

# H

# HOUSING NOW

Kelowna / Southern Interior

YOUR LINK TO THE HOUSING MARKET

## New Construction Highlights

Canada Mortgage and Housing Corporation

### October Housing Starts Remain at High Level

The Kelowna area new home market recorded another strong performance in October. Housing starts totaled 240 units, down from 317 units in September.

The new home market remains buoyant despite October's decline. Housing starts were expected to drop back following September's big surge in construction activity. September housing starts jumped up sharply as builders began clearing away the back log caused by this summer's labour dispute among concrete suppliers. Absorption remains strong, keeping inventories of complete and unsold units low. Housing starts are on track to reach a thirteen year high in 2004.

The demand outlook remains positive. The BC economy is poised to see stronger growth in 2005. Inter-provincial migration has begun to turn around. Here in Kelowna, an increasingly

diversified and expanding local economy has lead to solid employment growth. Kelowna is now seeing more broadly based population growth - retirees, "lifestylers" **and** job seekers. Consumers are upbeat and in the mood to spend. Mortgage rates, though edging up, remain low by historical standards.

Elsewhere, the Kamloops, Vernon and Penticton area new home markets, lead by the singles sector, maintained a steady pace in October. Multi-family starts were down, but more typically see bigger swings on a month to month basis. Year-to-date, housing starts are up in all three centres.

Kelowna area resale house sales have continued to trend down from the record levels seen earlier this year, moderating in response to sharply rising prices and increasingly stiff competition from the new home market. The supply of listings has trended back up. Expect to see smaller price gains in 2005.

## OCTOBER 2004

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### CMHC Kelowna Noticeboard

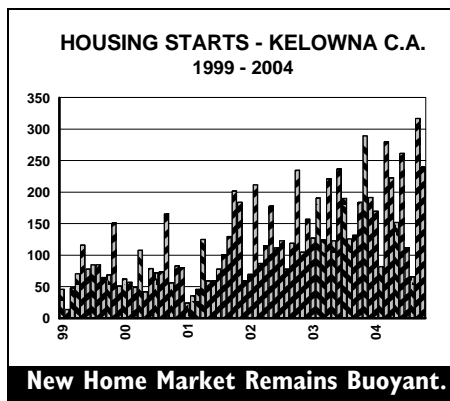
♦ **November 2004** Housing Starts: Local, BC, and National news releases scheduled for Dec. 8, 2004.

♦ **The Fall 2004 Kelowna Housing Market Outlook and 2004 Okanagan Seniors Housing Market Survey Reports are now available! Coming Soon. The 2004 Kelowna Rental Market Report.** For an in-depth look at Kelowna area new construction, resale, rental and seniors' housing markets, turn to CMHC Market Analysis reports - Information you need to know to grow your business!

♦ **To subscribe to CMHC Housing Market reports call:** Telephone: (604) 737-4088. Fax: (604) 737-4021. E-mail: [lpreston@cmhc-schl.gc.ca](mailto:lpreston@cmhc-schl.gc.ca)



HOME TO CANADIANS  
Canada



### BC Starts Down in October

BC also saw housing starts drop in October, the multi-family sector accounting for all the decline. Nationally, housing starts dipped five per cent to 225,000 units, seasonally adjusted at annual rates (SAAR) from 237,900 units (SAAR) in September. Ontario, BC and Atlantic Canada recorded fewer starts. Quebec and the Prairie region posted small increases.

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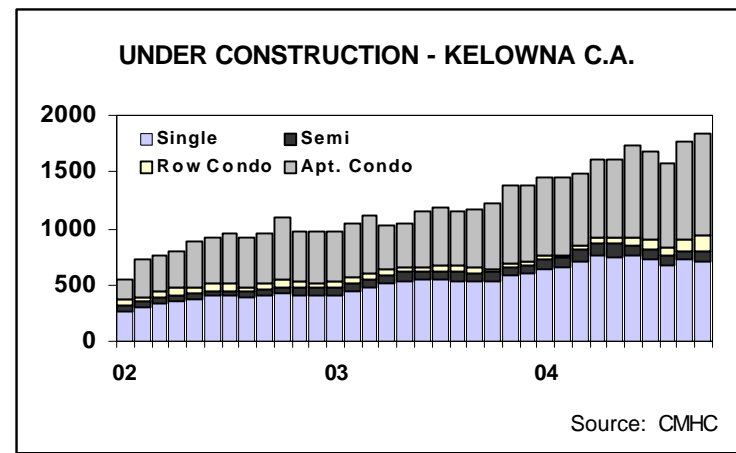
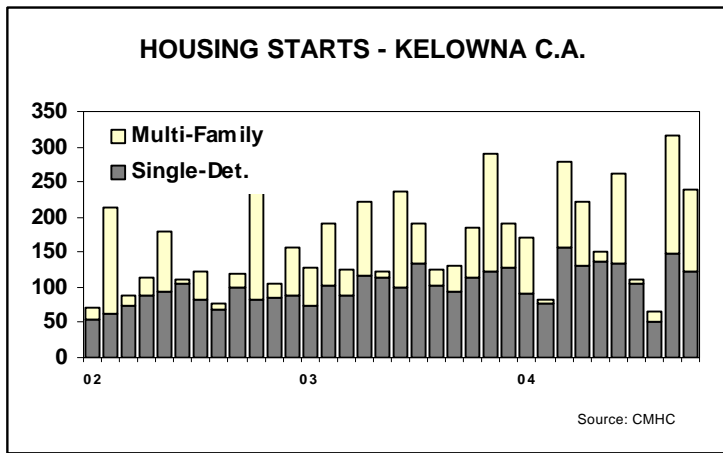
## KELOWNA C.A.

### STARTS/COMPLETIONS/UNDER CONSTRUCTION

#### OCTOBER 2004 & YEAR-TO-DATE 2004

	STARTS							COMPLETIONS						UNDER CONSTRUCTION							
	Single	Semi	Row Condo	Row Rental	Apt Condo	Apt Rental	Total	Single	Semi	Row Condo	Row Rental	Apt Condo	Apt Rental	Total	Single	Semi	Row Condo	Row Rental	Apt Condo	Apt Rental	Total
Kelowna City	78	10	41	0	47	8	184	95	2	0	0	0	0	97	487	44	124	1	810	97	1,563
Sub. J*	28	8	0	0	0	0	36	30	6	0	0	0	0	36	134	34	10	0	43	0	221
Sub. I*	6	0	0	0	0	0	6	4	6	0	0	0	0	10	20	6	0	0	0	0	26
Lake Country	4	2	0	0	0	0	6	5	0	0	0	0	0	5	25	2	9	0	0	0	36
Peachland	2	2	0	0	0	0	4	4	0	0	0	0	0	4	11	4	6	0	56	0	77
Indian Res.	4	0	0	0	0	0	4	1	0	0	0	0	0	1	23	0	0	0	0	0	23
<b>MONTH TOTAL</b>	<b>122</b>	<b>22</b>	<b>41</b>	<b>0</b>	<b>47</b>	<b>8</b>	<b>240</b>	<b>139</b>	<b>14</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>153</b>	<b>700</b>	<b>90</b>	<b>149</b>	<b>1</b>	<b>909</b>	<b>97</b>	<b>1,946</b>
<b>YEAR-TO-DATE</b>	<b>1,152</b>	<b>116</b>	<b>137</b>	<b>5</b>	<b>401</b>	<b>97</b>	<b>1,908</b>	<b>1,056</b>	<b>100</b>	<b>18</b>	<b>4</b>	<b>162</b>	<b>113</b>	<b>1,453</b>							

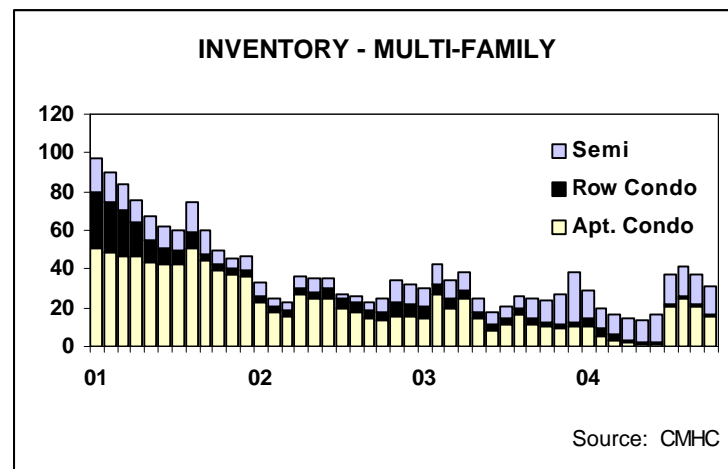
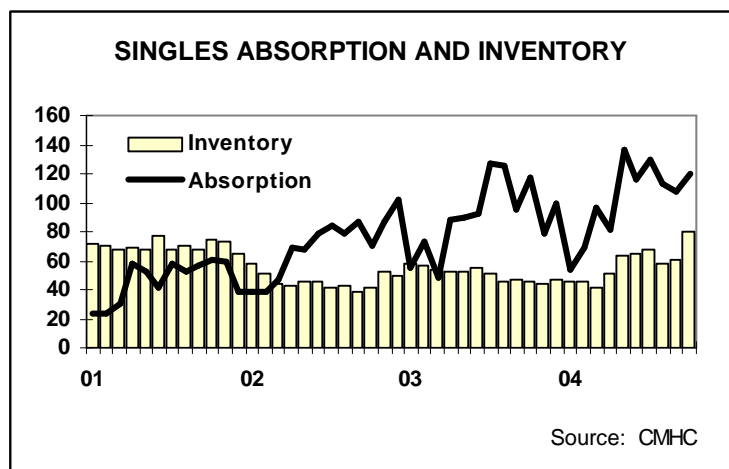
\* Sub. J - Westside (former Sub. G and H) - Glenrosa, Westbank, Smith Creek, Shannon Heights, West Kelowna, Lakeview Heights, Westside/Fintry. Sub. I - Joe Rich, Ellison.



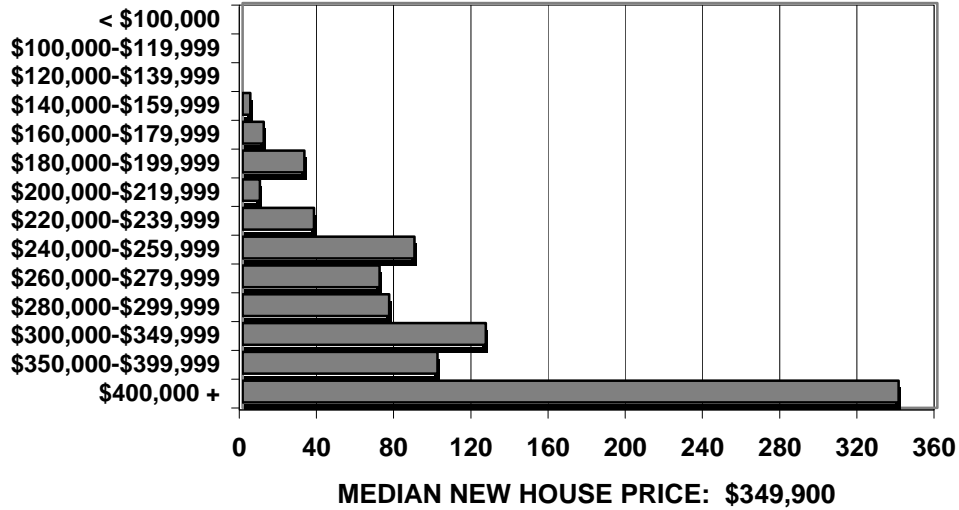
## KELOWNA C.A. INVENTORY AND ABSORPTION OCTOBER 2004 & YEAR-TO-DATE 2003 & 2004

INVENTORY OF NEW HOMES							ABSORPTION OF NEW HOMES								
	Apt Condo	Apt Rental	Row Condo	Row Rental	Semi	Single	Total	Apt Condo	Apt Rental	Row Condo	Row Rental	Semi	Single	Grand Total	
Kelowna City	16	0	0	0	9	52	77	Kelowna City	54	30	6	0	3	85	178
Sub. J	0	0	1	0	1	23	25	Sub. J	0	0	1	0	6	21	28
Sub. I	0	0	0	0	2	2	4	Sub. I	0	0	0	0	6	4	10
Lake Country	0	0	0	0	0	0	0	Lake Country	0	0	0	0	0	5	5
Peachland	0	0	0	0	2	0	2	Peachland	26	0	0	0	0	4	30
Indian Reserve	0	0	0	0	0	3	3	Indian Reserve	0	0	0	0	0	1	1
<b>MONTH TOTAL</b>	<b>16</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>14</b>	<b>80</b>	<b>111</b>	<b>MONTH TOTAL</b>	<b>80</b>	<b>30</b>	<b>7</b>	<b>0</b>	<b>15</b>	<b>120</b>	<b>252</b>
<b>Y.T.D. Average 2004*</b>	<b>11</b>	<b>22</b>	<b>2</b>	<b>0</b>	<b>13</b>	<b>58</b>	<b>106</b>	<b>Y.T.D. Total 2004</b>	<b>372</b>	<b>114</b>	<b>48</b>	<b>4</b>	<b>96</b>	<b>1,023</b>	<b>1,657</b>
<b>Y.T.D. Average 2003*</b>	<b>16</b>	<b>29</b>	<b>4</b>	<b>0</b>	<b>9</b>	<b>52</b>	<b>110</b>	<b>Y.T.D. Total 2003</b>	<b>404</b>	<b>50</b>	<b>30</b>	<b>4</b>	<b>68</b>	<b>910</b>	<b>1,466</b>

Absorption does not include assisted rental units. \* Rounded.



**PRICES OF SINGLES ABSORBED AT COMPLETION  
Kelowna C.A. January - October 2004**



Sub Area	Singles Starts By Sub Area		Singles Absorption By Sub Area	
	Y.T.D. 2004	Y.T.D. 2003	Y.T.D. 2004	Y.T.D. 2003
Black Mountain	67	37	35	40
Dilworth Mountain	43	34	21	31
Ellison	75	49	51	46
Glenrosa	15	29	19	16
Glenmore	14	47	25	35
I.R.	38	7	19	2
Core Area*	163	164	157	134
Lakeview Heights	65	89	73	69
Lower Mission	50	49	41	42
North Glenmore	65	16	32	10
Peachland	16	16	16	22
Rutland North	31	63	38	52
Rutland South	3	0	1	11
S. E. Kelowna	41	64	49	55
Shannon Lake	26	50	33	54
Upper Mission	272	169	262	145
Westbank	16	9	13	5
Winfield	29	32	29	28
West Kelowna	63	78	70	88
Other**	60	39	39	25
<b>Total</b>	<b>1152</b>	<b>1041</b>	<b>1023</b>	<b>910</b>

\* Kelowna North/South/Springfield-Spall \*\* Fintry/Joe Rich/Oyama/Other

## HOUSING ACTIVITY SUMMARY - KELOWNA CA OCTOBER 2004

	OWNERSHIP				RENTAL				TOTAL
	FREEHOLD		CONDOMINIUM		PRIVATE		ASSISTED		
	Single	Semi	Row	Apt.	Row	Apt.	Row	Apt.	
<b>Starts</b>									
Oct. 2004	122	22	41	47	0	8	0	0	240
YTD 2004	1,152	116	137	401	5	97	0	0	1,908
YTD 2003	1,041	76	26	459	0	54	0	0	1,656
<b>Under Construction</b>									
Oct. 2004	700	90	149	909	1	97	0	0	1,946
Oct. 2003	535	76	32	575	0	106	0	0	1,324
<b>Completions</b>									
Oct. 2004	139	14	0	0	0	0	0	0	153
YTD 2004	1,056	100	18	162	4	113	0	0	1,453
YTD 2003	906	70	41	337	4	8	0	0	1,366
<b>Inventory</b>									
Oct. 2004	80	14	1	16	0	0			111
Oct. 2003	46	12	2	10	0	1			71
<b>Total Supply</b>									
Oct. 2004	780	104	150	925	1	97	0	0	2,057
Oct. 2003	581	88	34	585	0	107	0	0	1,395
<b>Absorption</b>									
Oct. 2004	120	15	7	80	0	30			252
3 Mo. Ave.	116	14	5	29	1	0			165
12 Mo. Ave.	100	9	4	43	1	10			167

Absorption does not include assisted rentals.

RECORD OF STARTS - KELOWNA C.A.					
YEAR	SINGLE	SEMI	ROW	APT	TOTAL
1991	1294	82	218	623	2217
1992	1484	80	292	763	2619
1993	1149	44	194	584	1971
1994	918	152	169	255	1494
1995	776	92	170	167	1205
1996	859	131	85	307	1382
1997	987	192	131	428	1738
1998	751	88	9	0	848
1999	675	46	62	96	879
2000	603	77	94	154	928
2001	625	66	115	305	1111
2002	987	100	73	430	1590
2003	1290	100	30	718	2138

**OTHER CENTRES**  
**Starts/Completions/Under Construction**  
**OCTOBER 2004 AND YEAR-TO-DATE 2004**

	STARTS							COMPLETIONS							UNDER CONSTRUCTION						
	Single	Semi	Row Condo	Apt. Condo	Row Rental	Apt. Rental	Total	Single	Semi	Row Condo	Apt. Condo	Row Rental	Apt. Rental	Total	Single	Semi	Row Condo	Apt. Condo	Row Rental	Apt. Rental	Total
Cranbrook City	1	0	0	0	0	0	1	2	0	0	0	0	0	2	21	0	0	0	0	0	21
E. Kootenay C	9	0	0	0	0	0	9	3	0	0	0	0	0	3	66	0	0	0	0	0	66
Cranbrook CA	10	0	0	0	0	0	10	5	0	0	0	0	0	5	87	0	0	0	0	0	87
<b>Y.T.D. 2004</b>	78	0	0	0	0	0	78	28	0	0	0	0	0	28							
Kamloops C.	23	2	0	0	0	0	25	11	4	0	0	0	0	15	136	56	16	0	0	0	208
Kamloops IR	7	0	0	0	0	0	7	2	0	0	0	0	0	2	23	0	0	0	6	0	29
Kamloops CA	30	2	0	0	0	0	32	13	4	0	0	0	0	17	159	56	16	0	6	0	237
<b>Y.T.D. 2004</b>	251	66	22	0	0	0	339	184	34	27	42	0	0	287							
Penticton City	5	0	0	0	0	0	5	4	0	4	4	0	0	12	30	6	32	103	8	0	179
Sub. D	3	0	0	0	0	0	3	6	0	0	0	0	0	6	23	0	0	0	0	0	23
Sub. E	3	0	0	0	0	0	3	1	0	0	0	0	0	1	12	0	0	0	0	0	12
Sub. F	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1
Penticton IR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1
Penticton CA	11	0	0	0	0	0	11	11	0	4	4	0	0	19	67	6	32	103	8	0	216
<b>Y.T.D. 2004</b>	107	8	26	81	8	0	230	110	6	22	78	4	0	220							
Salmon Arm	12	4	9	0	0	0	25	4	0	0	0	0	0	4	40	14	12	6	0	0	72
<b>Y.T.D. 2004</b>	75	10	12	6	0	0	103	72	2	10	0	0	3	87							
Summerland	2	0	0	0	0	0	2	4	0	0	0	0	0	4	21	0	10	0	0	0	31
<b>Y.T.D. 2004</b>	33	0	10	0	0	0	43	27	0	0	0	0	0	27							
Vernon City	16	2	0	0	0	0	18	23	2	0	0	0	0	25	128	4	49	0	0	0	181
Coldstream	4	0	0	0	0	0	4	7	0	0	0	0	0	7	35	0	0	0	0	0	35
Sub. C	3	0	0	0	0	0	3	0	0	0	0	0	0	0	20	14	0	0	0	0	34
Sub. D	4	0	0	0	0	0	4	0	0	0	0	0	0	0	10	0	0	0	0	0	10
Sub. E	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1
Lumby	0	0	0	0	0	0	0	3	0	0	0	0	0	3	8	0	0	0	0	0	8
I. R.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4	0	4
Vernon CA	27	2	0	0	0	0	29	33	2	0	0	0	0	35	202	18	49	0	4	0	273
<b>Y.T.D. 2004</b>	304	24	44	0	4	0	376	245	28	8	0	0	0	281							

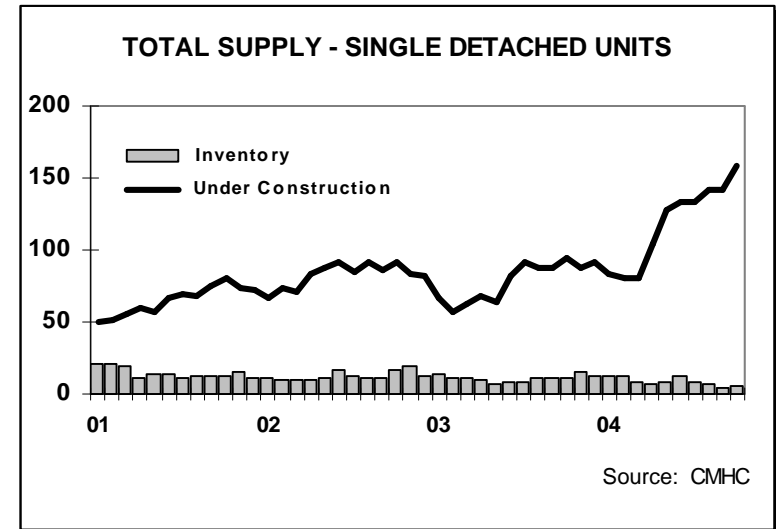
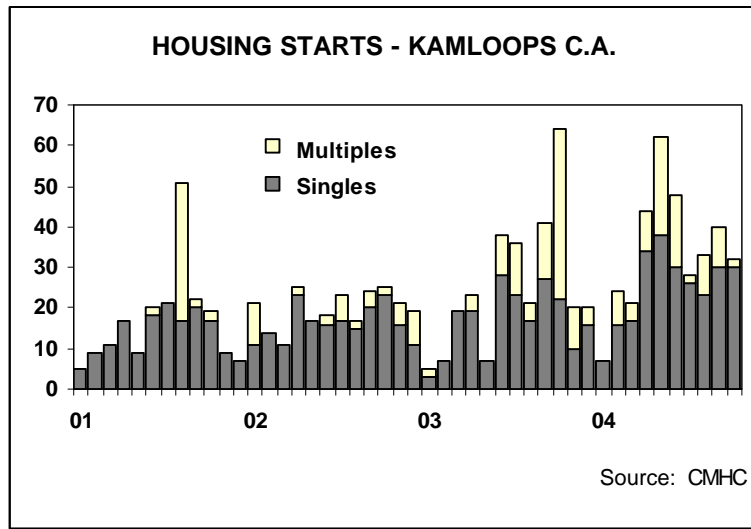
## KAMLOOPS CA

### Inventory and Absorption by Municipality

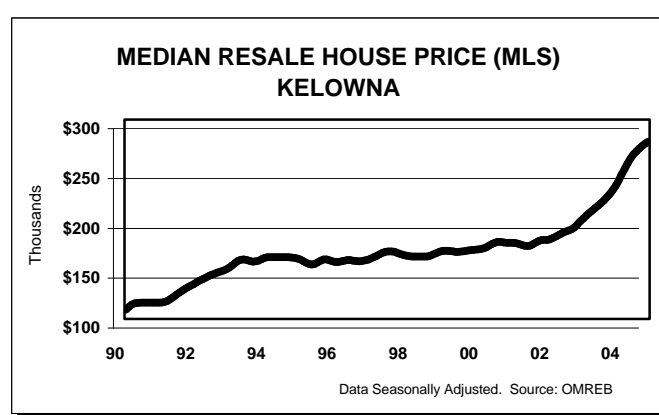
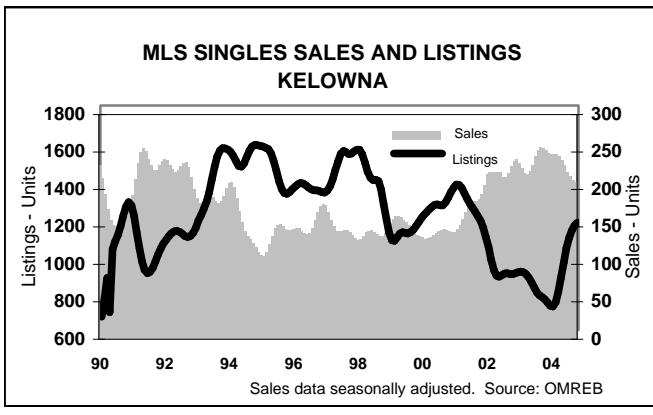
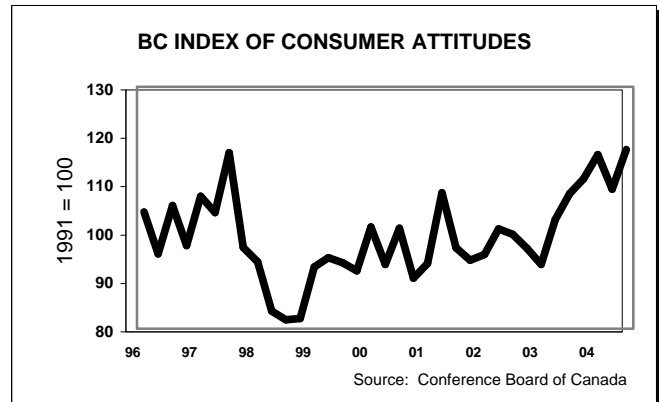
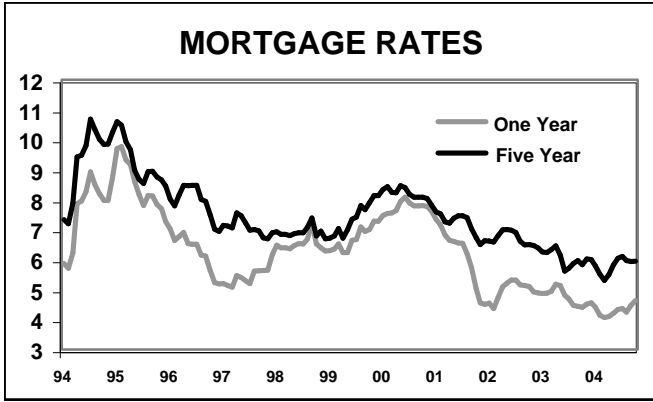
#### OCTOBER 2004 AND YEAR-TO-DATE 2003 & 2004

	INVENTORY OF NEW HOMES							ABSORPTION OF NEW HOMES						
	Apt	Apt	Row	Row	Semi	Single	Total	Apt	Apt	Row	Row	Semi	Single	Grand
	Condo	Rental	Condo	Rental				Condo	Rental	Condo	Rental			Total
Kamloops City	10	0	0	0	6	5	21	2	0	1	0	4	9	16
Kamloops IR	0	0	0	0	0	1	1	0	0	0	0	0	2	2
<b>MONTH TOTAL</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>6</b>	<b>22</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>4</b>	<b>11</b>	<b>18</b>
<b>Y.T.D. Average 2004*</b>	<b>12</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>9</b>	<b>8</b>	<b>32</b>	<b>46</b>	<b>0</b>	<b>20</b>	<b>0</b>	<b>39</b>	<b>190</b>	<b>295</b>
<b>Y.T.D. Average 2003*</b>	<b>21</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>14</b>	<b>10</b>	<b>47</b>	<b>19</b>	<b>0</b>	<b>19</b>	<b>0</b>	<b>30</b>	<b>161</b>	<b>229</b>

*Absorption does not include assisted rental units. \* Rounded.*



## KEY ECONOMIC INDICATORS



## SOUTHERN INTERIOR RESALE MARKETS

MLS SALES	OCTOBER				YEAR-TO-DATE			
	Sales Oct. 2004	Percent Change Oct. 03	Median Price Oct. 04	Percent Change Oct. 03	Sales YTD 2004	Percent Change YTD 03	Median Price YTD 2004	Percent Change YTD 03
Single Detached								
Kelowna	196	-22%	\$276,000	15%	2,492	-1.5%	\$265,000	21%
Kamloops	91	0%	\$177,000	11%	1,146	14%	\$176,500	12%
Vernon Area	160	6%	\$195,750	12%	1,460	12%	\$189,900	14%
Penticton	21	-16%	\$238,000	25%	356	2%	\$213,000	23%
Salmon Arm	18	-18%	\$171,000	-2%	244	11%	\$174,500	-1%
Cranbrook	10	-55%	\$126,000	10%	264	31%	\$124,000	n/a

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Current month MLS data is preliminary.

### HOUSING NOW

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