



EAST FAX

BC Southern Interior

2002 RENTAL MARKET REPORT

Canada Mortgage and Housing Corporation

NOVEMBER 26TH, 2002

Vacancy Rates Up in Kootenays

Rental markets in the BC Southern interior have seen a mixed performance in 2002. Penticton and Salmon Arm vacancy rates fell by more than half, dipping to the lowest levels since 1994 and 1997, respectively. Vernon recorded a smaller decline, the vacancy rate edging down for the fourth straight year. The Okanagan region's more diversified economy has meant stronger employment and population growth, pushing up demand for rental accommodation.

Rental markets in the Kootenays, Boundary country and Nicola Valley - regions more closely tied to resource-based industry continue to struggle. Job losses in the forest products, mining and public service sectors have led to out-migration and higher vacancy rates. Also, low mortgage interest rates have triggered some outflow of renters to the home ownership market. Revelstoke, Merritt, Castlegar, Creston, Grand Forks and Kimberley all recorded double-digit vacancy rates in 2002. The Nelson, Sparwood, Fernie and Golden rental markets continue to benefit from tourism based employment growth. Vacancy rates, though up in three of four centres remain among the lowest outside the Okanagan.

Average rents were down in many interior centres, dropping in response to rising vacancy rates. A few locations posted small increases.

Elsewhere, vacancy rates in Vancouver, Victoria, Kelowna and Kamloops edged back up after declining sharply last year. Vacancy rates remained highest among centres in central and northern BC and Vancouver Island - regions more dependent upon resource industries.

The CMHC Rental Market Report is conducted in early October and measures vacancy and rental rate trends among rental apartment and townhouse units.

CMHC is Canada's Housing Agency. The BC & Yukon Business Centre produces a variety of reports which highlight trends in the rental, resale and new construction markets.

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Vacancy Rates Apartment and Row	2001	2002
Cranbrook	8.9%	7.2%
Penticton	5.0%	2.3%
Salmon Arm	10.9%	4.8%
Trail Area	19.5%	21.5%
Vernon	6.4%	5.7%

Average 2-Bedroom Apartment Rent	2001	2002
Cranbrook	\$535	\$527
Penticton	\$562	\$571
Salmon Arm	\$609	\$604
Trail Area	\$449	\$458
Vernon	\$561	\$560

Apartment and Row	Vacant Units	Total Units
Cranbrook	102	1,407
Penticton	51	2,251
Salmon Arm	21	439
Trail Area	153	713
Vernon	128	2,262

Note: All data is for privately initiated apartment and row buildings with three or more self-contained units.



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I. Vacancy Rates

Apartment and Rowhouse Vacancy Rates by Bedroom Type for Southern BC.

Area	Structure Type	Bachelor		One Bedroom		Two Bedroom		Three + Bedroom		Total	
		2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Cranbrook	Apartment	17.1	13.0	8.4	7.4	9.4	7.3	8.5	10.4	9.3	7.6
	Row	**	**	**	18.8	6.2	3.7	7.7	6.6	7.8	6.2
	Overall	21.7	14.7	8.3	7.9	8.8	6.6	7.9	7.5	8.9	7.2
Penticton	Apartment	6.8	7.4	5.6	1.7	3.8	1.5	**	0.0	4.9	2.0
	Row	**	**	**	**	**	7.5	4.2	2.2	6.1	4.5
	Overall	6.6	7.3	5.6	1.7	4.3	2.2	4.5	1.9	5.0	2.3
Salmon Arm	Apartment	29.4	17.4	14.0	6.2	7.3	1.6	16.7	**	11.5	4.3
	Row	n/u	n/u	**	**	**	**	**	**	5.0	10.0
	Overall	29.4	17.4	13.8	6.1	7.3	2.5	8.3	**	10.9	4.8
Trail Area	Apartment	38.3	12.7	26.6	31.6	17.4	18.3	4.8	5.3	20.7	22.1
	Row	-	-	14.3	16.7	0.0	22.2	12.5	12.5	9.1	15.7
	Overall	38.3	12.7	26.2	30.9	16.5	18.5	8.7	8.5	19.5	21.5
Fruitvale	Overall	-	-	38.7	61.8	34.9	30.5	-	-	36.5	44.7
Rossland	Overall	33.3	0.0	25.9	14.5	8.7	20.4	**	**	18.5	14.6
Trail City	Overall	35.5	6.7	23.1	25.7	5.9	10.9	7.8	7.2	13.5	15.8
Warfield	Overall	**	**	33.3	38.2	32.6	27.5	33.3	45.4	33.3	31.1
Vernon	Apartment	4.5	6.5	5.9	2.7	7.0	6.8	14.4	11.9	7.0	5.4
	Row	**	**	2.6	14.5	1.8	1.8	1.1	5.5	1.8	7.6
	Overall	4.4	6.4	5.6	3.7	6.7	6.5	9.4	9.4	6.4	5.7

Note: Fast Fax reports are available for **Kelowna** and **Kamloops**. For rental market information on smaller southern interior BC centres, contact: Paul Fabri, Market Analyst - CMHC Kelowna.

All data is for privately initiated apartment and row buildings with three or more self-contained units. Some data may not total due to weighting and rounding.

** Universe contains less than three structures - data not published.

N/A Data not available.

N/U Not in universe.



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2. Average Rents

Average Apartment and Rowhouse Rents by Bedroom Type for Southern BC.

Area	Structure Type	Bachelor		One Bedroom		Two Bedroom		Three + Bedroom		Total	
		2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Cranbrook	Apartment	\$353	\$345	\$443	\$437	\$535	\$527	\$581	\$579	\$499	\$495
	Row	**	**	**	\$420	\$538	\$533	\$629	\$630	\$570	\$568
Penticton	Apartment	\$373	\$380	\$463	\$470	\$562	\$571	**	\$650	\$501	\$507
	Row	**	**	**	**	**	\$578	\$725	\$733	\$669	\$669
Salmon Arm	Apartment	\$375	\$394	\$501	\$490	\$609	\$604	\$603	**	\$550	\$539
	Row	n/u	n/u	**	**	**	**	**	**	\$604	\$636
Trail Area	Apartment	\$314	\$323	\$376	\$388	\$449	\$458	\$557	\$568	N/A	N/A
	Row	-	-	*	\$352	\$440	\$490	\$545	\$542	N/A	N/A
Fruitvale	Apartment	-	-	\$371	\$383	\$400	\$418	-	-	N/A	N/A
Rossland	Apartment	**	**	\$364	\$386	\$559	\$527	**	**	N/A	N/A
Trail City	Apartment	\$315	\$326	\$383	\$393	\$454	\$470	\$564	\$555	N/A	N/A
Warfield	Apartment	**	**	\$342	\$366	\$437	\$440	**	**	N/A	N/A
Vernon	Apartment	\$385	\$383	\$475	\$483	\$561	\$560	\$599	\$591	\$518	\$521
	Row	**	**	\$396	\$416	\$548	\$553	\$651	\$663	\$534	\$551

Note: Fast Fax reports are available for **Kelowna** and **Kamloops**. For rental market information on smaller southern interior BC centres contact: Paul Fabri, Market Analyst - CMHC Kelowna.

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3. Universe

Total Universe and Vacant Units - Apartments and Rowhouses Southern BC.

Area	Structure Type	Bachelor		One Bedroom		Two Bedroom		Three + Bedroom		Total	
		Units	Vacant	Units	Vacant	Units	Vacant	Units	Vacant	Units	Vacant
Cranbrook	Apartment	23	3	353	26	629	46	48	5	1,053	80
	Row	**	**	16	3	161	6	166	11	354	22
	Total	34	5	369	29	790	52	214	16	1,407	102
Penticton	Apartment	141	10	1,031	18	842	13	17	0	2,031	41
	Row	**	**	**	**	107	8	91	2	220	10
	Total	143	10	1,051	18	949	21	108	2	2,251	51
Salmon Arm	Apartment	17	3	177	11	196	3	**	**	399	17
	Row	n/u	n/u	**	**	**	**	**	**	40	4
	Total	17	3	179	11	210	5	**	**	439	21
Trail Area	Apartment	21	3	246	78	324	59	52	3	643	142
	Row	-	-	12	2	**	**	40	5	70	11
	Total	21	3	258	80	342	63	92	8	713	153
Fruitvale	Total	-	-	36	22	44	13	-	-	80	36
Rossland	Total	4	0	22	3	22	4	**	**	52	8
Trail City	Total	15	1	177	46	184	20	84	6	461	73
Warfield	Total	**	**	23	9	92	25	4	2	120	37
Vernon	Apartment	110	7	835	22	948	64	144	17	2,037	111
	Row	**	**	76	11	57	1	91	5	225	17
	Total	111	7	911	33	1,005	65	235	22	2,262	128

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