

Home Financing Choices of Canadians

As part of this year's survey, we asked a series of new questions to help mortgage professionals, the housing industry and Canadians better understand the ever-changing mortgage landscape. Here are the key facts you need to know.

Powered by
the 2018 Mortgage
Consumer Survey



Overview of Home Financing Choices

Most homebuyers and refiners obtained a mortgage loan only, a fixed interest rate, a 5-year renewal term and 25-year amortization period.



Most renewers obtained a fixed interest rate, a 5-year renewal term and **11 to 20-year amortization period**.

Mortgage Qualification Rules



6% of respondents were renting because they do not qualify for a mortgage, and

3% specifically indicated it was because of recent qualification changes to the mortgage rules.

40% of first-time buyers and **29%** of repeat buyers

were not aware of the latest mortgage qualification rule changes.

Of those impacted by the rule changes, the main way it caused them to review their purchase plan was to **decrease non-essential expenses**.



Of those that acquired a mortgage for a secondary residence, the primary use for it was as an investment/rental property (**46%**) followed by second home for use by a child (**20%**).

48%

of all mortgage consumers would consider a longer renewal term at a fixed interest rate.

29%

of mortgage consumers would be willing to accept an increase in interest rate of **1%**, while **24%** would not be willing to increase their interest rate.

Home Equity Line of Credit (HELOC)



32% of first-time buyers do not know what a HELOC is.

When asked if they had a HELOC,

50% of refiners indicated they did.

Top reasons for requesting a HELOC

First-Time Buyers	Repeat Buyers	Refiners
To have control over the amount I borrow (58%)	To borrow when I want (47%)	To borrow when I want (46%)
To borrow when I want (34%)	Interest rate (34%)	To repay the line of credit at the pace I choose (32%)
To repay the line of credit at the pace I choose (32%)	To have control over the amount I borrow (33%)	To have control over the amount I borrow (31%)



Of all respondents with a HELOC, the main way they plan to use their HELOC is **as a safety net or emergency fund** (e.g. for unexpected expenses, funeral expenses, job loss, etc.)

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