

H

HOUSING NOW

Kelowna / Southern Interior

YOUR LINK TO THE HOUSING MARKET

New Construction Highlights

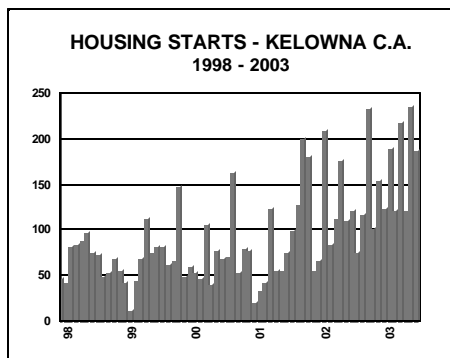
Canada Mortgage and Housing Corporation

New Home Market Remains Strong in July

The Kelowna new home market maintained a blistering pace in July, singles starts soaring to an eleven year high. Housing starts were down overall following June's surge in multi-family construction. July housing starts slipped back to 190 units from 237 units in June.

Singles starts hit the 100 unit mark for the fifth month this year. The multi-family sector also recorded another strong performance, the Westbank area seeing it's first apartment condominium project - a 43 unit building - since 1997. The move-up buyer market and buyers seeking retiree, resort and other lifestyle-oriented types of housing remain the focus of new home demand.

Low mortgage rates remain the key driver. The Kelowna area economy and population continue to grow, boosting demand for both new and resale housing.



July singles starts reach 11 year high.

With resale house prices on the rise and supply of listings down sharply, more buyers are turning to the new home market. The inventory of new, complete and unsold units - all housing types - remains low, sales keeping pace with new supply.

Elsewhere, Vernon area singles starts edged up to the highest monthly level in over six years. The Kamloops new home market has continued to see some improvement, last month's upswing carrying over into July. Penticton dropped back in July, sharply rising singles construction offset by fewer multi-family starts.

The Kelowna area resale singles market surged ahead in July, singles sales reaching a near record high. Resale markets in other Okanagan markets and Kamloops also remain buoyant. Strong demand coupled with sharply reduced supply of listings has meant stronger upward pressure on price levels in all centres.

BC Housing Starts Up Sharply In July

The BC new home market, lead by the multiples sector, recorded big gains in July. The Lower Mainland, Okanagan and southern Vancouver Island - mainly large urban centres - and resort markets remain the strongest performers. Nationally, housing starts jumped to 223,500 units, seasonally adjusted at annual rates (SAAR) from 205,900 units (SAAR) in June.

JULY 2003

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CMHC Kelowna Noticeboard

♦ **August 2003** Housing Starts: Local, BC, and National news releases scheduled for Sept. 9, 2003.

♦ **The Spring 2003 Kelowna Housing Market Outlook Report is now available.** Ask for CMHC's 2002 Okanagan Seniors' Housing Market Survey and Kelowna Rental Market Reports. 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

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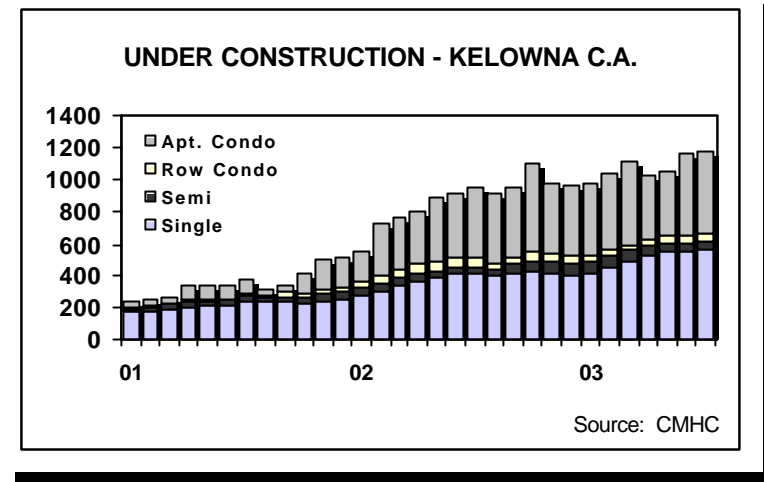
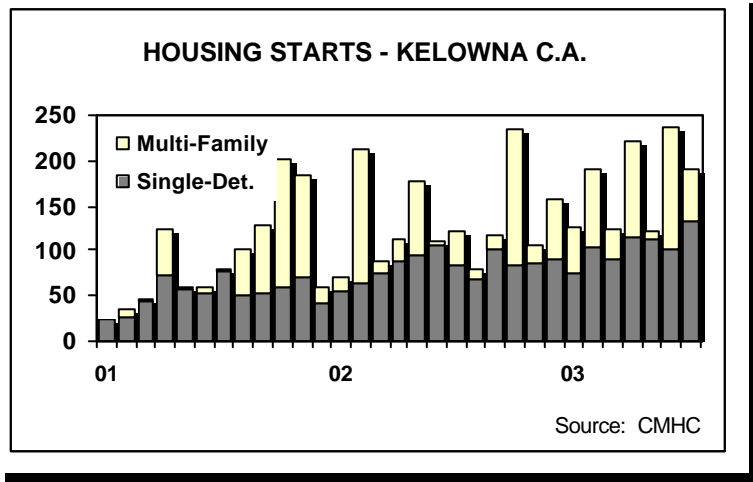


HOME TO CANADIANS
Canada

KELOWNA C.A. STARTS/COMPLETIONS/UNDER CONSTRUCTION JULY 2003 & YEAR-TO-DATE 2003

	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	91	4	0	0	7	0	102	78	10	0	0	37	0	125	358	28	20	0	446	110	962
Sub. G*	13	0	0	0	0	0	13	18	0	0	0	0	18	55	0	0	0	0	0	0	55
Sub. H*	17	2	0	0	43	0	62	23	0	0	0	0	23	84	20	0	0	43	0	0	147
Sub. I*	3	0	0	0	0	0	3	1	0	0	0	0	1	13	6	0	0	0	0	0	19
Lake Country	8	0	0	0	0	0	8	2	0	0	0	0	2	31	0	22	0	25	0	0	78
Peachland	2	0	0	0	0	0	2	1	0	0	0	0	1	12	10	3	0	0	0	0	25
Indian Res.	0	0	0	0	0	0	0	0	0	0	0	0	0	3	0	0	0	0	0	0	3
MONTH TOTAL	134	6	0	0	50	0	190	123	10	0	0	37	0	170	556	64	45	0	514	110	1,289
YEAR-TO-DATE	729	46	21	0	364	54	1,214	573	52	23	4	303	4	959							

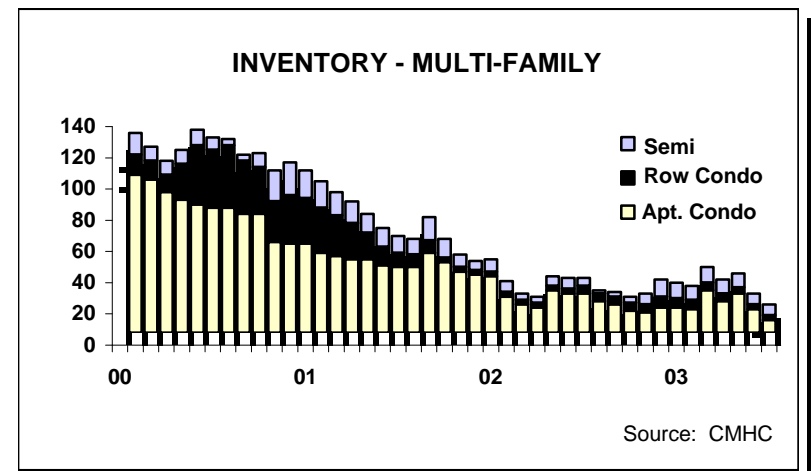
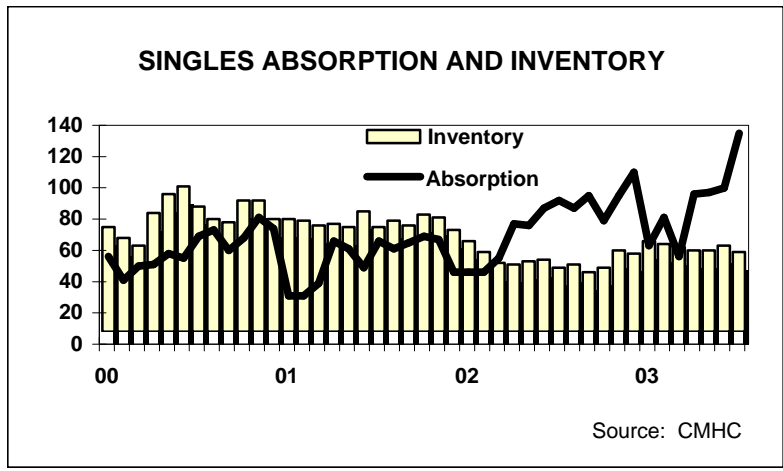
* Sub. G - West Kelowna, Lakeview Heights, Westside/Fintry. Sub H. - Westbank, Glenrosa, Shannon Heights. (Sub G and H former Sub B.) Sub. I - Joe Rich, Ellison (former A.)



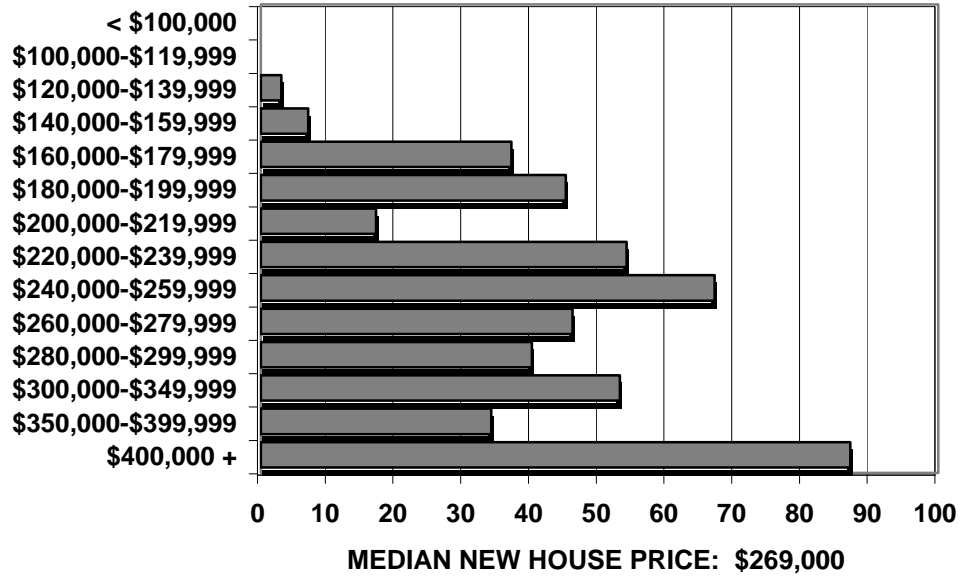
KELOWNA C.A. INVENTORY AND ABSORPTION JULY 2003 & YEAR-TO-DATE 2002 & 2003

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	11	30	3	0	6	35	85	Kelowna City	24	1	18	0	10	81	134
Sub. G	0	0	0	0	0	3	3	Sub. G	0	0	0	0	0	18	18
Sub. H	0	0	0	0	0	11	11	Sub. H	0	0	0	0	0	24	24
Sub. I	0	0	0	0	1	2	3	Sub. I	0	0	0	0	0	1	1
Lake Country	0	0	0	0	0	0	0	Lake Country	1	0	1	0	0	2	4
Peachland	0	0	0	0	0	0	0	Peachland	0	0	0	0	0	1	1
Indian Reserve	0	0	0	0	0	0	0	Indian Reserve	0	0	0	0	0	0	0
MONTH TOTAL	11	30	3	0	7	51	102	MONTH TOTAL	25	1	19	0	10	127	182
Y.T.D. Average 2003*	17	34	4	0	8	54	117	Y.T.D. Total 2003	167	17	27	4	55	572	842
Y.T.D. Average 2002*	22	0	4	2	5	47	80	Y.T.D. Total 2002	275	0	46	45	50	423	839

Absorption does not include assisted rental units. * Rounded.



PRICES OF SINGLES ABSORBED AT COMPLETION
Kelowna C.A. January - July 2003



Sub Area	Singles Starts By Sub Area		Singles Absorption By Sub Area	
	Y.T.D. 2003	Y.T.D. 2002	Y.T.D. 2003	Y.T.D. 2002
Black Mountain	26	32	23	21
Dilworth Mountain	30	52	16	48
Ellison	30	37	22	26
Glenrosa	18	11	9	2
Glenmore	33	36	19	19
I.R.	3	2	0	1
Core Area*	113	28	85	13
Lakeview Heights	70	50	43	35
Lower Mission	32	16	25	14
North Glenmore	9	7	8	4
Peachland	11	18	15	12
Rutland North	44	15	28	10
Rutland South	0	14	9	11
S. E. Kelowna	49	24	35	25
Shannon Lake	37	63	37	40
Upper Mission	116	59	97	55
Westbank	5	5	5	5
Winfield	26	13	15	16
West Kelowna	55	54	63	43
Other**	22	26	18	23
Total	729	562	572	423

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

HOUSING ACTIVITY SUMMARY - KELOWNA CA JULY 2003

	OWNERSHIP				RENTAL				TOTAL
	FREEHOLD		CONDOMINIUM		PRIVATE		ASSISTED		
	Single	Semi	Row	Apt.	Row	Apt.	Row	Apt.	
Starts									
July 2003	134	6	0	50	0	0	0	0	190
YTD 2003	729	46	21	364	0	54	0	0	1,214
YTD 2002	562	32	38	256	9	0	0	0	897
Under Construction									
July 2003	556	64	45	514	0	110	0	0	1,289
July 2002	410	38	61	444	0	60	0	0	1,013
Completions									
July 2003	123	10	0	37	0	0	0	0	170
YTD 2003	573	52	23	303	4	4	0	0	959
YTD 2002	399	44	6	48	45	0	58	59	659
Inventory									
July 2003	51	7	3	11	0	30			102
July 2002	41	2	5	20	0	0			68
Total Supply									
July 2003	607	71	48	525	0	140	0	0	1,391
July 2002	451	40	66	464	0	60	0	0	1,081
Absorption									
July 2003	127	10	19	25	0	1			182
3 Mo. Ave.	90	10	1	25	1	3			130
12 Mo. Ave.	80	7	4	20	2	8			121

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

OTHER CENTRES
Starts/Completions/Under Construction
JULY 2003 AND YEAR-TO-DATE 2003

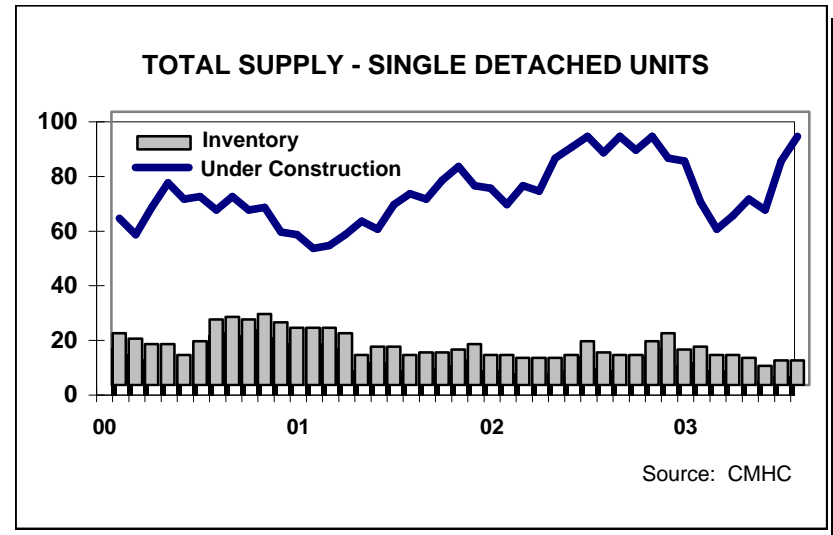
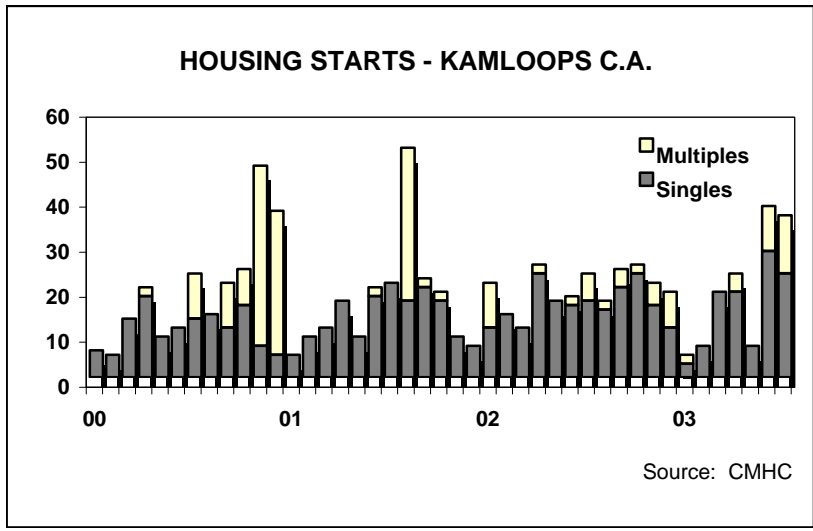
	STARTS							COMPLETIONS							UNDER CONSTRUCTION						
	Single	Semi	Row Condo	Apt. Condo	Row Rental	Apt. Rental	Total	Single	Semi	Row Condo	Apt. Condo	Row Rental	Apt. Rental	Total	Single	Semi	Row Condo	Apt. Condo	Row Rental	Apt. Rental	Total
Cranbrook City	3	0	0	0	0	0	3	2	0	0	0	0	0	2	13	0	0	0	0	0	13
E. Kootenay C	7	0	0	0	0	0	7	4	0	0	0	0	0	4	23	0	0	0	0	0	23
Cranbrook CA	10	0	0	0	0	0	10	6	0	0	0	0	0	6	36	0	0	0	0	0	36
Y.T.D. 2003	37	0	0	0	0	0	37	36	0	0	27	0	0	63							
Kamloops C.	21	2	11	0	0	0	34	14	4	0	0	0	0	18	81	22	11	0	0	0	114
Kamloops IR	2	0	0	0	0	0	2	0	0	0	0	0	0	0	10	4	5	0	0	0	19
Kamloops CA	23	2	11	0	0	0	36	14	4	0	0	0	0	18	91	26	16	0	0	0	133
Y.T.D. 2003	106	18	11	0	0	0	135	97	18	4	0	0	0	119							
Penticton City	5	2	0	0	0	0	7	6	0	14	0	0	0	20	32	6	30	100	0	0	168
Sub. D	5	0	0	0	0	0	5	2	0	0	0	0	0	2	25	0	0	0	0	0	25
Sub. E	2	0	0	0	0	0	2	1	0	0	0	0	0	1	7	0	0	0	0	0	7
Sub. F	1	0	0	0	0	0	1	0	0	0	0	0	0	0	1	0	0	0	0	0	1
Penticton IR	4	0	0	0	0	0	4	2	0	0	0	0	0	2	8	0	0	0	0	0	8
Penticton CA	17	2	0	0	0	0	19	11	0	14	0	0	0	25	73	6	30	100	0	0	209
Y.T.D. 2003	70	6	25	40	0	0	141	65	2	38	0	0	0	105							
Salmon Arm	6	0	0	0	0	0	6	9	2	0	0	0	0	11	21	8	10	0	0	0	39
Y.T.D. 2003	36	2	0	0	0	0	38	35	4	11	16	0	0	66							
Summerland	1	0	0	0	0	0	1	4	0	0	0	0	0	4	15	0	0	0	0	0	15
Y.T.D. 2003	21	0	0	0	0	0	21	13	0	0	0	0	0	13							
Vernon City	16	2	0	0	0	0	18	14	0	11	0	0	0	25	74	4	22	0	0	0	100
Coldstream	12	0	0	0	0	0	12	9	0	0	0	0	0	9	37	0	0	0	0	0	37
Sub. C	3	0	0	0	0	0	3	0	0	0	0	0	0	0	14	0	0	0	0	0	14
Sub. D	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5	0	0	0	0	0	5
Sub. E	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lumby	1	0	0	0	0	0	1	1	0	0	0	0	0	1	1	0	0	0	0	0	1
I. R.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6	0	0	0	0	0	6
Vernon CA	32	2	0	0	0	0	34	24	0	11	0	0	0	35	137	4	22	0	0	0	163
Y.T.D. 2003	160	4	6	0	0	0	170	115	4	17	0	0	0	136							

KAMLOOPS CA

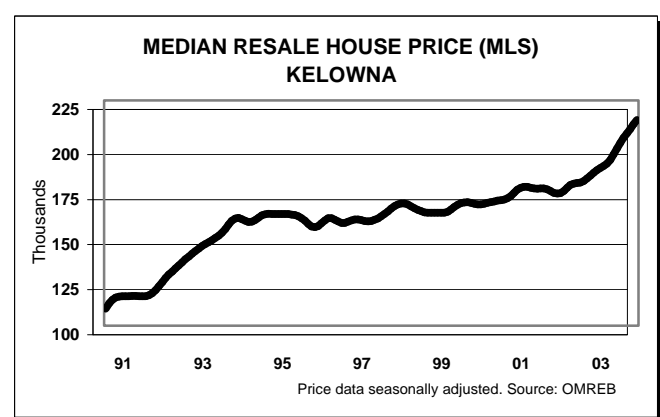
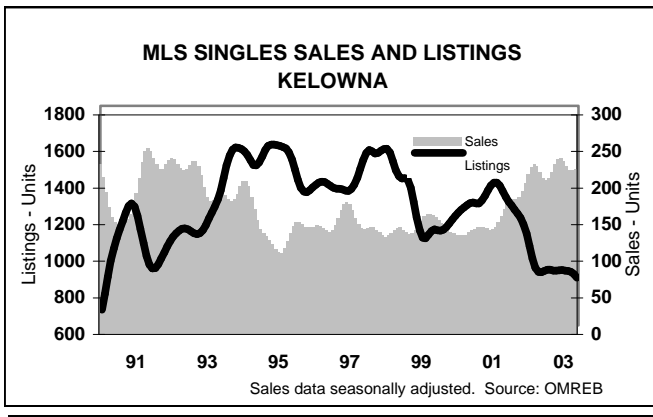
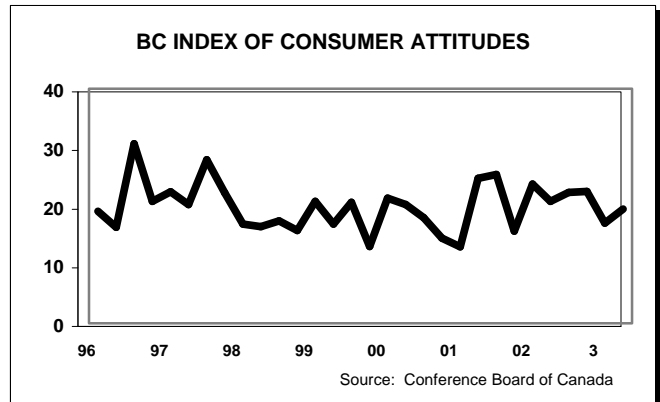
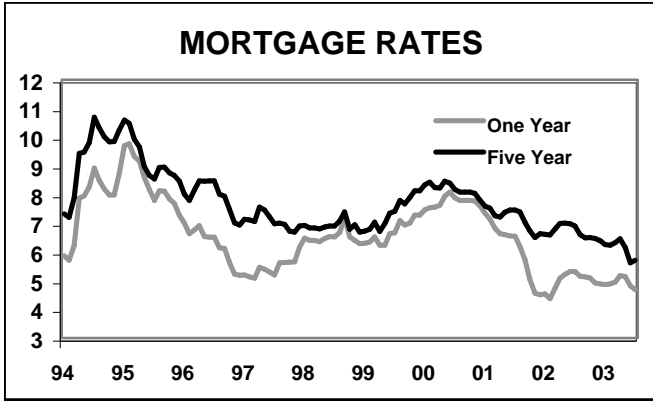
Inventory and Absorption by Municipality JULY 2003 AND YEAR-TO-DATE 2002 & 2003

	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
Kamloops City	14	0	1	0	14	5	34	0	0	0	0	5	13	18
Kamloops IR	0	0	0	0	0	4	4	0	0	2	0	0	1	3
MONTH TOTAL	14	0	1	0	14	9	38	0	0	2	0	5	14	21
Y.T.D. Average 2003*	24	0	2	0	15	10	51	19	0	10	0	20	101	150
Y.T.D. Average 2002*	29	0	5	0	17	11	62	24	0	8	0	12	95	139

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



KEY ECONOMIC INDICATORS



SOUTHERN INTERIOR RESALE MARKETS

MLS SALES	JULY				YEAR-TO-DATE			
	Sales July 2003	Percent Change July 02	Median Price July 03	Percent Change July 02	Sales YTD 2003	Percent Change YTD 02	Median Price YTD 2003	Percent Change YTD 02
Single Detached								
Kelowna	324	22%	\$223,500	18%	1,754	.02%	\$213,000	14%
Kamloops	98	3%	\$153,000	-3%	705	10%	\$157,900	7%
Vernon	155	29%	\$168,000	3%	886	23%	\$166,000	7%
Penticton	31	-33%	\$179,900	15%	248	-3%	\$169,000	9%
Salmon Arm	25	9%	\$176,000	11%	146	5%	\$177,750	13%
Cranbrook	20	-9%	\$118,750	-7%	141	-1%	\$116,000	N/A

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Current month MLS data is preliminary.

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