

## Affordability and More Space Are Strong Draws for Canadian Home Shoppers, but Rising Prices and Low Inventories Remain Challenging

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With tough real estate market conditions continuing into summer, new research from Zillow and Ipsos shows why Canadians are—and aren't—moving

- The top barrier to owning a home for Canadians continues to be coming up with a down payment (64%);

Qualifying for a mortgage is also a top barrier

- Two-thirds of Canadians are concerned that rising home prices will prevent them from being able to afford the home they want

- Nearly three-in-ten (29%) Canadians indicate that low housing inventory in their area has impacted their decision to buy, sell, or move

VANCOUVER, B.C., June 24, 2021 /PRNewswire/ -- It's no secret that Canada's hot housing market is causing anxiety with home sales and prices that are cooling off slightly from this spring, but remain historically high<sup>1</sup>. A new survey from Zillow and Ipsos reveals that affordability is a top concern, but Canadians are dreaming of a new home and using online tools to help them on their way.

### Rising prices are challenging affordability

Rising home prices have two-thirds of Canadians worried they won't be able to afford the home they want in the future, and are keeping many from breaking into the market today. Over half of renters surveyed said not being able to afford a home is the main reason they are renting instead of buying, and coming up with a down payment

for a mortgage is a major barrier for renters and potential buyers alike.

Financial barriers to breaking into the real estate market may be especially prevalent after a tumultuous year of pandemic-related job, economic and financial losses. As people choose to stay in their homes due to the pandemic, the effects on supply are rippling out: one in four sellers have not listed recently for fear they won't be able to find a new home, and 29% of Canadians overall indicate that low housing inventory in their area has impacted their decision to buy, sell or move. This sentiment is particularly pronounced for those under 35 years old—who are likely to be first-time buyers and do not have the proceeds from the sale of an existing home to put toward a down payment, making affordability an even greater challenge—and for those living in BC and Ontario, provinces home to the country's two most expensive cities, Vancouver and Toronto.

### Despite challenges, many buyers still dream of moving

Fewer choices and higher prices haven't stopped home shoppers from dreaming about their next home, with many turning to online tools early in their journey. Three-quarters of buyers looked at properties for sale online as the first step of their home buying process, and 85% used an online app or website as part of their home search, up from 76% in 2018.

Nearly three in four home shoppers and sellers who use online resources see virtual tours as an important tool. Virtual tours like [Zillow 3D Home®](#) help home shoppers get a sense of a home when it's unsafe to visit in person, or in the early stages of a search process to narrow down homes with the right features or floor plan for that buyer. Shoppers also want a full picture of a home, noting detailed property information and high-resolution listing photos as the most valuable features in listings.

### Why make a move? Affordability, more space

While market conditions and pandemic-related considerations might be holding some potential movers back, others are adjusting to changes that have many re-thinking where, and how, we live. For those who have moved in the last year, 43% said they wanted a more affordable home and 38% wanted a larger home. Other top reasons for moving include living closer to family and friends (36%) and wanting more outdoor space (34%). Buying a home remains challenging, but opportunities are there on the other side for those that can overcome the barriers and start a new chapter.

Zillow makes real estate simpler. With comprehensive and updated listing information including rentals and new construction listings in all provinces and territories except Quebec, you'll find the information you need at your fingertips. To view homes for sale in your area, visit [Zillow.ca](#) or [download the Zillow app](#).

### Methodology

Data came from a survey of 2,624 Canadians conducted by Ipsos on Zillow's behalf. Fielded between April 9 and

April 27, 2021, the survey included boost samples of additional participants to obtain sufficient sample sizes in Vancouver and Toronto, as well as for home buyers and sellers who transacted in the last three years. The method of interview was an online, device-agnostic survey using Ipsos iSay panel and partner panels, conducted in English and French.

### About Zillow Group:

Zillow Group, Inc. (NASDAQ: Z and ZG) is reimagining real estate to make it easier to unlock life's next chapter.

As the most-visited real estate website in the United States, Zillow® and its affiliates offer customers an on-demand experience for selling, buying, renting or financing with transparency and nearly seamless end-to-end service. Zillow Offers® buys and sells homes directly in dozens of markets across the country, allowing sellers control over their timeline. Zillow Home Loans™, our affiliate lender, provides our customers with an easy option to get pre-approved and secure financing for their next home purchase. Zillow recently launched Zillow Homes, Inc., a licensed brokerage entity, to streamline Zillow Offers transactions.

Zillow Group's brands, affiliates and subsidiaries include Zillow®; Zillow Offers®; Zillow Premier Agent®; Zillow Home Loans™; Zillow Closing Services™; Zillow Homes, Inc.; Trulia®; Out East®; StreetEasy® and HotPads®. Zillow Home Loans, LLC is an Equal Housing Lender, NMLS #10287 ([www.nmlsconsumeraccess.org](http://www.nmlsconsumeraccess.org)).

### About Ipsos:

Ipsos is the third largest market research company in the world, present in 90 markets and employing more than 16,000 people.

Our passionately curious research professionals, analysts and scientists have built unique multi-specialist capabilities that provide true understanding and powerful insights into the actions, opinions and motivations of citizens, consumers, patients, customers or employees. Our 75 solutions are based on primary data from our surveys, social media monitoring, and qualitative or observational techniques.

Our tagline "Game Changers" sums up our ambition to help our 5,000 customers move confidently through a rapidly changing world.

Founded in France in 1975, Ipsos has been listed on the Euronext Paris since July 1, 1999. The company is part of the SBF 120 and Mid-60 indices and is eligible for the Deferred Settlement Service (SRD).

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<sup>1</sup> According to May 2021 market data from the Canadian Real Estate Association.

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