

2022 First-time Homebuyer Trends and their Financial Fitness



2022 Financial Fitness Study



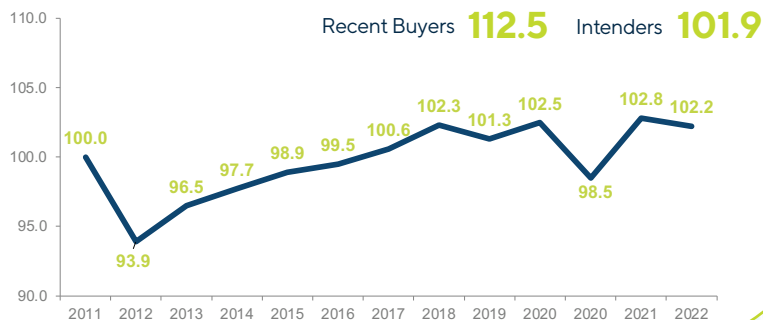
The Financial Fitness of Canadians declines to 2018 levels, but recent home buyers score much higher. Growing proportions of Canadians worry that their financial situation will worsen in the coming year. Despite these trends, Canadians remain confident long-term.

Methodology: A total of 2,005 interviews with Canadians aged 18+. Online interviewing was completed between March 7-21, 2022. Quotas were set to oversample in urban regions with weighting to bring them into overall national representative distributions.

Study completed by Environics Research on behalf of Sagen and in association with the Canadian Association of Credit Counselling Services.

Financial Fitness

Set at 100 in 2011, the Financial Fitness Index initially declined but regained until 2020. The pandemic caused a sharp downward movement, but it would have been worse without government assistance. 2021 represents the highest Financial Fitness on record, with 2022 showing decreases to 2018-levels.



Intenders slightly more confident than recent buyers, but more worry about making ends meet month to month

- Recent Buyers
- Intenders



Have long-term confidence

66% **70%**



Have a financial plan

77% **67%**



Concerned about making ends meet

29% **47%**



70% of FTHB feel they are in good or great financial shape

66% of homeowners say they are in good or great financial shape

Impact of COVID-19



Of the **4-in-10** who shifted to working remote during the COVID-19 pandemic, most expect to continue working from home

66% of New Canadians say that their savings did not increase during the pandemic

46% of Intenders say their savings increased during the pandemic



Those working full-time are more likely to expect a hybrid work model (**22%**), while those working part-time are more likely to say working arrangements didn't change and they will continue to work in-person (**65%**)



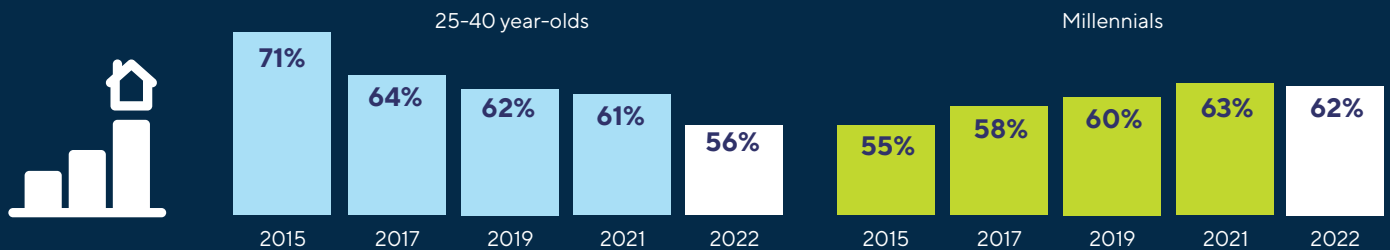
One third of Canadians continue to see savings grow through the pandemic, more among recent buyers and intenders

38% of Millennials are more likely than Boomers (29%) to say their savings increased during the pandemic

The Big Picture

FTHB: First-time homebuyers
FTI: First-time intenders

Homeownership rates among **25-40 year olds** continue to decline; homeownership among **Millennials** stalls



Homeownership patterns among Canadians

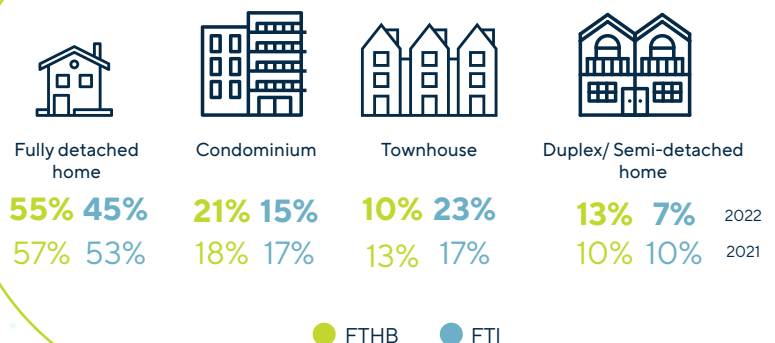


Home buying sentiment reaches a new low; both **FTHB** and **FTI** are pessimistic

● FTHB ● FTI



Preferred type of homes



2022 **8%** FTHB bought their first home in the past 24 months 2021 **6%**

55% of Canadians feel there is insufficient supply of homes available in their areas

19% of non-homeowners plan to buy a home in the next 24 months

Millennials

15%

More likely to have bought or plan to buy semi-detached homes



More likely than Boomers to say their savings increased (38% vs. 29%)

91%

plan to need a mortgage

43%

More likely to require high ratio mortgages

34%

of Millennial non-homeowners plan to buy a new home in the next 24 months.



18% of Millennials are more likely to have purchased their first-home in the past 24 months

New Canadians



66%: New Canadians are more likely to say savings did not increase during the pandemic

51%

More likely to require high ratio mortgages

49%

More likely to spend 6 to 12 months shopping

New Canadians are more likely to rent a home (41%) and less likely to own (55%)

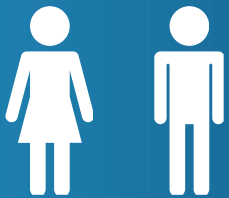
64%

More likely to be working full-time



Respondent Profile

Gender



51%

49%

Marital Status

- 29%** Single
- 58%** Married/
Common-Law
- 9%** Separated/
Divorced
- 4%** Widow



Education

- 9%** Post Grad
- 23%** University
- 44%** College/Vocational
- 24%** High School/Less

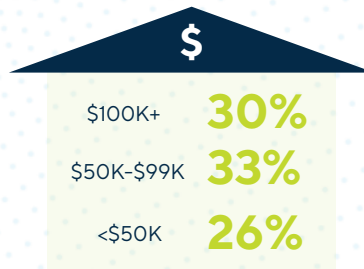


Employment



- 48%** Full-time
- 11%** Part-time
- 5%** Unemployed
- 5%** At home
- 4%** Student
- 26%** Retired

Household Income



Household Size



- One **22%**
- Two **41%**
- Three **16%**
- Four **14%**
- Five+ **4%**

Birthplace

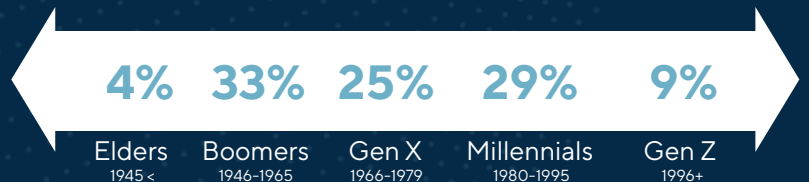


Canada **78%**



Another country **22%**

Generations



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