



Homeownership & Financial Fitness Study

Genworth Canada

Kiki Sauriol-Roode; VP Business Development

Your Hosts

Kevin Lee

CEO, CHBA National

- 30+ year housing experience
- Policy, Technology, Business, Government Relations

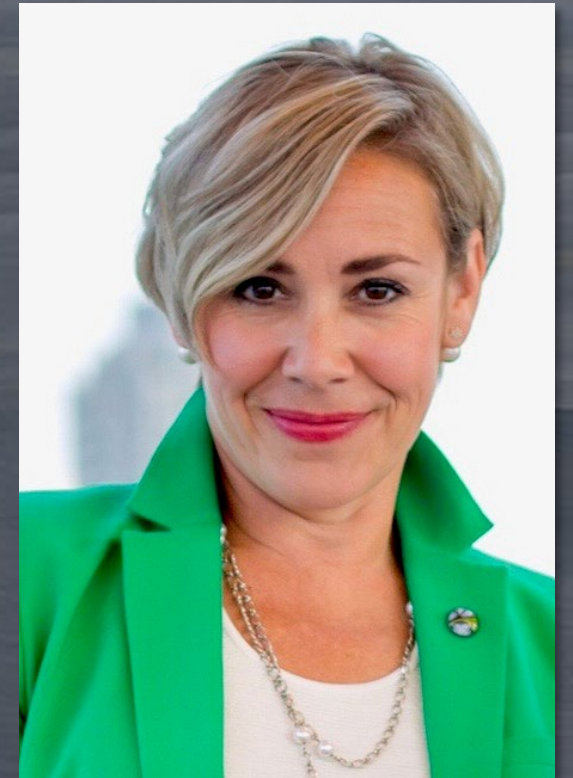


Your Hosts

Kiki Sauriol-Roode

Vice President -Business Development,
Genworth Canada

- 17+ years experience
- National lender relations,
Sales strategy development
and implementation, Brand
Awareness for real estate and
building industry





Current State of Play in Mortgage Underwriting



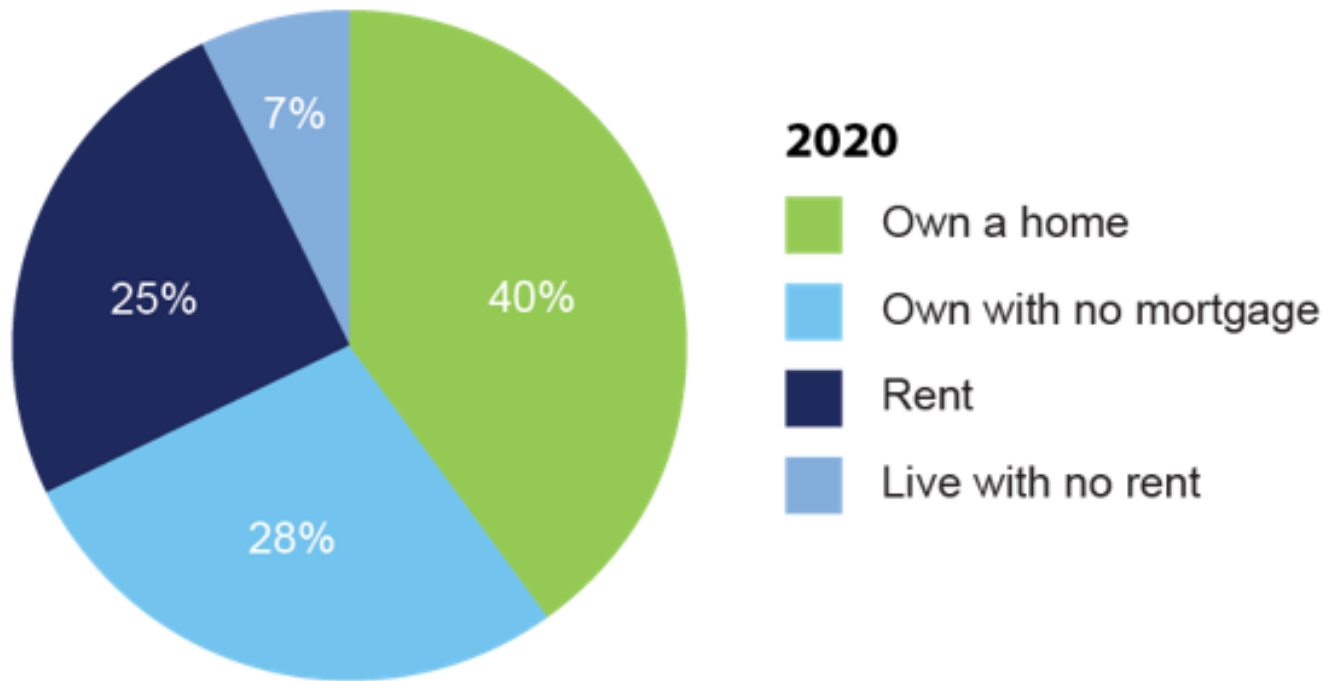
Homeownership and Financial Fitness Study – May 2020



General Population Study

- The main study is based on a total of 2,075 interviews completed with Canadians aged 18+ using an online methodology between **February 19 and March 5, 2020**
- In light of the COVID-19 pandemic and disruption to Canadians' lives, a sub-set of the key questions was re-fielded with a smaller sample of 1,000 Canadians over the weekend of **May 1st-3rd** to provide the most up-to-date perspectives possible
- Data weighting by age, by gender and region, with a subsequent weighting to homeownership type

Stable homeownership trends

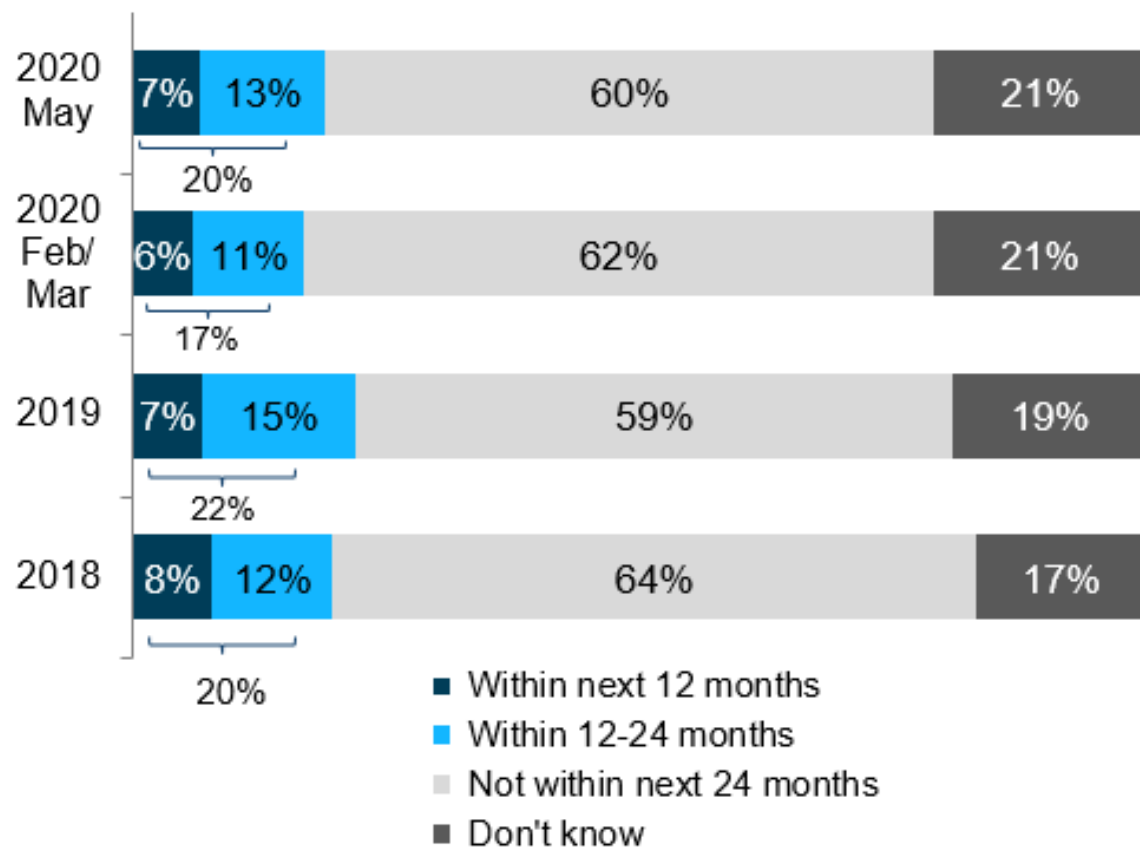


Key Differences:

- Millennials are more likely to rent their homes (29%) and are less likely to own a home (58%)
- New Canadians (46%) and those in Quebec are more likely to be renters (31%)

Future first time buyers

When do you expect to buy a home (among non-homeowners)?



Key Differences:

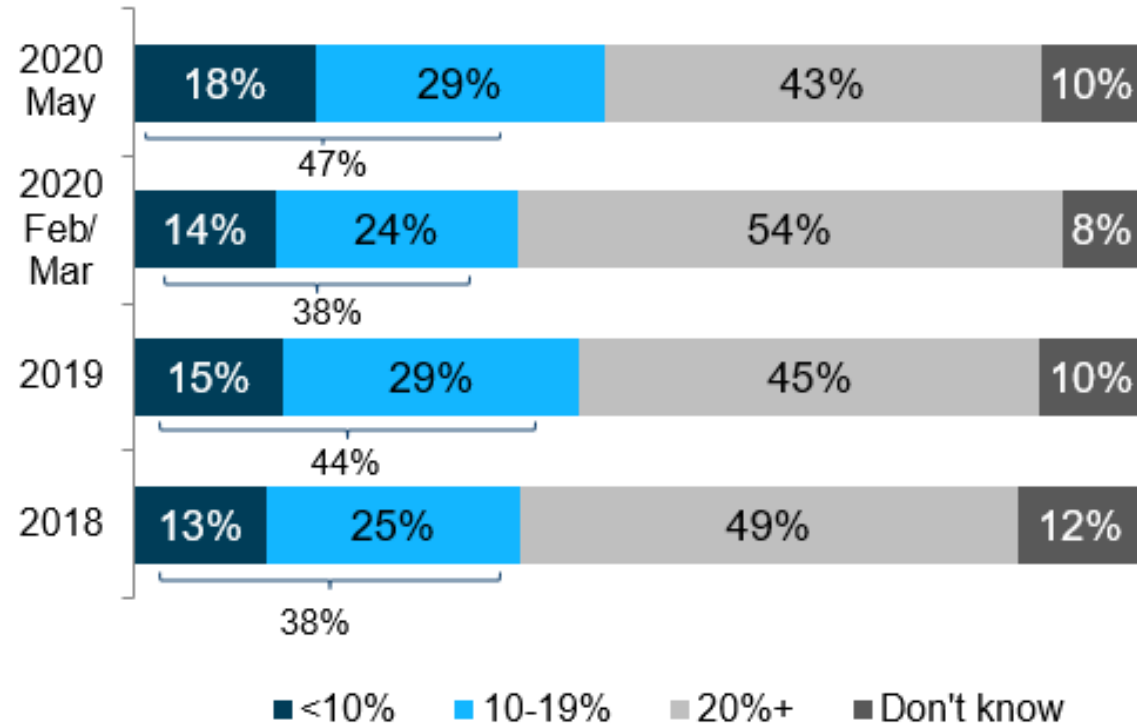
- Millennials who do not own a home yet are more likely to expect to buy their first home within the next 24 months (24%)

May Update:

- Compared to February/March, fewer Millennials who do not already own a home expect to buy one in the next 24 months (15%)

More intenders in May expect to put down less than 20%

Down payment expected for intenders



Key Differences:

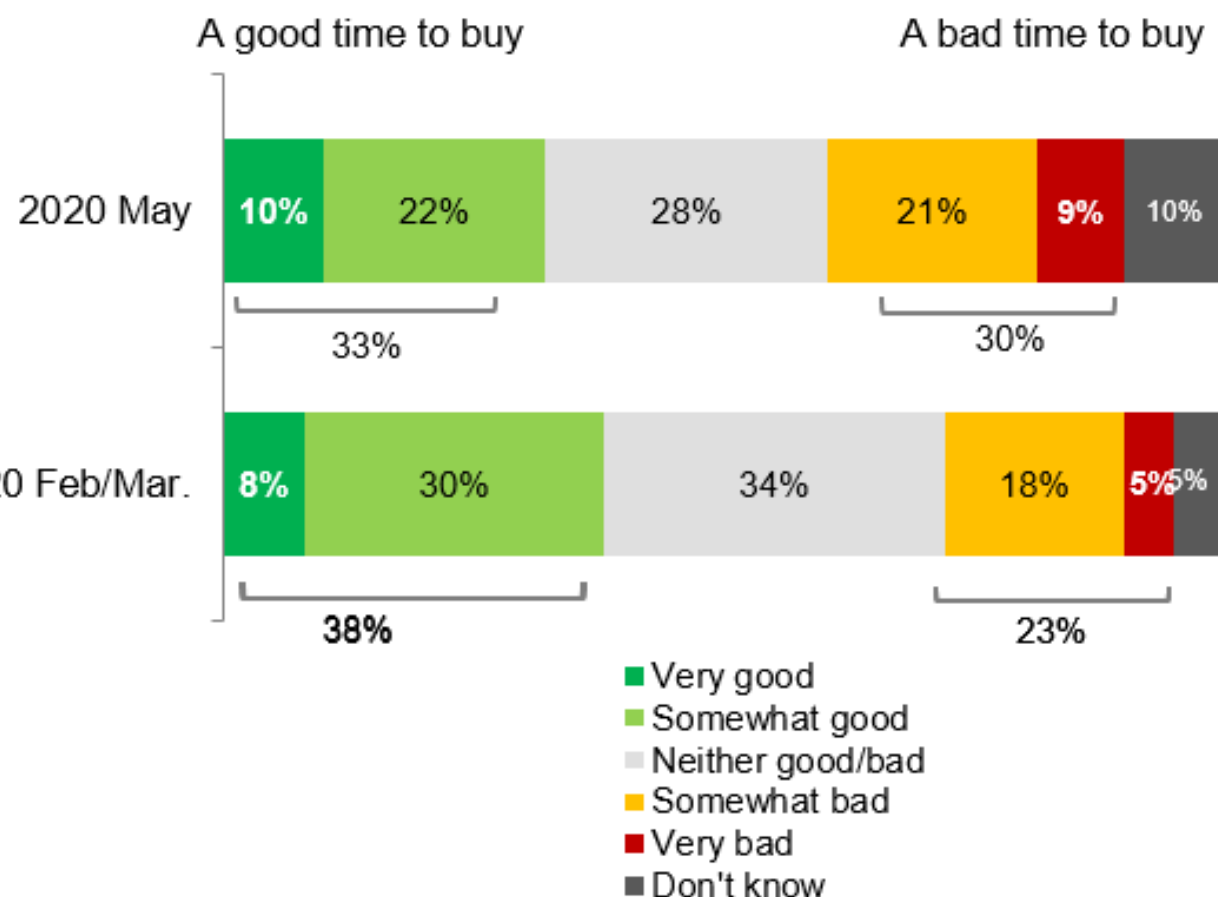
- Current renters are more likely to plan to put down less than 20 percent (52%). So too are those planning to buy in a suburban area (48%), those in Quebec (47%), Millennials (54%), and New Canadians (61%)
- Those buying in urban areas (67%) are more likely to put down more than 20 percent

May Update:

- Increasing desire to use a smaller downpayment

Shift in home buying confidence

I would say now (Feb-Mar 2020) is...



May Update:


- Millennials are more likely to say it is a good time to buy (42%), while Gen X are more likely to say it is a bad time (40%)
- Those in Alberta (38%) and the Prairies (41%) and those New to Canada (40%) are more likely to say it is a good time to buy
- Non-owners are more likely to say it is a good time to buy (47%)



Financial Fitness


Financial Fitness

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EnglishFrançais



What of the following best describes your financial fitness?


☐ I am in great financial shape - I have set clear financial goals that I am well on the way to achieving

☐ I am in pretty good shape - I have a general notion of what I want to achieve with my finances, and things are more or less going in the right direction

☐ I am neither in great shape nor poor shape: I try to save when I can but I don't seem to be getting ahead

☐ My financial fitness is not very good: I know that I haven't been able to achieve the fin. goals that I think I should have by now

☐ My financial fitness is very poor: I feel like I am always falling behind and/or that I don't know where to turn for help

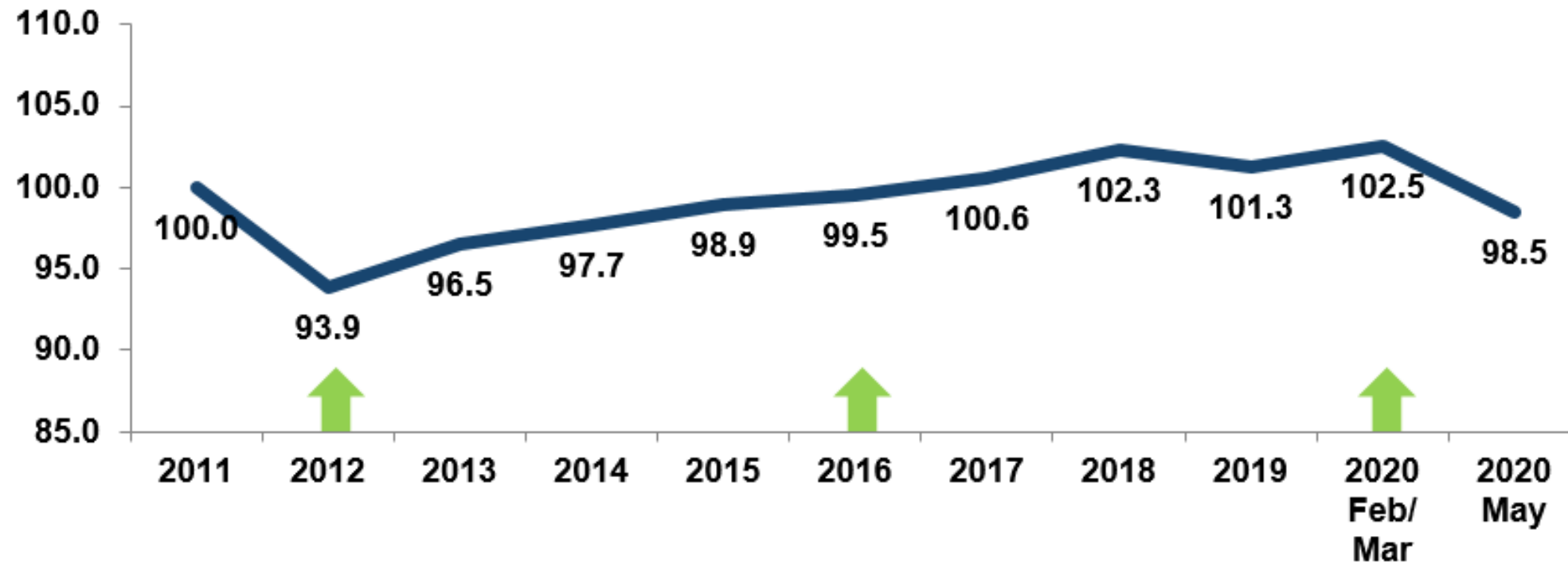


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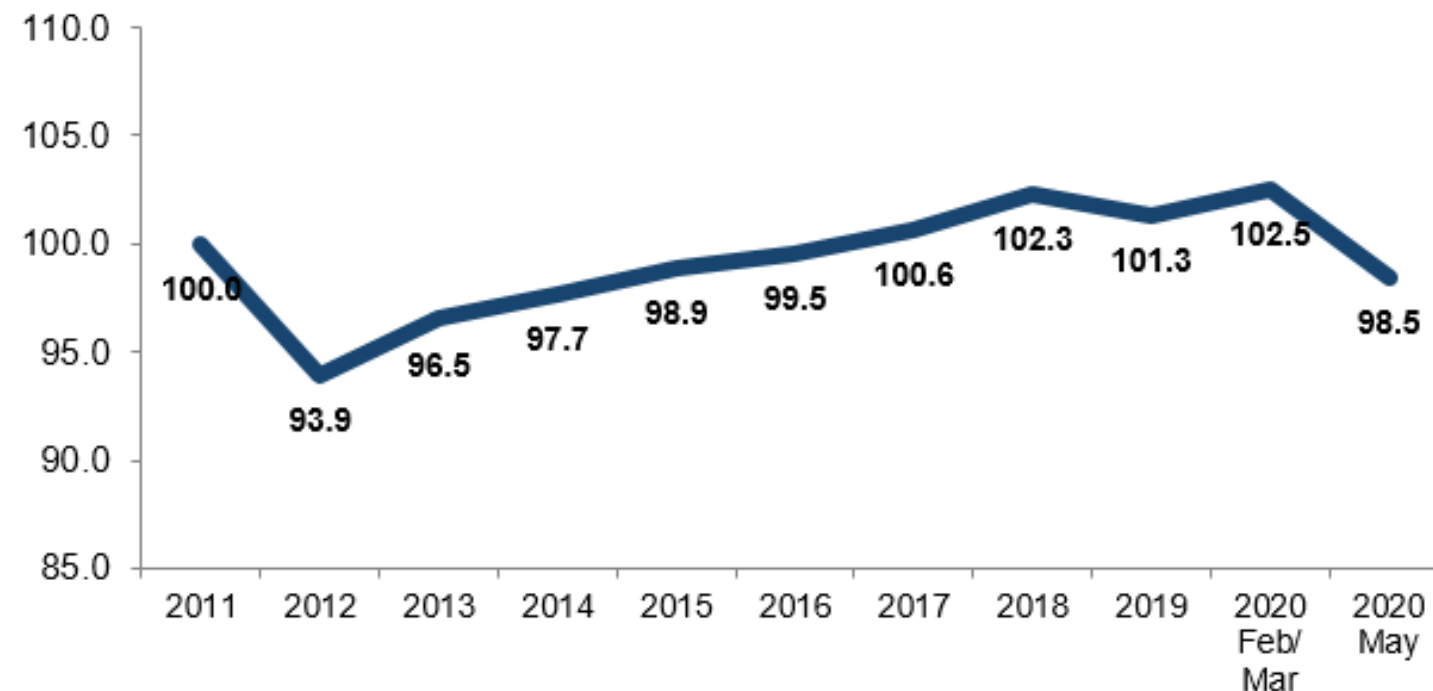
- The Financial Fitness Index assesses Canadians' financial well-being, using a range of behavioural and attitudinal questions as inputs, while avoiding outcome measures like income or wealth
- Different measures and applications than the Consumer Confidence Index
- Created in 2011, measured annually since, linked to the Environics Social Values program

Financial Fitness Index

Set at 100 in 2011, the Financial Fitness Index initially declined but regained to early 2020.



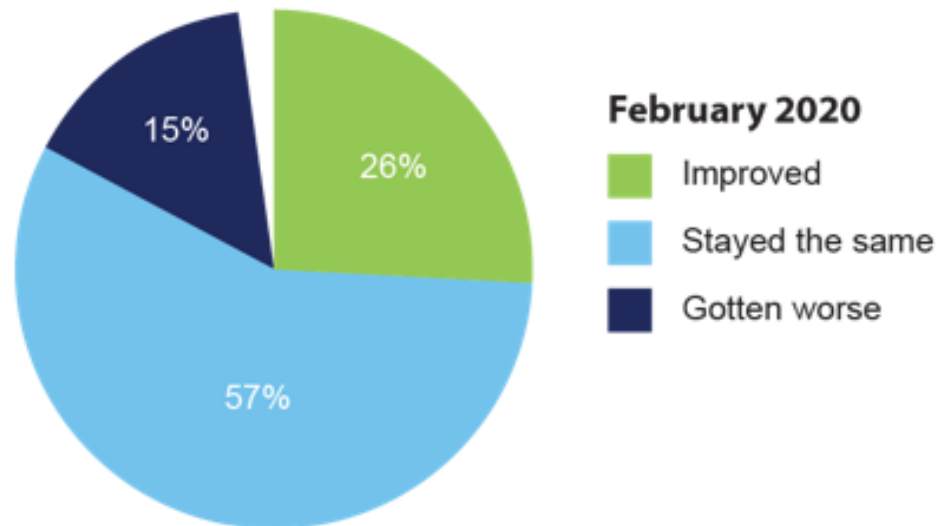
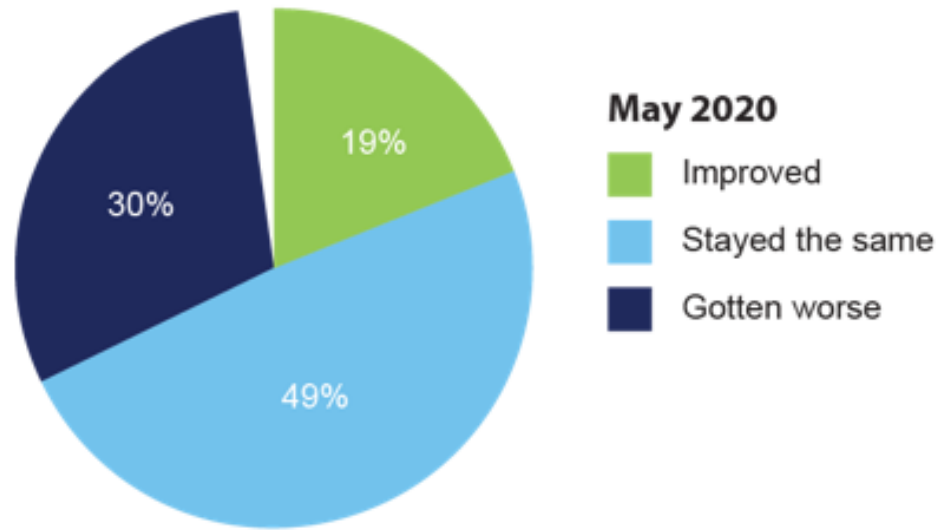
Financial Fitness Index



Between Feb/March and May, steepest declines were among:

- Boomers (-5.9) and Gen X (-6.2)
- Albertans (-10.2) and BC (-6.3)
- Those working part-time (-10.9)
- Those with incomes \$150k+ (-7.5)
- New Canadians (-9.5)

Financial situation changing



Key Differences:

- Those who intend to buy their first home in the next two years are more likely to say their financial situation improved (42%)
- Those feeling their financial situation has gotten worse include those who are unemployed (41%) and those with incomes below \$50k (20%)

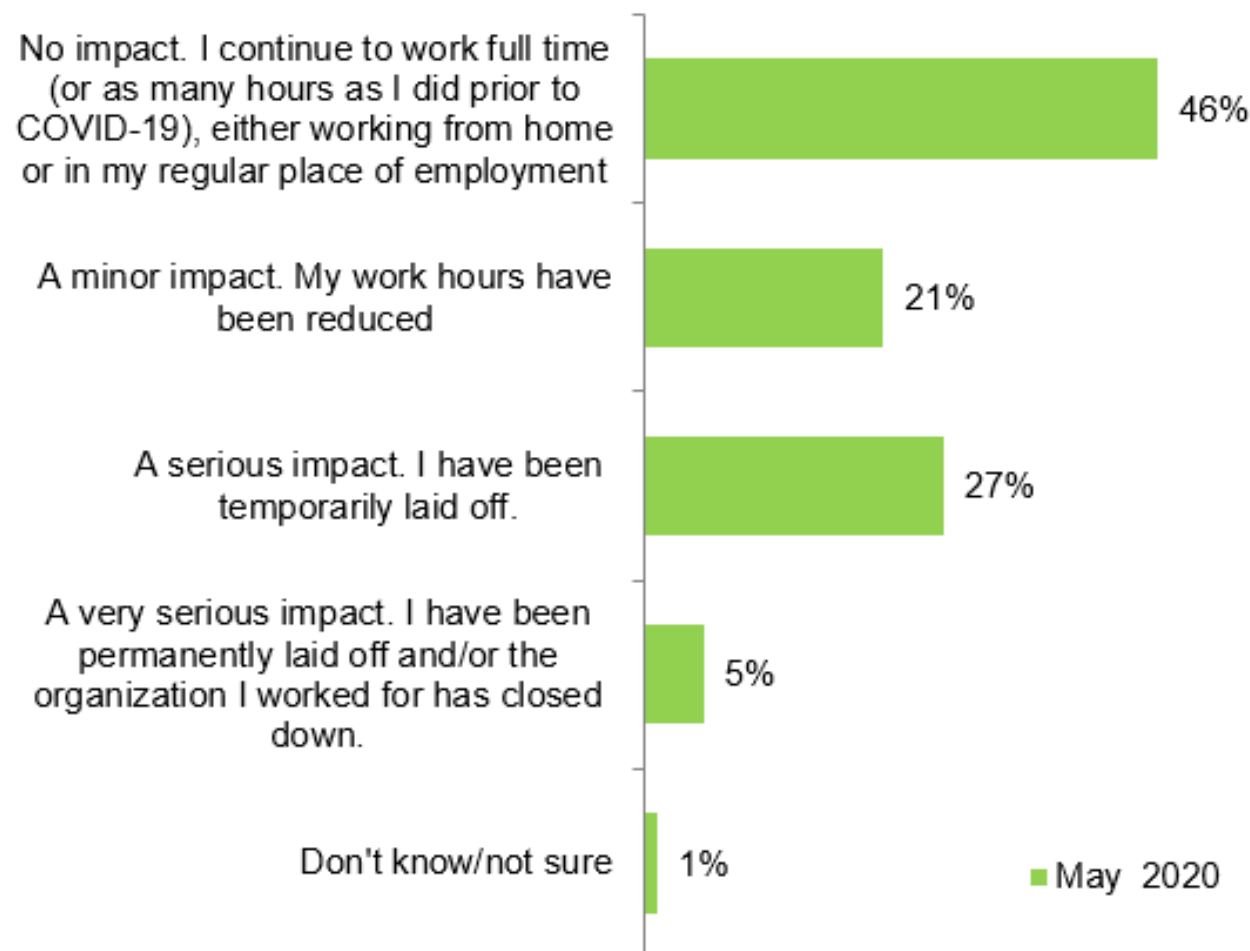
May Update:

- Those in Alberta are more likely to say their financial situation got worse (41%)
- Recent first-time buyers (43%) and future intenders (27%) are more likely to say their financial situation improved



Impact of COVID-19 on Employment

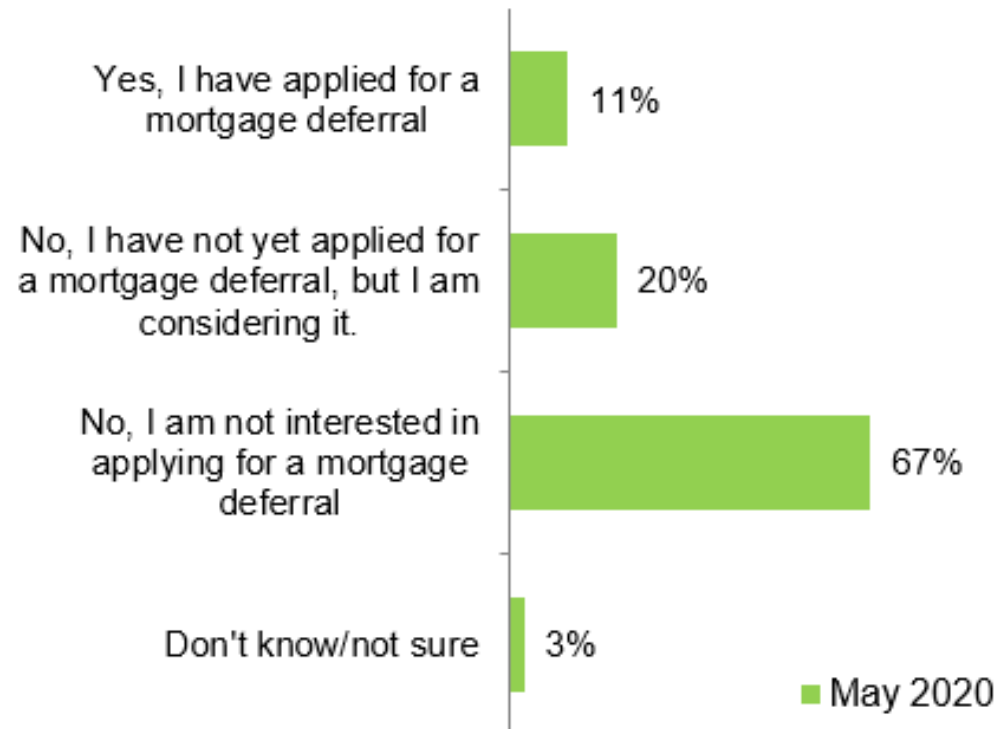
Impact of COVID-19 on employment



Key Differences:

- Homeowners are more likely than non-owners to say they have not been impacted (50% vs. 35%)
- Those working part-time are more likely to say it had a serious/very serious impact (48%) than those working full-time (25%)
- Those ineligible for the CERB are more likely to say it had a serious/very serious impact (50%).
- New Canadians are more likely to say it had a serious/very serious impact (58%)
- Those in Atlantic Canada are more likely to say it had no impact (63%) while those in the Prairies are more likely to say it had a serious impact (40%)

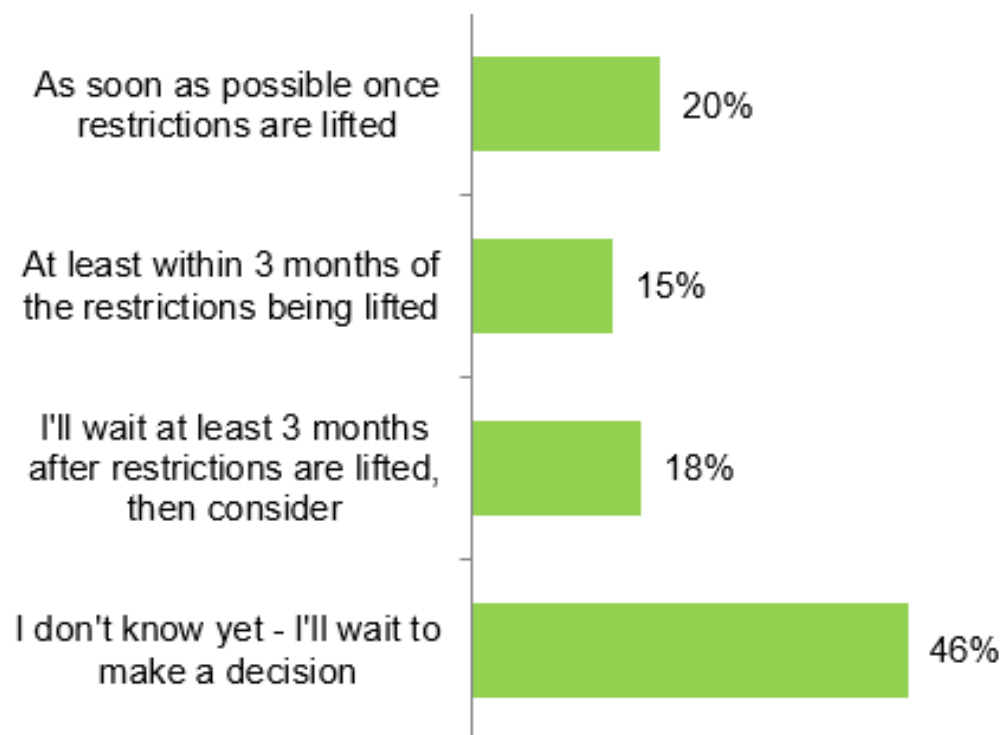
Mortgage deferrals



Key Differences:

- While 11 percent have applied for a mortgage deferral, the 20 percent who are considering it may be waiting to see whether there will be further uncertainty regarding their return to work.
- First-time home buyers are more likely to say they have applied for a mortgage deferral (25%) or might consider it (30%).
- Working Canadians whose jobs have had a serious/very serious impact by Covid-19 are more likely to have applied (20%) or plan to (26%).
- Those in Atlantic Canada (19%) and B.C. (19%) are more likely to have applied, while those in the Prairies (36%) and Alberta (33%) are more likely to say they are considering it.

Many home buyers/sellers anticipate a quick return



Key Differences:

- Those in Quebec anticipate selling or buying real estate within three months following the lifting of restrictions (51%).



2020 Homeownership & Financial Fitness Study

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A photograph of a man and a woman looking at a laptop screen. The man is wearing a plaid shirt over a dark t-shirt, and the woman is wearing a white top. They are both smiling and appear to be engaged in a conversation about the content on the screen.

2020
Homeownership
& Financial Fitness
Study

A snapshot of Canadians' Homeownership
Attitudes and Financial Fitness

Genworth

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