

H

HOUSING NOW

Kelowna / Southern Interior

YOUR LINK TO THE HOUSING MARKET

New Construction Highlights

Canada Mortgage and Housing Corporation

Housing Starts Decline in November

Kelowna area housing starts were down in November. Housing starts fell to 193 units from 240 units in October. The new home market remains buoyant despite November's decline.

Construction activity typically slows as cooler weather sets in. Also, demand for detached homes has begun to flatten out in response to sharply rising prices and stronger competition from the resale market. The inventory of new, complete and unsold units is trending up. More buyers are turning to higher density housing. Lifestyle and affordability are the key drivers. November housing starts included a 60 unit apartment condo. Housing starts will break the 2,200 unit mark in 2004, a thirteen year high.

The demand outlook overall remains positive. The BC economy is poised to see stronger growth in 2005.

Inter-provincial migration has begun to turn around. The Kelowna area economy and population continue to grow, fueling demand for both new and resale housing. Consumers are upbeat and in the mood to spend. Mortgage rates are expected to remain low by historical standards.

Elsewhere, the Kamloops, Vernon and Penticton area new home markets recorded another strong performance in November. All three centres are on track to see the highest level of housing starts since the mid 1990s.

The Kelowna area resale market maintained a brisk pace in November, matching last year's volumes. Though continuing to favour sellers, the resale market is beginning to move towards a more balanced position. Sales have trended down since mid year. The supply of singles listings is up 40% from a year ago. Rising supply points to increased competition and smaller price gains in 2005.

NOVEMBER 2004

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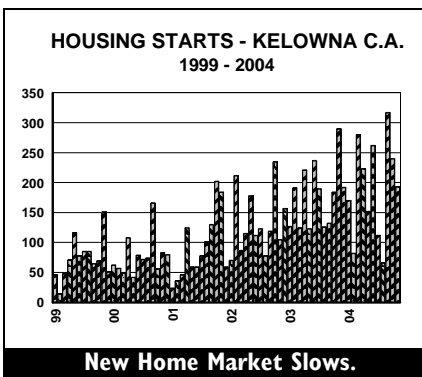
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CMHC Kelowna Noticeboard

♦ **December 2004 Housing Starts:** Local, BC, and National news releases scheduled for Jan. 11, 2005.

♦ **The Fall 2004 Kelowna Housing Market Outlook and 2004 Okanagan Seniors Housing Market Survey Reports are now available! Coming Soon. The 2004 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



BC Starts Up Sharply

BC starts, lead by the Vancouver condo market, bounced back in November. New home construction has become more widespread this year, extending beyond BC's larger urban centres. Combined starts in smaller centres are up 51% to date this year. Nationally, housing starts rose 5.8% to 238,200 units, seasonally adjusted at annual rates (SAAR), from 225,000 units (SAAR) in October. BC and Quebec accounted for most of the increase.

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Canada

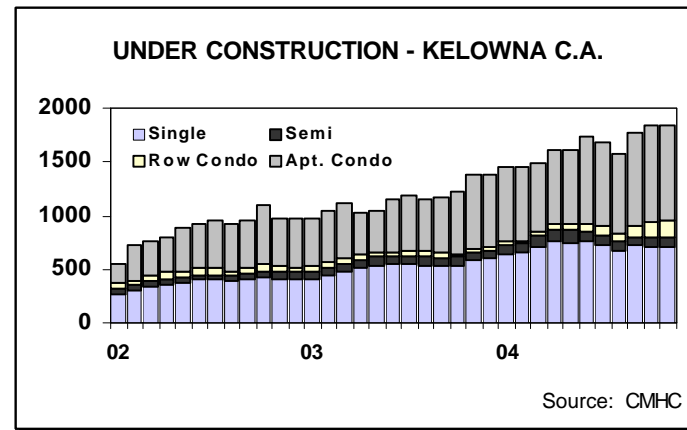
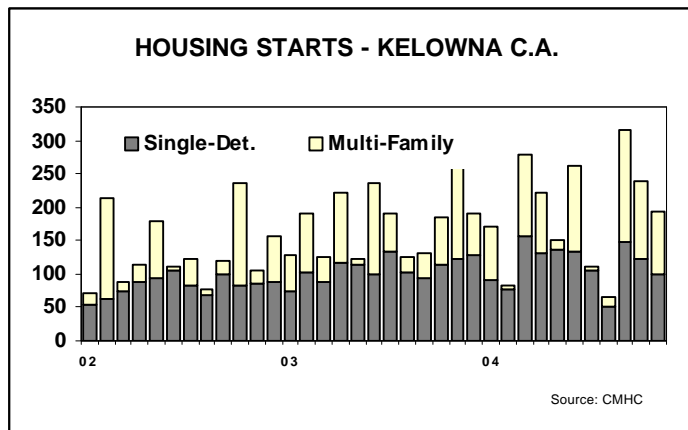


KELOWNA C.A.

STARTS/COMPLETIONS/UNDER CONSTRUCTION NOVEMBER 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	70	4	12	0	60	5	151	66	2	0	0	47	0	115	491	46	135	2	823	102	1,599
Sub. J*	18	6	0	0	0	0	24	18	10	0	0	43	0	71	134	30	10	0	0	0	174
Sub. I*	3	0	0	0	0	0	3	1	0	0	0	0	0	1	22	6	0	0	0	0	28
Lake Country	2	0	3	0	0	0	5	2	0	0	0	0	0	2	25	2	12	0	0	0	39
Peachland	0	2	0	0	0	0	2	0	0	6	0	0	0	6	11	6	0	0	56	0	73
Indian Res.	8	0	0	0	0	0	8	3	0	0	0	0	0	3	28	0	0	0	0	0	28
MONTH TOTAL	101	12	15	0	60	5	193	90	12	6	0	90	0	198	711	90	157	2	879	102	1,941
YEAR-TO-DATE	1,253	128	152	5	461	102	2,101	1,146	112	24	4	252	113	1,651							

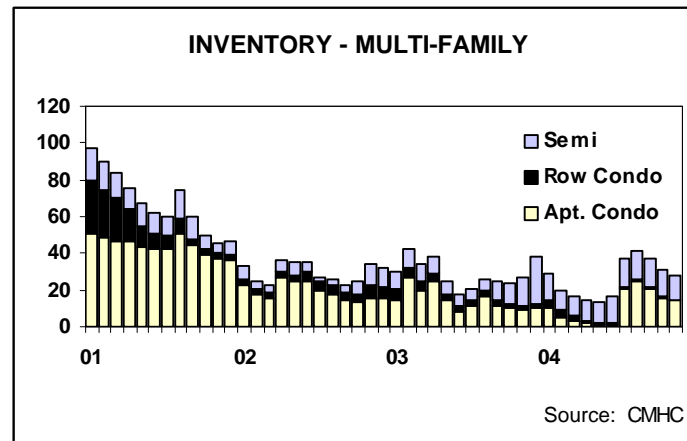
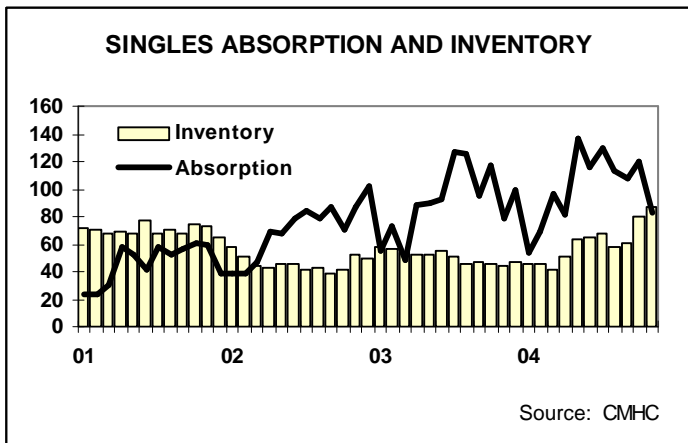
* Sub. J - Westside (former Sub. G and H) - Glenrosa, Westbank, Smith Creek, Shannon Heights, West Kelowna, Lakeview Heights, Westside/Fintry. Sub. I - Joe Rich, Ellision.



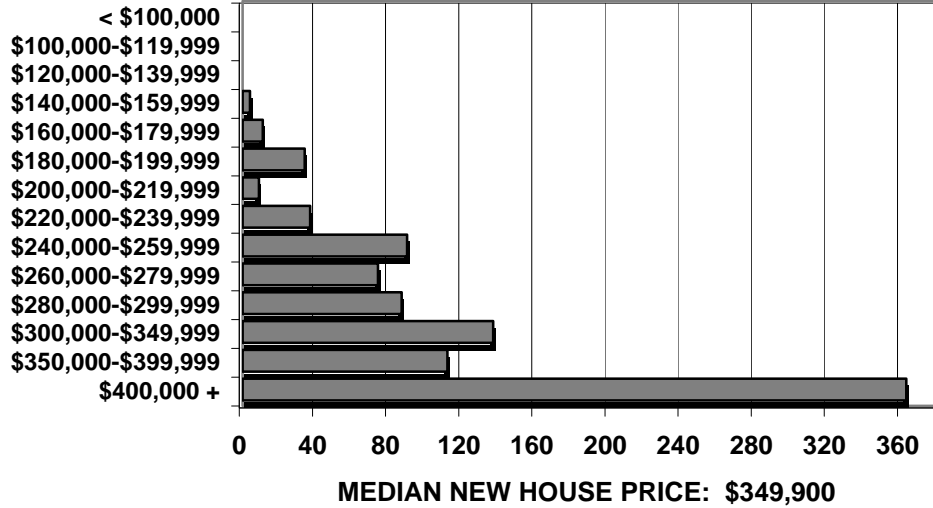
KELOWNA C.A.
INVENTORY AND ABSORPTION
NOVEMBER 2004 & YEAR-TO-DATE 2003 & 2004

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	14	0	0	0	8	59	81	Kelowna City	6	0	37	0	3	59	105
Sub. J	0	0	1	0	1	24	26	Sub. J	0	0	0	0	10	17	27
Sub. I	0	0	0	0	2	2	4	Sub. I	0	0	0	0	0	1	1
Lake Country	0	0	0	0	0	0	0	Lake Country	0	0	7	0	0	2	9
Peachland	0	0	0	0	2	0	2	Peachland	11	0	0	0	0	0	11
Indian Reserve	0	0	0	0	0	2	2	Indian Reserve	0	0	0	0	0	4	4
MONTH TOTAL	14	0	1	0	13	87	115	MONTH TOTAL	17	0	44	0	13	83	157
Y.T.D. Average 2004*	11	20	2	0	13	61	107	Y.T.D. Total 2004	389	114	92	4	109	1,106	1,814
Y.T.D. Average 2003*	16	27	4	0	9	51	107	Y.T.D. Total 2003	586	50	31	4	81	989	1,741

Absorption does not include assisted rental units. * Rounded.



PRICES OF SINGLES ABSORBED AT COMPLETION
Kelowna C.A. January - November 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	74	40	36	45
Dilworth Mountain	47	35	26	36
Ellison	84	58	55	49
Glenrosa	17	34	22	21
Glenmore	14	49	26	42
I.R.	46	8	23	3
Core Area*	174	174	167	142
Lakeview Heights	69	99	77	77
Lower Mission	54	53	44	43
North Glenmore	71	17	37	10
Peachland	16	20	16	23
Rutland North	35	68	38	62
Rutland South	3	1	1	11
S. E. Kelowna	44	68	50	58
Shannon Lake	28	59	37	57
Upper Mission	297	205	292	153
Westbank	21	11	13	6
Winfield	31	32	31	28
West Kelowna	68	91	76	96
Other**	60	41	39	27
Total	1253	1163	1106	989

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

HOUSING ACTIVITY SUMMARY - KELOWNA CA NOVEMBER 2004

	OWNERSHIP				RENTAL				TOTAL
	FREEHOLD		CONDOMINIUM		PRIVATE		ASSISTED		
	Single	Semi	Row	Apt.	Row	Apt.	Row	Apt.	
Starts									
Nov. 2004	101	12	15	60	0	5	0	0	193
YTD 2004	1,253	128	152	461	5	102	0	0	2,101
YTD 2003	1,163	86	26	617	0	54	0	0	1,946
Under Construction									
Nov. 2004	711	90	157	879	2	102	0	0	1,941
Nov. 2003	580	76	30	686	0	106	0	0	1,478
Completions									
Nov. 2004	90	12	6	90	0	0	0	0	198
YTD 2004	1,146	112	24	252	4	113	0	0	1,651
YTD 2003	983	80	43	384	4	8	0	0	1,502
Inventory									
Nov. 2004	87	13	1	14	0	0			115
Nov. 2003	44	9	2	16	0	1			72
Total Supply									
Nov. 2004	798	103	158	893	2	102	0	0	2,056
Nov. 2003	624	85	32	702	0	107	0	0	1,550
Absorption									
Nov. 2004	83	13	44	17	0	0			157
3 Mo. Ave.	113	16	6	47	1	10			193
12 Mo. Ave.	100	10	4	47	1	10			172

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
NOVEMBER 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	0	0	0	0	0	0	0	22	0	0	0	0	0	0	22
E. Kootenay C	0	0	0	0	0	0	0	3	0	0	0	0	0	3	63	0	0	0	0	0	0	63
Cranbrook CA	1	0	0	0	0	0	1	3	0	0	0	0	0	3	85	0	0	0	0	0	0	85
Y.T.D. 2004	79	0	0	0	0	0	79	31	0	0	0	0	0	31								
Kamloops C.	26	4	0	0	0	0	30	14	18	0	0	0	0	32	148	42	16	0	0	0	0	206
Kamloops IR	4	0	0	0	0	0	4	5	0	0	0	0	0	5	22	0	0	0	0	6	0	28
Kamloops CA	30	4	0	0	0	0	34	19	18	0	0	0	0	37	170	42	16	0	0	6	0	234
Y.T.D. 2004	281	70	22	0	0	0	373	203	52	27	42	0	0	324								
Penticton City	6	0	13	0	0	0	19	2	0	6	0	8	0	16	34	6	39	103	0	0	0	182
Sub. D	3	0	0	0	0	0	3	1	0	0	0	0	0	1	25	0	0	0	0	0	0	25
Sub. E	2	0	0	0	0	0	2	4	0	0	0	0	0	4	10	0	0	0	0	0	0	10
Sub. F	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	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	0	1
Penticton CA	11	0	13	0	0	0	24	7	0	6	0	8	0	21	71	6	39	103	0	0	0	219
Y.T.D. 2004	118	8	39	81	8	0	254	117	6	28	78	12	0	241								
Salmon Arm	9	0	0	6	0	0	15	1	0	0	0	0	0	1	48	14	12	12	0	0	0	86
Y.T.D. 2004	84	10	12	12	0	0	118	73	2	10	0	0	3	88								
Summerland	2	0	0	0	0	0	2	0	0	0	0	0	0	0	23	0	10	0	0	0	0	33
Y.T.D. 2004	35	0	10	0	0	0	45	27	0	0	0	0	0	27								
Vernon City	38	4	3	0	0	0	45	29	0	0	0	0	0	29	137	8	52	0	0	0	0	197
Coldstream	3	0	0	0	0	0	3	1	0	0	0	0	0	1	37	0	0	0	0	0	0	37
Sub. C	1	0	0	0	0	0	1	1	0	0	0	0	0	1	20	14	0	0	0	0	0	34
Sub. D	1	0	0	0	0	0	1	1	0	0	0	0	0	1	10	0	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	0	1
Lumby	1	0	0	0	0	0	1	0	0	0	0	0	0	0	9	0	0	0	0	0	0	9
I. R.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4	0	4
Vernon CA	44	4	3	0	0	0	51	32	0	0	0	0	0	32	214	22	52	0	0	4	0	292
Y.T.D. 2004	348	28	47	0	4	0	427	277	28	8	0	0	0	313								

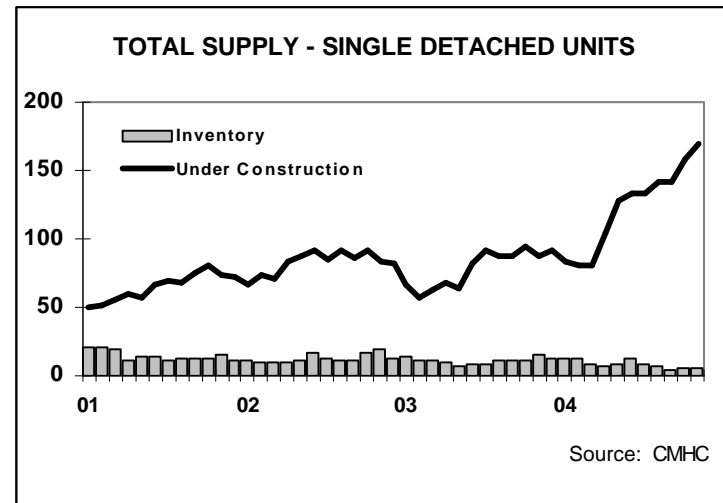
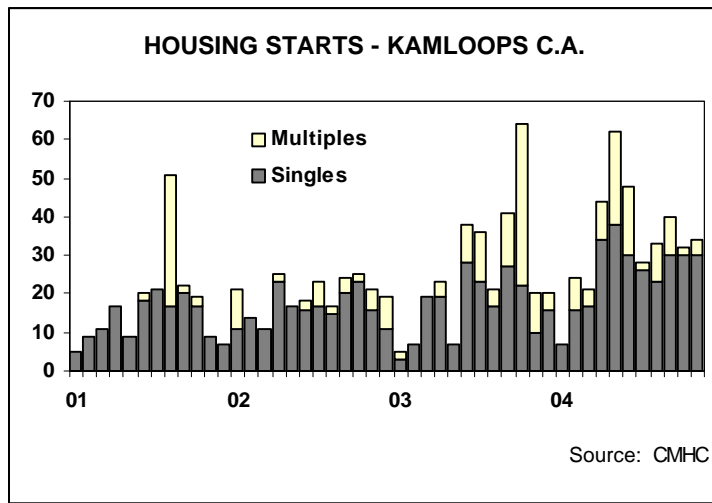
KAMLOOPS CA

Inventory and Absorption by Municipality

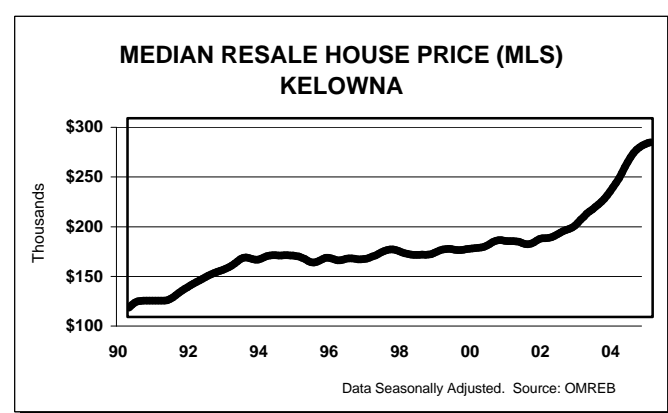
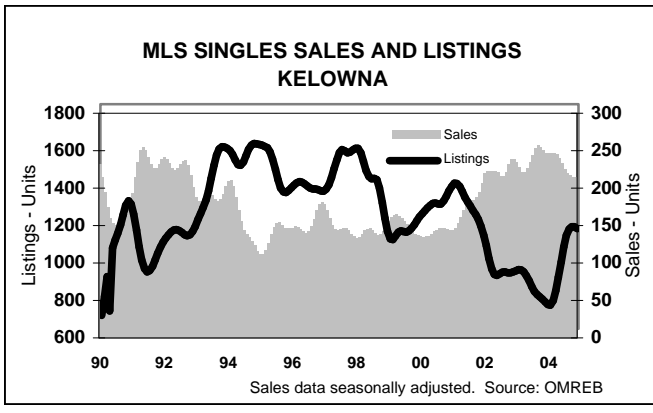
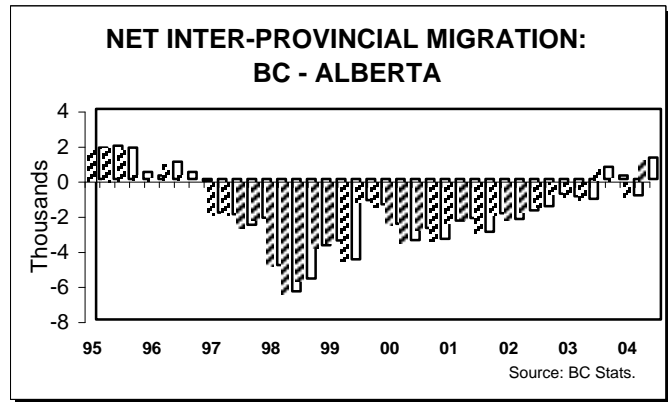
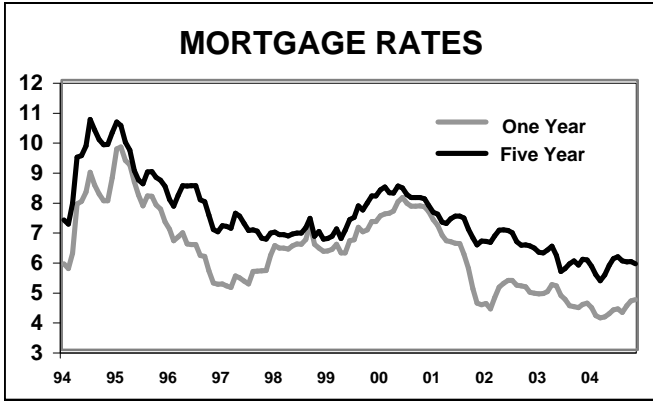
NOVEMBER 2004 AND YEAR-TO-DATE 2003 & 2004

	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
Kamloops City	10	0	0	0	6	4	20	0	0	1	0	18	15	34
Kamloops IR	0	0	0	0	0	1	1	0	0	0	0	0	5	5
MONTH TOTAL	10	0	0	0	6	5	21	0	0	1	0	18	20	39
Y.T.D. Average 2004*	12	0	2	0	8	8	30	46	0	21	0	57	210	334
Y.T.D. Average 2003*	21	0	1	0	14	11	47	19	0	19	0	35	174	247

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



KEY ECONOMIC INDICATORS



SOUTHERN INTERIOR RESALE MARKETS

MLS SALES	NOVEMBER				YEAR-TO-DATE			
	Sales Nov. 2004	Percent Change Nov. 03	Median Price Nov. 04	Percent Change Nov. 03	Sales YTD 2004	Percent Change YTD 03	Median Price YTD 2004	Percent Change YTD 03
Single Detached	218	6%	\$268,750	14%	2,707	-1%	\$265,000	20%
Kamloops	62	2%	\$181,000	19%	1,217	14%	\$177,000	12%
Vernon Area	102	6%	\$214,000	30%	1,564	12%	\$190,000	14%
Penticton	22	-15%	\$231,000	36%	381	2%	\$215,000	25%
Salmon Arm	19	12%	\$198,000	22%	263	11%	\$175,000	0.1%
Cranbrook	23	10%	\$147,500	48%	290	30%	\$125,000	n/a

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Current month MLS data is preliminary.

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