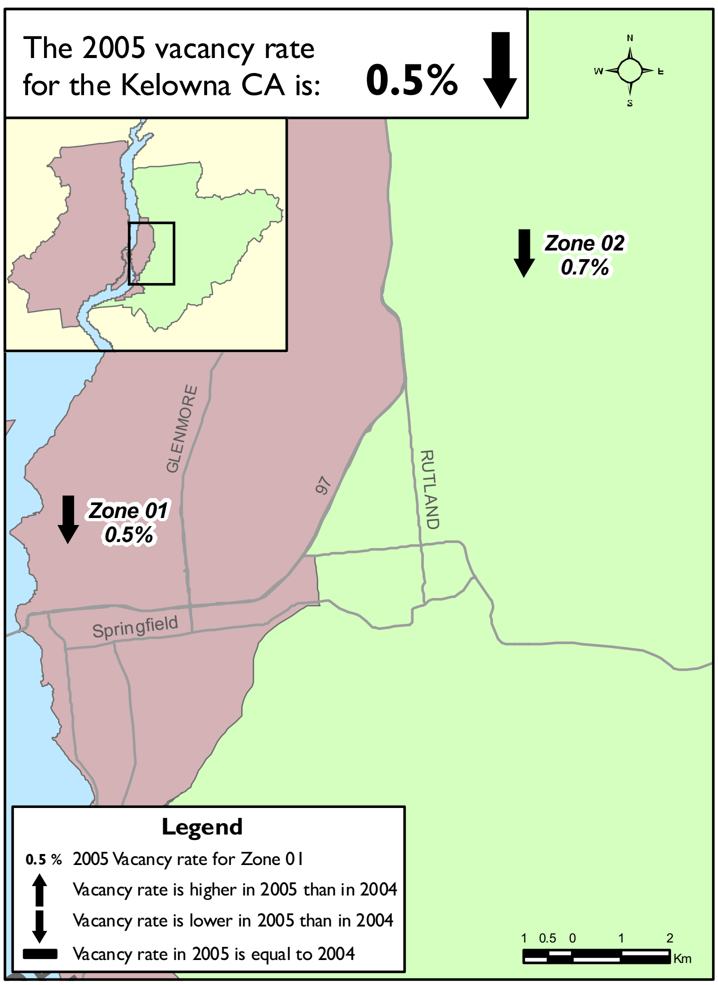
RENTAL MARKET REPORT

KELOWNA CA

OCTOBER 2005

VACANCY RATE DOWN AGAIN

- The Kelowna area vacancy rate dropped to 0.5% from 1.0% in 2004, dipping below the one per cent level for the first time since 1992.
- Vacancy rates have steadily declined in response to strong population growth and limited new supply. Also, sharply rising new and resale home prices and reduced supply of listings have meant fewer first time buyers, contributing to lower vacancy rates.
- Rents are on the rise, average apartment and townhouse rents - all bedroom types - trending up in the face of declining vacancy rates.
- Rental housing starts continue to lag behind growth in demand.
- The Kelowna area vacancy rate is expected to remain low and rents forecast to continue rising through 2006.



IN THIS ISSUE

Analysis

STATISTICAL TABLES

Canada

CMHC SCHL HOME TO CANADIANS

Apartment Vacancy Rates (%) by Major Centres	2004	2005
Abbotsford	2.8	3.8
Calgary	4.3	1.6
Edmonton	5.3	4.5
Gatineau	2.1	3.1
Greater Sudbury	2.6	1.6
Halifax	2.9	3.3
Hamilton	3.4	4.3
Kingston	2.4	2.4
Kitchener	3.5	3.3
London	3.7	4.2
Montréal	1.5	2.0
Oshawa	3.4	3.3
Ottawa	3.9	3.3
Québec	1.1	1.4
Regina	2.7	3.2
Saguenay	5.3	4.5
Saint John	5.8	5.7
Saskatoon	6.3	4.6
Sherbrooke	0.9	1.2
St. Catharines-Niagara	2.6	2.7
St. John's	3.1	4.5
Thunder Bay	5.0	4.6
Toronto	4.3	3.7
Trois-Rivières	1.2	1.5
Vancouver	1.3	1.4
Victoria	0.6	0.5
Windsor	8.8	10.3
Winnipeg	1.1	1.7
Total	**2.7**	**2.7**

National Apartment Vacancy Rate Stabilizes

The average rental apartment vacancy rate in Canada's 28 major centres[1] was unchanged at 2.7 per cent in October 2005 compared to last year. This follows three consecutive increases in the vacancy rate over the 2002 to 2004 period. The vacancy rate remains below the average of 2.8 per cent observed over the 1995 to 2004 period.

Thanks to a solid economy and strong job creation, household formation has been healthy, which has promoted demand for both ownership and rental housing. The stabilizing of the vacancy rate across the major centres reflects a number of factors. As the majority of new immigrants initially settle in rental housing, high levels of immigration have been a key driver of rental demand over the past year. Also, across most centres, more renters are remaining in rental units as the gap between the cost of home ownership and renting increased in 2005. These two factors have put downward pressure on vacancy rates over the past year.

On the other hand, home ownership demand remained very strong, which can be seen from the record level of existing home sales in 2005. Strong home ownership demand continues to apply upward pressure on vacancy rates. Adding to this is the high level of condominium completions in some centres. Condominiums are a relatively inexpensive form of housing that are often purchased by renter households switching to home ownership. In some cases, condos supplement the rental market as they may be purchased by investors who, in turn, rent them out. Therefore, high levels of condominium completions have created competition for the rental market and have put upward pressure on vacancy rates.

Even though the average rental apartment vacancy rate has moved higher in recent years, many households are still facing affordability issues across Canada. Either these households need to move to less expensive units or require additional help to make their monthly shelter costs more affordable. In some cases, however, there are not enough vacant units to meet the needs of all households in core housing need. Therefore, additional affordable housing units continue to be required.

The centres with the highest vacancy rates in 2005 were Windsor (10.3 per cent), Saint John (NB) (5.7 per cent), Saskatoon (4.6 per cent), Thunder Bay (4.6 per cent), Edmonton (4.5 per cent), St. John's (NFLD) (4.5 per cent), and Saguenay (4.5 per cent). On the other hand, the major urban centres with the lowest vacancy rates were Victoria (0.5 per cent), Sherbrooke (1.2 per cent), Québec (1.4 per cent), Vancouver (1.4 per cent), Trois-Rivières (1.5 per cent), Calgary (1.6 per cent), and Greater Sudbury (1.6 per cent).

Average rents for two-bedroom apartments increased in 25 of the 28 major centres. However in 15 of the 25 major centres where rents were up, the increases were small. The greatest increases occurred in Kitchener, Victoria, and Quebec where rents were up 6.0 per cent, 4.8 per cent, and 4.2 per cent, respectively. Overall, the average rent for two-bedroom apartments across Canada's 28 major centres increased by 1.6 per cent in October 2005 compared to last year.

The highest average monthly rents for two-bedroom apartments were in Toronto ($1,052), Vancouver ($1,004), and Ottawa ($920), while the lowest were in Trois-Rivières ($474) and Saguenay ($472).

[1] Major centres are based on Statistics Canada Census Metropolitan Areas (CMAs) with the exception of the Ottawa-Gatineau CMA which is treated as two centres for Rental Market Survey purposes.

Vacancy Rate Dips to Thirteen Year Low

The Kelowna area vacancy rate has dropped again, dipping to a thirteen year low in 2005. Kelowna's vacancy rate has declined for three straight years. Vacancy rates were down in Rutland and the Core area. Both the apartment and townhouse sectors recorded fewer vacancies in 2005.

Strong population growth has boosted demand for rental accommodation, pushing vacancy rates down. Rental housing starts continue to lag behind growth in demand, contributing to low vacancy rates. Also, the outflow of renters to the home ownership market has slowed in response to soaring prices and reduced supply of listings. The median resale house price will break the $300,000 mark for the first time ever, climbing 16% to $310,000 in 2005. Prices have shot up 64% in just three years. The increase is unprecedented. More retirees and "empty-nesters" are now seeking quality rental housing, an increasingly popular lifestyle choice.

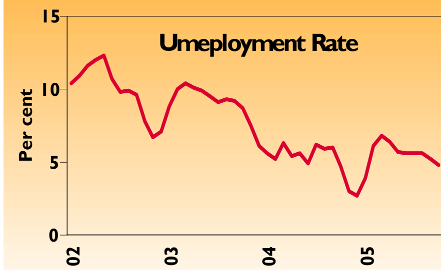
The Kelowna area economy is firing on all cylinders, the unemployment rate dropping to decade lows. The residential construction, manufacturing and personal services sectors are the biggest sources of job creation. An increasingly acute and widespread shortage of workers have led to more job opportunities. The Thompson/Okanagan umemployment rate is currently the lowest among BC's development regions. Robust employment growth has spurred in-migration, fueling demand for rental and ownership housing.

In-migration of retirees, and more recently, an influx of others seeking lifestyle-oriented housing have also led to stronger population growth and sharply rising demand for housing. Kelowna is now seeing more broadly based population growth - retirees, lifestylers ***and*** job seekers.

Rental housing starts have averaged only 75 units per annum during the past five year period - despite low vacancy rates and rising rents. Rental construction has become less attractive in the face of increased land and other costs and competing development opportunities.

The demand outlook points to sustained low vacancy rates. The BC economy will record solid growth through 2006. Though growth is expected to moderate this year and next, the BC economy will, once again, outperform Canada overall and lead the provinces in job creation. Strong employment growth - mainly full time, private sector jobs - has, in turn, attracted migrants from other provinces. People are coming back to BC. Net inter-provincial migration almost doubled in 2004 and is forecast to increase through 2005 and 2006.

Strong Employment Growth Boosts Demand For Housing

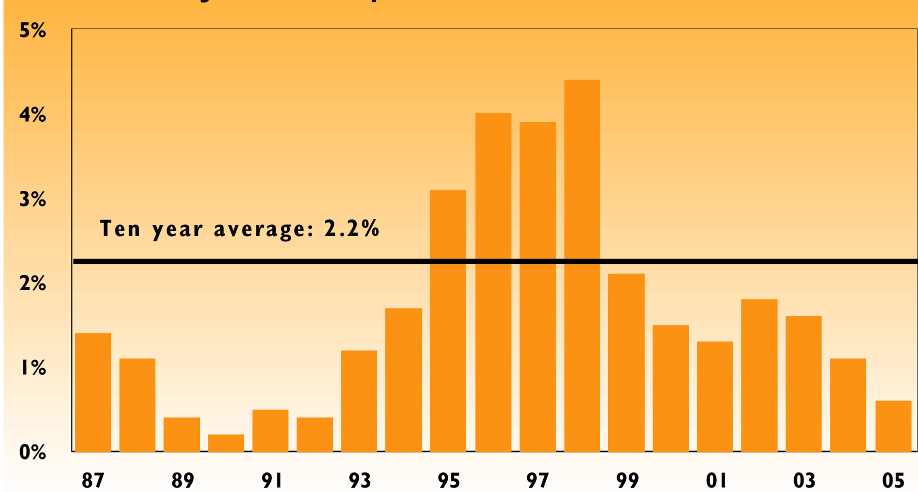


Source: Statistics Canada. Labour Force Survey.

Historically, migrants from other provinces - especially Ontario - have been a major source of Kelowna area housing demand. Also, a strong Vancouver real estate market has led to more migrants from the lower mainland.

Closer to home, plans to double enrolment at UBC Okanagan point to steadily rising demand over the next several years. The Kelowna area population will grow by 2.0-2.5% in 2005 and 2006. Rising interest rates will mean reduced affordability and fewer first-time buyers next year. Expect Kelowna's vacancy rate to remain below one per cent through 2006.

Vacancy Rates - Apartment and Townhouse



Kelowna vacancy rate dips below one per cent level.

Rental accommodation has become harder to find, the overall vacancy rate sliding to only 0.6% from 1.1% in 2004. Fewer vacancies among Core area one and two bedroom apartments accounted for most of the decline. The Core area apartment vacancy rate fell to 0.5% from 1.0% last year. Bachelor and three bedroom vacancy rates were up slightly, the increase representing a very small number of units.

Rutland's apartment vacancy rate, at 0.7% vacancy, saw little change, remaining below the one per cent level since 1998. Lower rents than

Rents record biggest increases since the early 1990s.

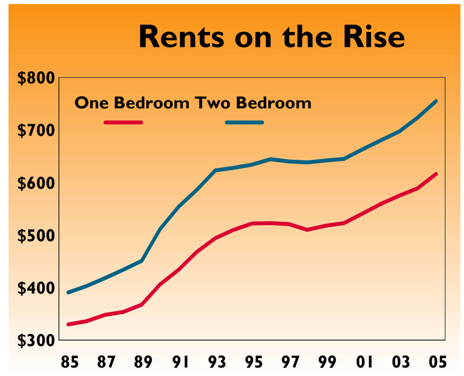
in the Core area and closer proximity to UBC Okanagan have kept vacancy rates low. Also, growing commercial development along the Highway 97 corridor has meant more employment opportunities in and closer to Rutland. Rutland, unlike the Core area, has seen little new supply come on stream in recent years.

Townhouse vacancy rates were down in both the Core area and Rutland. Family-oriented accommodation - three bedroom apartment and townhouse units - remain in short supply, three bedroom townhouse units recording zero vacancy. Only 50 three bedroom units have come on stream since 1990, leaving this segment of the rental market chronically undersupplied.

Despite higher rents, vacancy rates remained lowest in newer buildings. Most rental projects built since 1998 have targeted renters seeking more upscale accommodation, until recently, an untapped market. This type of product has attracted retirees, empty nesters and higher income earners - those without sufficient savings for entry into the home ownership market. Take-up has been strong. Also, suites in newer buildings are often better equipped for sharing, incorporating features such as second bathrooms and more widely separated bedrooms. At least one newer project offers "lock-off" units which can be sublet to a second tenant.

Low availability rates (units for which the existing tenant has given or received notice to move, and a new tenant has not signed a lease or the unit is vacant) point to substantial pent-up demand and fast turnaround. Building managers are able to fill vacant units quickly.

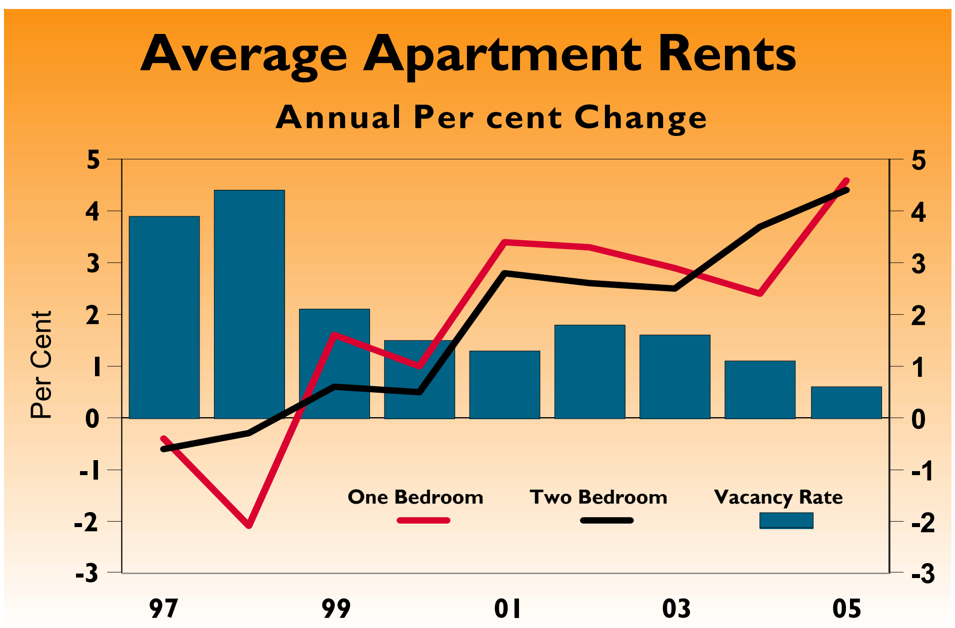
Declining vacancy rates have meant stronger upward pressure on rents. Both the Core area and Rutland saw rents increase sharply in 2005. The average one and two bedroom apartment rents jumped 4.6% and 4.4%, respectively in 2005, the biggest increases since the early 1990s. Townhouse rents are also on the rise, average two bedroom rents climbing by almost 8.0% over last year. Higher Core area rents



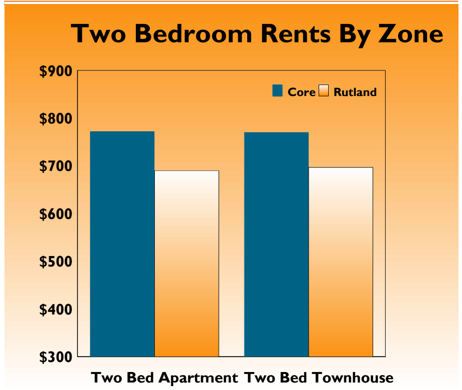
reflect the proximity to the lake, health care services and the newer age of the stock. Newer apartment buildings are achieving rents in the $650-$750 and $800-$950 ranges for one and two bedroom units, respectively. A few more upscale projects are capturing even higher rents.

Rents will continue to trend up in response to sustained low vacancy rates. Expect rents to increase another three to four per cent in 2006, average one and two bedroom apartment rents reaching $638 and $780 by year-end.

On the supply side, Kelowna has seen few additions to the stock of conventional rental housing.



Declining vacancy rates lead to bigger rent increases.



	Core	Rutland	% Ch.
Apt.	772	690	11.9
Row	770	697	10.5

Combined apartment and rental housing starts will total only 45 units in 2005. Two projects totaling 117 units, both located in Rutland are currently under construction.

High land, land development and construction costs and scarcity of sites remain key challenges for developers. With demand for apartment and townhouse condominiums on the upswing, builders are, for now, focusing on the home ownership market. This year's surge in condo construction will carry over into 2006. Strong presales and low inventories of complete and unsold units point to more opportunity for expansion.

Other types of housing (not included in CMHC's survey) have helped pick up the slack, boosting the stock of rental units. Attached "carriage home" and in-unit secondary suites - "mortgage helpers" - have become increasingly popular among home owners. The condo market is a growing source of rental accommodation. Expectations of big price appreciation, low cost of financing, tight rental market conditions and rising rents have led to more interest among investors. Many condominiums are purchased in anticipation of retirement or as seasonal residences and made available for rent. Also, UBC Okanagan is proceeding with the construction of student residences. The City is currently examining ways to develop affordable rental and ownership housing on lands owned by the municipality. Similarly, strategies such as density bonusing and others - ways to include at least some affordably priced rental or home ownership units in new private sector housing projects - are being pursued by the City.

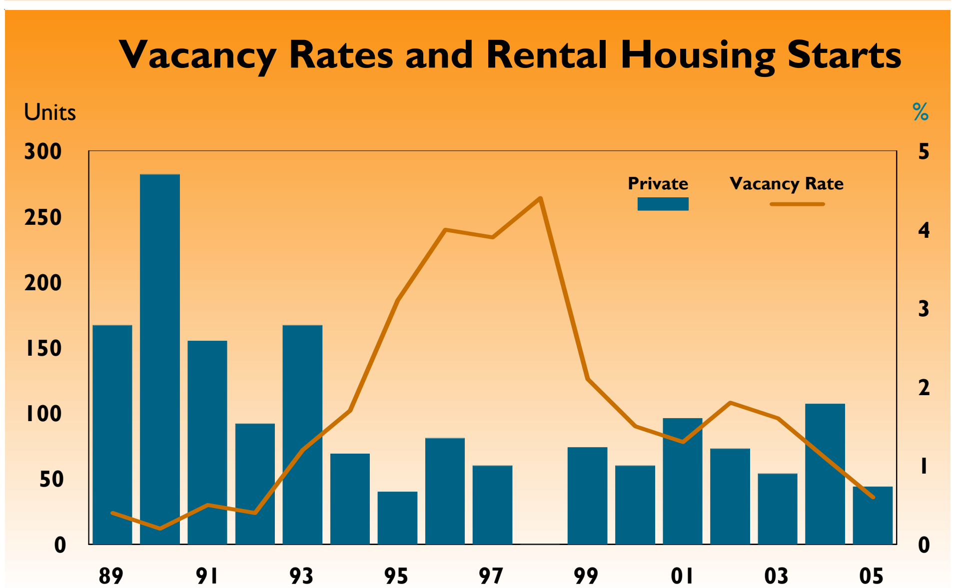
Expect to see a few more rental housing starts in 2006. Starts will total 75 - 100 units next year. Apartments will continue to account for the lion's share of future rental housing. Lower density rental housing remains a marginal proposition given residential development costs and soaring demand for condominiums.

Rental housing starts continue to lag behind growth in demand.

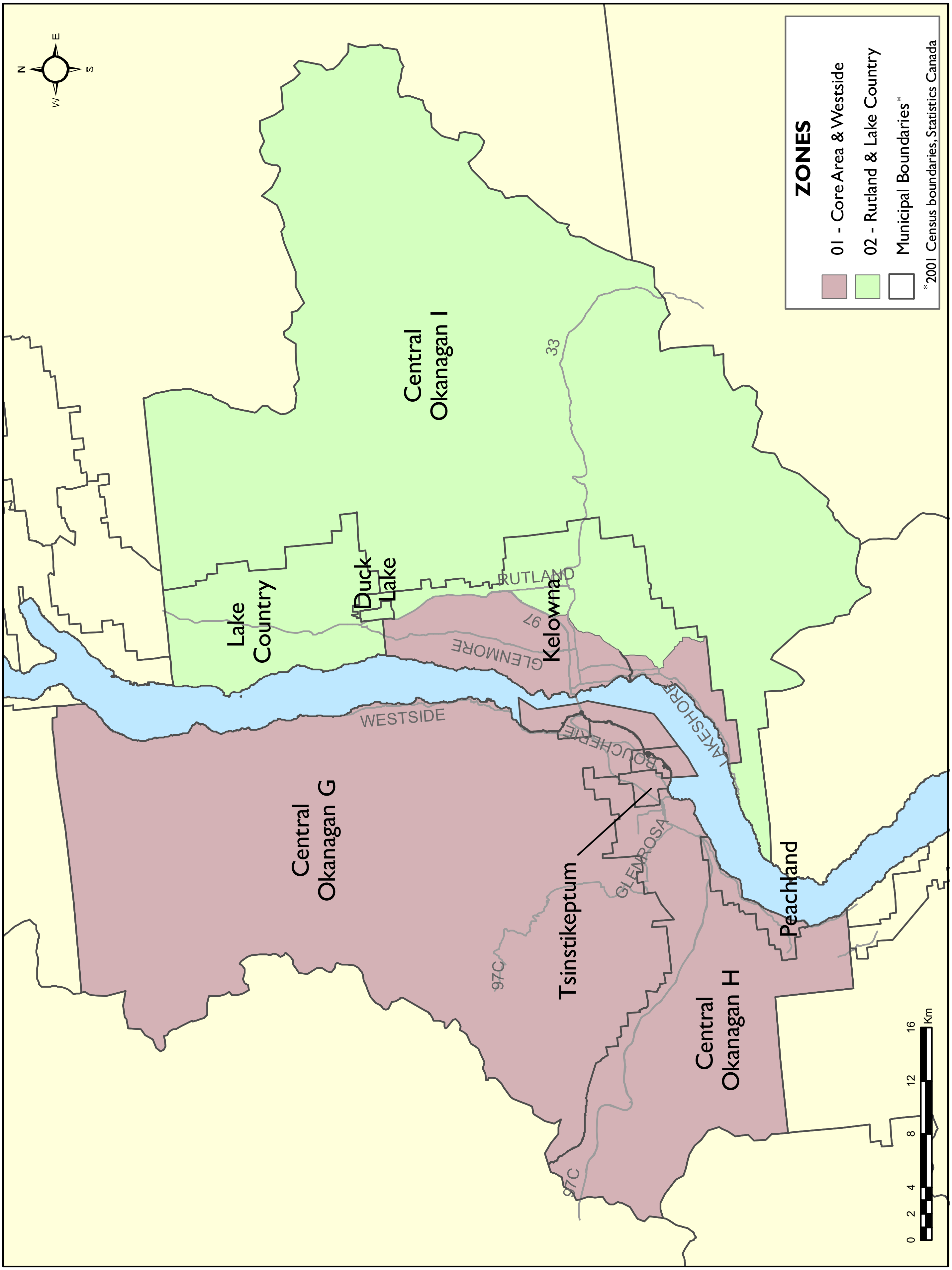
Look for development opportunities in Westbank and locations near areas seeing strong employment growth - the Orchard/Central Park and Highway 97 corridors. Plans to expand UBC Okanagan may also trigger rental construction in Lake Country and the north Rutland and airport areas.

Forecast

- The Kelowna area rental market will remain tight through 2006. Expect the combined apartment/townhouse vacancy rate in both Rutland and the Core area to remain below one per cent next year. Strong population growth fueled by an expanding economy and influx of retirees and lifestylers will keep vacancy rates low. Fewer renters will make the jump to home ownership in 2006. Rental construction will continue to lag behind growth in demand, contributing to sustained low vacancy rates.
- Rents will continue to rise in response to low vacancy rates, increasing 3-4% in 2006.
- Rental housing starts will total 75-100 units in 2006. Once again, high land and other costs and scarcity of building sites and competing development alternatives will remain limiting factors. Other types of rental accommodation - carriage homes, secondary suites, investor-owned condominiums and student housing will comprise the biggest source of new rental housing in 2006.



Supply lags behind growth in demand.


ZONES
01 - Core Area & Westside
02 - Rutland & Lake Country
Municipal Boundaries*
*2001 Census boundaries, Statistics Canada
Central Okanagan I
Lake Country
Duck Lake
Kelowna
RUTLAND
GLENMORE
WESTSIDE
LAKESHORE
BOUCHERIE
GLENROSA
Central Okanagan G
Tsinstikeptum
Peachland
Central Okanagan H
33
97
97C
0 2 4 8 12 16 Km

ZONE DESCRIPTIONS - KELOWNA CA	
Zone 1	**Kelowna City** - Core area and Westside.
Zone 2	**Kelowna City**- Rutland and Lake Country.
Zones 1-2	**Kelowna CA**

Zone Realignment and Census Tract Revision

For a number of centres, the zones were realigned to better match existing neighbourhoods (see zone descriptions) and, in some cases, the zones were renumbered. At the same time, the census tracts, which make up the zones, were revised to make them correspond to the 2001 census boundaries (as determined by Statistics Canada). The result of these two actions is the following: the universe size, the vacancy rate and the average rent reported for year 2004 in the 2004 rental market publications may be different from the year 2004 numbers reported in the 2005 reports.

Rental Market Report Tables

Available in ALL Rental Market Reports

Private Apartment Data:

1.1.1 Vacancy Rates (%) by Zone and Bedroom Type
1.1.2 Average Rents ($) by Zone and Bedroom Type
1.1.3 Number of Units - Vacant and Universe by Zone and Bedroom Type
1.1.4 Availability Rates (%) by Zone and Bedroom Type
1.2.1 Vacancy Rates (%) by Year of Construction and Bedroom Type
1.2.2 Average Rents ($) by Year of Construction and Bedroom Type
1.3.1 Vacancy Rates (%) by Structure Size and Bedroom Type
1.3.2 Average Rents ($) by Structure Size and Bedroom Type
1.4 Vacancy Rates (%) by Rent Range and Bedroom Type

Available in SELECTED Rental Market Reports

Private Apartment Data:

1.3.3 Vacancy Rates (%) by structure Size and Zone

Private Row (Townhouse) Data:

2.1.1 Vacancy Rates (%) by Zone and Bedroom Type
2.1.2 Average Rents ($) by Zone and Bedroom Type
2.1.3 Number of Units - Vacant and Universe by Zone and Bedroom Type
2.1.4 Availability Rates (%) by Zone and Bedroom Type

Private Apartment and Row (Townhouse) Data:

3.1.1 Vacancy Rates (%) by Zone and Bedroom Type
3.1.2 Average Rents ($) by Zone and Bedroom Type
3.1.3 Number of Units - Vacant and Universe by Zone and Bedroom Type
3.1.4 Availability Rates (%) by Zone and Bedroom Type

1.1.1 Private Apartment Vacancy Rates (%)
by Zone and Bedroom Type
Kelowna CA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
Zone 1 - Core Area	0.0	0.9	1.1	0.2	0.9	0.5	1.8	4.6	1.0	0.5
Zone 2 - Rutland	0.0	0.0	0.6	**	0.9	0.8	0.0	0.0	0.8	0.7
Kelowna CA	**0.0**	**0.8**	**1.1**	**0.2**	**0.9**	**0.6**	**1.5**	**3.6**	**1.0**	**0.5**

1.1.2 Private Apartment Average Rents ($)
by Zone and Bedroom Type
Kelowna CA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +	
	2004	2005	2004	2005	2004	2005	2004	2005
Zone 1 - Core Area	471	501	591	621	741	772	**	780
Zone 2 - Rutland	399	428	**	**	658	690	**	787
Kelowna CA	**467**	**497**	**589**	**616**	**723**	**755**	**770**	**781**

1.1.3 Number of Private Apartment Units Vacant and Universe in October 2005
by Zone and Bedroom Type
Kelowna CA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total
Zone 1 - Core Area	1	123	3	1,565	9	1,589	4	93	17	3,370
Zone 2 - Rutland	0	8	**	**	4	445	0	24	5	647
Kelowna CA	**1**	**131**	**4**	**1,734**	**12**	**2,034**	**4**	**117**	**22**	**4,017**

1.1.4 Private Apartment Availability Rates (%)
by Zone and Bedroom Type
Kelowna CA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
Zone 1 - Core Area	n/a	1.7	n/a	0.7	n/a	0.9	n/a	5.9	n/a	1.0
Zone 2 - Rutland	n/a	0.0	n/a	**	n/a	2.2	n/a	0.0	n/a	1.8
Kelowna CA	**n/a**	**1.6**	**n/a**	**0.8**	**n/a**	**1.2**	**n/a**	**4.7**	**n/a**	**1.1**

** : Data suppressed to protect confidentiality or because data is not statistically reliable

n/u : No units exist in the universe for this category **n/s** : No units exist in the sample for this category **n/a** : Not applicable

1.2.1 Private Apartment Vacancy Rates (%)
by Year of Construction and Bedroom Type
Kelowna CA

Year of Construction	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
Kelowna CA										
Pre 1960	**	**	**	**	**	**	n/u	n/u	4.0	5.8
1960 - 1974	0.0	1.8	1.1	0.4	1.4	0.4	**	**	1.1	0.5
1975 - 1989	0.0	0.0	1.0	0.2	1.1	0.6	**	**	1.0	0.4
1990+	**	**	1.1	0.0	0.3	0.6	**	**	0.7	0.7
Total	0.0	0.8	1.1	0.2	0.9	0.6	1.5	3.6	1.0	0.5

1.2.2 Private Apartment Average Rents ($)
by Year of Construction and Bedroom Type
Kelowna CA

Year of Construction	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +	
	2004	2005	2004	2005	2004	2005	2004	2005
Kelowna CA								
Pre 1960	**	**	**	**	**	**	n/u	n/u
1960 - 1974	**	485	558	584	656	692	**	**
1975 - 1989	479	502	**	602	705	724	**	**
1990+	**	**	663	694	787	832	**	**
Total	467	497	589	616	723	755	770	781

1.3.1 Private Apartment Vacancy Rates (%)
by Structure Size and Bedroom Type
Kelowna CA

Size	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
Kelowna CA										
3 to 5 Units	n/u	n/u	**	**	**	**	**	**	14.3	16.7
6 to 19 Units	0.0	0.0	0.7	1.3	1.3	1.1	0.0	0.0	1.0	1.1
20 to 49 Units	0.0	2.1	1.3	0.2	1.1	0.8	**	**	1.1	0.6
50 to 99 Units	**	**	0.7	0.0	0.5	0.0	**	**	0.5	0.1
100+ Units	**	**	**	**	**	**	n/u	n/u	**	**
Total	0.0	0.8	1.1	0.2	0.9	0.6	1.5	3.6	1.0	0.5

1.3.2 Private Apartment Average Rents ($)
by Structure Size and Bedroom Type
Kelowna CA

Size	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +	
	2004	2005	2004	2005	2004	2005	2004	2005
Kelowna CA								
3 to 5 Units	n/u	n/u	**	**	**	**	**	**
6 to 19 Units	**	485	**	548	647	692	**	733
20 to 49 Units	457	489	583	614	735	761	**	**
50 to 99 Units	**	**	613	633	737	775	**	**
100+ Units	**	**	**	**	**	**	n/u	n/u
Total	467	497	589	616	723	755	770	781

****** : Data suppressed to protect confidentiality or because data is not statistically reliable

n/u : No units exist in the universe for this category **n/s** : No units exist in the sample for this category **n/a** : Not applicable

1.4 Private Apartment Vacancy Rates (%) by Rent Range and Bedroom Type Kelowna CA

Rent Range	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
Kelowna CA										
LT $400	**	**	**	**	n/s	n/s	n/s	n/s	**	**
$400 - $499	**	**	**	**	n/s	n/s	n/s	n/s	0.0	**
$500 - $599	**	**	1.0	0.3	**	**	n/s	**	1.2	0.2
$600 - $799	n/s	n/s	1.3	0.2	0.8	0.6	**	**	1.0	0.5
$800 - $999	n/s	n/s	**	**	**	**	**	**	**	1.6
$1000+	n/s	n/s	n/s	n/s	**	**	n/s	n/s	**	**
Total	0.0	0.8	1.1	0.2	0.9	0.6	1.5	3.6	1.0	0.5

2.1.1 Private Row (Townhouse) Vacancy Rates (%) by Zone and Bedroom Type Kelowna CA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
Zone 1 - Core Area	**	n/s	**	**	1.7	2.4	1.9	0.0	2.0	1.7
Zone 2 - Rutland	n/u	n/u	0.0	0.0	1.9	1.6	1.8	0.0	1.8	1.2
Kelowna CA	**	**n/s**	**3.1**	**	**1.8**	**2.0**	**1.9**	**0.0**	**1.9**	**1.4**

2.1.2 Private Row (Townhouse) Average Rents ($) by Zone and Bedroom Type Kelowna CA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +	
	2004	2005	2004	2005	2004	2005	2004	2005
Zone 1 - Core Area	n/s	n/s	**	**	708	752	**	882
Zone 2 - Rutland	n/u	n/u	**	**	658	713	**	780
Kelowna CA	**n/s**	**n/s**	**	**	**680**	**732**	**	**834**

2.1.3 Number of Private Row (Townhouse) Units Vacant and Universe in October 2005 by Zone and Bedroom Type Kelowna CA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total
Zone 1 - Core Area	n/s	n/s	**	**	4	184	0	57	4	259
Zone 2 - Rutland	n/u	n/u	0	13	3	195	0	52	3	260
Kelowna CA	**n/s**	**n/s**	**	**	**7**	**379**	**0**	**109**	**7**	**519**

2.1.4 Private Row (Townhouse) Availability Rates (%) by Zone and Bedroom Type Kelowna CA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
Zone 1 - Core Area	n/a	n/s	n/a	**	n/a	3.6	n/a	0.0	n/a	2.5
Zone 2 - Rutland	n/a	n/u	n/a	0.0	n/a	5.7	n/a	0.0	n/a	4.3
Kelowna CA	**n/a**	**n/s**	**n/a**	**	**n/a**	**4.7**	**n/a**	**0.0**	**n/a**	**3.4**

** : Data suppressed to protect confidentiality or because data is not statistically reliable

n/u : No units exist in the universe for this category **n/s** : No units exist in the sample for this category **n/a** : Not applicable

3.1.1 Private Row (Townhouse) and Apartment Vacancy Rates (%) by Zone and Bedroom Type Kelowna CA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
Zone 1 - Core Area	0.0	0.9	1.2	0.2	1.0	0.7	1.9	2.8	1.1	0.6
Zone 2 - Rutland	0.0	0.0	0.5	0.5	1.3	1.1	1.3	0.0	1.1	0.9
Kelowna CA	**0.0**	**0.8**	**1.1**	**0.2**	**1.1**	**0.8**	**1.7**	**1.9**	**1.1**	**0.6**

3.1.2 Private Row (Townhouse) and Apartment Average Rents ($) by Zone and Bedroom Type Kelowna CA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +	
	2004	2005	2004	2005	2004	2005	2004	2005
Zone 1 - Core Area	471	501	590	621	737	770	782	820
Zone 2 - Rutland	399	428	**	**	658	697	**	782
Kelowna CA	**467**	**497**	**587**	**614**	**716**	**751**	**780**	**807**

3.1.3 Number of Private Row (Townhouse) and Apartment Units Vacant and Universe in October 2005 by Zone and Bedroom Type Kelowna CA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total
Zone 1 - Core Area	1	123	3	1,584	13	1,772	4	150	21	3,629
Zone 2 - Rutland	0	8	1	182	7	640	0	76	8	907
Kelowna CA	**1**	**131**	**4**	**1,766**	**20**	**2,413**	**4**	**226**	**29**	**4,536**

3.1.4 Private Row (Townhouse) and Apartment Availability Rates (%) by Zone and Bedroom Type Kelowna CA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
Zone 1 - Core Area	n/a	1.7	n/a	0.7	n/a	1.2	n/a	3.7	n/a	1.1
Zone 2 - Rutland	n/a	0.0	n/a	1.1	n/a	3.3	n/a	0.0	n/a	2.5
Kelowna CA	**n/a**	**1.6**	**n/a**	**0.8**	**n/a**	**1.7**	**n/a**	**2.4**	**n/a**	**1.4**

****** : Data suppressed to protect confidentiality or because data is not statistically reliable

n/u : No units exist in the universe for this category **n/s** : No units exist in the sample for this category **n/a** : Not applicable

METHODOLOGY

Canada Mortgage and Housing Corporation (CMHC) conducts the **Rental Market Survey** (RMS) every year in October to estimate the relative strengths in the rental market. The survey is conducted on a sample basis in all urban areas with populations of 10,000 and more. The survey targets only structures with at least three rental units, which have been on the market for at least three months. The data collected for a structure depends on its initiation type (public or private), and whether it is an apartment or a row structure. The survey collects vacant unit data for all sampled structures. The market rent data are collected for only privately initiated structures. The available unit data are obtained only for privately initiated apartment or row structures. Most data contained in this publication refer to privately initiated apartment structures.

The survey is conducted by a combination of telephone interviews and site visits, and information is obtained from the owner, manager, or building superintendent. The survey is conducted during the first two weeks of October, and the results reflect market conditions at that time.

Definitions

Availability: A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; or the unit is vacant (see definition of vacancy below).

Rent: The rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water. For available and vacant units, the rent is the amount the owner is asking for the unit.

It should be noted that the average rents reported in this publication provide a sound indication of the amounts paid by unit size and geographical sector. Utilities such as heating, electricity and hot water may or may not be included in the rent. The changes in average rent do not necessarily correspond to rent changes within a given structure. The increase or decrease of the average rents between two years may or may not be statistically significant due to other factors such as the variability of the rents.

Rental Apartment Structure: Any building containing three or more rental units, of which at least one unit is not ground oriented. Owner-occupied units are not included in the rental building unit count.

Rental Row (Townhouse) Structure: Any building containing three or more rental units, all of which are ground oriented with vertical divisions. Owner-occupied units are not included in the rental building unit count. These row units in some centres are commonly referred to as townhouses.

Vacancy: A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

Definitions of Census Areas referred to in this publication are as follows:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree of integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

All data presented in this publication is based on Statistics Canada's 2001 Census area definitions.

Acknowledgement

The Rental Market Survey could not have been conducted without the cooperation of the rental property owners, managers and building superintendents throughout Canada. CMHC acknowledges their hard work and assistance in providing timely and accurate information. As a result of their contribution, CMHC is able to provide information that benefits the entire housing industry.

Information and Subscriptions

For more information about this publication or any other questions on the Kelowna housing market, please call our **Client Service Department** at (604) 737-4088 or e-mail us at **lpreston@cmhc-schl.gc.ca** .

To learn more about Market Analysis Centre products and services and subscribe on-line visit: **www.cmhc.ca/mktinfo/store/**

For more information on other CMHC products and services visit: **www.cmhc.ca**

Cette publication est aussi disponible en français sous le titre: Rapport sur le marché locatif.