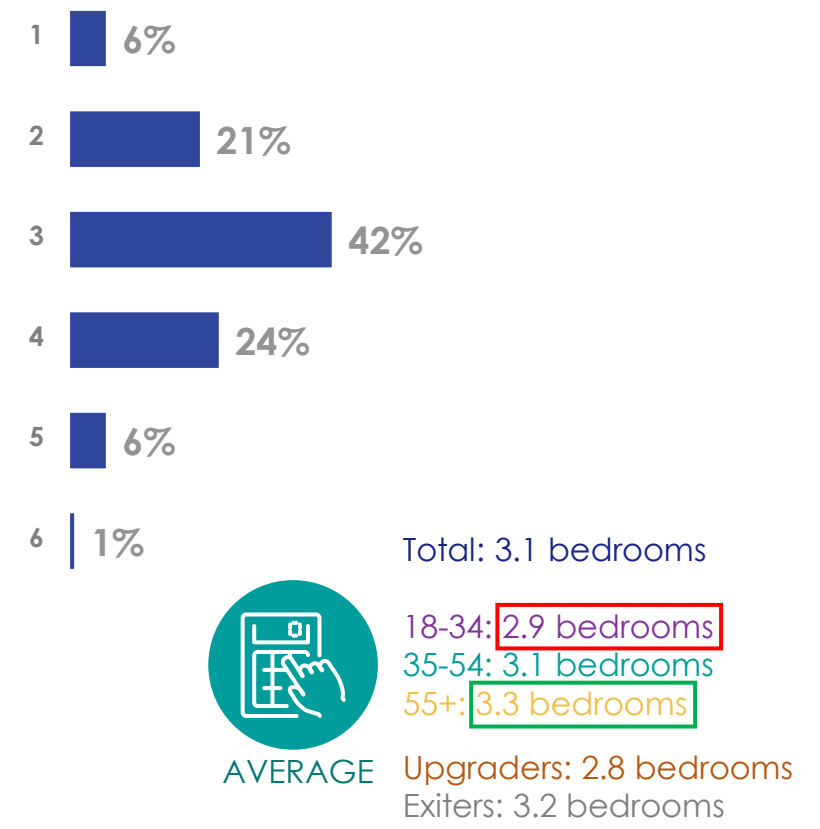
Size of Home Being Sold



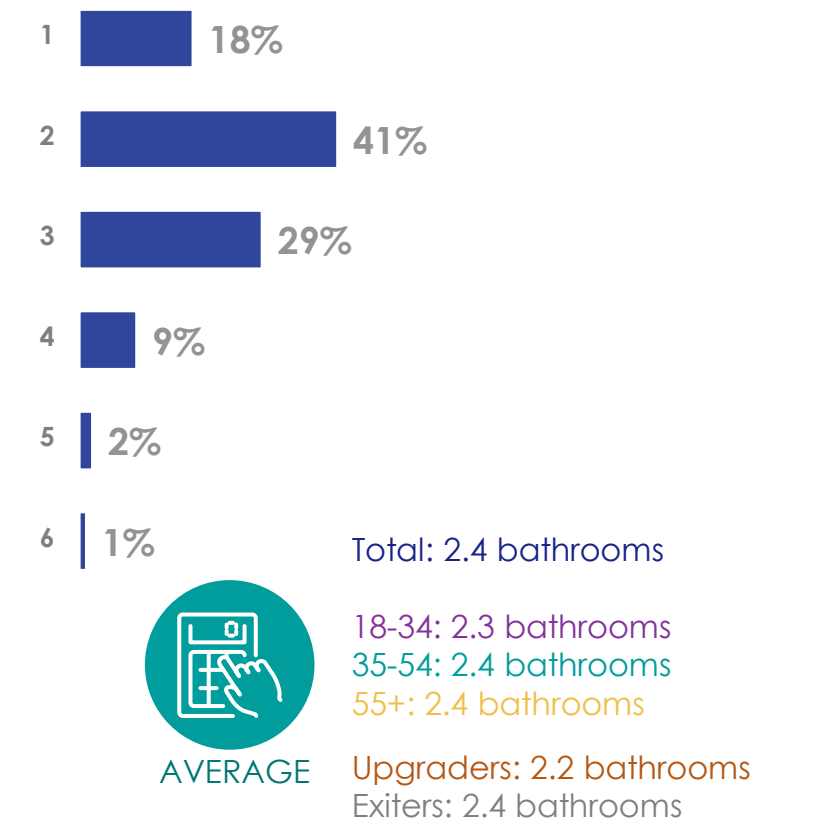
- Compared to last year, the average size of home being sold is 1,787 square feet, roughly the same as last year.
- Roughly one in seven (12%) homes being sold is over 3,000 square feet, while a similar proportion (18%) is on the smaller side at less than 1,000 square feet.
- Upgraders are selling slightly smaller homes (1,559 square feet), which underscores the reason why they're upgrading to a bigger home.

Number of Bedrooms and Bathrooms in Home Being Sold

BEDROOMS



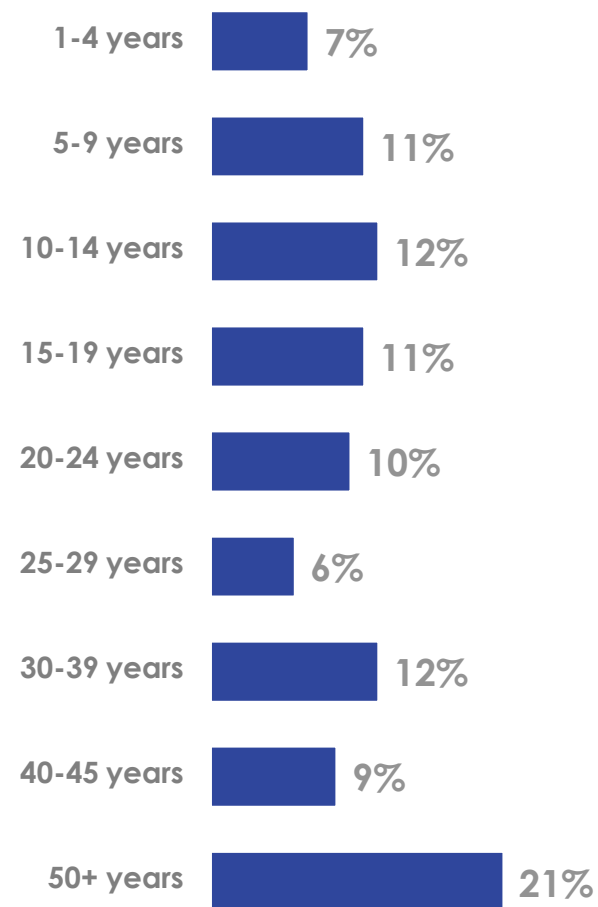
BATHROOMS



- Matching what buyers are looking to purchase, sellers are most likely to be selling three-bedroom homes with two bathrooms.
- Only one quarter (27%) of sellers are selling homes of two bedrooms or less, while most (73%) will be selling three or four bedroom homes.
- Only 18% of sellers have 1 bathroom. The vast majority (82%) have two or more.



Age of Home Being Sold



Total: 29.9 years

18-34: 22.6 years

35-54: 29.1 years

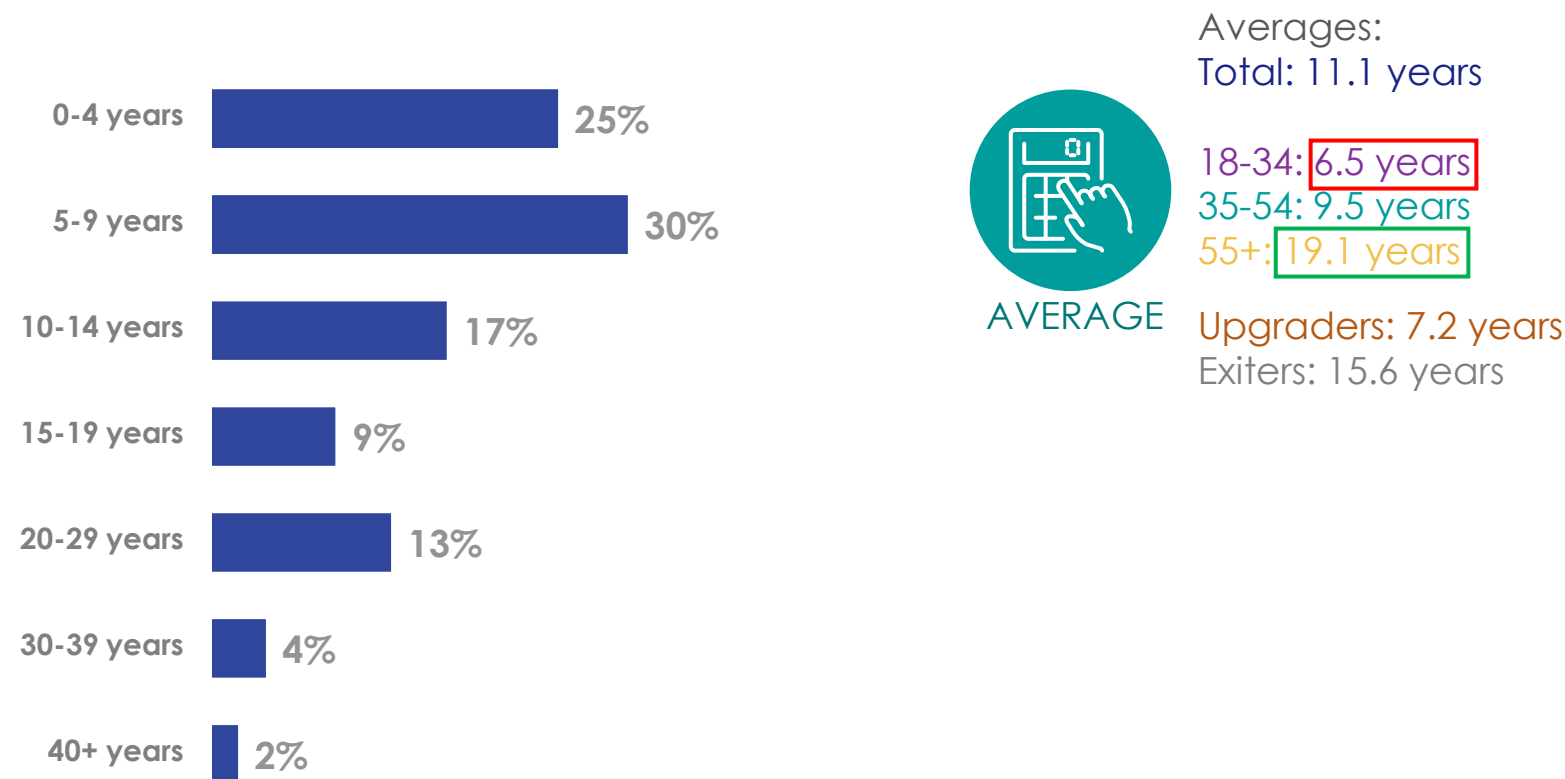
55+: 39.6 years

Upgraders: 24.0 years

Exiters: 35.6 years

- Similar to last year, where the supply of newer homes cannot catch up with the demand, this year also sees a situation where likely buyers will have to adjust their expectations and purchase a home that is older than what they originally expected.
- The average age of home Ontarians are looking to buy is 16 years old, whereas sellers are selling homes that are, on average, 30 years old.
- Those looking to exit the real estate market are selling homes that are 36 years old.
- Just 18% are selling homes that are newer than 10 years old.

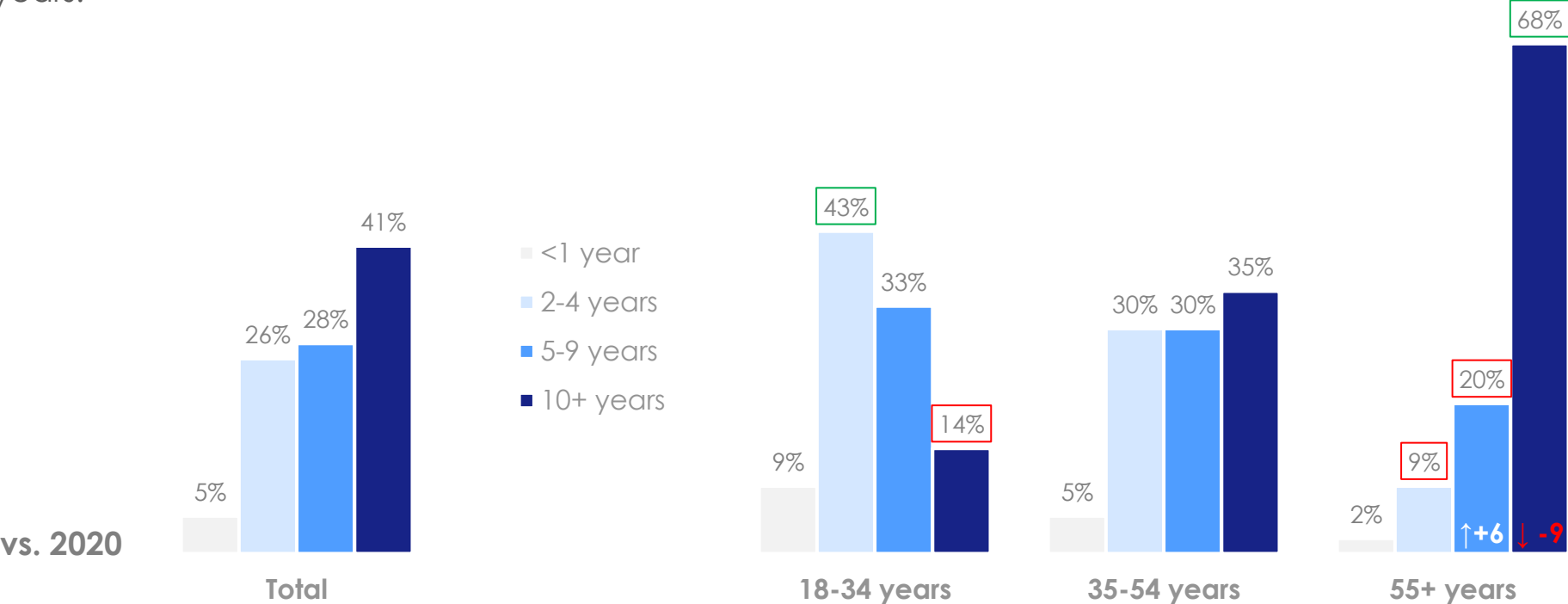
Length of Time Lived in Home for Sale



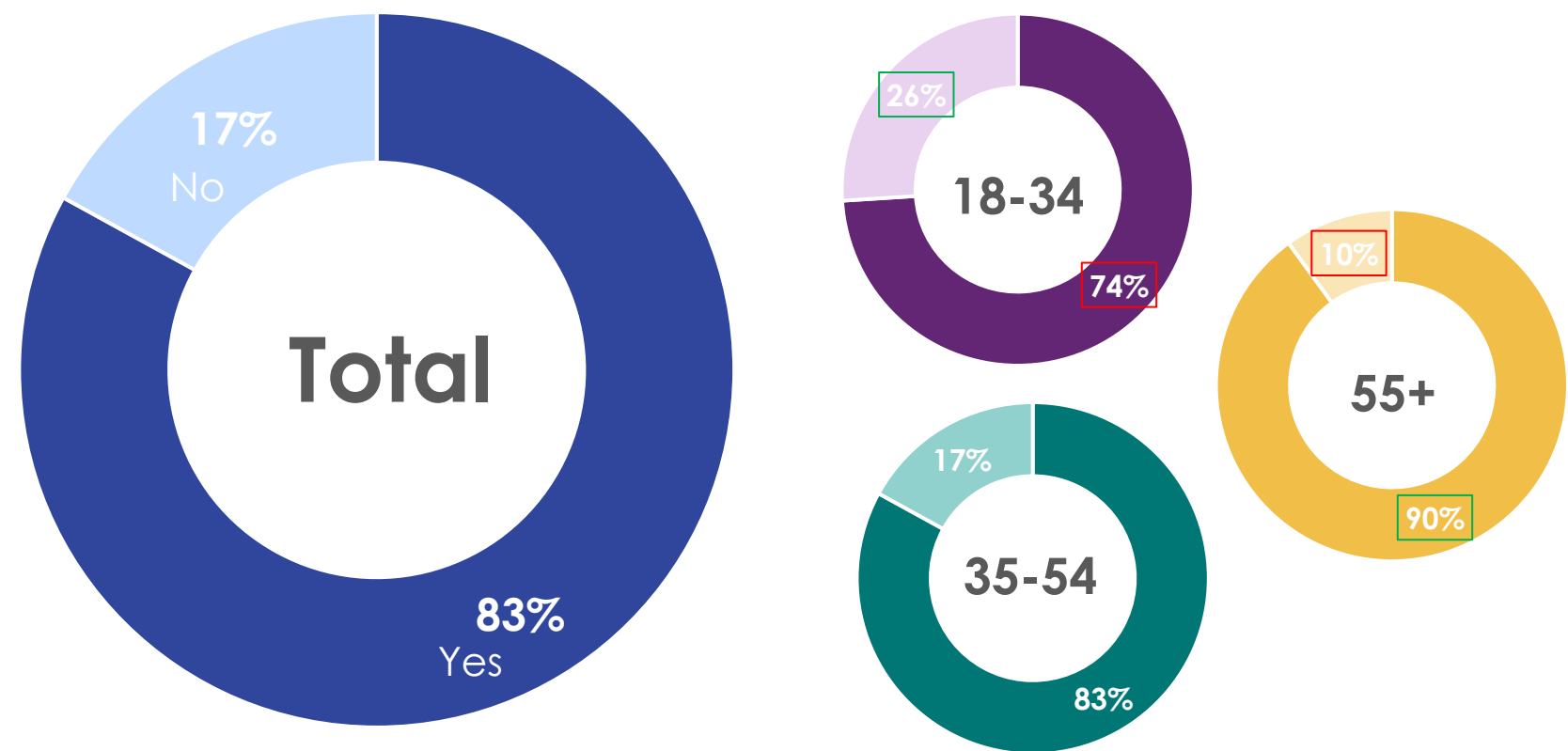
- Younger sellers are moving more quickly than older sellers. The average amount of time that a seller who is 18-34 has lived in their home is 6.5 years – most likely moving from their starter home. This rises to 10 years for those aged 35-54, and 20 years for those aged 55+.
- Those looking to exit the real estate market have been in their current home for 16 years on average.

Years Elapsed Since Selling Home

- There has been little change in the time that has elapsed since selling a previous home. However, one exception is the 55+ age group, who seem to be selling a little more quickly; while it is still very common for them to spend 10+ years in their home before listing it, more are saying they are only spending 5-9 years (20%, +6) in it before selling.
- While 41% of sellers have been in their home for at least 10 years, this rises to 68% of those who are 55 years of age or older. Younger people tend to move around more often. A little under half (43%) of those aged 18-34 have lived in their home for under four years.

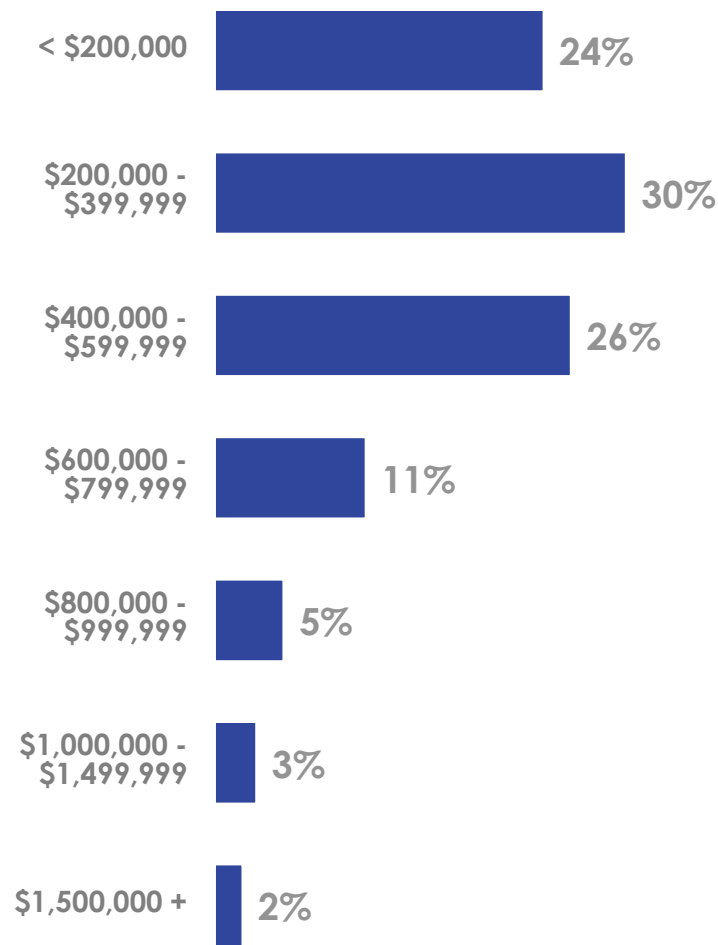


Used REALTOR® to Sell Previous Home



- Thinking back to their previous real estate sale, most (83%, +1) say they used a REALTOR® to sell that home.
- Propensity to have used a REALTOR® rises with age: 74% of those aged 18-34 used a REALTOR® to sell their previous home (unchanged), rising to 83% among 35-54 year olds (unchanged) and 90% among those 55 or older (+5).

Sale Price of Previous Home Sold



AVERAGE

Total: \$413,353

18-34: \$468,812

35-54: \$443,964

55+: \$335,735

Upgraders: \$468,479

Exiters: \$282,592

- Reflecting the length of time people have been in their home, and the significant increase in the value of real estate over that time, the average selling price of the previous home they sold was \$413,353 – over \$250K less than the anticipated selling price of their current home.
- Given the nearly 20 years on average that those now looking to exit the real estate market have been in their current home, they stand to more than double their investment.

A low-angle, close-up shot of a person in a dark suit walking across a city street. The person's legs are in mid-stride, and they are wearing a watch on their left wrist. The background shows a city street at sunset, with the CN Tower visible in the distance. The sky is orange and yellow, and the buildings are silhouetted against the light. The overall mood is professional and urban.

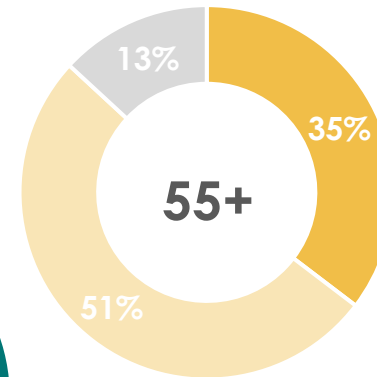
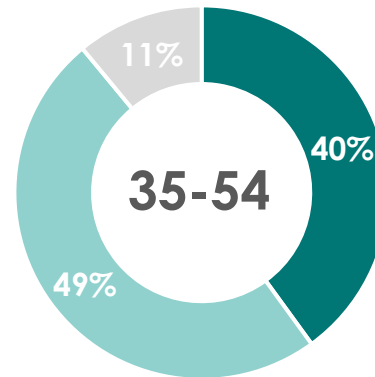
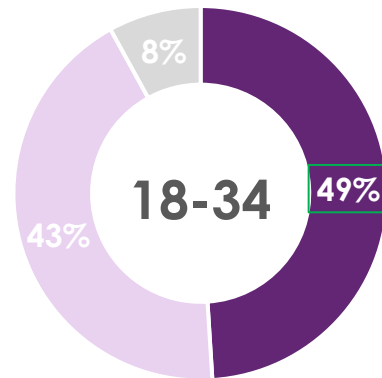
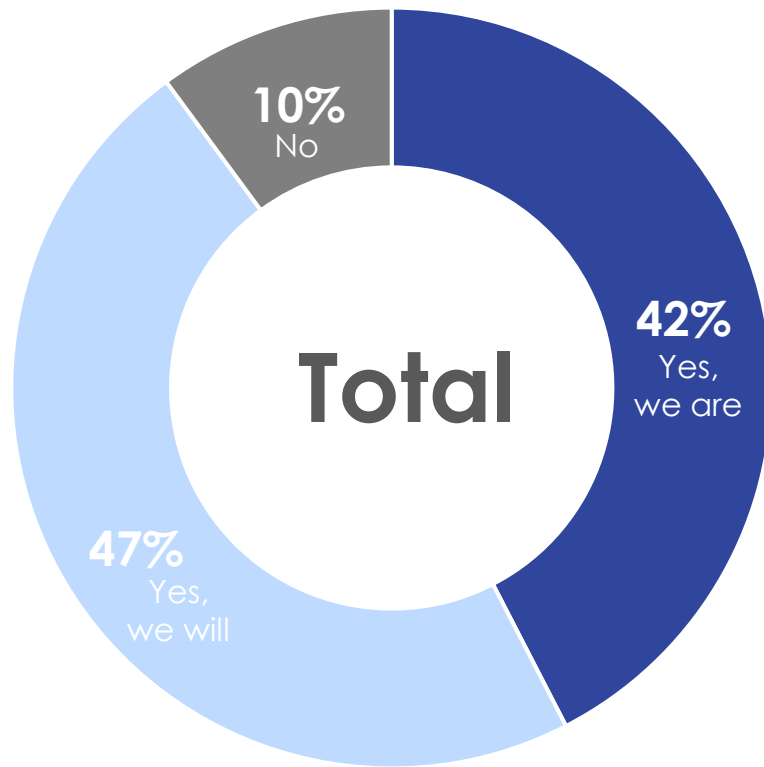
USE OF REALTORS®

5

USE OF REALTORS® TO BUY

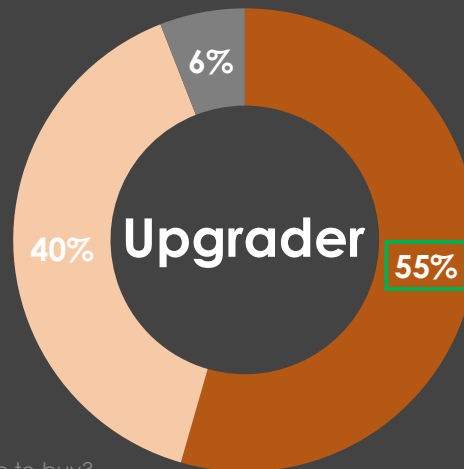
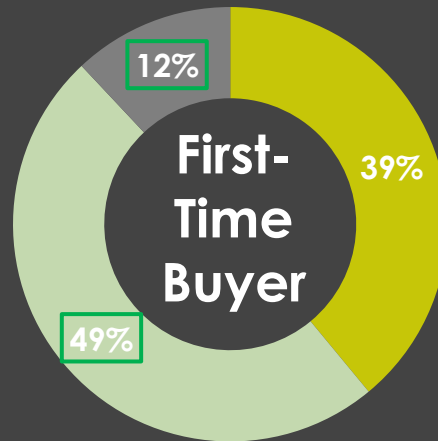
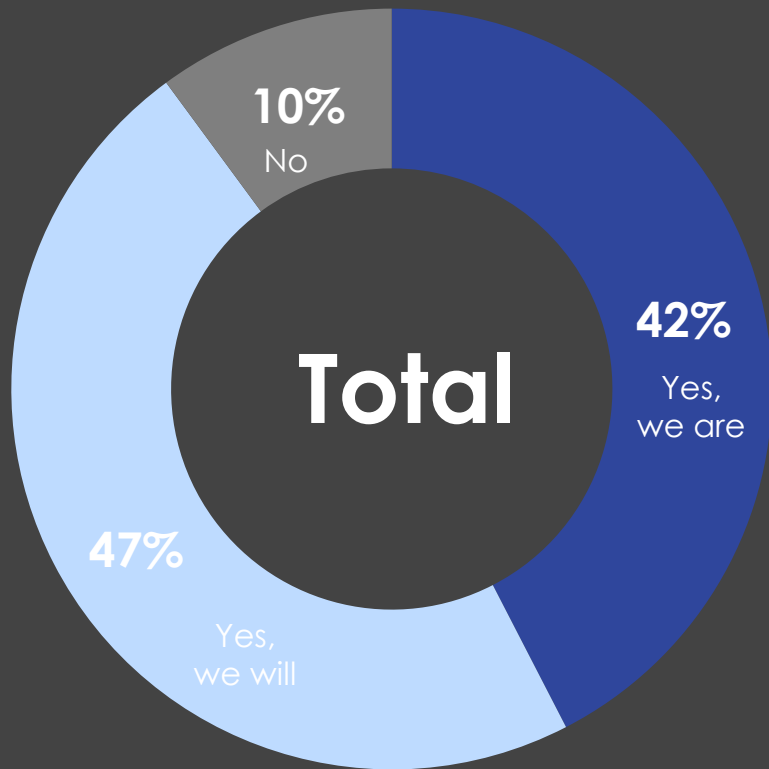


Using REALTOR® to Help Find a Home to Buy



- Whatever their motivations, 89% say they either are using or will use the services of a REALTOR® to help them find a home to buy (+3). Tight competition may be causing more people to turn to a REALTOR® for guidance.
- Younger buyers are the most likely to say they are already using a REALTOR® (49%, +2). While older buyers were the least likely to say they'd be using a REALTOR®, they are slowly becoming more interested (35%, +5).

Using a REALTOR® to help you find a home to buy



- Those looking to upgrade by moving are also highly likely to use a REALTOR®, with 95% saying they will use or are using one. Very few (6%, - 5) say they won't use the services of one.
- First-time home buyers are slightly less committed to using services of a REALTOR® to help them find a home to buy. Just over one in ten (12%) first-time buyers say they won't use one and about half (49%) say they will (but aren't right now). This soft commitment is perhaps due to their being completely new to the process.

Reasons Why Will Use a REALTOR®

- Home buyers of all ages find value in using the services of a REALTOR®. Compared to last year, more likely buyers have come to appreciate that a REALTOR® will help them with paperwork (47%, +3) and help them navigate the process (43%, +2). In particular, likely buyers aged 18-34 have shown a greater appreciation for these conveniences in the past year.
- Perhaps with increased interest in online searches to find a home, likely buyers (and in particular older ones) are finding less value in a realtor's ability to know what to watch out for in the homes they are looking at (37%, -4). These older buyers have most likely already bought at least one home in the past and already know what they should be looking out for.

	Total	Δ	18-34	Δ	35-54	Δ	55+	Δ
They'll help with paperwork	47%	+3	43%	+8	50%	+2	47%	-4
They'll help me navigate the process	43%	+2	42%	+4	42%	-1	46%	-1
They'll help me save time	38%	-	38%	-1	40%	+1	35%	-2
They'll help me find the best home that meets my needs	38%	-1	35%	-1	40%	+3	42%	-4
They'll know what to watch out for in the homes we're looking at	37%	-4	37%	-	37%	-5	37%	-9
They'll help me get the best price or terms	36%	-	31%	-5	39%	+3	38%	+1
It gives me peace of mind	35%	+1	35%	-1	36%	+3	30%	-5
Their expertise in a particular neighbourhood or area	29%	-1	27%	-3	29%	+1	35%	+1
Because I'm using them to help me sell my home	20%	-1	18%	+5	20%	-2	26%	-4
Some other reason	4%	-1	3%	-1	5%	-	6%	+2

Reasons Why Will Use a REALTOR®

- Whether a first-time buyer or one with experience, guidance with paperwork and process are two often cited reasons for using a REALTOR®. For first-time buyers, these two reasons have taken on greater importance from last year.
- First-time buyers are more likely to believe that they need a REALTOR®'s expertise when it comes to knowing what to watch out for in the homes they are looking at and finding a home that best meets their needs.

	Total	Δ	First-Timer	Δ	Upgrader	Δ
They'll help with paperwork	47%	+3	49%	+4	48%	-
They'll help me navigate the process	43%	+2	48%	+4	38%	-2
They'll help me save time	38%	-	41%	-	44%	+2
They'll help me find the best home that meets my needs	38%	-1	43%	+1	34%	+4
They'll know what to watch out for in the homes we're looking at	37%	-4	46%	+2	34%	-
They'll help me get the best price or terms	36%	-	37%	+1	33%	-7
It gives me peace of mind	35%	+1	34%	-4	37%	-1
Their expertise in a particular neighbourhood or area	29%	-1	30%	+3	24%	-6
Because I'm using them to help me sell my home	20%	-1	3%	-2	31%	+3
Some other reason	4%	-1	5%	-1	4%	-

Reasons Why Will Not Use a REALTOR®

- Among buyers who will not use a REALTOR®, younger people believe they can navigate the process of buying without a REALTOR even though they do not have much previous experience. No doubt they are emboldened by information available online.
- While buyers 55+ will rely on their experience to help them through the process without a REALTOR®, those aged 35-54 don't want to use an agent purely for the reason of saving money – a decision that could cost them later.

	Total	18-34	35-54	55+
I can search for a home on my own	35%	23%	39%	42%
I think I can save money by not using one	31%	28%	37%	23%
I'm confident that I can navigate the process of buying without a REALTOR®	23%	30%	19%	22%
I can negotiate for myself	23%	23%	26%	19%
I've bought a home before, so I have experience	16%	20%	10%	21%
There are online resources available that are just as good as using a REALTOR®	14%	16%	10%	19%
Bad experience with a REALTOR® in the past	10%	9%	9%	14%
Some other reason	17%	10%	20%	23%

Ways of Finding Real Estate Professional

- It is clear that word of mouth still matters, as it remains the most popular way of finding a real estate professional across all groups. However, it is impossible to ignore the popularity of internet searches, particularly for buyers under the age of 55. More 'traditional' ways of advertising – such as billboards or newspaper ads – seem to be fading away as a way of reaching out to people.
- Though not the main way in which likely buyers find a real estate professional, social media has become a more often used tool, particularly among young buyers and during the COVID context.

	Total	Δ	18-34	Δ	35-54	Δ	55+	Δ
Referral from family or friend	38%	-2	35%	-1	40%	-2	40%	-3
Internet search	25%	+1	29%	-4	25%	+3	17%	+1
Used agent previously	15%	-	8%	-	16%	-	29%	+5
Social media	10%	+3	15%	+4	8%	-	2%	+1
Out of home advertising (billboard, bus shelter)	4%	+1	5%	-	3%	+1	1%	+1
Newspaper ad	3%	-	4%	-	1%	-2	1%	-1
Other	6%	-1	3%	-1	6%	-1	11%	-1

Researching an Agent

- Across the age groups, there are a few ways to go about looking for an agent: interviewing them in person, going to a franchise, consulting an agent's brokerage website, or speaking with previous clients.
- Unsurprisingly, older buyers prefer to interview the agent in person, though this means of finding out information has seen a decline over the past year due to the pandemic. Conversely, looking for information about agents on social media is the lowest among older buyers, whereas younger buyers not only prefer that method, but have been increasingly turning to this medium over the past year.
- There is perhaps a substitution effect at work, as younger buyers turn to social media or an agent's own website, they pivot away from franchise websites.

	Total	Δ	18-34	Δ	35-54	Δ	55+	Δ
Interview them in person	40%	-5	35%	-2	40%	-6	50%	-5
Look for information about them on social media	31%	+4	35%	+7	32%	+3	18%	-1
Go to a franchise (ReMax, Royal LePage, Century 21 etc.) website	30%	-3	30%	-10	32%	+3	26%	-5
Consult an agent's brokerage website	27%	-3	25%	+5	30%	+1	26%	-5
Ask to speak with other clients	22%	-	27%	+5	19%	-4	21%	+2
Ask about recent transactions	18%	-	21%	+2	15%	-3	19%	+1
Other	11%	+1	7%	+1	11%	+1	21%	+5

Most Important Things Looking for in Real Estate Professional

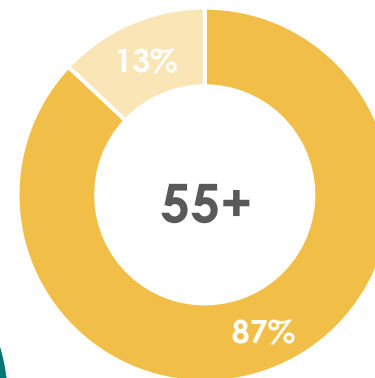
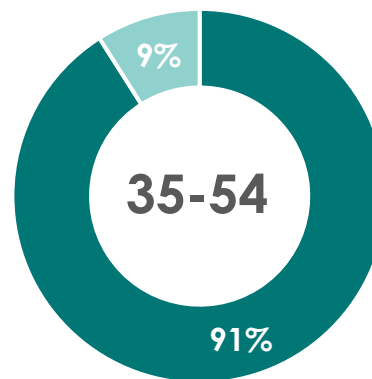
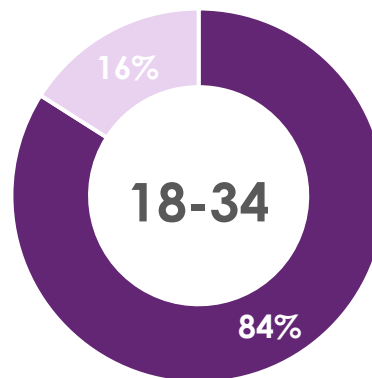
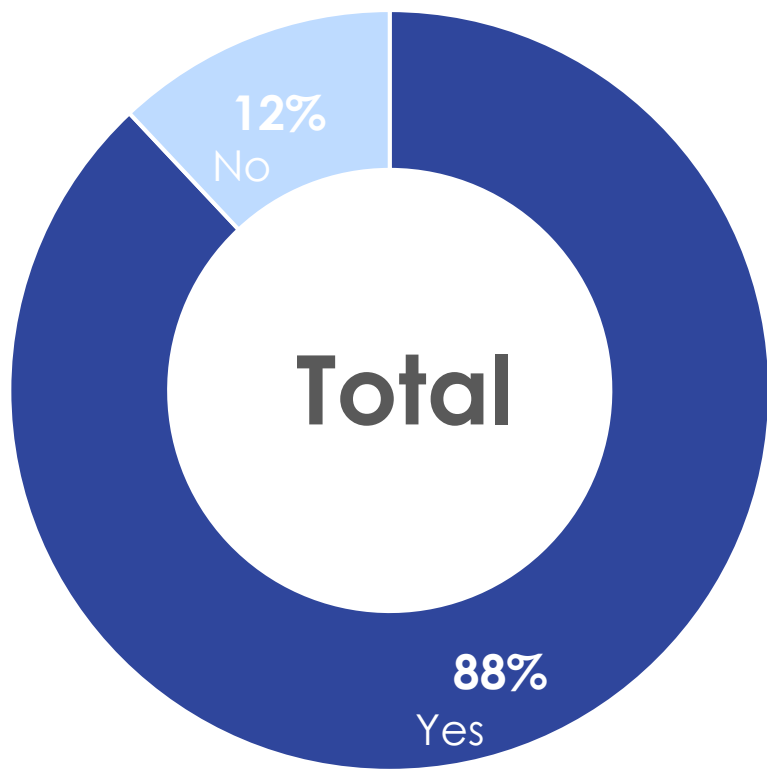
- The top three traits remain the same as last year: trustworthiness, experience, and skilled negotiator.
- Compared to last year, younger buyers are less likely to cite trustworthiness as being among the most important things they are looking for in a real estate professional, but make up for this in valuing negotiating skills.
- Older buyers' top trait is trustworthiness, but they are also more likely to say they value the real estate professional's local market knowledge than other age groups (perhaps rising in importance as people move farther away. This is also a trait that has gained in importance for this age group over the past year.

	Total	Δ	18-34	Δ	35-54	Δ	55+	Δ
Trustworthiness	37%	-5	29%	-5	43%	-2	44%	-6
Negotiating skills – they'll help me get the best deal	28%	+1	29%	+4	29%	-2	23%	+2
Experience – they've done lots of deals	25%	-3	27%	-3	26%	-1	20%	-8
Local market knowledge	22%	-	17%	-3	22%	+1	34%	+6
Value for money when it comes to fees or commissions	21%	-2	22%	+2	21%	-3	20%	-7
A personal connection	15%	-2	16%	-5	14%	-	16%	-2
They are accessible to show me properties/convenience	14%	-1	17%	-2	12%	-2	13%	-
Welcoming, accepting and inclusive	11%		12%		11%		6%	
Other	1%	-	-	-	1%	-	1%	-

USE OF REALTORS® TO SELL



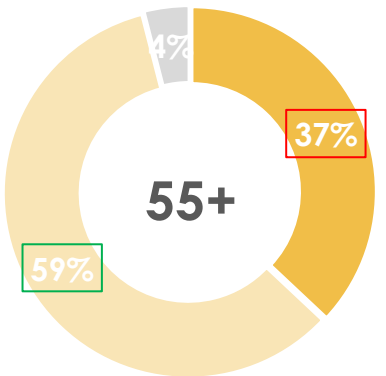
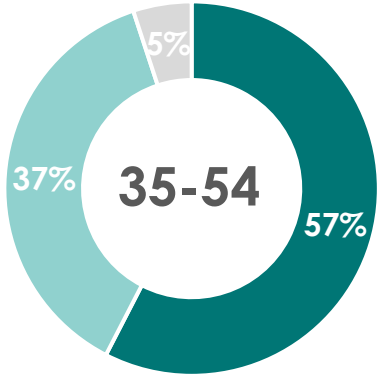
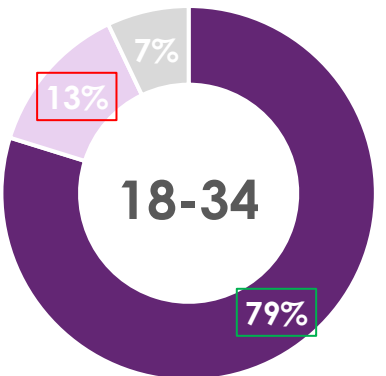
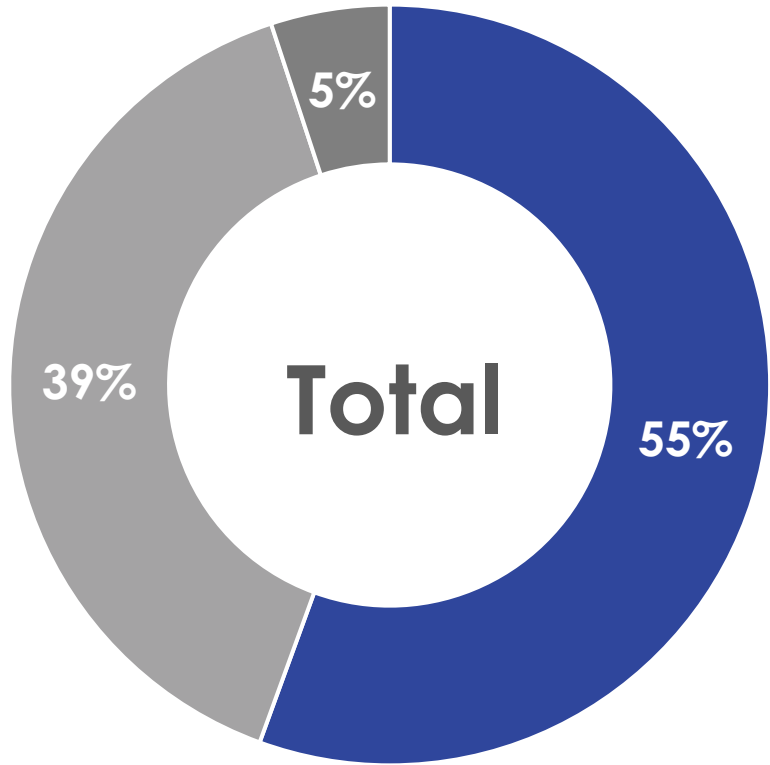
Using REALTOR® to Help Sell Home



- A large proportion of likely sellers are enlisting the services of an agent to help them sell their home (88%, +4).
- All age groups are roughly equally likely to say they'll use a REALTOR® to help them sell their home, although younger people are directionally a little less likely to say so.

Using Same REALTOR®

■ YES ■ NO ■ DIDN'T USE REALTOR®

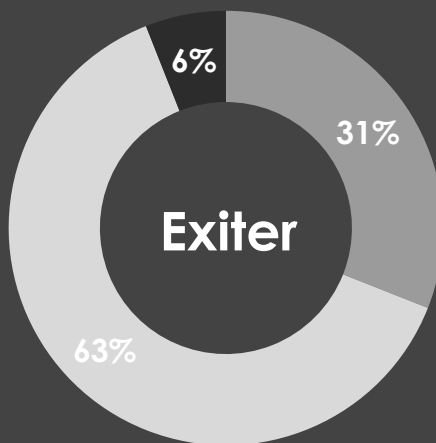
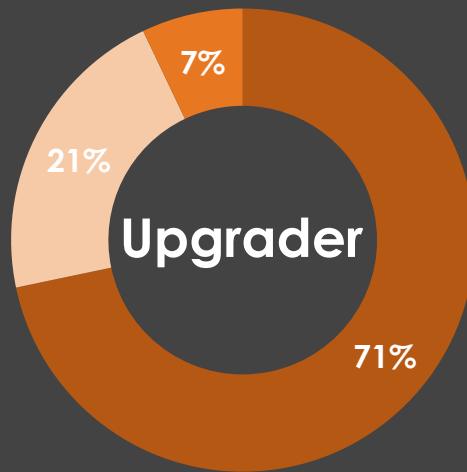
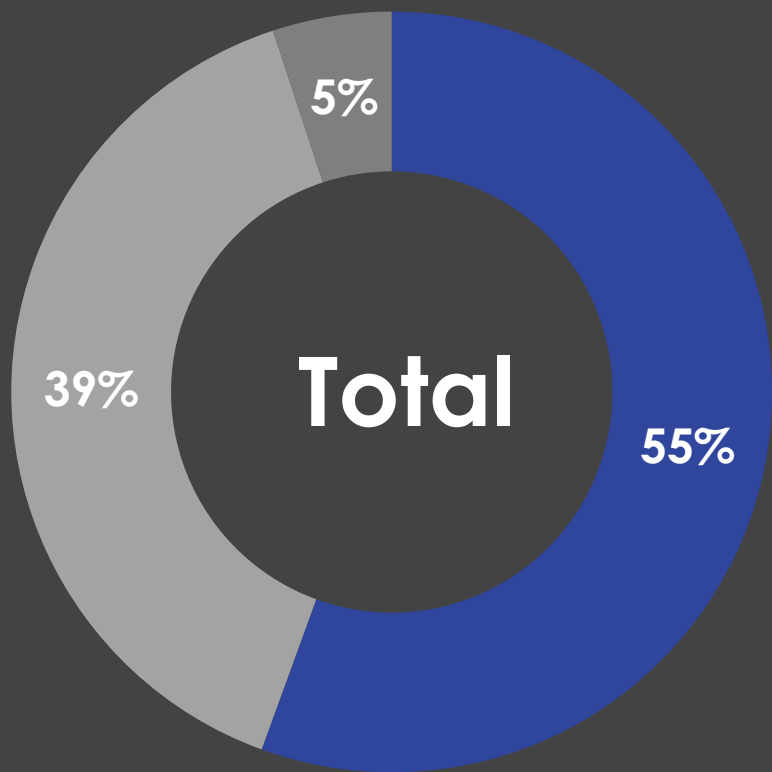


- Among those likely sellers who already have experience selling a previous home, over half say they are using the same REALTOR® this time (55%, +7).
- This repeat business is most likely to come from younger sellers, as they tend to stay in a home for a shorter period, or they could have made connections when they purchased their first property (79%, +2).
- By comparison, 37% of older sellers are using their previous REALTOR® (+15). This age group tends to stay in a home for longer before selling it, so perhaps their previous REALTOR® has already retired or moved away by the time comes to sell their home.



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- Exiters face a similar situation as the 55+ sellers when it comes to using the same REALTOR® that they used to sell their previous home – too much time has passed that the REALTOR® may not be in the business or region anymore.

Reasons Why Not Using Same REALTOR®

	Total	18-34	35-54	55+
I moved far away from them	38%	31%	29%	46%
They could have gotten more money for my home	15%	60%	18%	5%
They didn't provide good value for their fees	13%	25%	16%	8%
They managed the selling process poorly	12%	34%	15%	6%
They provided poor service (i.e. not responsive)	11%	25%	14%	6%
They overpromised services and didn't deliver	10%	28%	11%	7%
They were bad at communicating with me	6%	11%	9%	3%
Other	33%	7%	29%	39%

- The good news is that most non-repeat business is due to reasons such as moving.
- Given that older buyers tend to move further away than other age groups, it is not surprising to see this reason among the top explanations for non-repeat business.
- Younger sellers may have more stringent expectations. They are more likely to say they won't work with the same REALTOR® because of not getting enough money for their home, managing the selling process poorly, or they overpromised services and didn't deliver.

Why Won't Use a REALTOR®

	Total	18-34	35-54	55+
To save money	33%	21%	41%	40%
I can negotiate for myself	27%	25%	27%	28%
I can list my home for sale on my own	24%	26%	22%	22%
I'm confident that I can navigate the process of selling without a REALTOR®	19%	9%	20%	31%
There are online resources available that are just as good as using a REALTOR®	16%	5%	26%	19%
Bad experience with a REALTOR® in the past	8%	6%	8%	11%
I've sold a home before, so I have experience	8%	8%	4%	12%
Some other reason	26%	25%	29%	23%

- Cost is the main reason why likely sellers might choose not to use a REALTOR® to help them sell their home. For those 35-54 and 55+, over four in ten (41%) cite this as the main reason for not working with one.
- Likely sellers aged 35-54 are most inclined to say that they can get by with online resources, more so than younger sellers. These middle-aged sellers may be feeling brave having previous experience selling a home.
- However this is not the case for 55+ sellers. They too have previous experience (like the 35-54 year olds), but seem more willing to enlist help in finding a home.



Most Important Services When Selling a Home

- While pricing a home competitively is the most important service a REALTOR® can offer their clients, according to sellers, different age groups value some services differently. For example, older sellers place importance on marketing the home to buyers and finding buyers for the home.
- Younger sellers, on the other hand, tend to think preparing the home for selling is important, a service that has grown in importance among this age group over the past year. Younger sellers are seeing less value in the REALTOR®'s ability to sell the home within a specific time frame and help with paperwork/inspections.

	Total	Δ	18-34	Δ	35-54	Δ	55+	Δ
Price the home competitively	49%	-	45%	-3	48%	-	55%	+3
Market my home to potential buyers	45%	-	37%	+3	43%	+1	56%	-2
Find a buyer for home	40%	-1	38%	+5	35%	-3	48%	-3
Negotiate with prospective buyers	38%	-	37%	+3	37%	+4	41%	+2
Help with paperwork/inspections	32%	-2	28%	-9	35%	+1	31%	-
Help me prepare the home for selling	30%	+2	34%	+6	29%	-	26%	-
Sell home within a specific time frame	22%	+1	20%	-10	26%	+7	16%	-1
Other	1%	-1	1%	+1	1%	-2	-	-2

Most Important Things Looking for in Real Estate Professional

- As with using a REALTOR® to buy a home, trustworthiness continues to be an important characteristic when it comes to selling a home with a real estate professional. However, this has also slipped in importance over last year.
- For both buyers and sellers, negotiating skills comes in second, with their experience in third place. Given the current market, both buyers and sellers want to get the best price.

	Total	Δ	18-34	Δ	35-54	Δ	55+	Δ
Trustworthiness	43%	-5	37%	-6	45%	-4	48%	-3
Negotiating skills – they'll help me get the best deal	39%	-2	36%	-	40%	-1	42%	-2
Experience – they've done lots of deals	32%	-1	27%	-6	35%	+2	32%	-2
Local market knowledge	27%	+1	27%	+5	24%	+2	32%	-2
A personal connection	17%	+3	21%	+2	15%	+3	14%	+2
They are accessible to show me properties/convenience	11%	-2	15%	-3	12%	-2	8%	+1
Welcoming, accepting and inclusive	7%		10%		7%		4%	
Other	-	-1	-	-	-	-2	1%	-

REALTOR® and BIPOC Individuals

- **18% of the sample identify as being black, indigenous, and/or a person of colour.** They are more likely to be younger (52% aged 18-34 v. 33% among non-BIPOC) and have extended family living with them (25% vs. 13% among non-BIPOC).
- Among those likely buyers identifying as black, indigenous, and/or a person of colour, **36% say they will be a first-time buyer** (vs. 23% among those not identifying as such), with **wanting their own home being the most common motivation** (27% v. 18% non-BIPOC) behind their foray into the real estate market. This may indicate that this demographic may be more likely to still be living at home with parents or renting while saving up for a down payment.
- The pandemic has also affected their decision-making calculus; they are more likely to say they **re-evaluated their priorities during this time** (30% v. 23% non-BIPOC) or that they **want more space for a home office/gym** (27% v. 16% non-BIPOC).
- Likely buyers within this demographic are more likely to say they'll buy a **town/rowhouse** (22% vs. 12% among non-BIPOC), but detached homes are still the most common sought-after homes (47%). BIPOC buyers are also more likely to say they'll buy in either a **suburban** (45% v. 35%) or **downtown/urban area** (27% v. 19% among non-BIPOC). In addition, likely BIPOC buyers are **more likely to stay close to where they are** (average distance from current home is 82 km v. 184 km among non-BIPOC).
- When it comes to using the help of a REALTOR® to help them find a home to buy, 92% of likely BIPOC buyers say they will do so (on par with non-BIPOC). Their **motivations for using the services of REALTOR® and what they are looking for in an agent are roughly similar** to those of non-BIPOC respondents; for instance, they are **no more likely to say they value their REALTOR® being welcoming and inclusive** (10% vs. 11% non-BIPOC).
- Use of a REALTOR® among BIPOC individuals who are likely to sell their home is also high (90%). As with buyers, **BIPOC sellers are no more likely than non-BIPOC individuals to value certain traits** in a REALTOR®. They're looking for the same level of service as everyone else is.

REALTOR® and LGBTQ2S+ Communities

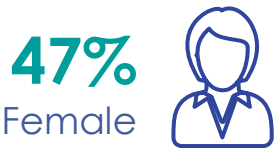
- Although **8% of the sample identify as being a member of the LGBTQ2S+ community**, this still allows us to dig a little deeper into their experience with the home buying/selling process.
- Among LGBTQ2S+ buyers, **not having to commute to work** seems to play a little larger of a role in terms of their decision to buy a home (25% v. 15% non-LGBTQ2S+). However, cost also seems to be more a concern; almost 4 in 10 (38%) say they are now **looking into homes that are more affordable because of the pandemic** (vs. 28% among non-LGBTQ2S+ buyers).
- Likely buyers within this demographic seem to be **slightly more likely to aim for low-rise condos** (19% vs. 5% among non-LGBTQ2S+). **Detached homes are still popular**, though not as much as among non-LGBTQ2S+ buyers (46% v. 65%). Furthermore, they may be a **little more likely to say they'll buy in a downtown/urban area** (30% v. 19% among non-LGBTQ2S+ buyers).
- When it comes to using the help of a REALTOR® to help them find a home to buy, 90% of LGBTQ2S+ respondents say they will do so (same as non-LGBTQ2S+ buyers). Directionally speaking, LGBTQ2S+ buyers may have slightly different motivations for using a REALTOR®. The top reasons include needing **help navigating the process** (51% v. 42% among non-LGBTQ2S+ buyers), **saving time** (43% v. 38%), and with **paperwork** (41% v. 47%).
- When looking for a real estate professional, LGBTQ2S+ buyers may value **trustworthiness** (43% v. 37% among non-LGBTQ2S+ buyers), a **personal connection** (21% v. 15%), and **being welcoming and inclusive** (18% v. 10%).
- Furthermore, nine in ten (91%) of LGBTQ2S+ sellers say they will use a REALTOR® to sell their home, on par with 87% among non-LGBTQ2S+ sellers). As with buyers, LGBTQ2S+ sellers may be slightly more likely to value **trustworthiness** (48% v. 43% among non-LGBTQ2S+ sellers), a **personal connection** (23% v. 17%), and **being welcoming and inclusive** (12% v. 7%).

ABOUT THE SAMPLE

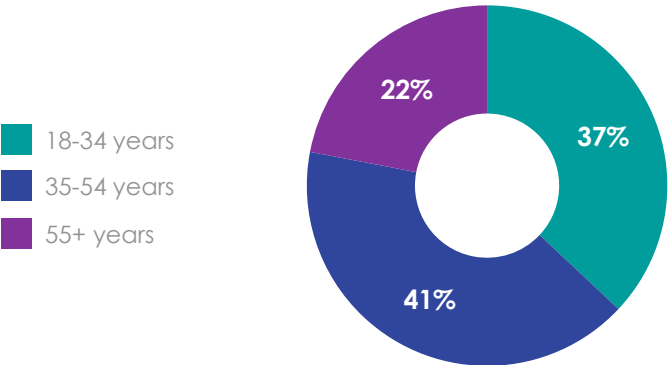
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Overall Sample Demographics

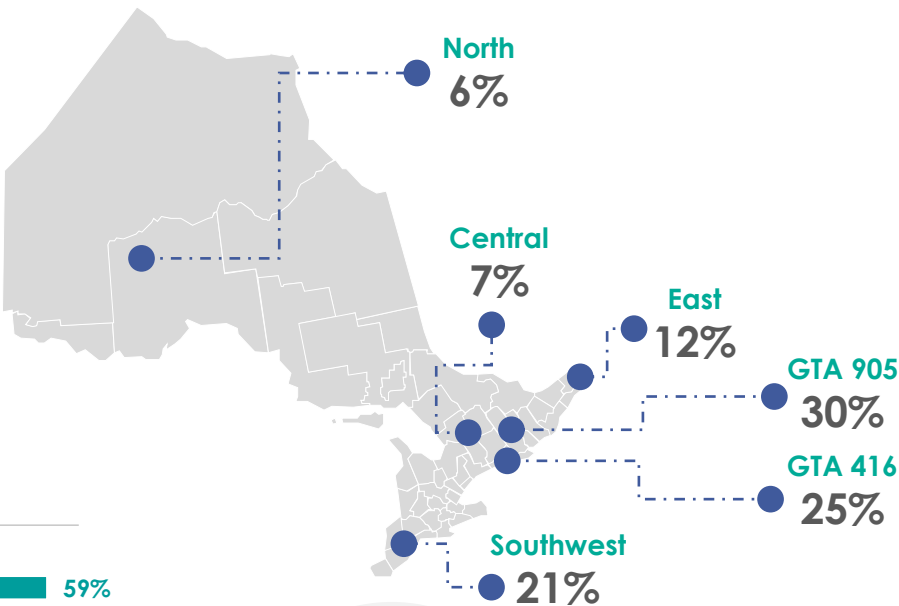
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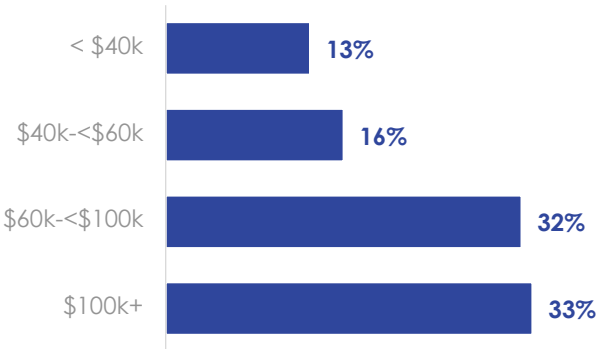
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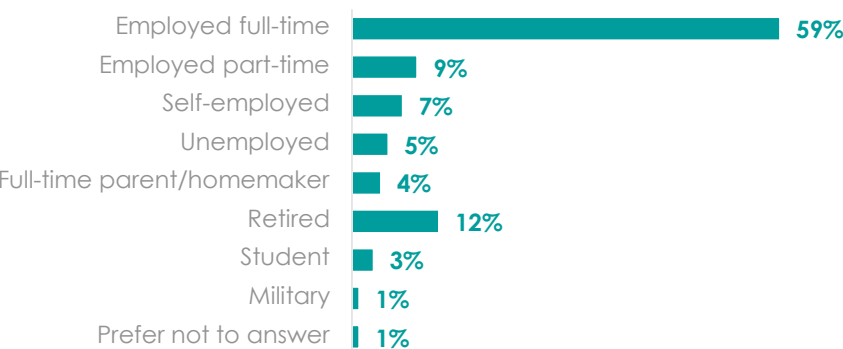
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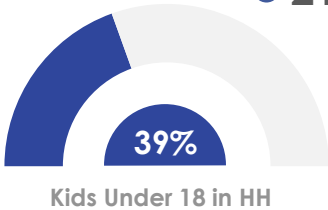
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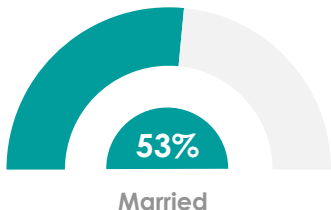
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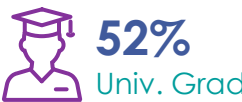
Household Composition



Marital Status



Education



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About OREA

Ontario's REALTORS® are at the heart of everything we do at the Ontario Real Estate Association (OREA). Our mission is to support our 80,000 REALTOR® Members build strong communities across Ontario by helping people find a great place to call home, work and thrive.

For almost one hundred years, OREA has promoted higher standards in real estate for the benefit of consumers and REALTORS® alike. As one of Canada's largest professional associations, we are Ontario's strongest advocate for home and property ownership, property rights, and prosperous communities. OREA serves its REALTOR® members through the production of Standard Forms, top-tier advocacy, award-winning leadership development and other services.

OREA also gives back to its communities, including through a \$480,000 donation made in March 2020 to Ontario shelters and shelter-based charities struggling as a result of COVID-19.

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