

Most (88%) Torontonians See Homeownership as Part of ‘The Canadian Dream’, But Seven in Ten (68%) Say MLTT Would Limit Ability to Afford a Home

Two-Thirds (67%) Likely to Have Home Buying Decision Affected by MLTT

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Toronto, ON - A new survey conducted by Ipsos Reid on behalf of the Ontario Real Estate Association (OREA) reveals that although most Torontonians believe home ownership to be one of life’s most important moments, the presence of the municipal land transfer tax is viewed as a barrier to home ownership.

The data reveals that while nine in ten (88%) ‘agree’ (46% strongly/42% somewhat) that homeownership is part of ‘The Canadian Dream’, seven in ten (68%) say that it’s likely that the MLTT would limit their ability to afford a home purchase. Further, two-thirds (67%) say that the tax would impact their decision to move within Toronto. Presently, the City of Toronto charges a municipal land transfer tax on top of the provincial land transfer tax.

Looking ahead and into future home buying considerations, seven in ten Torontonians believe that the MLTT would...

- Make them spend less on renovations, furniture or appliances for the home they would purchase - 72% (30% very/42% somewhat)
- Make them incur more debt in order to pay the tax - 70% (32% strongly/38% somewhat)



- Delay their decision to purchase a home - 71% (29% very/42% somewhat)
- Make them more likely to consider buying a home in a municipality that does not charge an MLTT - 72% (39% very/32% somewhat)

Interestingly, a similar proportion of Torontonians 'agree' that while homeownership is important to them (83%), the MLTT is making homeownership more difficult to achieve (85%), and less affordable (86%).

Further, eight in ten (83%) Torontonians 'agree' (52% strongly/31% somewhat) that the MLTT is an unfair tax on home owners who also pay property tax, while just 17% 'disagree' (4% strongly/13% somewhat). A similar proportion (86%) even 'agrees' (55% strongly/31% somewhat) that they are tired of additional taxes on home owners, while just one in ten (14%) 'disagrees' (3% strongly/11% somewhat).

As the only municipality in Ontario currently with an MLTT, Torontonians are more likely to view land transfer taxes as a significant barrier to buying a home, or moving to another home (65% say it is a major or moderate barrier, compared to 55% in the rest of Ontario). Ontarians outside of Toronto appear to not want to follow Toronto's lead, as more than eight in ten (84%) Ontarians 'oppose' (59% strongly/25% somewhat) the implementation of a new MLTT in their area. This compares to just one in ten (12%) who 'support' (3% strongly/9% somewhat) implementing a new MLTT and 4% who don't know.

Torontonians believe that money spent on an MLTT could better go towards other causes such as...

- Putting towards their down payment - 54%

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- Paying down debt – 37%
- Using the money for renovations and upgrades – 31%
- Saving it for retirement or other long-term savings – 30%
- Buying furniture and appliances for their home – 28%
- Taking a vacation – 10%
- Some other reason – 4%

These are some of the findings of an Ipsos Reid poll conducted on behalf of the Ontario Real Estate Association (OREA) from February 28th to March 6th, 2014. For the survey, a sample of 1,537 (including 310 Torontonians) adult Ontarians was interviewed online via Ipsos's I-Say online panel. The precision of Ipsos online surveys is measured using a Bayesian Credibility Interval. In this case, the survey is considered accurate to within +/- 2.9 percentage points, 19 times out of 20, had all adult Ontarians been surveyed and within +/- 6.3 percentage points had all Torontonians been polled. These data were weighted to ensure that the sample's age/sex composition reflects that of the actual Canadian population according to the latest Census information.



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