

H

HOUSING NOW

Kelowna / Southern Interior

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

New Construction Highlights

Kelowna New Home Market Remains Strong

The Kelowna new home market maintained a blistering pace in July. Housing starts, lead by the multi-family sector, totaled 281 units in July - more than double the same month a year ago.

Starts have surpassed the 275 unit market for the third month this year, levels not seen since the early 1990s. Soaring demand for condominium and other types of multi-family housing is fueling this year's big surge in construction activity. Construction began on two condominium projects and a rental building in July. Retirees, empty nesters, and more recently, buyers seeking lifestyle-oriented condos remain key sources of demand. Also, with the price of both resale and new detached units up sharply, more buyers are turning to condos, semi-

detached units and townhouses. Absorption has remained strong, keeping inventories of complete and unoccupied units - all types - low. Pre-sale activity is holding up, despite an increasingly competitive market. The singles sector, though trailing behind last year, recorded another healthy performance in July.

The Kelowna area economy continues to expand. Strong employment growth has, in turn, spurred in-migration, fueling demand for both new and resale housing. The search for lifestyle also remains a big draw, attracting migrants to the Kelowna area. Low interest rates continue to support high levels of sales and construction activity.

Elsewhere, Kamloops, Vernon and Penticton area starts remained at a high level. All three centres are on track to see housing starts reach ten year highs in 2005.

JULY 2005

IN THIS ISSUE

Highlights - New Construction..... 1

STATISTICAL TABLES:

Kelowna C.A.

Starts/Completions/Under Construction...	2
Inventory & Absorptions	3
Record of Starts	4
Kelowna Activity Summary	5

Kamloops/Okanagan

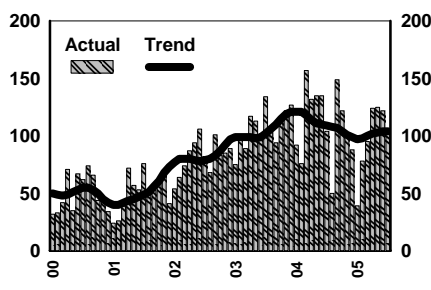
Starts/Completions/Under Construction ..	6
Kamloops Inventory & Absorptions	7
Key Economic Indicators & MLS® Sales...	8

CMHC Kelowna Noticeboard

- ♦ **August 2005** Housing Starts: Local, BC, and National news releases scheduled for Sept. 9, 2005.
- ♦ **The 2005 BC Seniors' Housing Market Survey Report available in mid September!** 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! **Ask for CMHC's Spring 2005 Kelowna Housing Market Outlook Report and 2004 Kelowna Rental Market Report.**

For more information call:
Paul Fabri - CMHC Kelowna
Telephone: (250) 712-4334
Fax: (250) 712-4322
E-mail: pfabri@cmhc.ca

SINGLES STARTS - KELOWNA C.A.
2000 - 2005



Singles starts maintain steady pace.

BC Starts Up In July

Across BC, urban housing starts jumped 20% in July, the multi-family sector accounting for all of the increase. Nationally, housing starts edged up to 242,300 units, seasonally adjusted at annual rates (SAAR), from 241,300 units (SAAR), in June - the highest monthly level this year. Housing starts were up in all regions except Ontario, BC recording the biggest gains.

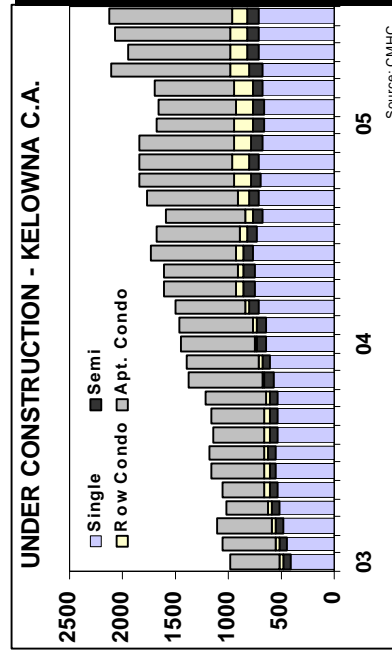
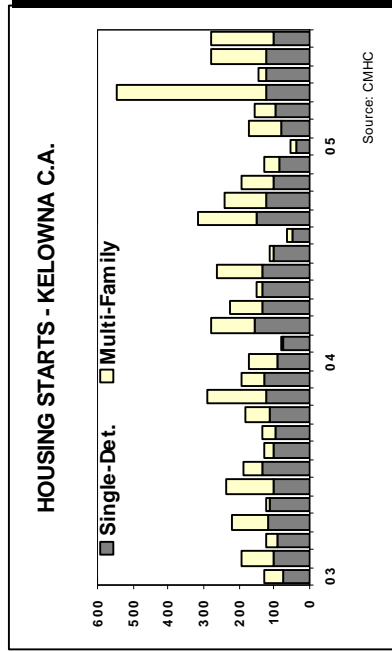
KELOWNA C.A.

STARTS/COMPLETIONS/UNDER CONSTRUCTION

JULY 2005 & YEAR-TO-DATE 2005

	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	67	12	8	0	126	28	241	58	0	24	0	46	0	128	461	80	127	1	1,044	137	1,850
Sub. J*	17	0	3	0	0	0	20	27	8	8	0	0	0	43	140	10	6	0	42	40	238
Sub. I*	2	2	0	0	0	0	4	1	2	0	0	0	0	3	17	4	0	0	0	0	21
Lake Country	10	0	0	0	0	0	10	12	2	6	0	0	0	20	66	0	3	0	0	0	69
Peachland	1	0	0	0	0	0	1	1	0	0	0	0	0	1	16	12	3	0	82	0	113
Indian Res.	5	0	0	0	0	0	5	5	0	0	0	0	0	5	14	0	0	0	0	0	14
MONTH TOTAL	102	14	11	0	126	28	281	104	12	38	0	46	0	200	714	106	139	1	1,168	177	2,305
YEAR-TO-DATE	685	70	92	1	699	83	1,630	649	66	125	2	319	8	1,169							

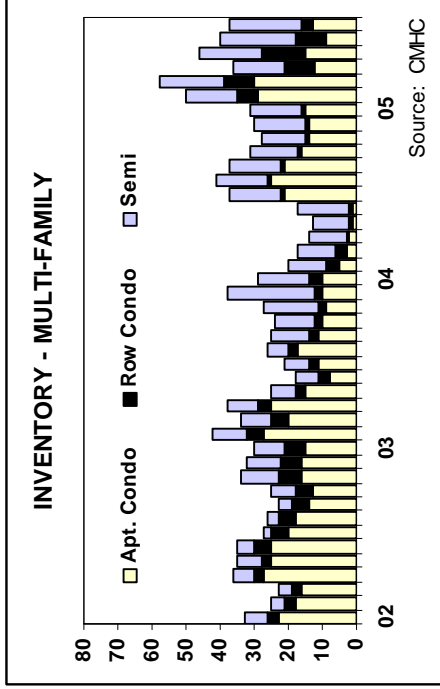
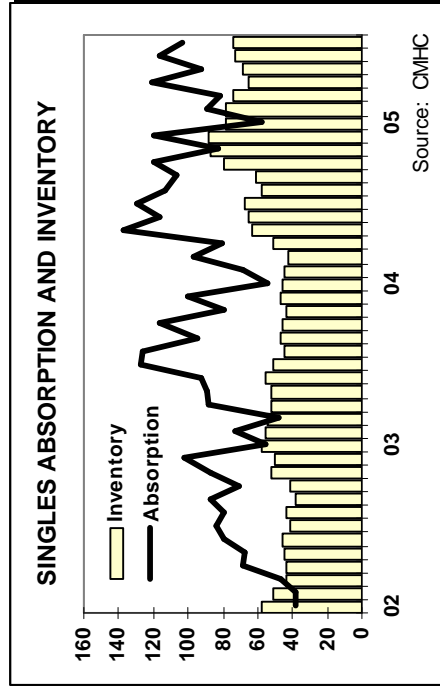
* Sub. J - Westside (former Sub. G and H) - Glenrosa, Westbank, Smith Creek, Shannon Heights, West Kelowna, Lakeview Heights, Westside/Fintry. Sub. I - Joe Rich, Ellision.



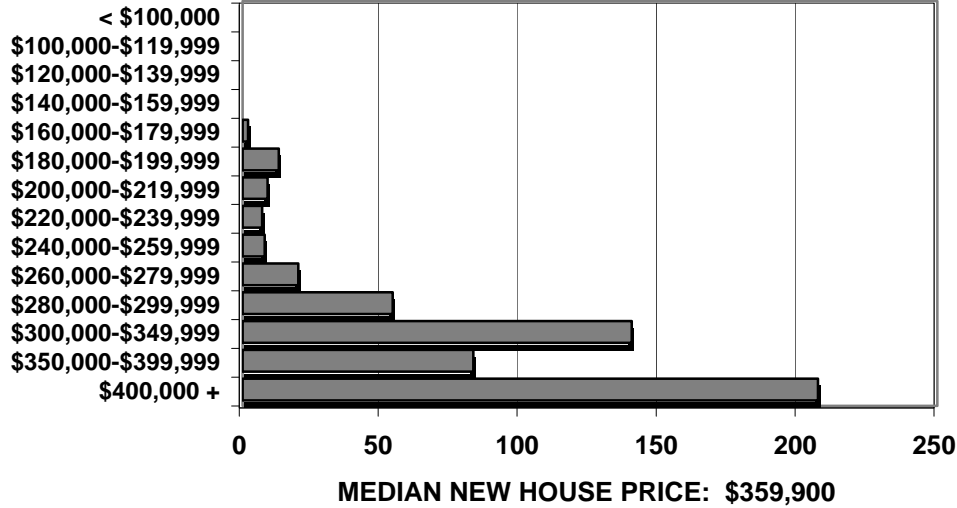
**KELOWNA C.A.
INVENTORY AND ABSORPTION
JULY 2005 & YEAR-TO-DATE 2004 & 2005**

INVENTORY OF NEW HOMES										ABSORPTION OF NEW HOMES										
	Apt		Row		Semi		Single		Total		Apt		Row		Semi		Single		Grand	
	Condo	Rental	Condo	Rental	Condo	Rental	Condo	Rental	Condo	Rental	Condo	Rental	Condo	Rental	Condo	Rental	Condo	Rental	Condo	Total
Kelowna City	13	0	2	0	15	0	59	0	89	14	0	24	0	0	0	56	0	94		
Sub. J	0	0	1	0	3	0	8	0	12	0	0	4	0	8	0	27	0	39		
Sub. I	0	0	0	0	1	0	2	0	3	0	0	0	0	3	0	1	0	4		
Lake Country	0	0	0	0	0	0	2	0	2	0	1	0	0	2	0	13	0	16		
Peachland	0	0	0	0	2	0	0	0	2	1	0	0	0	0	0	1	0	2		
Indian Reserve	0	0	0	0	0	0	3	0	3	0	0	0	0	0	0	5	0	5		
MONTH TOTAL	13	0	3	0	21	0	74	0	111	15	0	29	0	13	103	0	160			
Y.T.D. Average 2005*	18	0	7	0	18	0	73	0	116	482	53	129	2	60	663	2	1,389			
Y.T.D. Average 2004*	7	23	2	0	12	0	54	0	98	232	84	30	0	49	683	0	1,078			

Absorption does not include assisted rental units. * Rounded.



PRICES OF SINGLES ABSORBED AT COMPLETION
Kelowna C.A. January - July 2005



Sub Area	Singles Starts By Sub Area		Singles Absorption By Sub Area	
	Y.T.D. 2005	Y.T.D. 2004	Y.T.D. 2005	Y.T.D. 2004
Black Mountain	48	34	46	21
Dilworth Mountain	21	30	24	8
Ellison	15	49	41	32
Glenrosa	1	8	6	15
Glenmore	14	12	6	17
I.R.	10	23	25	11
Core Area*	75	122	73	112
Lakeview Heights	37	48	42	52
Lower Mission	28	36	36	28
North Glenmore	51	45	43	15
Peachland	14	4	11	9
Rutland North	31	23	13	30
Rutland South	0	1	2	1
S. E. Kelowna	20	31	24	37
Shannon Lake	41	19	22	20
Upper Mission	141	223	144	163
Westbank	5	9	15	11
Winfield	68	20	30	19
West Kelowna	29	50	33	54
Other**	36	44	27	28
Total	685	831	663	683

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

HOUSING ACTIVITY SUMMARY - KELOWNA CA JULY 2005

	OWNERSHIP				RENTAL				TOTAL
	FREEHOLD		CONDOMINIUM		PRIVATE		ASSISTED		
	Single	Semi	Row	Apt.	Row	Apt.	Row	Apt.	
Starts									
July 2005	102	14	11	126	0	28	0	0	281
YTD 2005	685	70	92	699	1	43	0	40	1,630
YTD 2004	831	70	51	239	5	89	0	0	1,285
Under Construction									
July 2005	714	106	139	1,168	1	137	0	40	2,305
July 2004	731	90	73	779	5	89	0	0	1,767
Completions									
July 2005	104	12	38	46	0	0	0	0	200
YTD 2005	649	66	125	319	2	8	0	0	1,169
YTD 2004	704	54	8	130	0	113	0	0	1,009
Inventory									
July 2005	74	21	3	13	0	0			111
July 2004	68	15	1	21	0	30			135
Total Supply									
July 2005	788	127	142	1,181	1	137	0	40	2,416
July 2004	799	105	74	800	5	119	0	0	1,902
Absorption									
July 2005	103	13	29	15	0	0			160
3 Mo. Ave.	110	12	21	133	1	3			280
12 Mo. Ave.	103	10	15	55	1	7			191

Absorption does not include assisted rentals.

RECORD OF STARTS - KELOWNA C.A.					
YEAR	SINGLE	SEMI	ROW	APT	TOTAL
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
2004	1341	148	176	563	2228

OTHER CENTRES
Starts/Completions/Under Construction
JULY 2005 AND YEAR-TO-DATE 2005

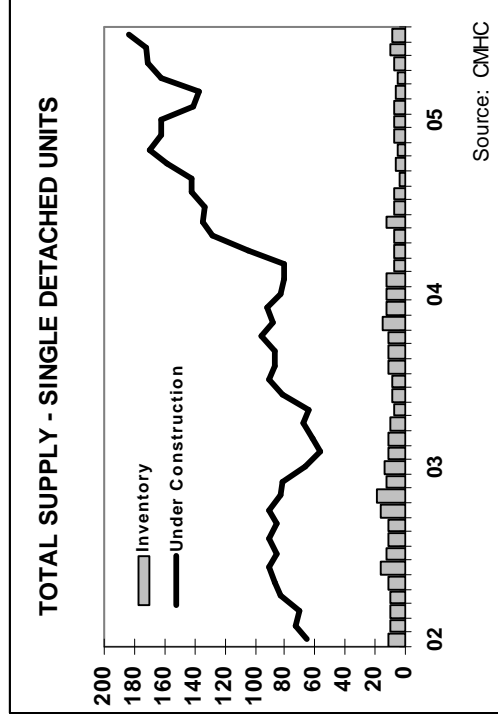
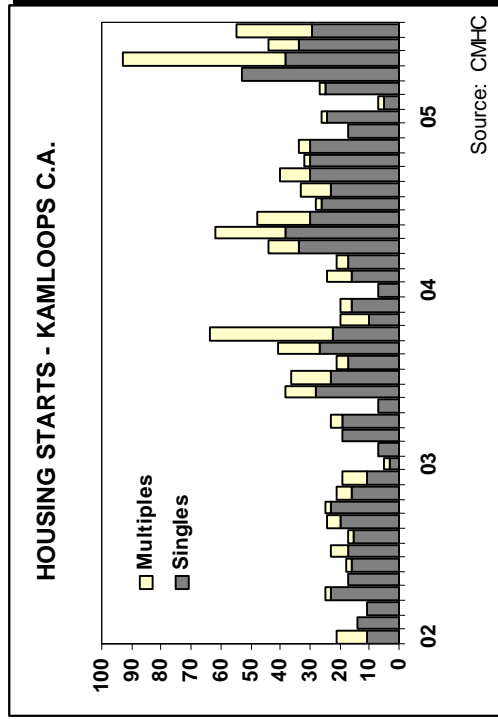
	STARTS											COMPLETIONS											UNDER CONSTRUCTION																																
	Single			Semi			Row Condo			Apt. Rental			Total			Single			Semi			Row Condo			Apt. Rental			Total																											
	12	4	16	81	25	4	26	0	0	43	0	0	0	0	0	12	4	16	81	25	4	26	0	0	43	0	0	0	0	0	5	0	5	53	109	0	2	0	0	0	0	0	0	0	0	58	53	111							
Cranbrook City	12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	56	2	0	0	0	0	0	0	0	0	0	0	0	0	0	58									
E. Kootenay C	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	53	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	53						
Cranbrook CA	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	109	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	111						
Y.T.D. 2005	81	0	0	0	0	0	0	0	0	0	0	0	0	0	0	53	0	0	0	0	0	0	0	0	0	0	0	0	0	0	163	52	4	43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	262						
Kamloops C.	25	26	0	0	0	0	0	0	0	0	0	0	0	0	0	14	6	0	0	0	0	0	0	0	0	0	0	0	0	0	21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	21						
Kamloops IR	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	184	52	4	43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	283						
Kamloops CA	29	26	0	0	0	0	0	0	0	0	0	0	0	0	0	17	6	0	0	0	0	0	0	0	0	0	0	0	0	0	23	184	52	4	43	0	0	0	0	0	0	0	0	0	0	0	0	0	283						
Y.T.D. 2005	208	54	0	43	0	0	0	0	0	0	0	0	0	0	0	186	40	16	0	6	0	0	6	0	0	0	0	0	0	0	248	8	62	296	0	0	0	0	0	0	0	0	0	0	0	0	0	0	405						
Penticton City	5	0	12	0	0	0	0	0	0	0	0	0	0	0	0	4	0	5	0	0	0	0	0	0	0	0	0	0	0	0	39	8	62	296	0	0	0	0	0	0	0	0	0	0	0	0	0	0	405						
Sub. D	7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	28	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	28						
Sub. E	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	14						
Sub. F	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
Penticton IR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
Penticton CA	14	0	12	0	0	0	0	0	0	0	0	0	0	0	0	10	0	5	0	0	0	0	0	0	0	0	0	0	0	0	81	8	62	296	0	0	0	0	0	0	0	0	0	0	0	0	0	0	447						
Y.T.D. 2005	68	2	44	194	0	0	0	0	0	0	0	0	0	0	0	60	4	21	0	0	0	0	0	0	0	0	0	0	0	0	85	16	0	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	79			
Salmon Arm	14	2	0	0	0	0	0	0	0	0	0	0	0	0	0	8	2	3	0	0	0	0	0	0	0	0	0	0	0	0	47	16	0	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	79			
Y.T.D. 2005	61	10	0	16	0	0	0	0	0	0	0	0	0	0	0	55	8	12	12	0	0	0	0	0	0	0	0	0	0	0	87	2	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	21			
Summerland	1	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	15	2	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	21			
Y.T.D. 2005	11	2	0	0	0	0	0	0	0	0	0	0	0	0	0	15	0	6	0	0	0	0	0	0	0	0	0	0	0	0	21	22	70	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	237			
Vernon City	19	2	4	0	0	0	0	0	0	0	0	0	0	0	0	24	0	0	0	0	0	0	0	0	0	0	0	0	0	0	142	22	70	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	237			
Coldstream	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	39			
Sub. C	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10			
Sub. B	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10			
I. R.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vernon CA	37	2	4	0	0	0	0	0	0	0	0	0	0	0	0	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	201	22	70	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	296
Y.T.D. 2005	204	20	29	0	0	0	3	0	0	0	0	0	0	0	0	190	16	11	0	4	0	0	4	0	0	0	0	0	0	0	221	8	62	296	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	447			

KAMLOOPS CA

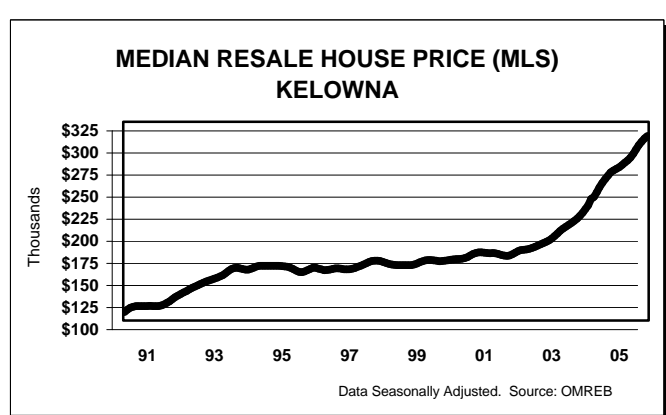
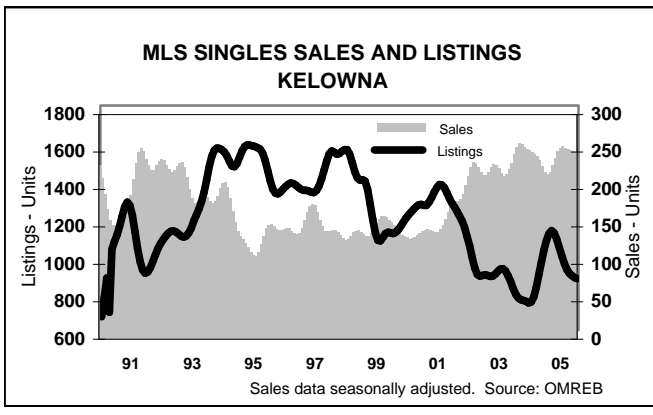
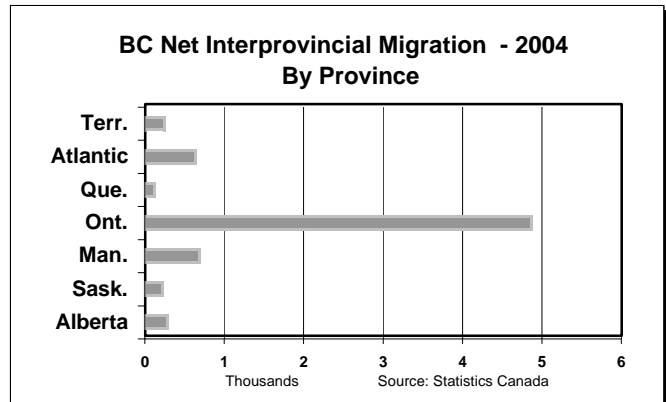
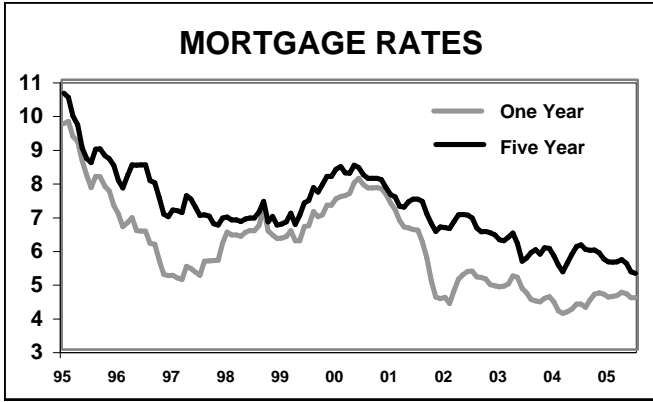
Inventory and Absorption by Municipality JULY 2005 AND YEAR-TO-DATE 2004 & 2005

	INVENTORY OF NEW HOMES						ABSORPTION OF NEW HOMES						Grand Total	
	Apt Condo	Apt Rental	Row Condo	Semi Rental	Single Total	Total	Apt Condo	Apt Rental	Row Condo	Semi Rental	Single Total			
Kamloops City	8	0	1	0	4	8	21	0	0	0	0	13	15	28
Kamloops IR	0	0	0	0	0	1	1	0	0	0	0	0	0	3
MONTH TOTAL	8	0	1	0	4	9	22	0	0	0	0	13	18	31
Y.T.D. Average 2005*	8	0	1	0	5	7	21	0	0	0	0	42	184	260
Y.T.D. Average 2004*	12	0	3	0	10	10	35	0	0	0	0	23	131	207

Absorption does not include assisted rental units. * Rounded.



KEY ECONOMIC INDICATORS



SOUTHERN INTERIOR RESALE MARKETS

MLS SALES	JULY				YEAR-TO-DATE			
	Sales July 2005	Percent Change July 04	Median Price July 05	Percent Change July 04	Sales YTD 2005	Percent Change YTD 04	Median Price YTD 2005	Percent Change YTD 04
Single Detached								
Kelowna	295	18%	\$313,000	26%	1,931	6%	\$300,000	15%
Kamloops	111	-14%	\$233,500	16%	840	1%	\$200,000	14%
Vernon Area	148	-6%	\$243,500	16%	988	-5%	\$234,000	24%
Penticton	29	-41%	\$289,000	29%	250	-6%	\$255,000	28%
Salmon Arm	40	48%	\$242,000	33%	204	25%	\$220,000	30%
Cranbrook	23	-4%	\$183,000	39%	217	17%	\$149,000	n/a

MLS - Multiple Listing Service is a registered trademark owned by The Canadian Real Estate Association (CREA).
Current month MLS data is preliminary.

HOUSING NOW

To subscribe call: Lisa Preston.
Phone: (604) 737-4088 or Fax: (604) 737-4021.
E-mail: lpreston@cmhc.ca