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Most renters have no plans to buy a home in the near term: Royal LePage

Daniel Johnson || June 20, 2024

The majority of Canadian renters say they have no plans to purchase a home, as only one quarter intend to buy over the next two years, according to new survey data from Royal LePage.

In a press release on Thursday, Royal LePage said that 27 per cent of renters are planning to buy a property in the next two years, a figure that rises to 40 per cent among renters aged 18 to 34. However, the majority of renters, 69 per cent, say they do not plan to purchase a home in the near term.

“The rental sector is not immune to the significant affordability challenges stemming from Canada’s acute housing shortage. High mortgage rates have made it difficult for many to purchase a home, forcing some to move into, or remain longer than planned, in the rental market,” Phil Soper, president and chief executive officer of Royal LePage, said in the press release.

Among those who do not plan to purchase a home, the survey found 54 per cent said they did not view their income as sufficient to afford a desirable property, this figure rose to 61 per cent among those between the ages of 18 and 34.

The survey also found that 29 per cent of renters indicated they thought about purchasing a home ahead of renewing their lease or signing a new one, while 41 per cent of respondents indicated they could not afford a down payment.

“While a third of Canadian adults are currently renting, and there are families who are perfectly content doing so, the desire for home ownership remains strong among a large portion of this segment of the population,” Soper said.

“Our latest research reveals that a material number of renters wish to transition to home ownership. Understandably, the greatest barrier to entry is the ability to drum up the initial capital for a down payment.”

Methodology

The survey was conducted by Hill & Knowlton using the Leger Opinion online panel to survey 1,506 Canadians, aged 18+, who rent their primary residence. Results were taken between June 7 and June 10.