

H

OUSING NOW

Kelowna / Southern Interior

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

New Construction Highlights

Multi-family Construction Boosts January Starts

Kelowna's new home market began the year on a strong note, reaching the highest January level since 1992. January housing starts jumped to 236 units from only 55 units a year ago. Both the singles and multi-family sectors recorded big gains. Also, unseasonably mild temperatures have meant fewer weather related delays this year.

Last year's surge in demand for multi-family housing has carried over into 2006. Construction began on two apartment condominium projects totaling 125 units. Price and lifestyle remain key drivers. Singles starts were also up sharply, more than doubling from January 2005.

Market fundamentals remain solid. 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 remains a big draw, retirees and others seeking lifestyle and resort-oriented housing contributing to increased demand. Interest rates, though edging up, remain low by historical standards. Absorption remains strong, keeping inventories of complete and unsold units - all housing types - low. Condo pre sales have held up despite an increasingly competitive market. Rising costs and delays due to production constraints - mainly shortages of skilled labour - have become increasingly acute challenges for the industry

Elsewhere, Penticton starts shot up in January, the multi-family sector accounting for most of the increase. The Kamloops and Vernon new home markets also recorded a strong performance.

BC Starts Drop Back in January

BC starts were down in January, declining Vancouver area starts offsetting increased home building activity elsewhere in the province. Nationally, housing starts, rose to 247,900 units, seasonally adjusted at annual rates (SAAR), from 232,600 units (SAAR), in December. All regions except BC saw an increase.

JANUARY 2006

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

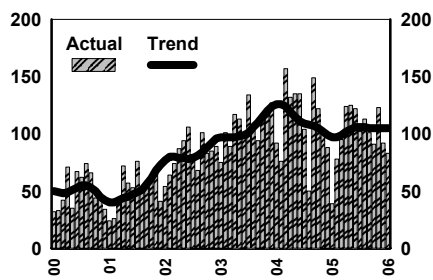
Starts/Completions/Under Construction ..	6
Kamloops Inventory & Absorptions	7
Key Economic Indicators & MLS® Sales...	8

CMHC Kelowna Noticeboard

- **February 2006** Housing Starts: Local, BC, and National news releases scheduled for March 8, 2006. CMHC's **2005 Kelowna Rental Market Report** is now available.
- 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 Fall 2005 Kelowna Housing Market Outlook Report and the 2005 BC Seniors' Housing Survey 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 - 2006

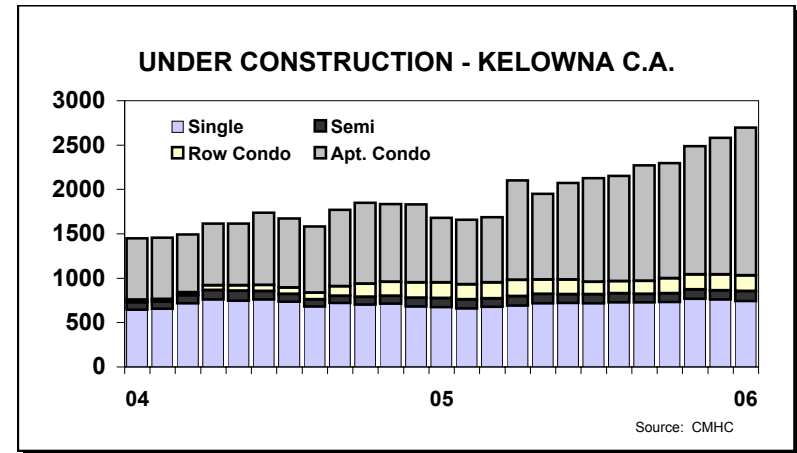
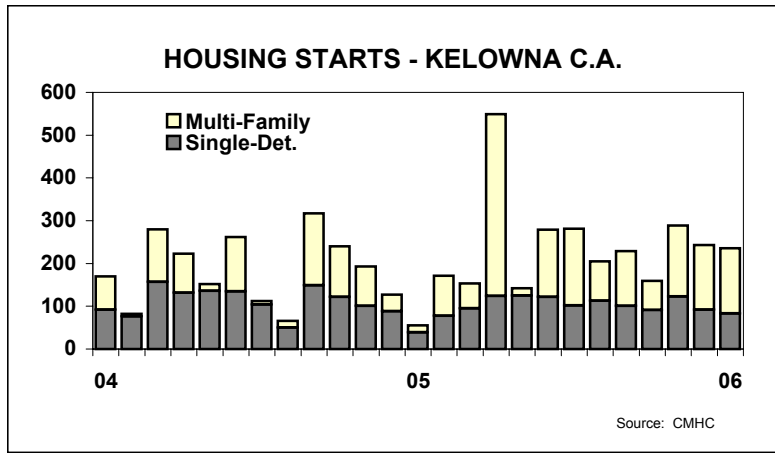


Singles starts up sharply.

KELOWNA C.A. STARTS/COMPLETIONS/UNDER CONSTRUCTION JANUARY 2006 & YEAR-TO-DATE 2006

	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	41	14	12	0	125	0	192	49	2	16	0	0	0	67	461	88	136	1	1,458	137	2,281	
CORD Sub. J*	15	0	0	0	0	0	15	14	2	0	0	0	0	16	154	8	35	0	42	0	239	
CORD Sub. I*	1	2	0	0	0	0	3	1	0	0	0	0	0	1	21	16	0	0	0	0	37	
Lake Country	23	0	0	0	0	0	23	9	0	0	0	0	0	9	86	0	3	0	32	25	146	
Peachland	3	0	0	0	0	0	3	2	0	0	0	0	0	2	17	4	3	0	134	0	158	
MONTH TOTAL	83	16	12	0	125	0	236	75	4	16	0	0	0	95	739	116	177	1	1,666	162	2,861	
YEAR-TO-DATE	83	16	12	0	125	0	236	75	4	16	0	0	0	95								

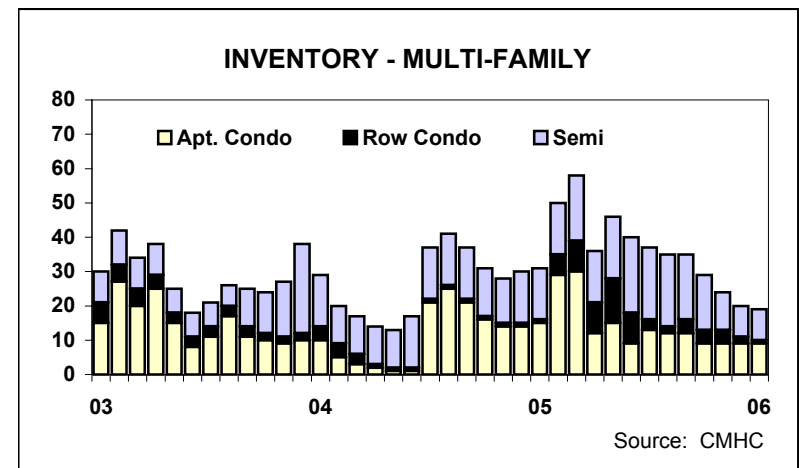
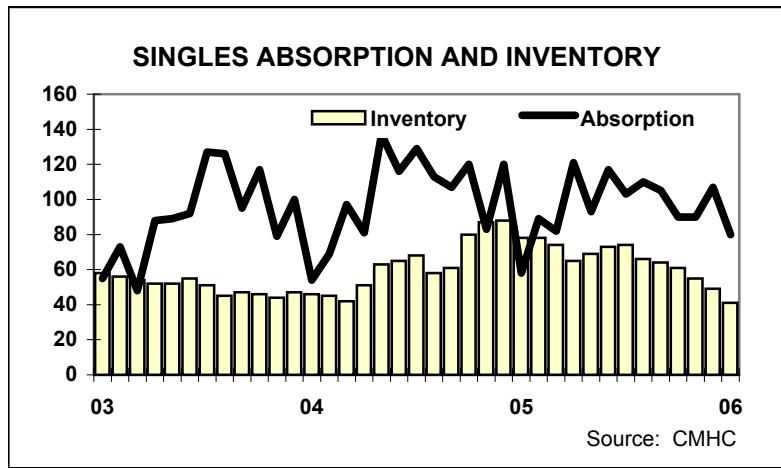
Westside/Fintry. Sub. I - Eastside - Joe Rich, Ellison. Please note, Indian Reserves are no longer included in CMHC's monthly Starts and Completions and Absorption Surveys.



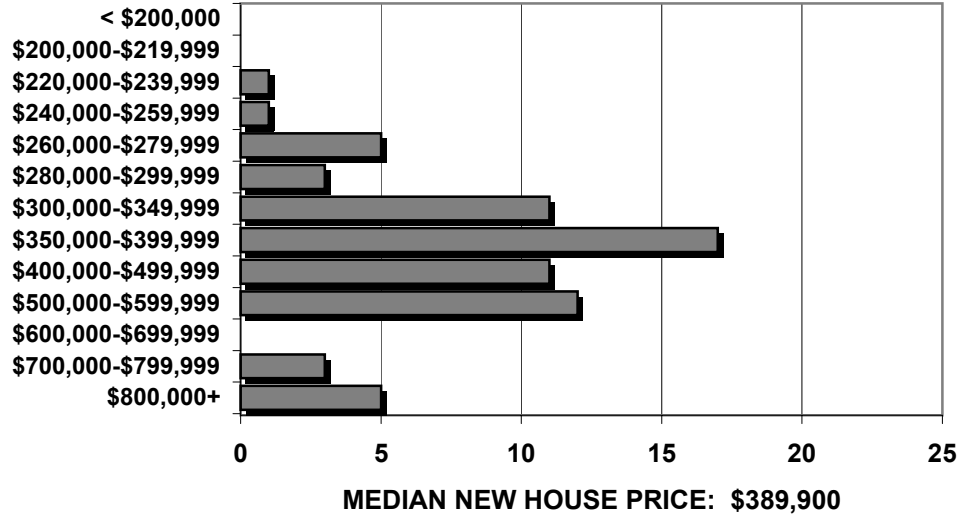
KELOWNA C.A. INVENTORY AND ABSORPTION JANUARY 2006 & YEAR-TO-DATE 2005 & 2006

	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	9	0	0	0	5	33	47	Kelowna City	73	0	5	0	2	54	134
CORD Sub. J	0	0	1	0	1	6	8	CORD Sub. J	6	0	2	0	2	15	25
CORD Sub. I	0	0	0	0	3	0	3	CORD Sub. I	0	0	0	0	0	1	1
Lake Country	0	0	0	0	0	2	2	Lake Country	0	0	1	0	0	8	9
Peachland	0	0	0	0	0	0	0	Peachland	0	0	0	0	0	2	2
MONTH TOTAL	9	0	1	0	9	41	60	MONTH TOTAL	79	0	8	0	4	80	171
Y.T.D. Average 2006*	9	0	1	0	9	41	60	Y.T.D. Total 2006	79	0	8	0	4	80	171
Y.T.D. Average 2005*	15	0	1	0	15	78	109	Y.T.D. Total 2005	19	0	20	0	4	58	101

CORD - Regional District of Central Okanagan. Absorption does not include assisted rental units. * Rounded.



PRICES OF SINGLES ABSORBED AT COMPLETION
Kelowna C.A. January 2006



Sub Area	Y.T.D. 2006	Y.T.D. 2005	Y.T.D. 2006	Y.T.D. 2005
Black Mountain	9	1	5	0
Dilworth Mountain	0	0	4	3
Ellison	1	2	2	6
Glenrosa	0	0	1	0
Glenmore	2	0	0	1
Core Area*	6	1	7	8
Lakeview Heights	3	4	4	4
Lower Mission	1	7	2	6
North Glenmore	4	1	3	0
Peachland	3	2	2	0
Rutland North	4	0	5	0
Rutland South	0	0	0	0
S. E. Kelowna	3	1	1	5
Shannon Lake	4	2	5	2
Upper Mission	12	12	26	19
Westbank	2	0	3	1
Winfield	22	1	7	0
West Kelowna	5	2	2	3
Other**	2	3	1	0
Total	83	39	80	58

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

HOUSING ACTIVITY SUMMARY - KELOWNA CA JANUARY 2006

	OWNERSHIP				RENTAL				TOTAL
	FREEHOLD		CONDOMINIUM		PRIVATE		ASSISTED		
	Single	Semi	Row	Apt.	Row	Apt.	Row	Apt.	
Starts									
Jan. 2006	83	16	12	125	0	0	0	0	236
YTD 2006	83	16	12	125	0	0	0	0	236
YTD 2005	39	8	8	0	0	0	0	0	55
Under Construction									
Jan. 2006	739	116	177	1,666	1	137	0	25	2,861
Jan. 2005	669	106	177	729	2	102	0	0	1,785
Completions									
Jan. 2006	75	4	16	0	0	0	0	0	95
YTD 2006	75	4	16	0	0	0	0	0	95
YTD 2005	48	4	3	59	0	0	0	0	114
Inventory									
Jan. 2006	41	9	1	9	0	0			60
Jan. 2005	78	15	1	15	0	0			109
Total Supply									
Jan. 2006	780	125	178	1,675	1	137	0	25	2,921
Jan. 2005	747	121	178	744	2	102	0	0	1,894
Absorption									
Jan. 2006	80	4	8	79	0	0			171
3 Mo. Ave.	96	11	20	82	0	15			224
12 Mo. Ave.	97	10	19	77	1	8			212

Absorption does not include assisted rentals.

RECORD OF STARTS - KELOWNA C.A.					
YEAR	SINGLE	SEMI	ROW	APT	TOTAL
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
2005	1205	112	206	1232	2755

OTHER CENTRES
Starts/Completions/Under Construction
JANUARY 2006 AND YEAR-TO-DATE 2006

	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	4	0	0	0	0	0	4	11	0	0	0	0	0	11	53	0	0	0	0	27	80
E. Kootenay C	1	0	0	0	0	0	1	4	0	0	0	0	0	4	57	0	0	0	0	0	57
Cranbrook CA	5	0	0	0	0	0	5	15	0	0	0	0	0	15	110	0	0	0	0	27	137
Y.T.D. 2006	5	0	0	0	0	0	5	15	0	0	0	0	0	15							
Kamloops C.	37	12	0	0	0	0	49	33	6	0	0	0	0	39	208	98	31	43	0	0	380
TNRD Sub. J*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TNRD Sub. P*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Logan Lake DM	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kamloops CA	37	12	0	0	0	0	49	33	6	0	0	0	0	39	208	98	31	43	0	0	380
Y.T.D. 2006	37	12	0	0	0	0	49	33	6	0	0	0	0	39							
Penticton City	3	2	11	15	0	0	31	2	0	8	0	0	0	10	48	8	84	311	0	0	451
RDOS Sub. D*	2	0	0	0	0	0	2	2	0	0	0	0	0	2	27	0	0	0	0	0	27
RDOS Sub. E*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10	0	0	0	0	0	10
RDOS Sub. F*	1	0	0	0	0	0	1	0	0	0	0	0	0	0	1	0	0	0	0	0	1
Penticton CA	6	2	11	15	0	0	34	4	0	8	0	0	0	12	86	8	84	311	0	0	489
Y.T.D. 2006	6	2	11	15	0	0	34	4	0	8	0	0	0	12							
Salmon Arm	7	0	0	0	0	0	7	8	2	0	0	0	0	10	53	10	0	16	0	18	97
Y.T.D. 2006	7	0	0	0	0	0	7	8	2	0	0	0	0	10							
Summerland	3	0	0	0	0	0	3	3	0	0	0	0	0	3	26	2	0	0	0	0	28
Y.T.D. 2006	3	0	0	0	0	0	3	3	0	0	0	0	0	3							
Vernon City	14	0	0	0	0	0	14	26	4	0	0	0	0	30	138	26	32	0	0	15	211
Coldstream	7	0	0	0	0	0	7	7	0	0	0	0	0	7	42	0	0	0	0	0	42
NORD Sub. B*	1	0	0	0	0	0	1	2	0	0	0	0	0	2	5	0	0	0	0	0	5
NORD Sub. C*	4	0	0	0	0	0	4	0	0	0	0	0	0	0	18	4	0	0	0	0	22
Vernon CA	26	0	0	0	0	0	26	35	4	0	0	0	0	39	203	30	32	0	0	15	280
Y.T.D. 2006	26	0	0	0	0	0	26	35	4	0	0	0	0	39							

* TNRD - Regional District of Thompson-Nicola. RDOS - Regional District of Okanagan Similkameen. NORD - Regional District of North Okanagan.

Please note, Indian Reserves are no longer included in CMHC's monthly Starts and Completions and Absorption Surveys.

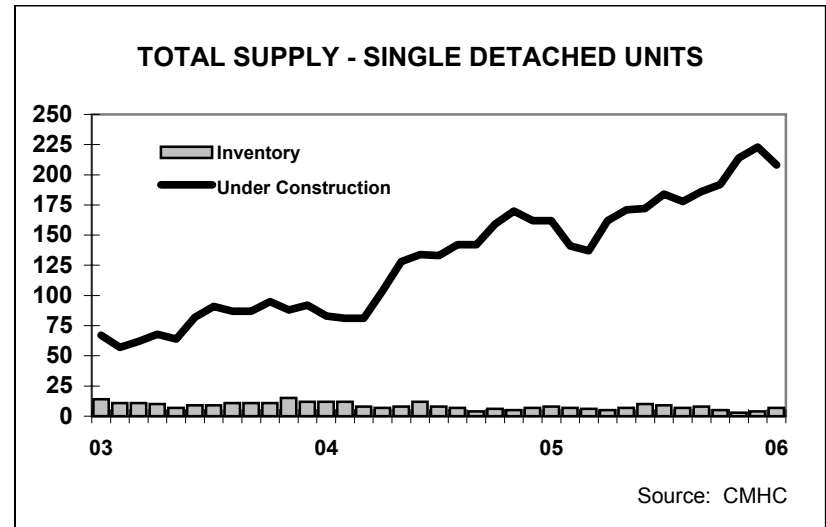
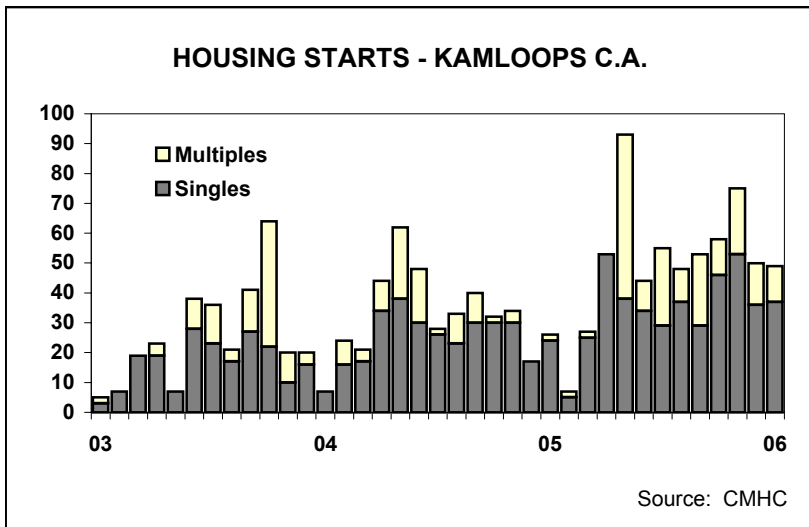
KAMLOOPS CA

Inventory and Absorption by Municipality

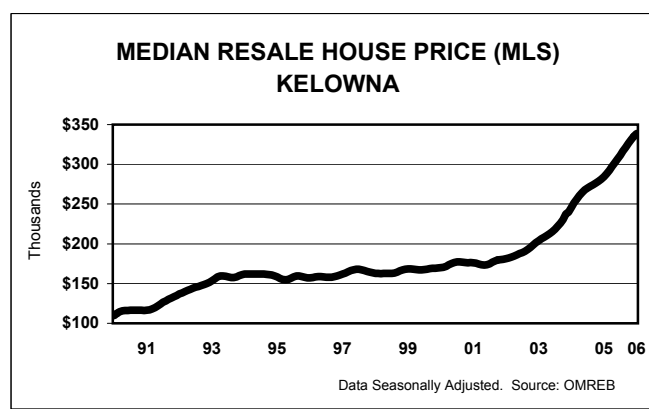
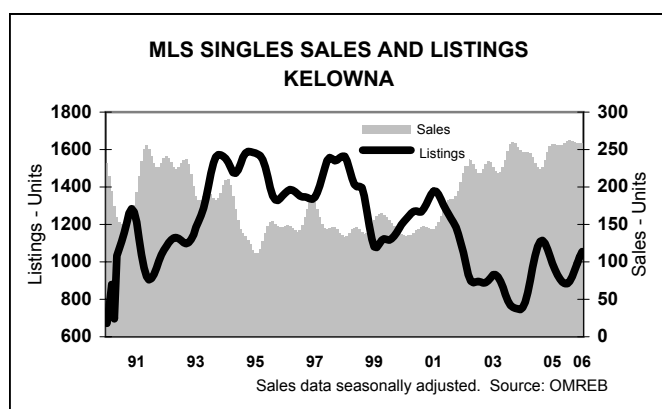
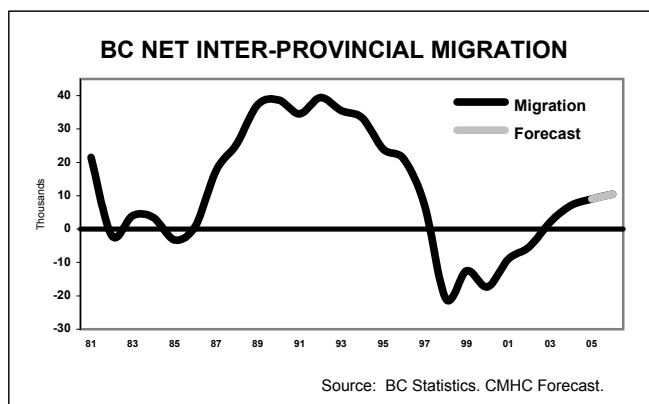
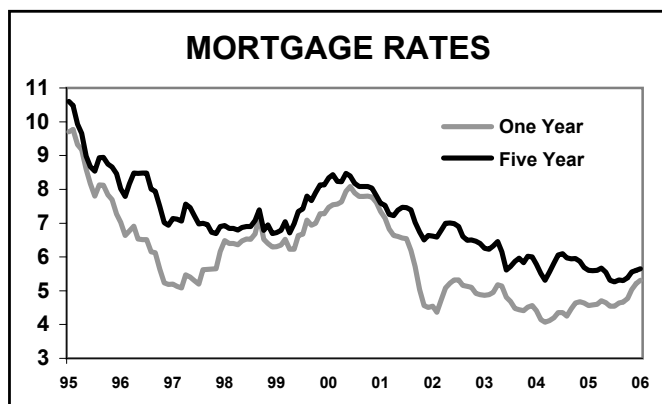
JANUARY 2006 AND YEAR-TO-DATE 2005 & 2006

	Apt	Apt	Row	Row	Semi	Single	Total		Apt	Apt	Row	Row	Semi	Single	Grand
	Condo	Rental	Condo	Rental					Condo	Rental	Condo	Rental			
Kamloops City	6	0	0	0	1	7	14	Kamloops City	0	0	3	0	7	30	40
TNRD Sub. J	0	0	0	0	0	0	0	TNRD Sub. J	0	0	0	0	0	0	0
TNRD Sub. P	0	0	0	0	0	0	0	TNRD Sub. P	0	0	0	0	0	0	0
Logan Lake DM	0	0	0	0	0	0	0	Logan Lake DM	0	0	0	0	0	0	0
MONTH TOTAL	6	0	0	0	1	7	14	MONTH TOTAL	0	0	3	0	7	30	40
Y.T.D. Average 2006*	6	0	0	0	1	7	14	Y.T.D. TOTAL 2006	0	0	3	0	7	30	40
Y.T.D. Average 2005*	8	0	0	0	4	8	20	Y.T.D. TOTAL 2005	2	0	5	0	4	23	34

*TNRD - Regional District of Thompson/Nicola. Absorption does not include assisted rental units. * Rounded.*



KEY ECONOMIC INDICATORS



SOUTHERN INTERIOR RESALE MARKETS

MLS SALES								
	Sales Jan. 2006	Percent Change Jan. 05	Median Price Jan. 06	Percent Change Jan. 05	Sales YTD 2006	Percent Change YTD 05	Median Price YTD 2006	Percent Change YTD 05
Single Detached								
Kelowna	182	5%	\$335,500	16%	182	5%	\$335,500	16%
Kamloops	101	42%	\$250,000	37%	101	42%	\$250,000	37%
Vernon Area	88	19%	\$258,250	40%	88	19%	\$258,250	40%
Penticton	35	21%	\$279,900	32%	35	21%	\$279,900	32%
Salmon Arm	13	0	\$315,000	70%	13	0	\$315,000	70%
Cranbrook	10	-50%	\$166,500	21%	10	-50%	\$166,500	21%

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

