

January 2009

2009 Public Opinion and Outreach Strategy Project



MUSTEL GROUP
MARKET RESEARCH



BRITISH COLUMBIA
REAL ESTATE
ASSOCIATION

➤ Executive Overview

The British Columbia Real Estate Association commissioned Mustel Group to conduct a survey of British Columbians to establish a benchmark measure regarding various aspects of home ownership. Key findings from the survey of 600 BC residents include:

Home Ownership Characteristics

- Two-thirds of British Columbians reside in single family detached homes, this level increasing to over seven-in-ten among those residing outside Metro Vancouver and among those 35 to 54 years of age.
- Three-quarters of BC residents own their homes, with home ownership increasing with age.
- One-third of BC residents have bought a home or property in the past five years. This level is relatively consistent across the province except in the City of Vancouver where only about one-quarter have made a purchase.
- One-in-ten residents have made more than one real estate transaction in the past five years.

➤ Executive Overview (cont'd)

Future Plans and Barriers to Purchase

- A total of 38% plan or hope to purchase a home or property within the next five years, with about half of these potential buyers expecting to do so in the next two years. The findings are similar in Metro Vancouver (including the City of Vancouver) and outside this region.
- Availability of affordable properties is the key barrier to purchase. Other barriers include ability to qualify for a mortgage, adequate income, and employment security.
- For almost one-in-five, the Property Transfer Tax is a major financial barrier to home ownership.
- Two-thirds of BC residents are aware of the ability to use RRSP's by first-time home buyers, are aware of the Home Owners Grant on property taxes, and of the First-time Home Buyers program.
- Awareness is considerably more limited of the GST rebate on new homes under \$450,000, the Property Tax Deferment Program for those 55 years of age or over, and the Temporary Tax Deferment Program.

➤ Executive Overview (cont'd)

- Approximately one-half of BC residents (57% of those planning on purchasing) claim to be aware of the Property Transfer Tax.
- Almost half (45%) of those aware of the PTT say it is at least 'somewhat' important in their home buying decisions.
- People would be most inclined to purchase a smaller home in order to save money. Sizeable groups would also compromise on the location, condition of the home and lot size.

Measures to Make Homes More Environmental Friendly

- BC residents have taken a number of measures to make their homes more environmentally friendly with the most common including installation of florescent bulbs, energy efficient heating/cooling, energy efficient windows, insulation, energy efficient appliances, recycling/composting and general efforts to reduce energy use such as turning off lights and turning heat down.
- With respect to specifically water conservation, approximately 80% have taken some measure to reduce water use. Furthermore, approximately one-third expect to make further water-saving modifications to their home in the near future.

➤ Executive Overview (cont'd)

- Two-thirds of BC residents support water metering, with home owners and renters in agreement. Furthermore, the results are consistent across the province.
- While the majority are satisfied with the quality and protection of drinking water sources in their community, less than half are 'very' satisfied. Residents in rural areas appear to be slightly more concerned than those residing in BC's two major urban cities (Vancouver and Victoria).
- A total of 16% of home owners report to have had an energy assessment of their home, with the majority reporting that their home passed.
- A belief that their home is energy efficient, lack of awareness of assessments (or what they entail), and cost are the key reasons for not having had an energy assessment.
- One-in-five of those who have not had an energy assessment claim they are at least 'somewhat' likely to do so in the near future.

➤ Research Objectives and Methodology

The British Columbia Real Estate Association commissioned Mustel Group to conduct a survey of British Columbians to establish a benchmark regarding:

- Real estate purchase plans and barriers to home ownership
- Awareness of programs to assist in real estate purchases
- Awareness of the Property Transfer Tax
- Measures taken to make homes more environmentally friendly
- Awareness of programs to make homes more 'green'

The research will be repeated in May to determine the impact of the BCREA's public information campaign being launched in February, 2009.

A total of 600 interviews were completed by telephone with a random selection of BC residents, 18 years of age and over. Several steps were taken to insure the final sample would be representative of the population including:

- Random selection of households contacted from an up-to-date database of all BC publish telephone listings;
- Random selection of individual interviewed in the household using the 'next birthday' method;

➤ Research Objectives and Methodology (cont'd)

- Up to 6 attempts to obtain an interview with the selected household/individual to minimize potential bias due to non-response;
- Quotas by area to insure a proportionate representation by population;
- Weighting of the sample to match the latest Statistics Canada Census data on the basis of age within gender.

The margin of error on the total sample is +/-4% at the 95% level of confidence. The margin of error is larger on sub-samples.

Interviewing was completed January 22-28, 2009 weekday evenings and during the day on Saturday from Mustel Group's CATI (computer assisted telephone interviewing) centre located in Vancouver. The questionnaire administered is appended to the report.

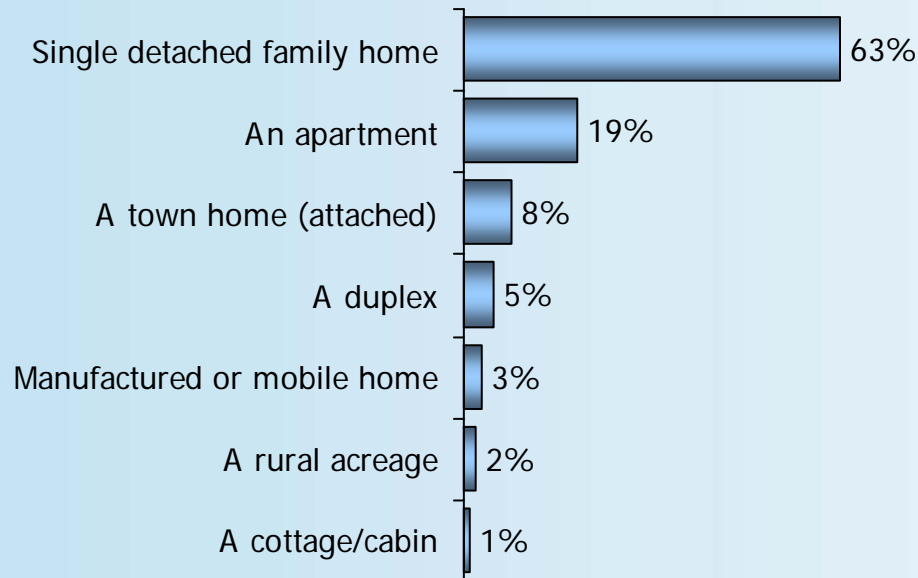


Key Findings



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➤ Type of Dwelling

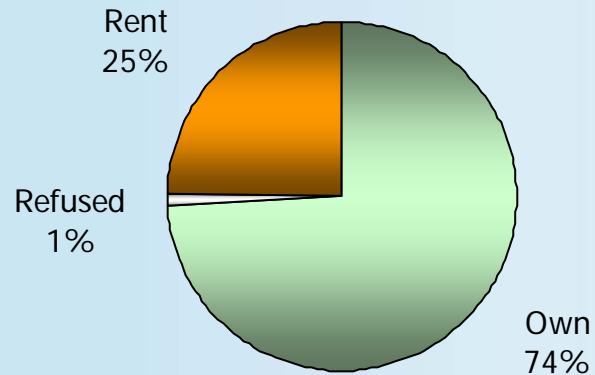


Base: Total (n=600)

Q.1) What kind of dwelling is this residence?

- Two-thirds of British Columbians reside in single family detached homes, this level increasing to over seven-in-ten outside Metro Vancouver and among those 35 to 54 years of age.
- Only one-third of City of Vancouver residents live in a single family home. Instead, just over half live in an apartment.

➤ Home Tenure



Base: Total (n=600)

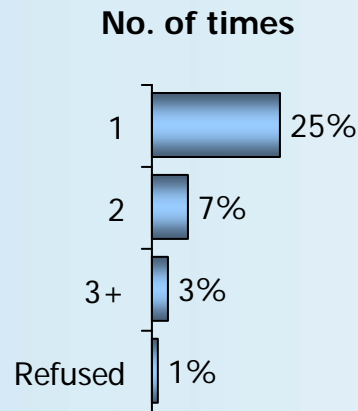
Q.2) Do you rent or own this residence?

- Three-quarters own their homes, with home ownership increasing with age, ranging from 64% among those 18-34 years, to 82% among those 55 years of age or over.
- Only about half of City of Vancouver residents own their homes.

➤ Purchased a Home/Property in Past 5 Years

Yes 35%

Did not purchase in past 5 years: 65%



Base: Total (n=600)

Q.3a) Have you bought a home or property in the past 5 years?

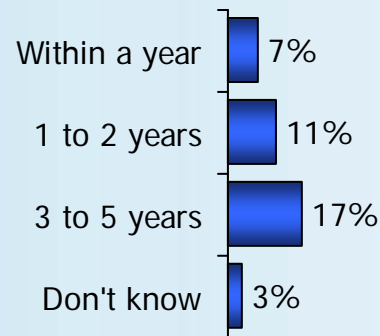
- One-third of BC residents have bought a home or property in the past five years, with this level relatively consistent across the province except in the City of Vancouver where only about one-quarter have made a purchase.
- One-in-ten have made more than one transaction, with again this level consistent across the province.
- Those under 55 years of age are more inclined to have made a real estate purchase; approximately 40% have bought real estate in contrast to only 25% of those 55 years of age or over.

► Plan to Purchase Home/Property in Next 5 Years

Yes 38%
Do not plan to purchase in next 5 years: 57%



When Plan to Purchase



- A total of 38% plan or hope to purchase a home or property within the next five years, with about half of these potential buyers expecting to do so in the next two years. The findings are similar in Metro Vancouver (including the City of Vancouver) and outside this region.
- Those under 35 years of age (the age group with the lowest incidence of home ownership) are most inclined to expect to buy (63% planning versus 36% of those 35 to 54 years and 19% of those 55 years plus).

Base: Total (n=600)

Q.3b) Do you plan to or would you like to buy a home or property in the next 5 years?

➤ Purchase Barriers

	Plan to purchase in next 5 years (216) %
Unaffordable real estate prices	35
Financial/ money/ interest rates (general)	23
Don't earn enough to qualify for a mortgage	10
Can't afford to purchase in preferred neighbourhood/ location	9
Concerned about employment security/ loss of income	9
Real estate market conditions (general)	8
Lowering real estate values/ don't want to lose capital	6
Don't have enough money for a down payment	6
Economy/ economic conditions (general)	5
If I couldn't sell my current home	5
Currently have a mortgage/ don't want to take out another mortgage	2
Miscellaneous	3
Nothing in particular	13
Don't know	1

Q.4a) What barriers, if any, would prevent you from buying a home?

- Affordability or financial factors is the key barrier to purchase. Concern about job security, lowering market values and general concerns about the economy are secondary obstacles.

➤ Financial Barriers in Home Buying Decision

	Plan to purchase in next 5 years (216) %
Availability of affordable properties for sale	67
Employment security	30
Mortgage rates	23
Ability to qualify for mortgage	22
Property transfer tax	18
Property taxes	16
Nothing/ no barriers	1
Don't know	7

Q.4b) Which of the following would be the major financial barriers in the home buying decision?

- When probed with specific financial barriers, availability of affordable properties is clearly the key factor. Secondary financial barriers are employment security, mortgage rates and ability to qualify for a mortgage.
- For almost one-in-five, the property transfer tax is a major financial barrier.

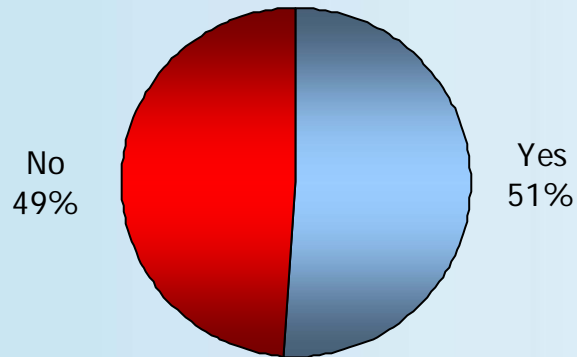
➤ Awareness of Government Assistance Programs

	<u>Total</u> (600) %
Use of RRSP's by first-time buyers	66
Home Owner Grant on property taxes	65
First-time Home Buyer's Program	62
GST rebate on new homes under \$450,000	36
Property Tax Deferment Program for those 55 years of age or over	36
Temporary Property Tax Deferment program for all BC home owners facing temporary financial hardship	29
Not aware of any	12

Q.5) Are you aware the following government assistance programs in buying and owing a home?

- Two-thirds of BC residents are aware of the ability to use RRSPs by first-time home buyers, are aware of the Home Owners Grant on property taxes and of the First-time Home Buyers Program.
- Awareness is considerably more limited of the GST rebate on new homes under \$450,000, the Property Tax Deferment Program for those 55 years of age or over and the Temporary Tax Deferment Program.
- Generally younger residents, and renters tend to be less aware of each of these programs.

➤ Awareness of Property Transfer Tax



Base: Total (n=600)

Q.6a) Are you aware of the Property Transfer Tax?

- Approximately one-half of BC residents (57% of those planning on purchasing) claim to be aware of the Property Transfer Tax.

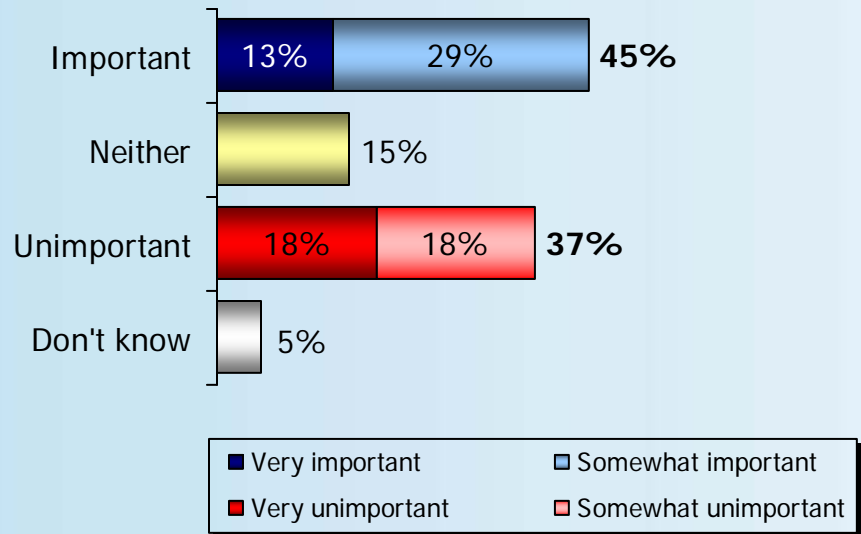
➤ Description of Property Transfer Tax

	Aware of property transfer tax (310) %
(Provincial) government tax on property purchases which is a percentage of the property value	29
A tax paid when transferring property	20
(Provincial) government tax on property sales which is a percentage of the property value	12
Negative comments regarding the tax (i.e. unfair, tax grab)	10
1% tax on the gross value of property	7
Don't have to pay if you are a first time buyer/ new home/ there are some exemptions	5
X% tax on the first \$200,000 and another (reduced) Y% on the remaining value	3
X% tax on the first \$100,000 and another (reduced) Y% of the second \$100,000	3
Miscellaneous	2
Nothing in particular	1
Don't know	22

Q.6b) Please describe to the best of your knowledge the Property Transfer Tax.

- Those aware of the PTT have a general sense of what the tax is but few cite the tax rates. Note that approximately one-quarter of those who have heard of the PTT are not able to describe it in any way.

➤ Importance of Property Transfer Tax in Purchase Decision

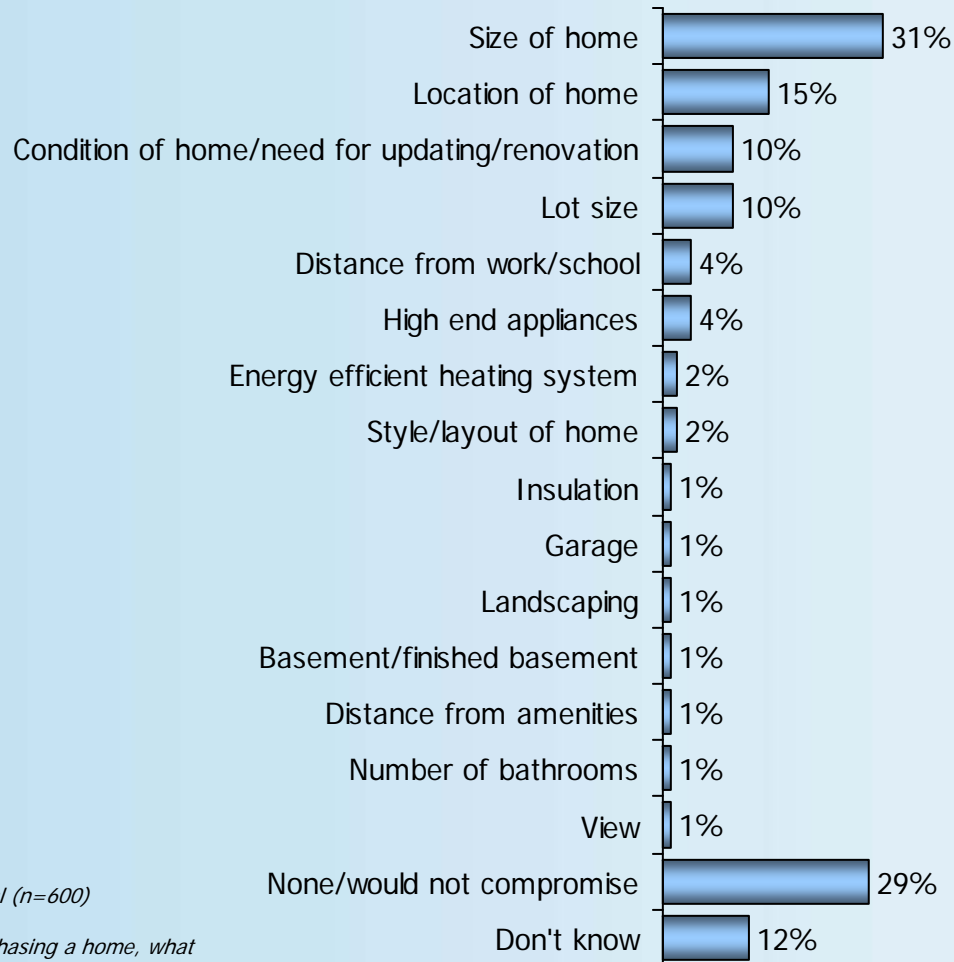


- Almost half (45%) of those aware of the PTT say it is at least 'somewhat' important in their home buying decisions. Those planning to purchase in the near future respond in a similar fashion.

Base: Those aware of the Property Transfer Tax (n=310)

Q.6c) How important is the Property Transfer Tax in your home buying decisions?

➤ Characteristics of Home Would Compromise to Save Money

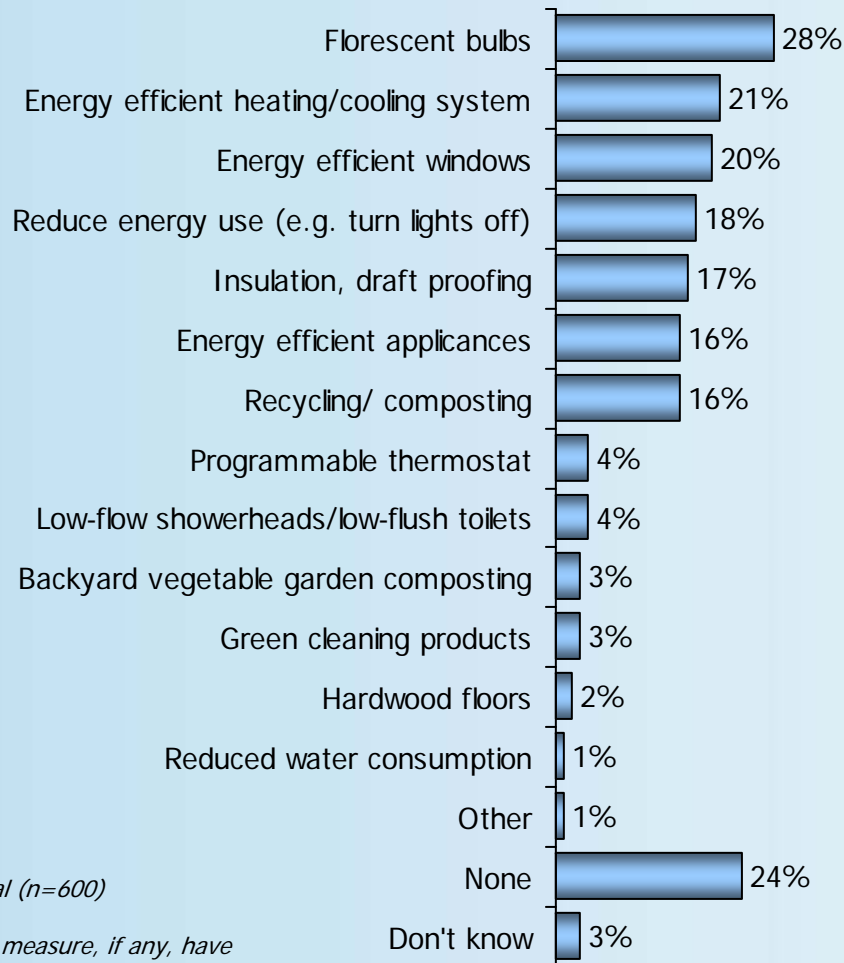


Base: Total (n=600)

Q. 7) If purchasing a home, what characteristics of your home would you compromise in order to save money?

- People would be most inclined to purchase a smaller home in order to save money. Sizeable groups would also compromise on the location, condition of the home and lot size.
- One-in-three would not make any compromises to save money.

➤ Environmental Friendly Measures Taken (Prompted List)

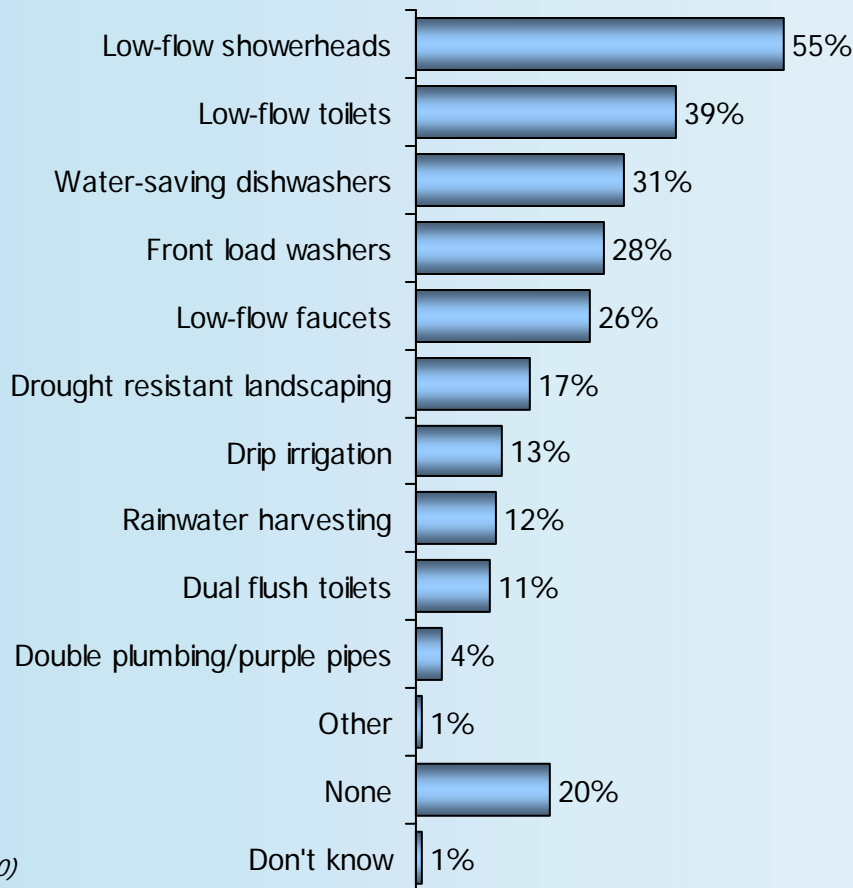


Base: Total (n=600)

Q.8) What measure, if any, have you taken to make your home more environmental friendly?

- BC residents have taken a number of measures to make their homes more environmentally friendly. Even renters have initiated several energy savings measures.

➤ Measures Taken to Conserve Water (Prompted List)

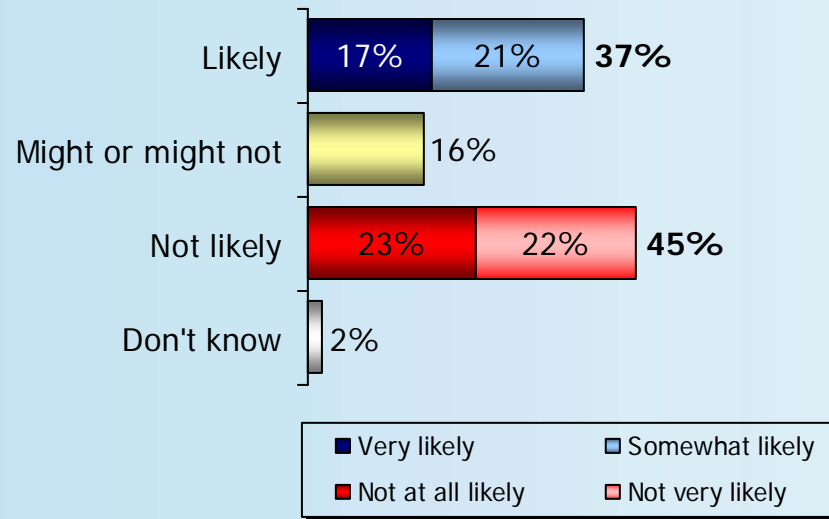


Base: Total (n=600)

Q.9) Has your household taken any of the following steps to conserve water?

- With respect to specifically water conservation, approximately 80% have taken some measure to reduce water use, with a high proportion having installed low-flow shower heads and considerable usage of other water saving appliances and plumbing.

➤ Future Intentions to Make Water-Saving Modifications

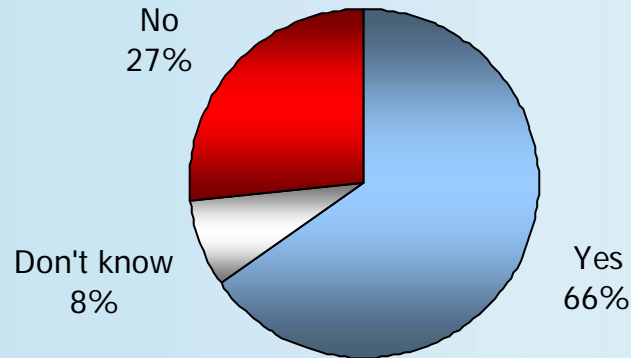


Base: Total (n=600)

Q.10) How likely are you to make (any additional) water-saving modifications to your home in the near future?

- Furthermore, approximately one-third expect to make further water-saving modifications to their home in the near future.

➤ Support for Water Metering

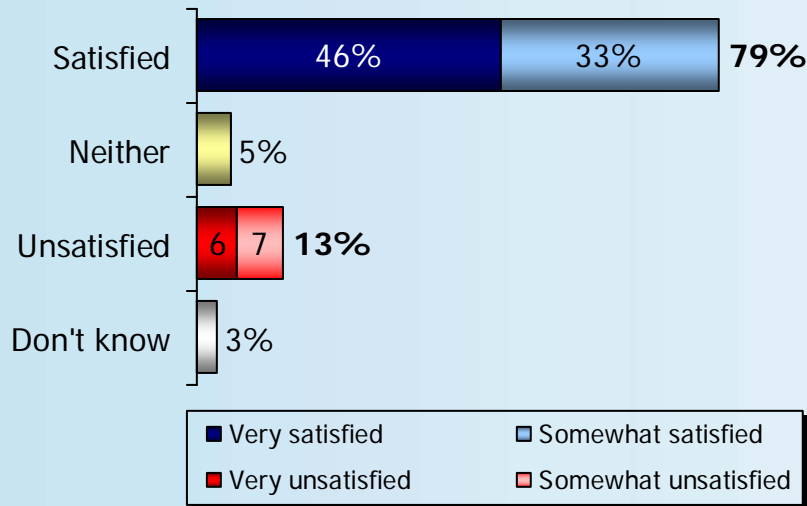


Base: Total (n=600)

Q.11) Do you support water metering?

- Two-thirds of BC residents support water metering, with home owners and renters in agreement. Furthermore, the results are consistent across the province.

➤ Satisfaction with Quality of Drinking Water Sources



Base: Total (n=600)

Q.12) How satisfied are you with the quality and protection of drinking water sources in your community?

- While the majority are satisfied with the quality and protection of drinking water sources in their community, less than half are 'very' satisfied.
- Residents in rural areas appear to be slightly more concerned (19%) than those residing in BC's two major urban cities (Vancouver and Victoria- 9%).

➤ Energy Assessment to Home

Yes 16%

Base: Those who are homeowners (n=455)

Outcome of Assessment

Pass 70%

Fail 13%

Refused 17%

Base: Those homeowners who have had a home energy assessment (n=73)

- A total of 16% of home owners report to have had an energy assessment of their home, with this level relatively consistent across the province. The majority report that their home passed.

Q.13a) Has your home ever had an energy assessment?

Q.13b) Did it pass or fail?

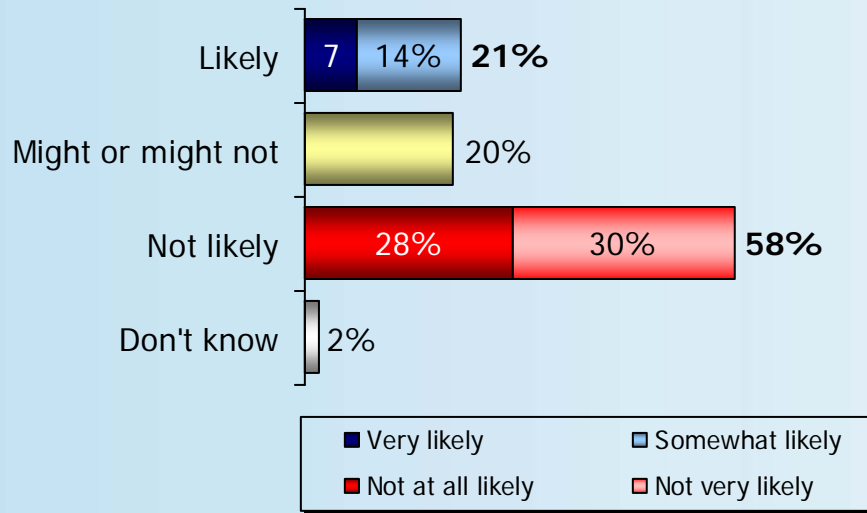
➤ Reasons for Not Conducting Energy Assessment

	Those who have never had a home energy assessment (357) %
Believe home is already energy efficient	21
Have never heard of energy assessments	20
Cost	17
Have other priorities/ haven't had time	10
Don't understand why energy assessments are important/ what they entail	9
Have not thought about it	5
The fact that energy assessments are voluntary	4
It is a new home	3
Not interested	2
Miscellaneous	3
No reason	3
Don't know	13

Q.13c) What has prevented you from conducting an energy assessment on your home to date?

- A belief that their home is energy efficient, lack of awareness of assessments (or what they entail), and cost are the key reasons for not having had an energy assessment.

➤ Likelihood of Energy Assessment in Future

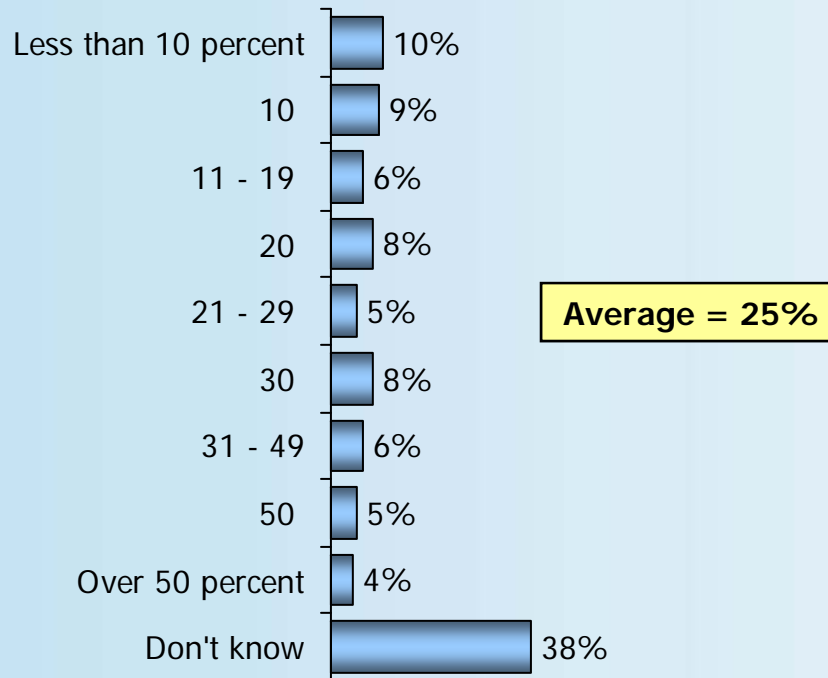


- One-in-five of those who have not had an energy assessment claim they are at least 'somewhat' likely to do so in the near future, with this level consistent across the province.

Base: Those homeowners who have never had a home energy assessment (n=357)

Q.13d) How likely are you to have an energy assessment on your home in the near future? Are you:

➤ Estimated Greenhouse Gas Emissions from Households

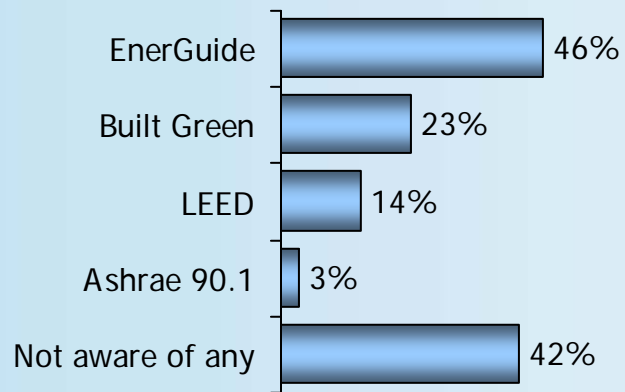


Base: Total (n=600)

Q.14) Approximately what proportion of Canada's total greenhouse gas emissions do you think come directly or indirectly from households?

- BC residents estimate that approximately one-quarter of Canada's total greenhouse gas emissions come directly or indirectly from households. Women and younger residents tend to provide a higher estimate (closer to 30%).

➤ Awareness of Environmental Programs

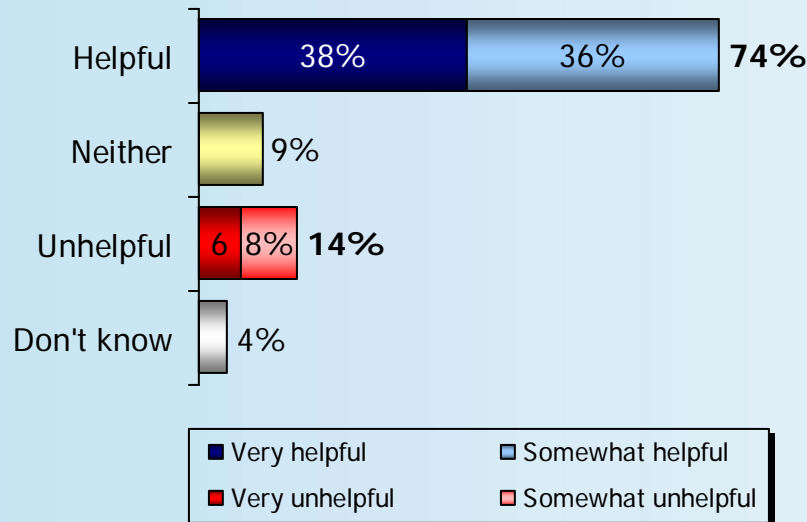


Base: Total (n=600)

Q.15) Have you heard of any of the following programs:

- Close to half are aware of the EnerGuide program but awareness of all other programs is quite limited, particularly of LEED and Ashrae 90.1.

➤ Impact of Green Rebates from Government

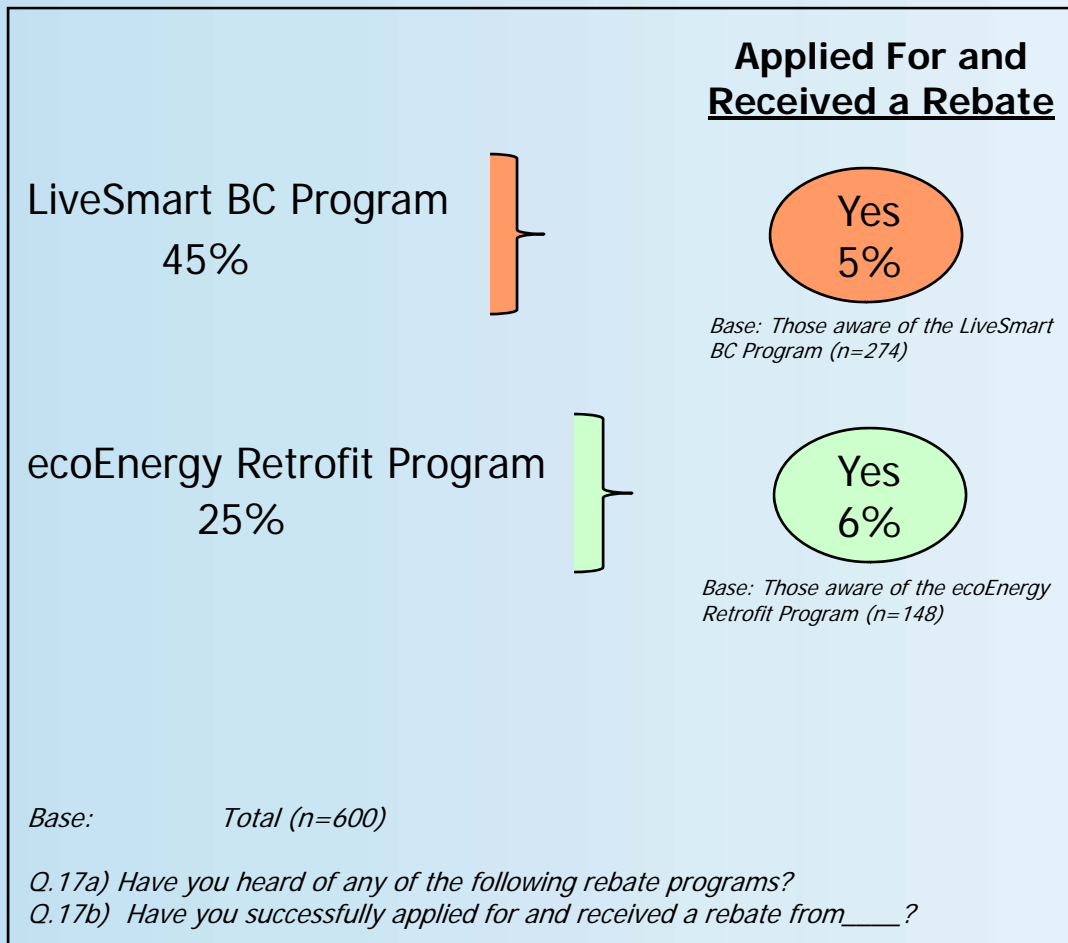


Base: Total (n=600)

Q.16) How helpful would green rebates from the government be in encouraging you to make your home more environmentally friendly?

- Three-in-four say that green rebates from the government are 'very' or 'somewhat' helpful in encouraging them to make their homes more environmentally friendly. Those under 55 years of age would be particularly motivated by such incentives.

➤ Awareness of Rebate Programs



- A total of 45% report to be aware of the LiveSmart BC program with awareness of ecoEnergy Retrofit program more limited. There is no difference in awareness by home owners and renters, by age or by region.
- Only 6% of those aware of the ecoEnergy Retrofit program and 5% of those aware of the LiveSmart BC program have applied and received a rebate from the programs.

➤ Changes in Community for Environmental Sustainability

	<u>Total</u> (600) %
Better/ more transit/ light rail system	13
Expand recycling programs/ increase pick up frequency	10
Water conservation/ protect water supply/ water meters/ rain water collection	7
Encourage alternate modes of travel/ reduce vehicle usage	6
Public awareness campaigns	5
Energy conservation (i.e. change lights, appliances)	5
More fuel efficient/ hybrid/ electric/ alternate fuel vehicles	5
Offer incentives/ rebates	4
Alternative energy sources (i.e. solar, wind power)	3
Air emission controls for both residential and industrial	3
Environmental upgrades of homes and businesses/ "green" building construction/ roof-top gardens	3
Encourage cycling/ have more dedicated bike lanes	3
Stop cutting down trees/ plant more trees	3
	<i>continued...</i>

- At the conclusion of the interview, BC residents were asked what changes they would like to see in their communities to make it more environmentally sustainable.
- The most common suggestion in the urban areas is improved or more public transit. Other common suggestions across the province are expanded recycling programs, expanded water conservation measures, and encouragement of alternative modes of transportation.

➤ Changes in Community for Environmental Sustainability (cont'd)

<i>continued...</i>	<u>Total</u> (600) %
Encourage composting	2
More green spaces	2
Improvements to the sewage system/ treatment plants	2
Stop overdevelopment/ too much construction/ too many people in a small area	2
Community gardens	1
Encourage the usage of biological pesticides/ fertilizers	1
No development on farmland/ wetland/ watershed/ flood plain	1
Municipal garbage pick-up	1
No idling zones/ stop idling	1
Miscellaneous	5
Nothing	40
Don't know	7

Q.18) What changes would you like to see in your community to make it more environmentally sustainable?

➤ Demographic Profile

	<u>Total</u> (600) %
Gender	
Male	48
Female	52
Age	
18 - 24	11
25 - 34	15
35 - 44	19
45 - 54	20
55 - 64	15
65 years +	18
Stage of life	
Single	15
Young couple, no children	8
New family (with young children)	12
Established (single or two-parent) family	25
Established married (empty nester/no children)	20
Retired	19
Refused	1
Level of education	
Less than grade 12	6
Grade 12 graduation	22
Technical or vocational school	13
University degree or college diploma	43
Post-graduate degree	14
Refused	1

- The sample was weighted to match Statistics Canada Census data for BC on the basis of age, gender and area of residence. The chart details other demographic characteristics of the sample.

➤ Demographic Profile (cont'd)

	<u>Total</u> (600) %
Employment status	
Employed	50
Work from home	7
Outside the home	43
Self employed	13
Work from home	7
Outside the home	6
Not working	7
Student	3
Retired	26
Household income	
Less than \$60,000	38
Less than \$45,000	25
\$45,000 or more	12
\$60,000 or more	49
Less than \$75,000	8
\$75,000 to \$90,000	14
Over \$90,000	24
Refused	13



Questionnaire



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