

Manulife Bank Homeowner Debt Survey

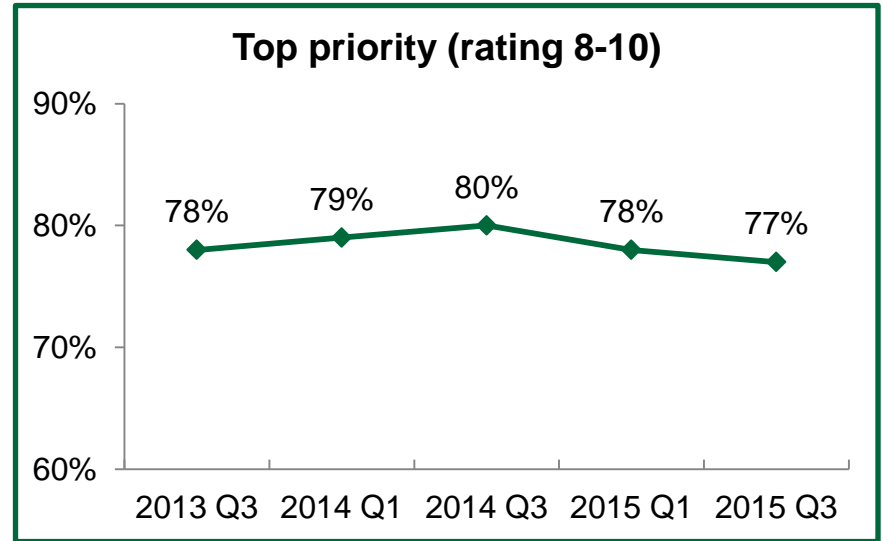
November 2015



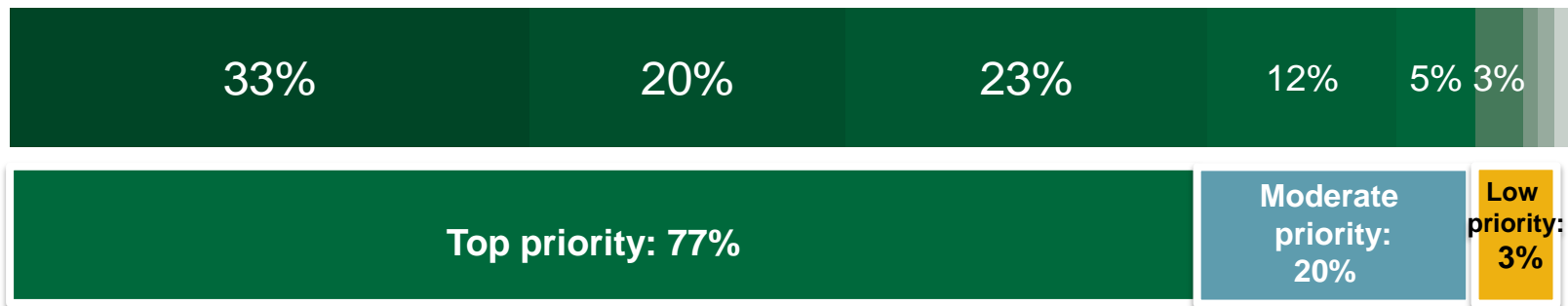
 Manulife Bank

Debt freedom remains a top priority for more than three-quarters of Canadian homeowners

On a scale of 1-10, where does becoming or being debt-free rank as a financial priority, where 1 means it's not a priority and 10 means it's your top financial priority?



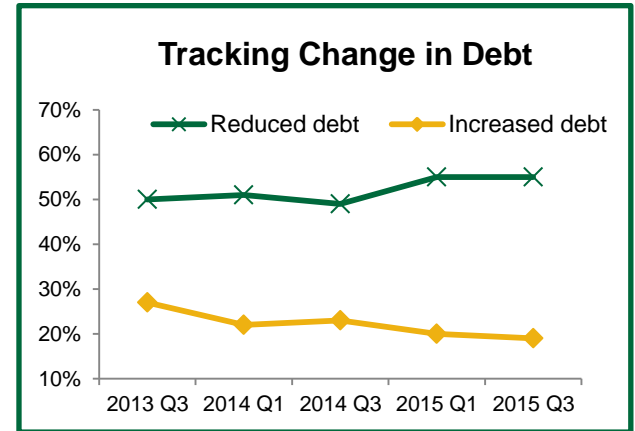
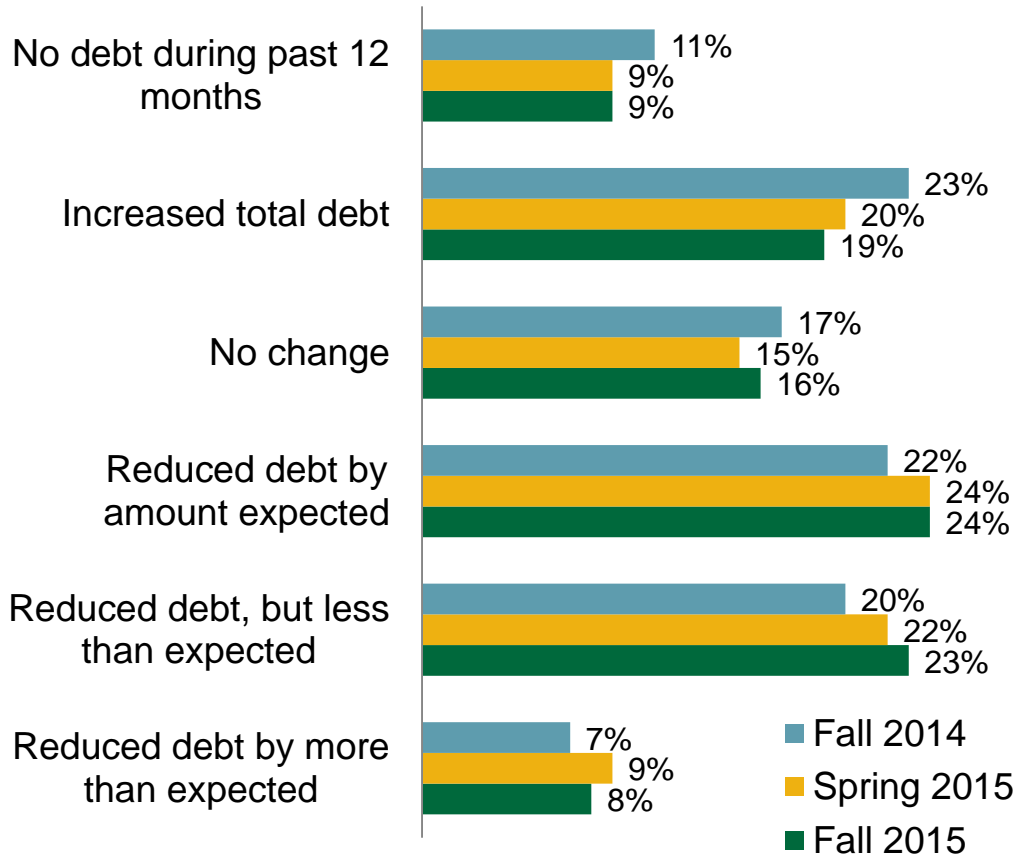
■ Top priority 10 ■ 9 ■ 8 ■ 7 ■ 6 ■ 5 ■ 4 ■ 3 ■ 2 ■ Not a priority 1



Base: All respondents (n=2372)

Fewer homeowners have increased debt in the past 12 months

When you think about how your debt has changed over the past 12 months, would you say you've:



Reduced debt
 Fall 2015: **55%**
 Spring 2015: **55%**
 Fall 2014: **49%**

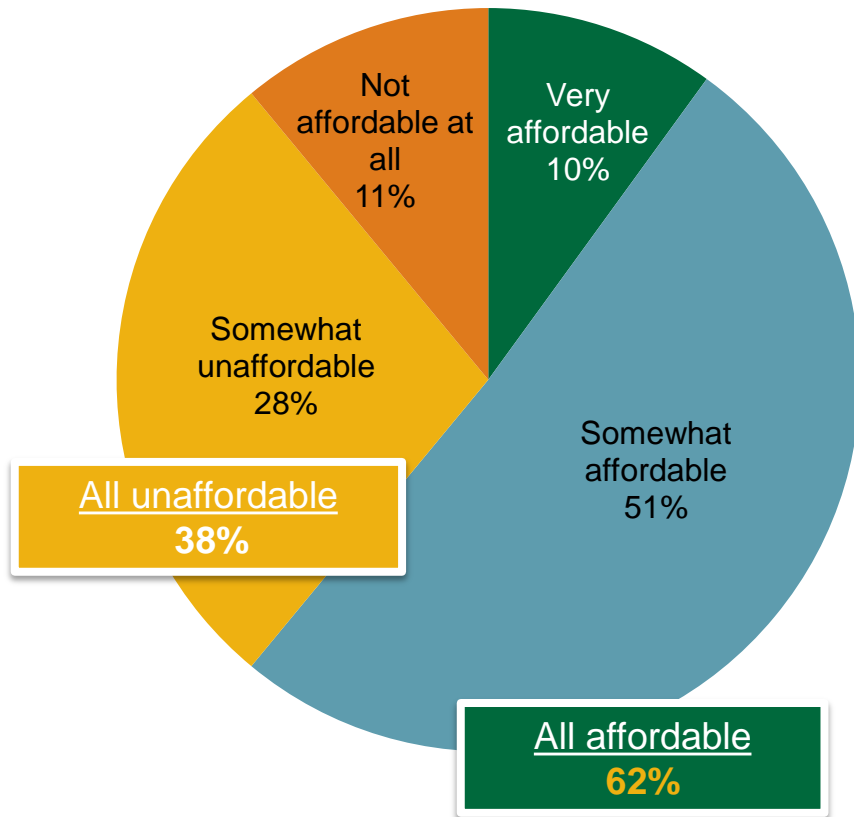
Base: All respondents (n=2372)

Housing Affordability

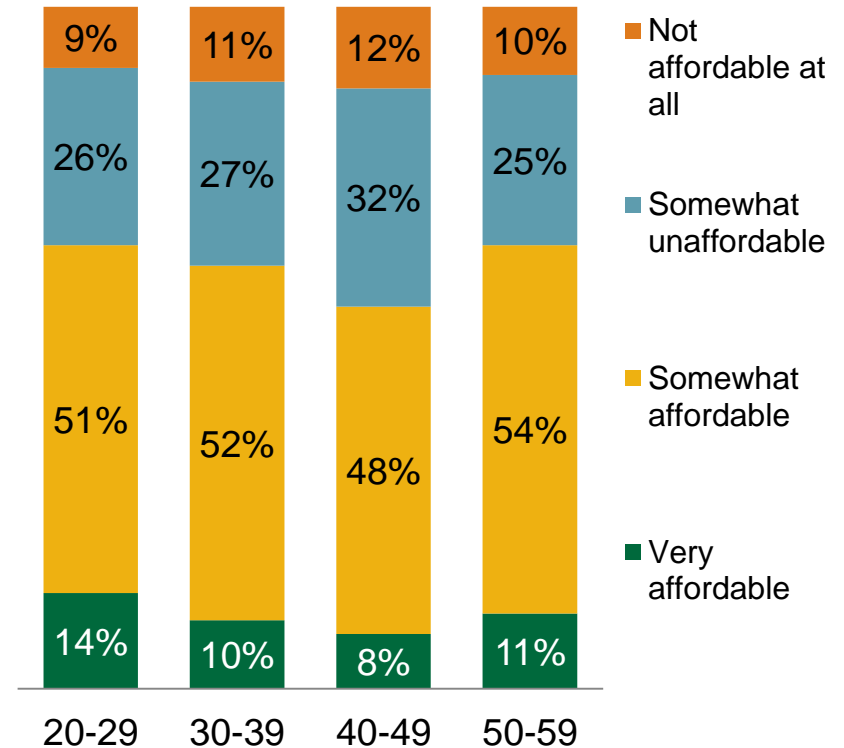


More than a third of homeowners feel housing in their area is unaffordable

How would you describe the affordability of housing in your area?



Affordability by Age

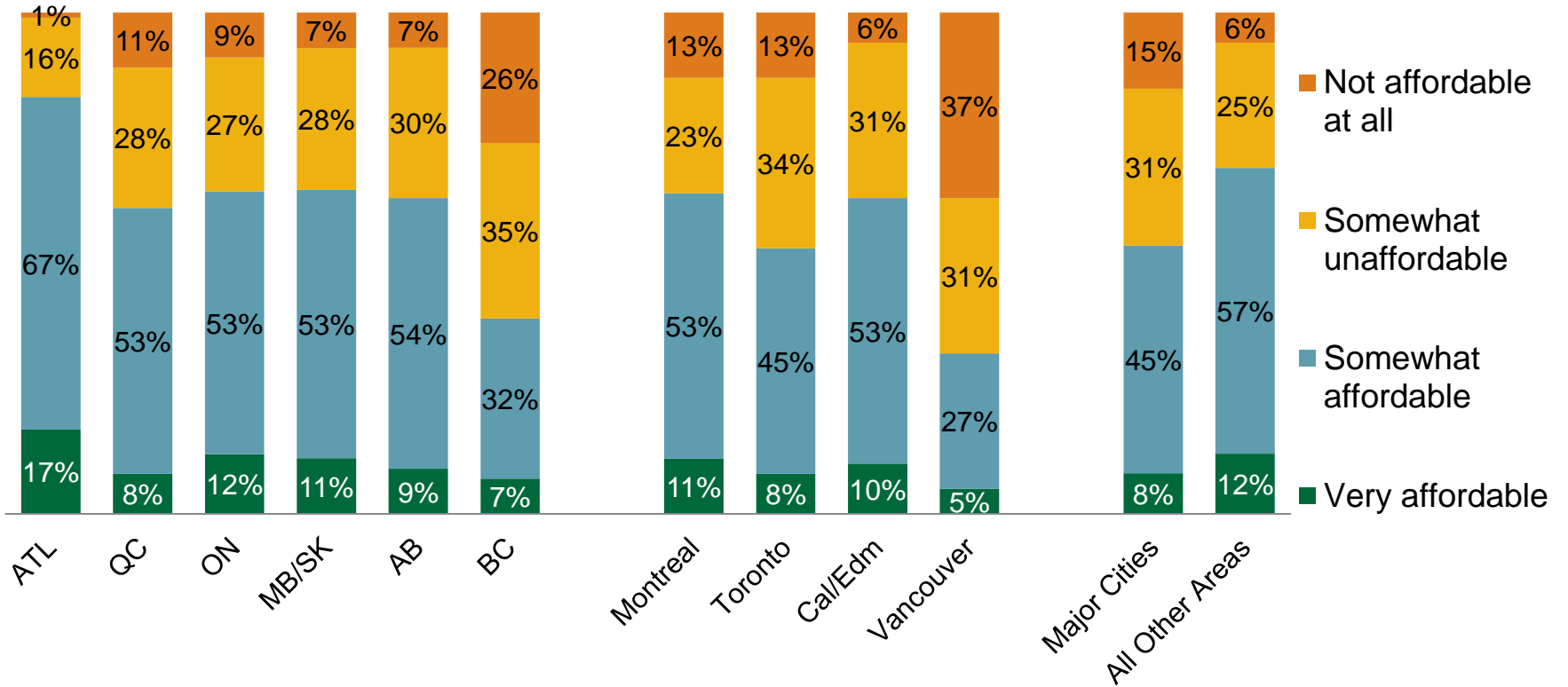


Base: All respondents (n=2372)

Perception of affordability varies significantly by region and market

How would you describe the affordability of housing in your area?

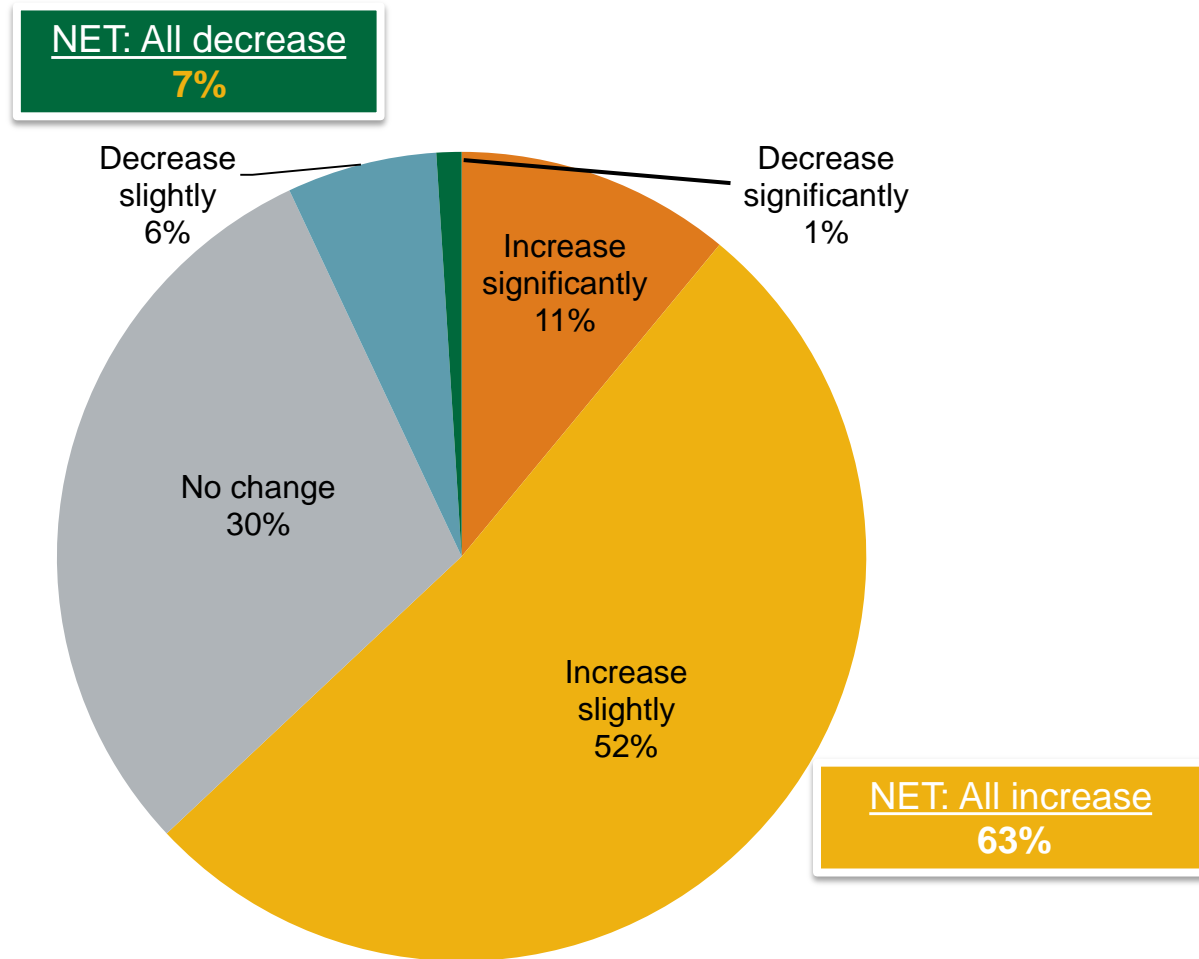
Affordability by region and market



Base: All respondents (n=2372)

Few homeowners expect prices will decrease in the next 12 months

Over the next 12 months, I expect housing prices in my area to:

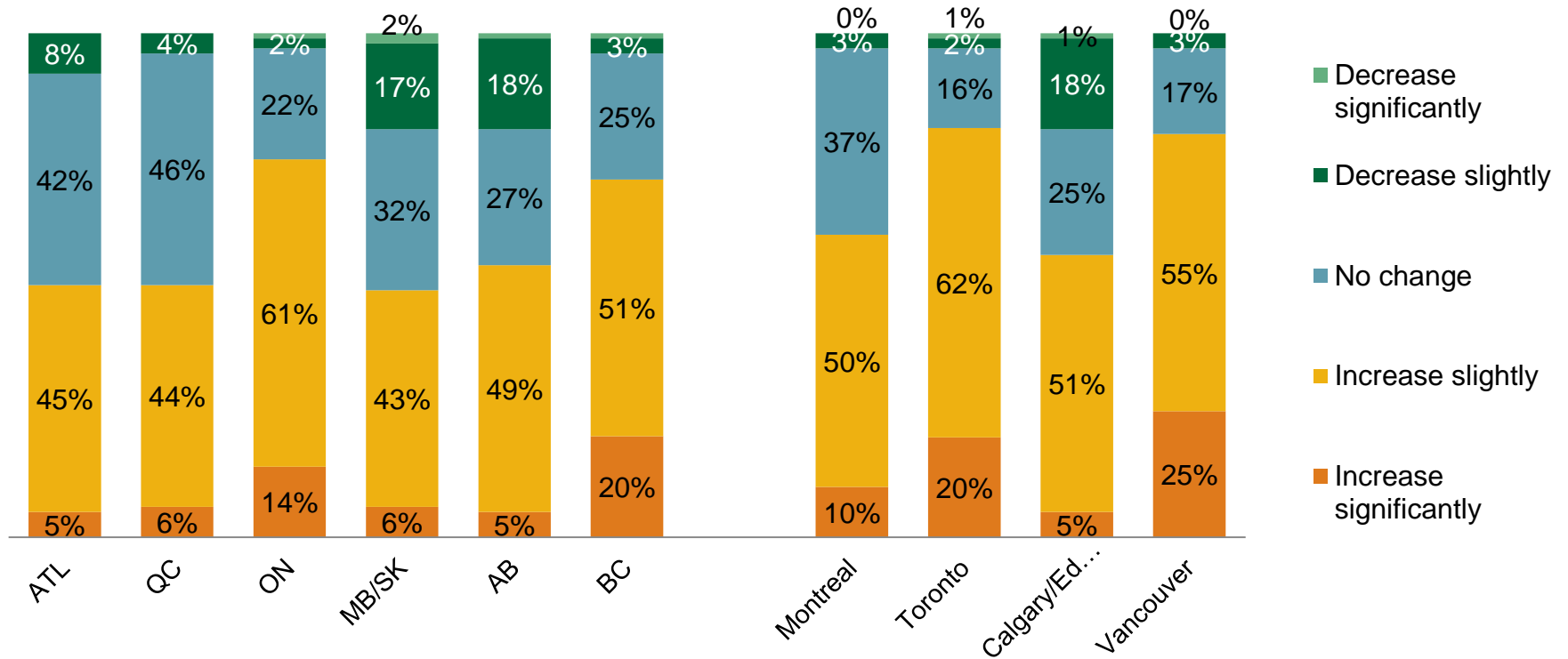


Base: All respondents (n=2372)

Expectation of housing price movement varies by region and market

Over the next 12 months, I expect housing prices in my area to:

House price expectation by region and market

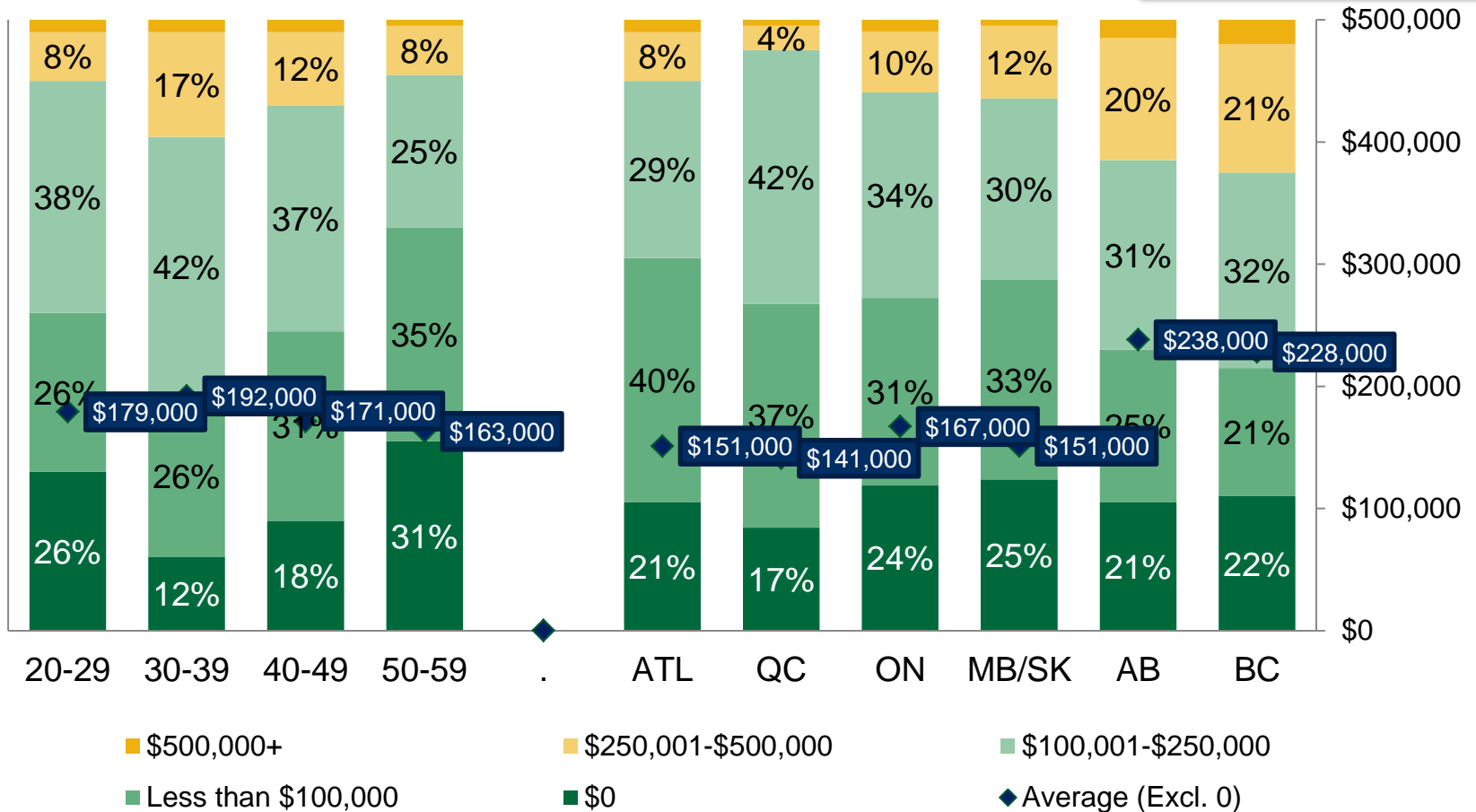


Base: All respondents (n=2372)

Mortgage debt is highest among homeowners between 30 and 39 years old and those living in Alberta and B.C.

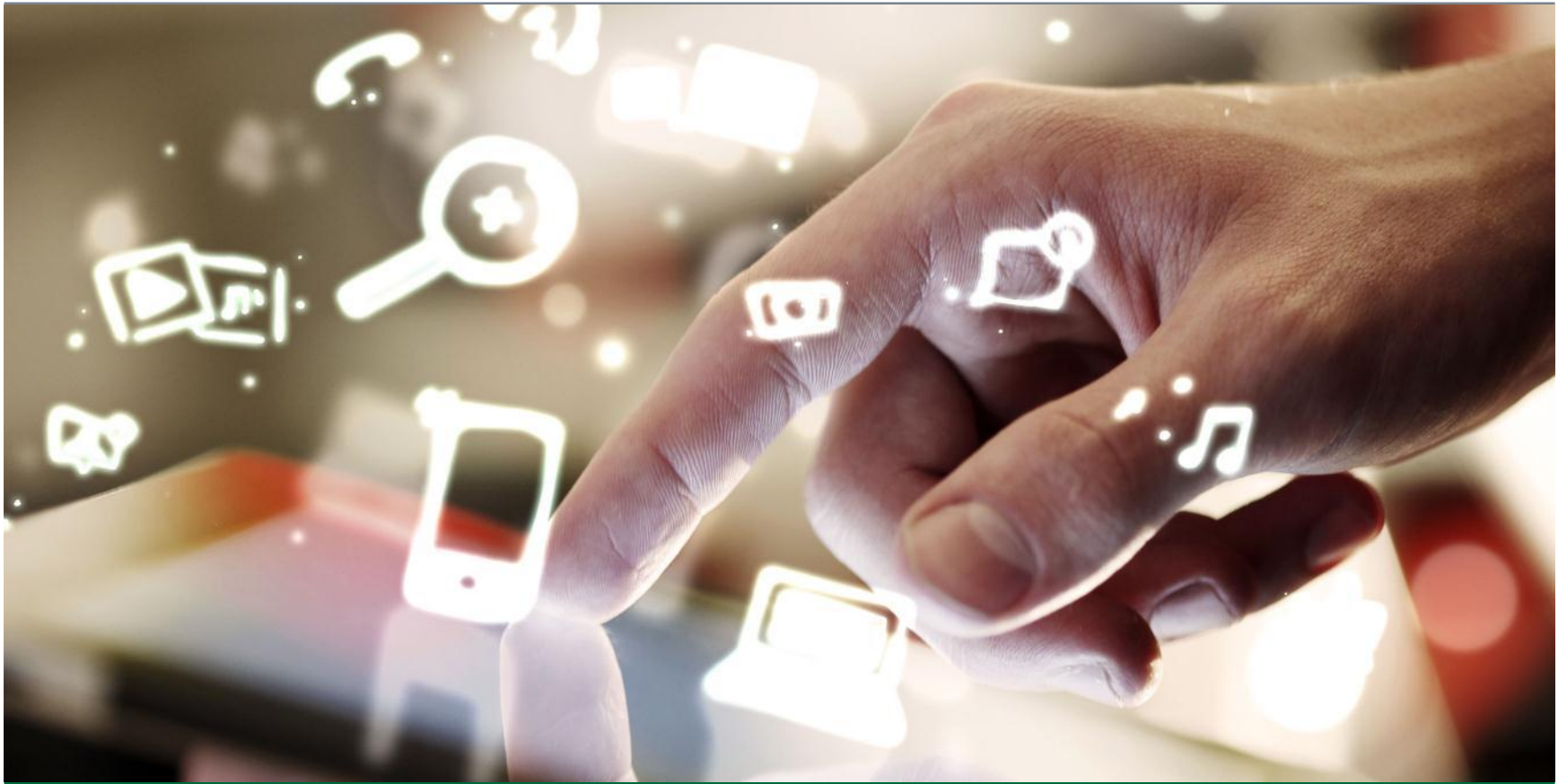
Please indicate how much mortgage debt you currently have outstanding.

National Average Mortgage
\$175,000



Base: All respondents (n=2372)

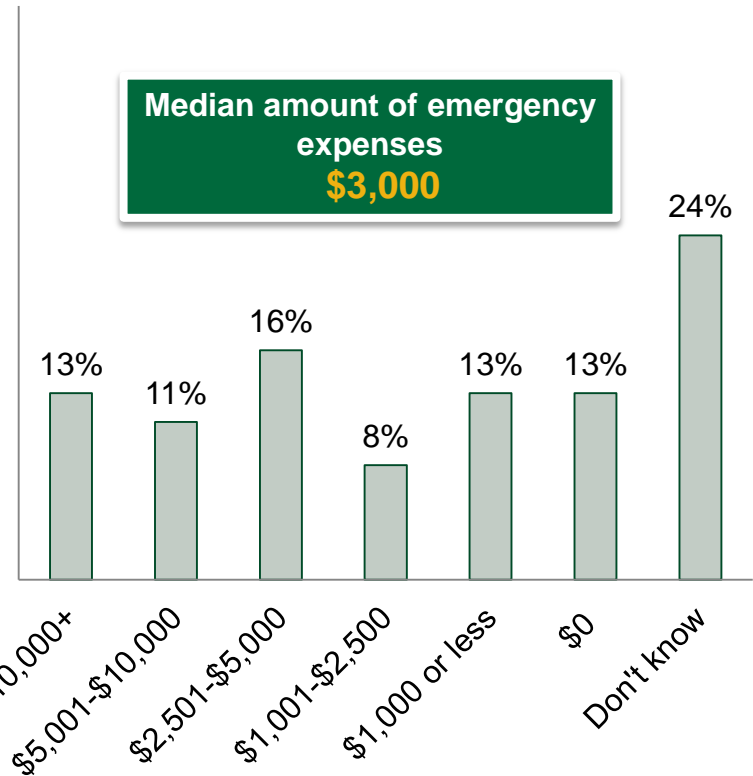
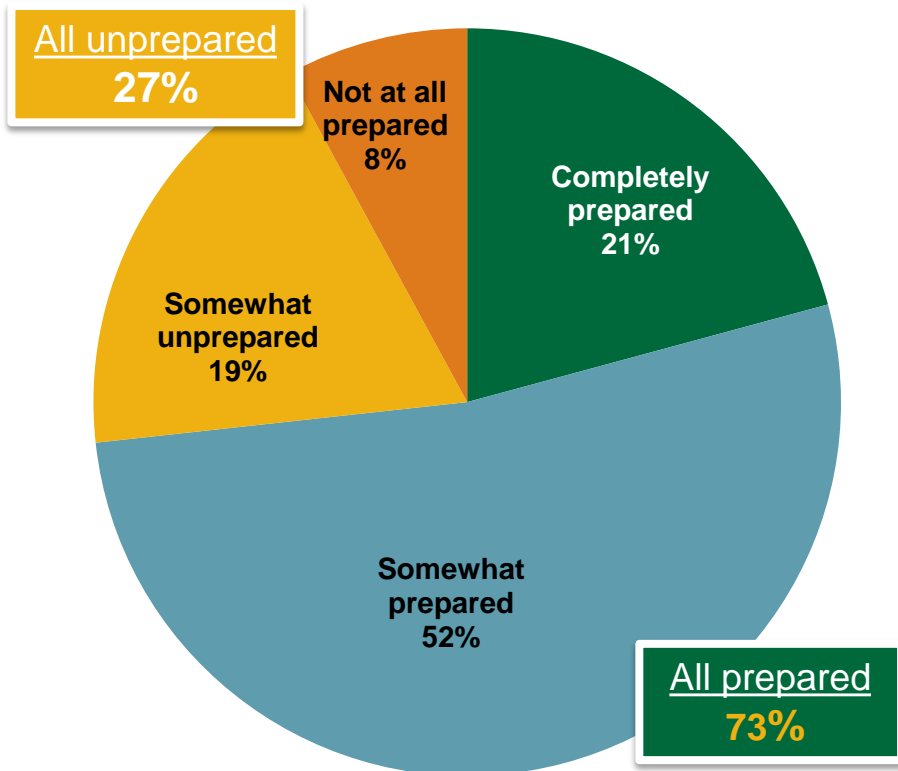
Financial preparedness



Most homeowners feel they are prepared to deal with unexpected expenses, however many have low levels of emergency funds

In general, how prepared are you to deal with unexpected expenses (e.g. Major car repair, replacement of a furnace) that may come your way?

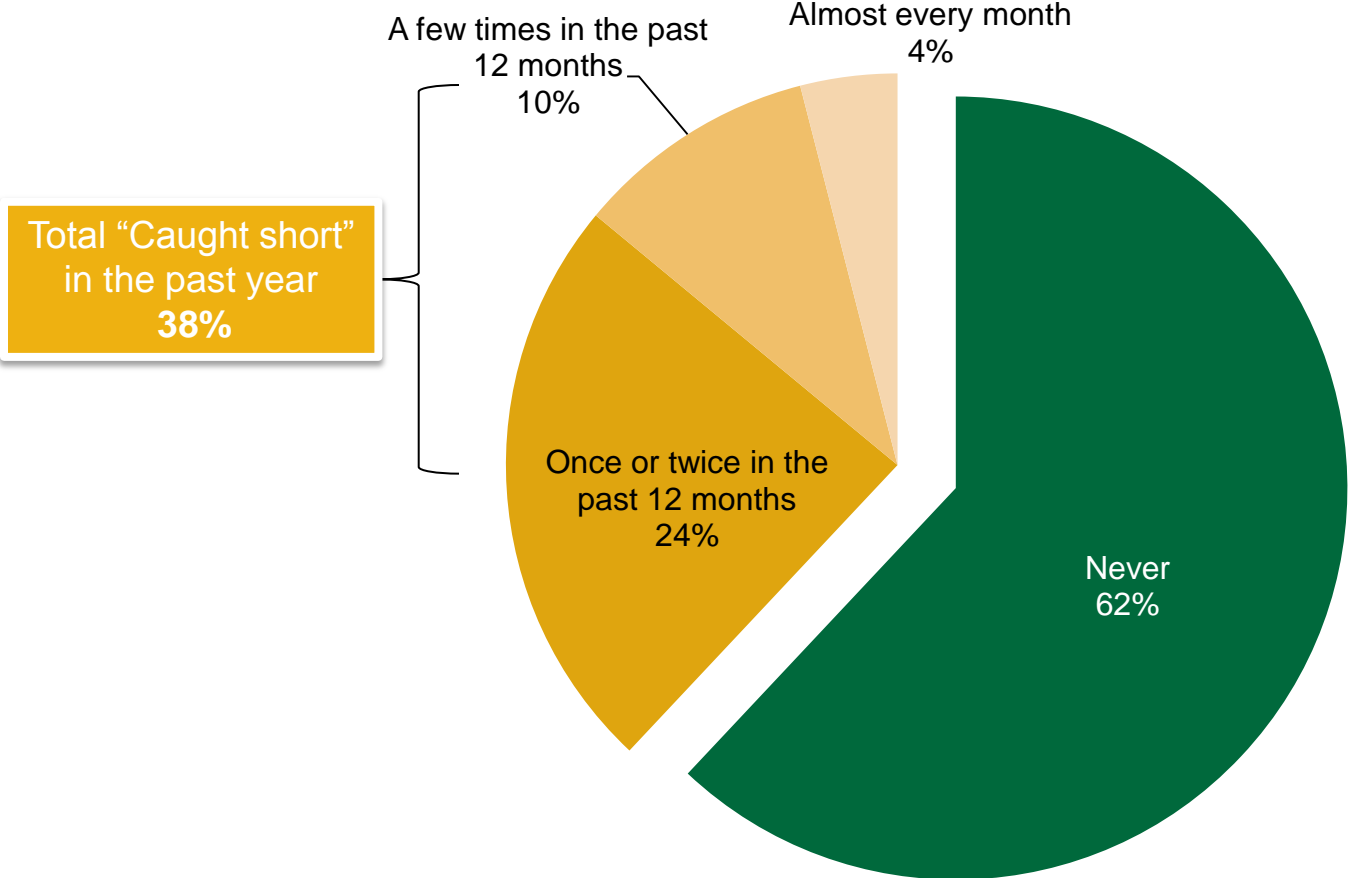
How much money does your household have set aside for emergency expenses?



Base: All respondents (n=2372)

Almost four in 10 homeowners were “caught short” at least once in the past 12 months

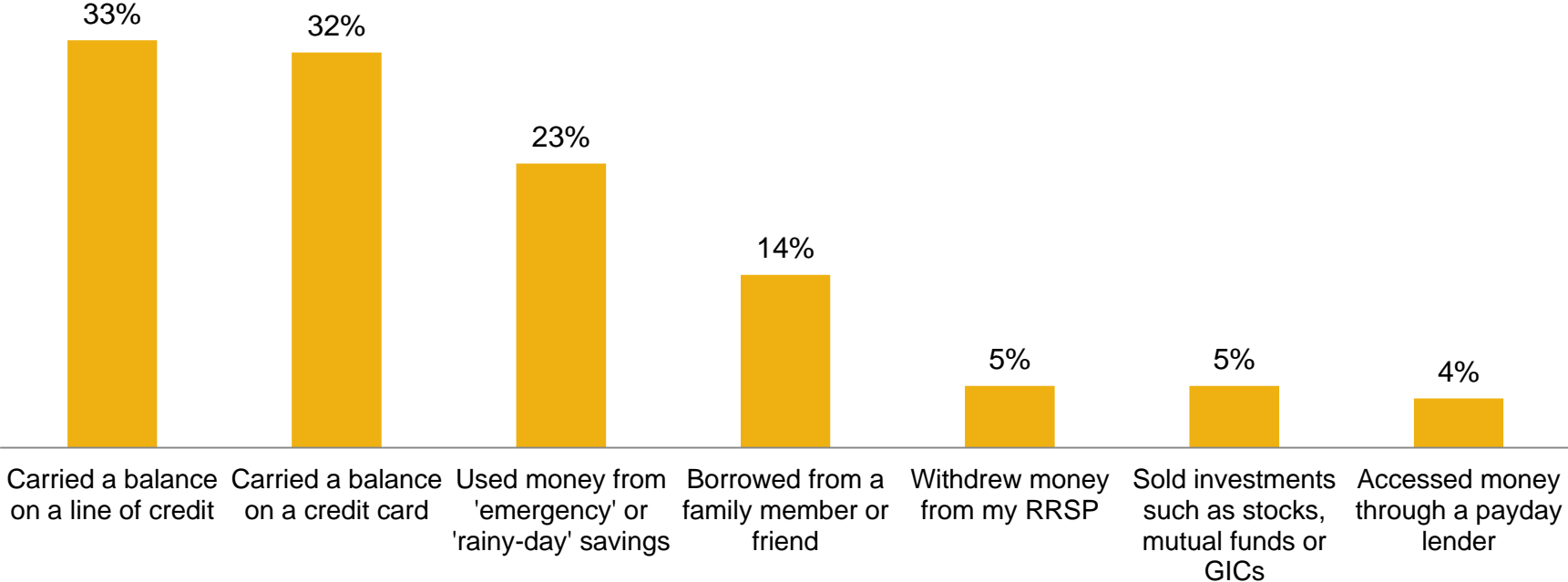
In the past 12 months, how often were you “caught short”, where you didn’t have enough money in your bank account to cover expenses?



Base: All respondents (n=2372)

Line of Credit and Credit Card were the most common source of funds for homeowners who were “caught short” in the past 12 months

The last time you were “caught short”, what did you do?



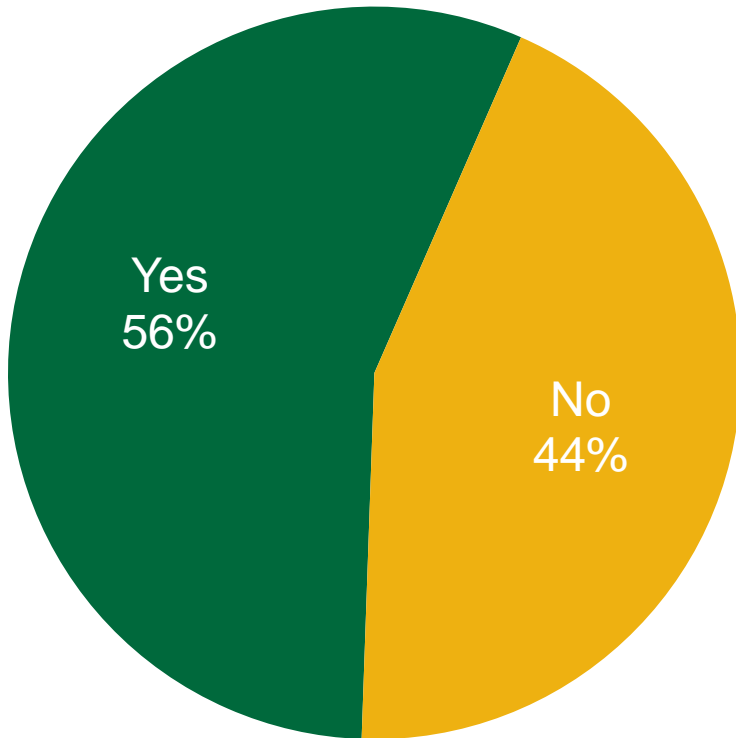
Base: Those who indicated they were “caught short” in the past 12 months (n=905)

The value of advice



More than half of Canadian homeowners have a financial advisor

Do you currently have a financial advisor (a financial advisor is a practicing professional who provides advice and/or information on financial services and products. these include, but are not limited to: mortgages, loans insurance, mutual funds, etc.)?



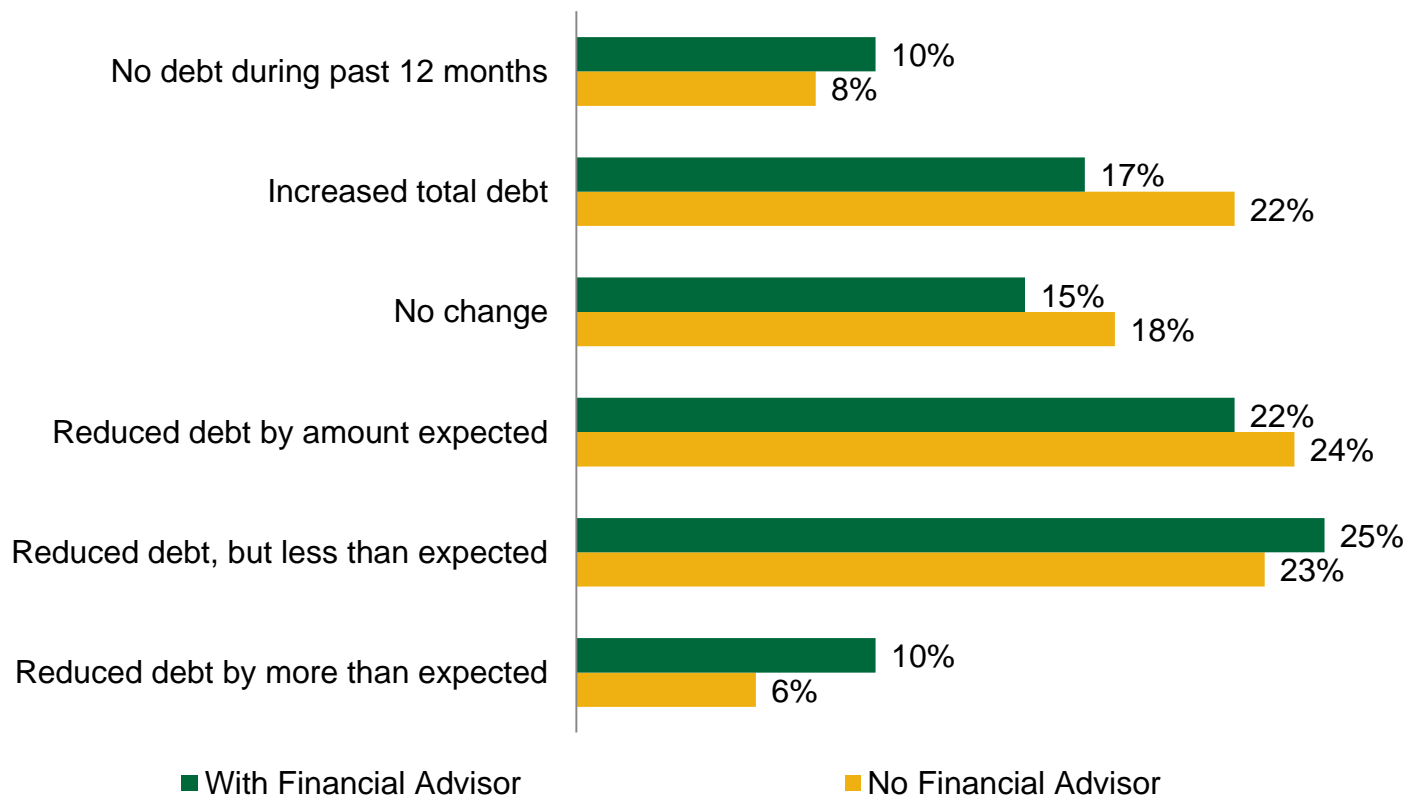
Household income

	Mean	Median
With an advisor:	\$94,000	\$85,000
No advisor:	\$88,000	\$85,000

Base: All respondents(n=2372)

Homeowners with a financial advisor were less likely to have increased their debt in the past 12 months

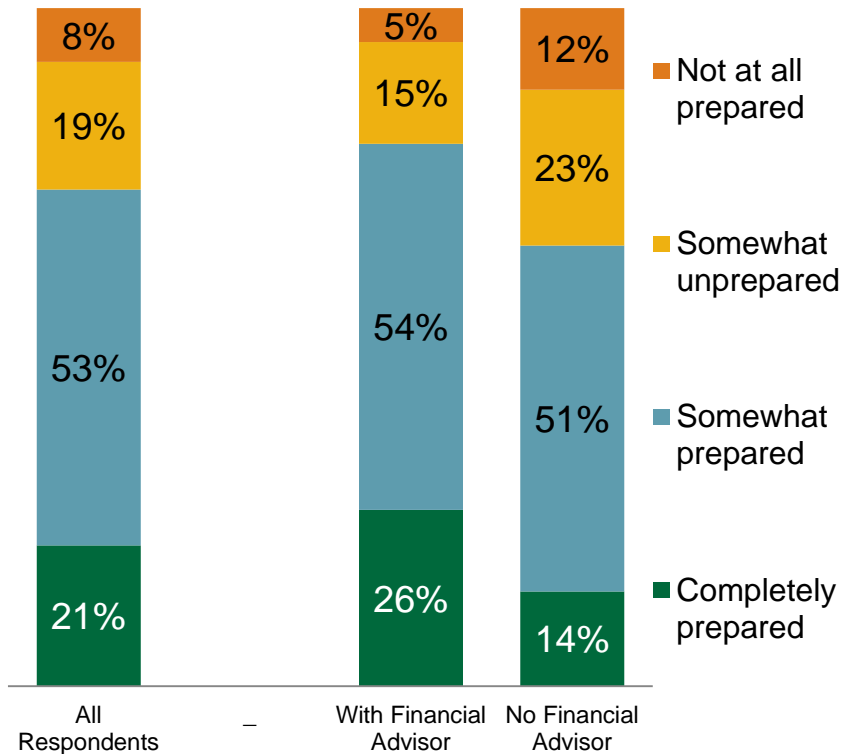
When you think about how your debt has changed over the past 12 months, would you say you've:



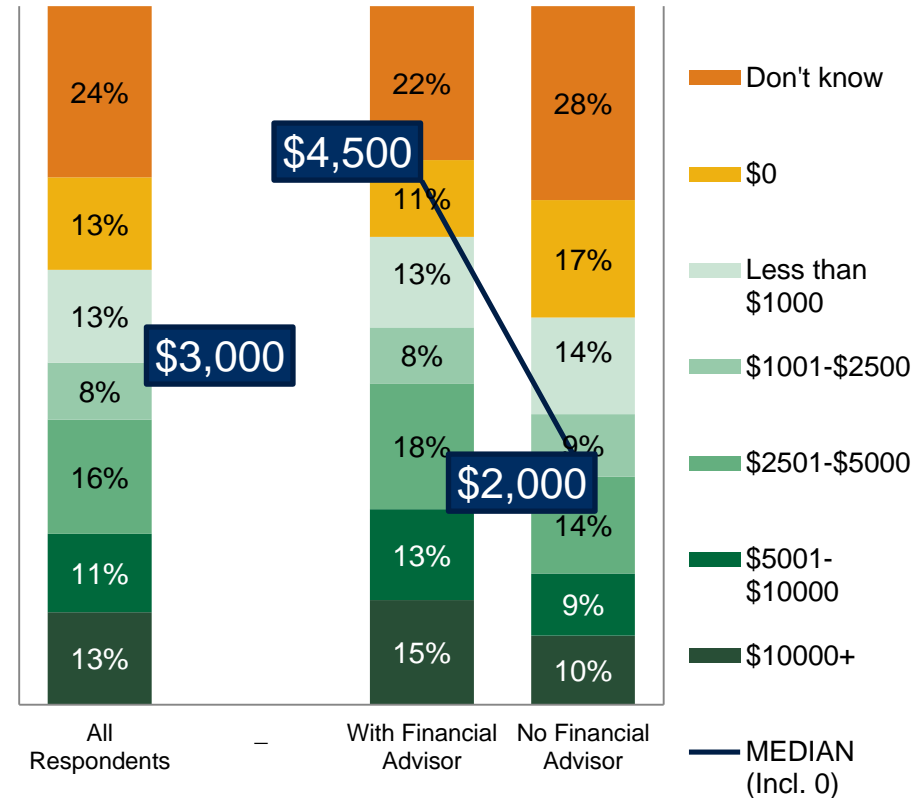
Base: All respondents (n=2372)

Homeowners with an advisor are more likely to feel prepared to deal with an unexpected expense

In general, how prepared are you to deal with unexpected expenses (e.g. Major car repair, replacement of a furnace) that may come your way?



How much money does your household have set aside for emergency expenses?



Base: All respondents (n=2372)

Research Methodology

- Research House was contracted to conduct the online survey with 2,372 Canadian homeowners between July 22nd – August 7th, 2015.
- Survey respondent profile:
 - 20 – 59 years of age
 - Annual household income \$50,000+
 - Homeowners
 - National results are weighted by province, income and age

Respondent Profile (unweighted)

Age	%
20-29 years (n=252)	11%
30-39 years (n=719)	30%
40-49 years (n= 691)	29%
50-59 years (n= 710)	30%
Total (n=2,372)	100%

Province*	%
Atlantic Canada (n=217)	9%
Quebec (n=542) <i>Montreal (n=199)</i>	23%
Ontario (n=870) <i>Toronto (n=491)</i>	37%
Manitoba/Saskatchewan (n=214)	9%
Alberta (n=231) <i>Calgary/Edmonton (n=202)</i>	10%
British Columbia (n=298) <i>Vancouver (n=202)</i>	13%
Total (n=2,372)	100%

Note: Oversampled in Atlantic Canada and Manitoba/Saskatchewan to allow for regional reporting

Percentages may not total 100 due to rounding



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