



PRESS RELEASE



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Renovation Spending Across 10 Major Centres Up by \$2 Billion in 2007

OTTAWA, Ontario, May 22, 2008 — An estimated 1.5 million households in 10 major Canadian centres surveyed indicated they completed renovations last year that cost an average of more than \$12,800, according to the Renovation and Home Purchase Survey released today by Canada Mortgage and Housing Corporation (CMHC).

“Close to \$19.7 billion was spent on renovations in 2007 across the 10 major centres surveyed, an increase of more than \$2 billion compared to 2006,” said Bob Dugan, Chief Economist at CMHC. “As well, when Canadian homeowners in these 10 centres surveyed were asked about their plans for this year, 40 per cent indicated that they intend to spend \$1,000 or more on renovations by the end of 2008.”

The Renovation and Home Purchase Survey reports on actual renovation expenditures made in the previous year, as well as intentions to buy or renovate a home in 2008 in the following 10 major centres: St. John's, Halifax, Québec, Montréal, Ottawa, Toronto, Winnipeg, Calgary, Edmonton, and Vancouver¹. The survey enables all market participants to benefit from timely information on renovation market trends.

Close to half — 46 per cent — of households reported that the cost of renovations was in line with what they had budgeted, while 37 per cent went over their planned budget for the renovation. More than a quarter — 26 per cent — of households that undertook a renovation project hired a contractor for a portion of the work, up slightly from 24 per cent that undertook renovations in 2006. ‘Do-it-yourselfers’ accounted for 31 per cent of renovators in 2007, down slightly from 34 per cent in 2006. However, many households — 41 per cent — chose to contract out the entire renovation project.

The main reason given by households for renovating in 2007 was to update, add value or to prepare to sell — 59 per cent. Some 27 per cent of respondents stated that the main reason for renovating was that their home needed repairs. The top three renovations completed last year were: remodelling rooms — 31 per cent, — painting or wallpapering — 27 per cent, — and hard surface flooring and wall-to-wall carpeting — 26 per cent.

Of the 10 major centres surveyed, the percentage of households that spent \$1,000 or more on renovations in 2007 was highest in Winnipeg at 36 per cent, followed by St. John's and Halifax at 35 per cent, while the centre with the least proportion of households that undertook renovations was in Québec at 28 per cent.

Similarly, renovation intentions for 2008 across the 10 major centres are strongest in Winnipeg and St. John's, where 50 and 48 per cent of consumers, respectively, indicated they plan to undertake renovations costing \$1,000 or more. The proportion of potential renovators is lowest in Québec where 35 per cent of households indicated they intend to renovate in 2008.

On the home purchasing front, six per cent of households across the 10 major centres surveyed intend to purchase a home that will be used as a primary residence in 2008. This is down from eight per cent in 2007. Forty-two per cent of households that stated they intend to purchase a home in 2008 are first-time buyers. This percentage is identical to the

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share of actual first-time homebuyers in 2007. The majority of first-time buyers are between the ages of 25 and 34, with a household income between \$40,000 and \$60,000 annually.

Home buying intentions are strongest in Calgary where 8 per cent of households reported that they are considering buying a home this year, down from 14 per cent in 2007. Purchase intentions are the lowest in Québec at four per cent.

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

For more information, call 1 800 668-2642.

¹ All 10 centres were asked whether they intend to spend more than \$1,000 on renovations in 2008 and whether they intend to buy a home in 2008. More detailed questions on intentions to buy or renovate were asked in Halifax, Montréal, Toronto, Calgary, and Vancouver.

To obtain the free electronic version of the Major Market Highlights report or the detailed data table reports for the individual centres or all centres combined, visit the CMHC [Order Desk](#).

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Renovation and Home Purchase Survey

	Renovation and home buying activity						Intentions to buy and renovate			
	Households that bought a home (per cent)		Households that renovated (per cent)		Households that spent \$1,000 or more on renovations (per cent)		Households that intend to buy a home (per cent)		Households that intend to spend \$1,000 or more on renovations (per cent)	
	2006	2007	2006	2007	2006	2007	2007	2008	2007	2008
St. John's	7	10	42	42	37	35	7	6	46	48
Halifax	6	9	42	43	36	35	7	6	48	46
Québec	6	7	38	35	31	28	6	4	45	35
Montréal	4	5	42	37	35	31	6	5	47	36
Ottawa	6	8	41	40	35	34	7	7	47	41
Toronto	5	7	39	36	33	31	9	6	43	41
Winnipeg	10	8	42	44	35	36	8	6	50	50
Calgary	10	10	36	35	31	30	14	8	47	41
Edmonton	12	10	39	38	33	33	11	7	51	45
Vancouver	6	8	35	36	30	30	8	5	43	38
Total	6	7	39	37	33	31	8	6	46	40