



FAST FAX

RENTAL MARKET REPORT

BC Southern Interior

Canada Mortgage and Housing Corporation

2003 EDITION

Vacancy Rates Up in Southern BC

Rental markets in the BC Southern interior have seen a mixed performance in 2003. Once again, vacancy rates vary widely by region.

Vernon saw it's vacancy rate plunge to a ten year low. Vacancy rates in both Penticton and Salmon Arm edged up slightly, but remain among the lowest in the BC interior. The Okanagan region's more diversified economy has meant stronger employment and population growth, keeping vacancy rates low.

Rental markets in the Kootenays, Boundary country and Nicola Valley - regions more dependent on resource-based industry - continue to struggle. Job losses in the forest products, mining, health care and public service sectors have led to out-migration and sustained high vacancy rates. Also, with mortgage interest rates near record lows, many renters have made the jump to home ownership. Revelstoke, Creston, Sparwood, Elkford and Trail area vacancy rates are up sharply in 2003. Nelson, Fernie and Golden rental markets continue to benefit from tourism based employment growth, vacancy rates recording smaller increases. Vacancy rates in Grand Forks, Castlegar, Kimberley and Merritt have come down, but remain high. Eleven of the fifteen Kootenay centres surveyed recorded double-digit vacancy rates in 2003.

Average rents remained flat or declined in most Kootenay centres, held in check by high vacancy rates and stiff competition among projects. Cranbrook, Fernie and Okanagan rental markets have seen rents trend up in 2003.

Elsewhere, Victoria and Kelowna recorded the lowest vacancy rates in BC. Vancouver jumped to a three year high. Kamloops saw a smaller increase.

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 and home owner markets.

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Vacancy Rates Apartment and Row	2002	2003
Cranbrook	7.2%	6.8%
Penticton	2.3%	2.6%
Salmon Arm	4.8%	5.7%
Trail Area	21.5	28.6%
Vernon	5.7%	2.2%

Average 2-Bedroom Apartment Rent	2002	2003
Cranbrook	\$527	\$541
Penticton	\$571	\$581
Salmon Arm	\$604	\$620
Trail Area	\$458	\$451
Vernon	\$560	\$584

Apartment and Row	Vacant Units	Total Units
Cranbrook	94	1,387
Penticton	58	2,244
Salmon Arm	24	419
Trail Area	218	764
Vernon	48	2,229

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



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	
		2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
Cranbrook	Apartment	13.0	4.4	7.4	6.6	7.3	7.5	10.4	0.0	7.6	6.8
	Row	**	**	18.8	0.0	3.7	9.3	6.6	3.9	6.2	6.7
	Overall	14.7	8.8	7.9	6.3	6.6	7.9	7.5	3.0	7.2	6.8
Penticton	Apartment	7.4	4.5	1.7	2.6	1.5	1.8	0.0	0.0	2.0	2.4
	Row	**	**	**	**	7.5	**	2.2	3.4	4.5	4.1
	Overall	7.3	4.4	1.7	2.6	2.2	2.2	1.9	3.0	2.3	2.6
Salmon Arm	Apartment	17.4	29.4	6.2	5.3	1.6	4.4	**	0.0	4.3	5.8
	Row	n/u	n/u	**	**	**	**	**	**	10.0	5.0
	Overall	17.4	29.4	6.1	5.3	2.5	4.1	**	5.9	4.8	5.7
Trail Area	Apartment	12.7	52.8	31.6	31.1	18.3	23.8	5.3	12.8	22.1	27.0
	Row	-	-	16.7	33.3	22.2	27.8	12.5	**	15.7	43.7
	Overall	12.7	52.8	30.9	31.2	18.5	24.0	8.5	31.3	21.5	28.6
Fruitvale	Overall	-	-	61.8	63.6	30.5	26.7	-	-	44.7	42.3
Rossland	Overall	0.0	49.6	14.5	31.2	20.4	3.6	**	**	14.6	23.4
Trail City	Overall	6.7	52.4	25.7	21.9	10.9	14.9	7.2	33.8	15.8	22.1
Warfield	Overall	**	**	38.2	60.5	27.5	47.4	45.4	0.0	31.1	49.1
Vernon	Apartment	6.5	1.0	2.7	2.1	6.8	2.1	11.9	1.4	5.4	2.0
	Row	**	**	14.5	**	1.8	1.9	5.5	2.4	7.6	3.5
	Overall	6.4	1.0	3.7	2.5	6.5	2.1	9.4	1.8	5.7	2.2

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	
		2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
Cranbrook	Apartment	\$345	\$363	\$437	\$448	\$527	\$541	\$579	\$603	\$495	\$509
	Row	**	**	\$420	\$432	\$533	\$529	\$630	\$626	\$568	\$564
Penticton	Apartment	\$380	\$387	\$470	\$484	\$571	\$581	\$650	\$665	\$507	\$521
	Row	**	**	**	**	\$578	**	\$733	\$780	\$669	\$710
Salmon Arm	Apartment	\$394	\$375	\$490	\$509	\$604	\$620	**	\$624	\$539	\$561
	Row	n/u	n/u	**	**	**	**	**	**	\$636	\$619
Trail Area	Apartment	\$323	\$319	\$388	\$378	\$458	\$451	\$568	\$549	N/A	N/A
	Row	-	-	\$352	\$360	\$490	\$476	\$542	\$525	N/A	N/A
Fruitvale	Apartment	-	-	\$383	\$365	\$418	\$416	-	-	N/A	N/A
Rossland	Apartment	**	\$321	\$386	\$393	\$527	\$523	**	**	N/A	N/A
Trail City	Apartment	\$326	\$323	\$393	\$380	\$470	\$457	\$555	\$533	N/A	N/A
Warfield	Apartment	**	**	\$366	\$350	\$440	\$438	**	**	N/A	N/A
Vernon	Apartment	\$383	\$365	\$483	\$479	\$560	\$584	\$591	\$605	\$521	\$532
	Row	**	**	\$416	**	\$553	\$565	\$663	\$669	\$551	\$558

Note: Fast Fax reports are available for **Kelowna** and **Kamloops**. For rental market information on smaller southern interior BC centres contact:
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N/U Not in Universe.



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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	1	349	23	626	47	47	0	1,045	71
	Row	**	**	16	0	161	15	154	6	342	23
	Total	34	3	365	23	787	62	201	6	1,387	94
Penticton	Apartment	140	6	1,005	26	866	16	15	0	2,026	49
	Row	**	**	**	**	**	**	133	4	218	9
	Total	143	6	1,010	26	944	20	147	4	2,244	58
Salmon Arm	Apartment	17	5	169	9	183	8	10	0	379	22
	Row	n/u	n/u	**	**	**	**	**	**	40	2
	Total	17	5	171	9	197	8	34	2	419	24
Trail Area	Apartment	31	16	261	81	350	83	51	6	693	187
	Row	-	-	12	4	**	**	41	22	71	31
	Total	31	16	273	85	368	88	92	28	764	218
Fruitvale	Total	-	-	33	21	45	12	-	-	78	33
Rossland	Total	12	6	42	13	27	1	**	**	86	20
Trail City	Total	18	9	178	39	200	30	85	28	480	106
Warfield	Total	**	**	20	12	96	46	2	0	120	59
Vernon	Apartment	101	1	825	18	941	20	142	2	2,009	41
	Row	**	**	**	**	57	1	93	2	220	8
	Total	102	1	895	22	998	21	235	4	2,229	48

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