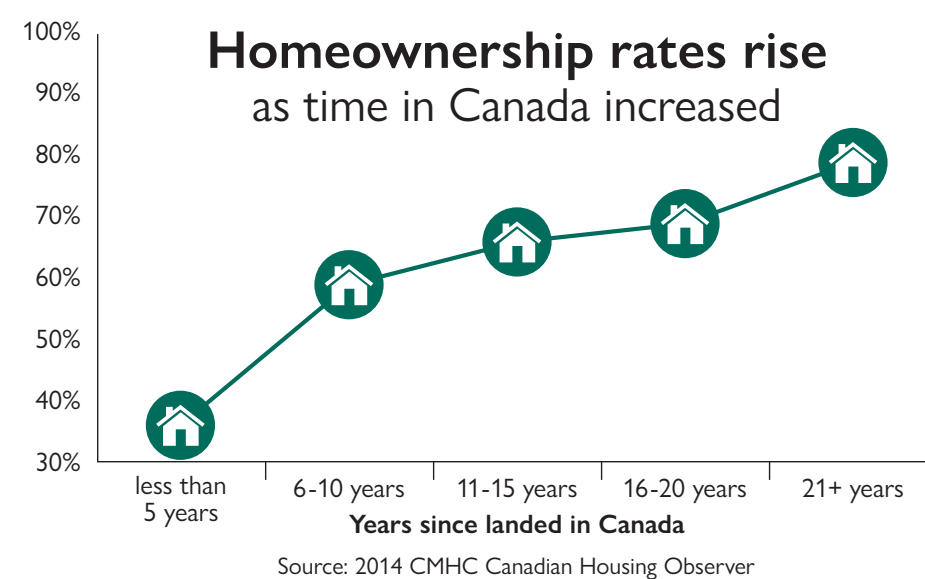


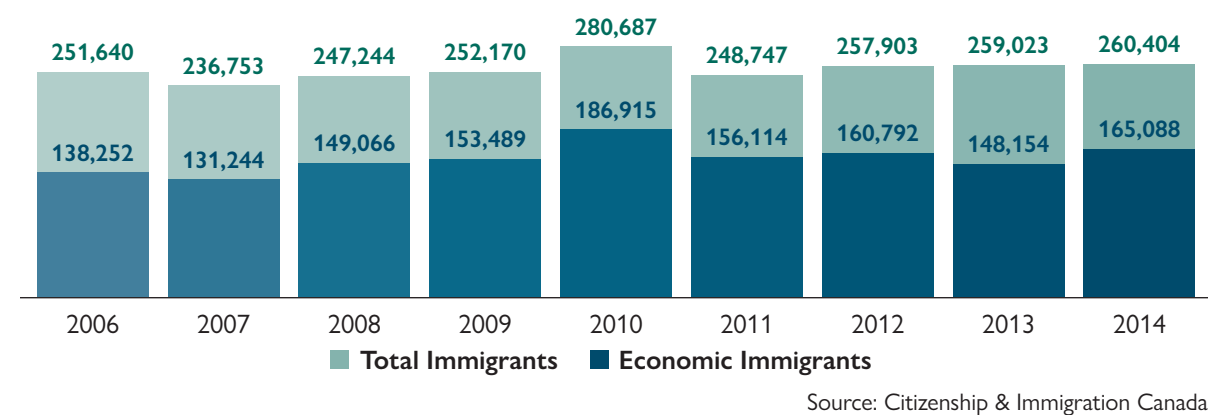
Newcomer First-Time Home Buying Experience

QUALITATIVE RESEARCH RESULTS

General Overview



Over 250,000 new immigrants to Canada annually with over half as economic immigrants



Motivations and Desires



Buying Reasons

Primary reasons cited...

- ✓ Stop paying rent
- ✓ Desire to build equity as a long term investment
- ✓ Felt financially established to carry a mortgage
- ✓ Needed space for a growing family

Few noted low interest rate environment as a primary motivator for buying a home

Noteworthy
Important step towards "getting settled" in new country or city

Type of Home

Preferred characteristics identified...



Single detached homes



Close in proximity to work/transit



Safety was a strong consideration

Noteworthy

Not specifically looking to buy within their own ethno-cultural community

Home Buying Process



Resources Used

GOING ONLINE

Most common step in the home buying process

followed by

MULTIPLE WEBSITES

Listings, Lender, Broker websites visited even after working with professional

MORTGAGE CALCULATORS

Most often used online tool

Noteworthy

Newcomers used social media to access real estate and listings information, and were hesitant to share personal details

Advice Gathered

The first mortgage professional contacted was considered the most valuable

Mortgage Professionals

Real Estate Agents were likely to be consulted first

Family & Friends

Both were important resources, and family was strongly relied upon

Noteworthy

Low desire for documentation in mother tongue or professional from same cultural background

Mortgage Process



Budget and Affordability

Budgeting

Primary focus was to accumulate down payment

Mortgage Loan Insurance

Not well known or understood by newcomers

Operating Budget

Newcomers often did not set an operating budget, which led to surprises after moving in

Noteworthy

"Credit history" and "closing costs" were new concepts to some newcomer first-time buyers

Lenders vs. Brokers

Lender

Newcomers thought dealing with their own bank would simplify the mortgage process

Broker

Newcomers met with Brokers on recommendation from a Real Estate Agent or Family/Friend

Noteworthy

The ability to compare interest rates was a compelling proposition and many wished they had the opportunity to compare more