



# AST FAX

Kelowna

## RENTAL MARKET REPORT

Canada Mortgage and Housing Corporation

2003 EDITION

### Vacancy Rate Edges Back Down

The Kelowna area vacancy rate edged back down, dropping to 1.6% per cent by October 2003 from 1.8 per cent last year. Fewer vacancies among core area townhouses and two bedroom apartments accounted for all the decline. Rutland recorded a small increase. Kelowna's vacancy rate has remained below two per cent since 1999.

Steady population and employment growth has kept vacancy rates low. Also, people displaced by this summer's wildfires have contributed to increased demand for rental accommodation. Sharply rising resale house prices and big drop in the supply of lower priced listings have meant fewer first-time buyers this year. Despite rising demand, Kelowna has seen few additions to the stock of rental housing in 2003.

Rents have continued to trend up, rising in response to sustained low vacancy rates. Once again, core area rents, both row and apartment, recorded the biggest increases. One and two bedroom average apartment rents rose 2.9 and 2.5 per cent, respectively.

Vacancy rates remained highest in central and northern BC and Vancouver Island and the Kootenays - regions more closely tied to resource-based industry. Closer to home, Vernon saw it's vacancy rate tumble to a ten year low. Vacancy rates in Kamloops, Salmon Arm and Penticton were up slightly in 2003. Elsewhere, Vancouver jumped to a three year high. Victoria posted the lowest vacancy rate among BC's larger centres.

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

© Canada Mortgage and Housing Corporation 2003

**For further information contact:**

Paul Fabri, Market Analyst - CMHC Kelowna  
Telephone: (250) 712-4334  
E-mail: pfabri@cmhc-schl.gc.ca

Vacancy Rates Apartment and Row	2002	2003
Bachelor	5.4%	5.5%
1 Bedroom	1.7%	1.6%
2 Bedroom	1.8%	1.4%
3 Bedroom and +	0.9%	1.3%
Total	1.8%	1.6%

Average Apartment Rents	2002	2003
Bachelor	\$478	\$483
1 Bedroom	\$559	\$575
2 Bedroom	\$680	\$697
3 Bedroom and +	\$736	\$741
Total	\$624	\$639

Apartment and Row Units	Vacant	Total
Bachelor	7	121
1 Bedroom	28	1,742
2 Bedroom	33	2,394
3 Bedroom and +	3	244
Total	71	4,501



Canada

**I. Vacancy Rates - Apartment and Row**

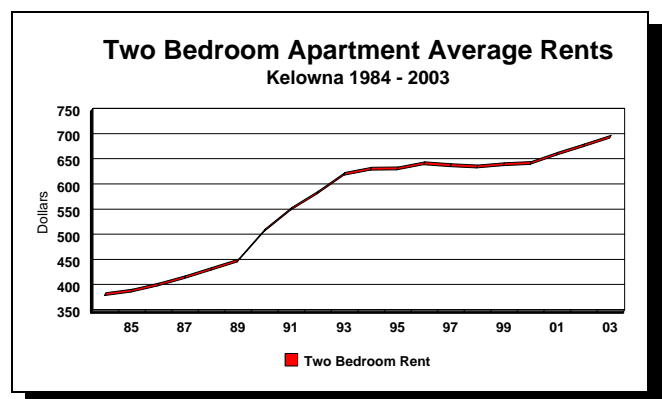
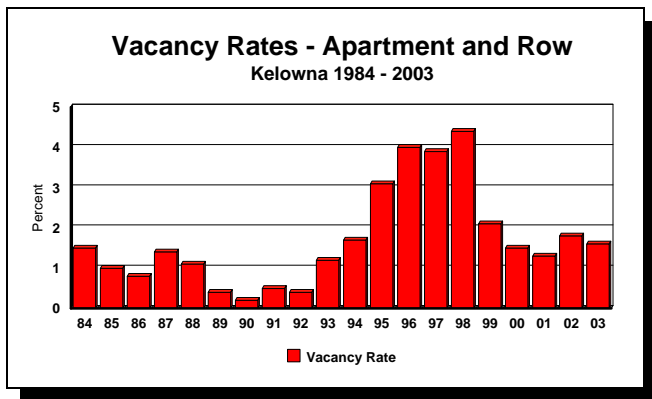
**Vacancy Rates by Zone and Bedroom Type  
Kelowna**

Area	Bachelor		One Bedroom		Two Bedroom		Three Bedroom +		Total	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
Zone 1 – Downtown	5.6	5.8	1.7	1.8	2.1	1.2	0.0	0.0	2.0	1.6
Zone 2 – Rutland	**	**	2.3	0.0	0.7	1.9	2.5	3.7	1.1	1.7
Total	5.4	5.5	1.7	1.6	1.8	1.4	0.9	1.3	1.8	1.6

**2. Average Apartment Rents**

**Average Apartment Rents by Zone and Bedroom Type  
Kelowna**

Area	Bachelor		One Bedroom		Two Bedroom		Three Bedroom +		Total	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
Zone 1 – Downtown	\$483	\$488	\$563	\$579	\$695	\$713	\$739	\$748	\$628	\$644
Zone 2 – Rutland	**	**	\$511	\$540	\$621	\$632	\$720	\$705	\$598	\$609
Total	\$478	\$483	\$559	\$575	\$680	\$697	\$736	\$741	\$624	\$639



**Copyright and Trademarks**

(a) All products purchased or subscribed to by you and the copyright therein are owned by CMHC (unless otherwise stated). You shall only be entitled to make one paper and one electronic copy of any product purchased or subscribed to by you for your own personal use. Should you wish to make additional copies for any purpose, including distribution within an organization, you shall first obtain the written consent of CMHC. CMHC reserves the right to charge an additional fee for such additional copies or distributions.

(b) All products purchased or subscribed to by you contain trade-marks and official marks of CMHC which cannot be used by anyone in any manner without the express prior consent of CMHC. Please see Copyright and Trade-marks on CMHC website for further details <http://www.cmhc-schl.gc.ca>

