

H

HOUSING NOW

Kelowna / Southern Interior

YOUR LINK TO THE HOUSING MARKET

New Construction Highlights

Canada Mortgage and Housing Corporation

Kelowna New Home Market Remains Strong

The Kelowna new home market recorded another strong performance in October. Housing starts shot up to 184 units from 132 units in September. Both the singles and multi-family sectors saw big gains. Singles starts include 14 rebuilds of homes destroyed by the Okanagan Mountain Park wild fire. Kelowna housing starts have now exceeded the total for all of 2002.

Singles starts maintained a blistering pace in October, breaking the 100 unit mark for the seventh month this year. Absorption remains strong, keeping inventories low.

Construction began on a 59 unit apartment condominium building, the ninth new condo project this year. Condominium starts are on track to reach the highest level since the early 1990s. Pre-sales remain brisk - 76 per

cent of units currently under construction have been sold. Condominium absorption has averaged 40 units per month to date in 2003.

Historically low mortgage rates and strong population growth are key drivers. The search for lifestyle remains a big draw, fueling population growth and new home demand. Kelowna's diversified economy also continues to expand, generating employment opportunities.

Elsewhere, Kamloops housing starts jumped to a four year high in October. A 42 unit apartment condominium - the first project in almost three years - boosted October starts. The Vernon new home market remained buoyant, singles starts averaging almost 30 units per month for the sixth straight month. Penticton starts fell back sharply in October.

Kamloops and Okanagan resale markets remained strong in October. Prices continue to trend up in all locations.

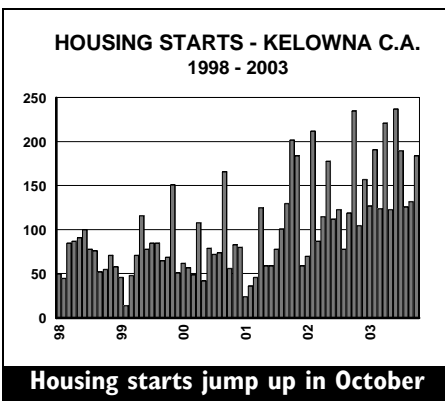
Vancouver Starts Reach Seven Year High in October

Vancouver starts, boosted by soaring multi-family construction, reached the highest monthly level since 1996. BC starts are up 25% to date this year. Nationally, housing starts edged up 2.2% to 237,200 units, seasonally adjusted at annual rates (SAAR) from 232,200 units (SAAR), in September.

OCTOBER 2003

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CMHC Kelowna Noticeboard

- ◆ **November 2003** Housing Starts: Local, BC, and National news releases scheduled for Dec. 8, 2003.
- ◆ **The Fall 2003 Kelowna Housing Market Outlook Report is now available.. Coming Soon ...** CMHC's 2003 Okanagan Seniors' Housing Market Survey and Kelowna Rental Market FastFax Reports. 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

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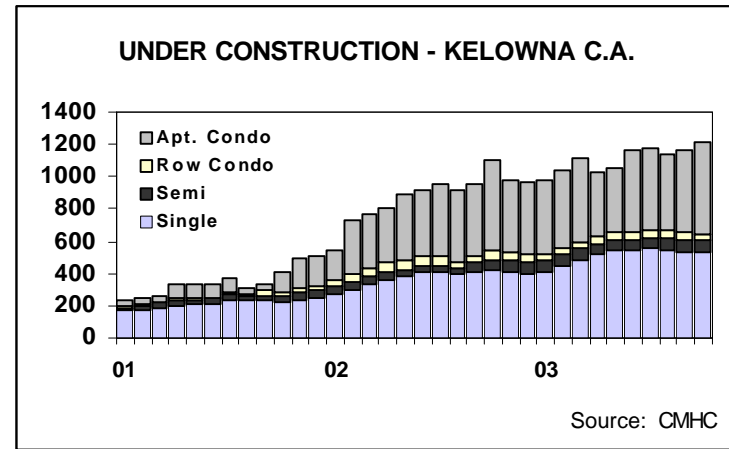
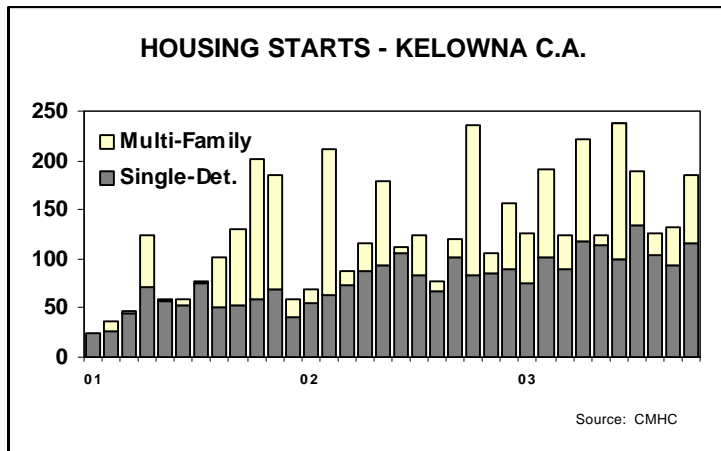
KELOWNA C.A.

STARTS/COMPLETIONS/UNDER CONSTRUCTION

OCTOBER 2003 & YEAR-TO-DATE 2003

	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	78	8	0	0	59	0	145	84	0	0	0	0	4	88	339	42	20	0	507	106	1,014
Sub. G*	7	0	0	0	0	0	7	12	0	0	0	0	0	12	55	0	0	0	0	0	55
Sub. H*	18	2	0	0	0	0	20	14	0	0	0	0	0	14	83	28	0	0	43	0	154
Sub. I*	3	0	0	0	0	0	3	3	0	0	0	0	0	3	14	2	0	0	0	0	16
Lake Country	5	0	0	0	0	0	5	1	0	14	0	0	0	15	27	0	4	0	25	0	56
Peachland	1	0	0	0	0	0	1	2	4	0	0	0	0	6	10	4	8	0	0	0	22
Indian Res.	3	0	0	0	0	0	3	0	0	0	0	0	0	0	7	0	0	0	0	0	7
MONTH TOTAL	115	10	0	0	59	0	184	116	4	14	0	0	4	138	535	76	32	0	575	106	1,324
YEAR-TO-DATE	1,041	76	26	0	459	54	1,656	906	70	41	4	337	8	1,366							

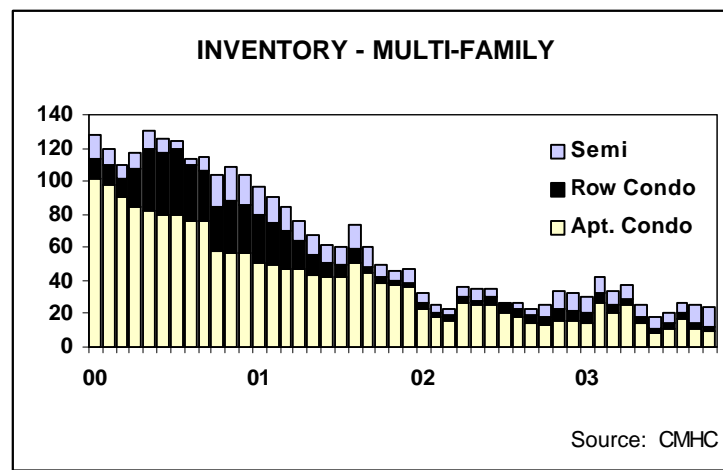
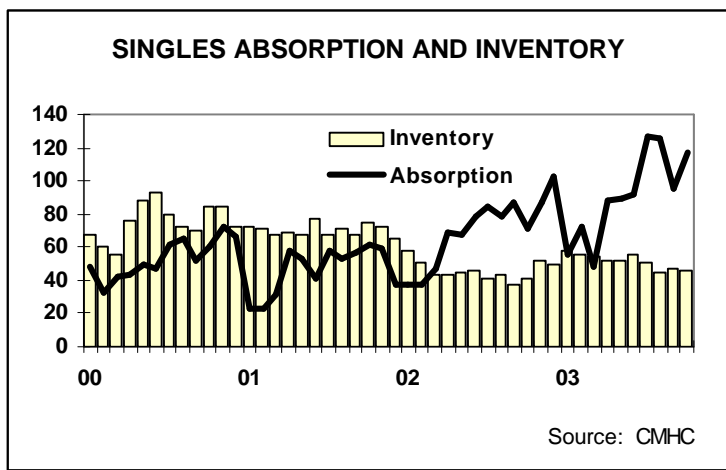
* Sub. G - West Kelowna, Lakeview Heights, Westside/Fintry. Sub H. - Westbank, Glenrosa, Shannon Heights. (Sub G and H former Sub B.) Sub. I - Joe Rich, Ellison (former A.)



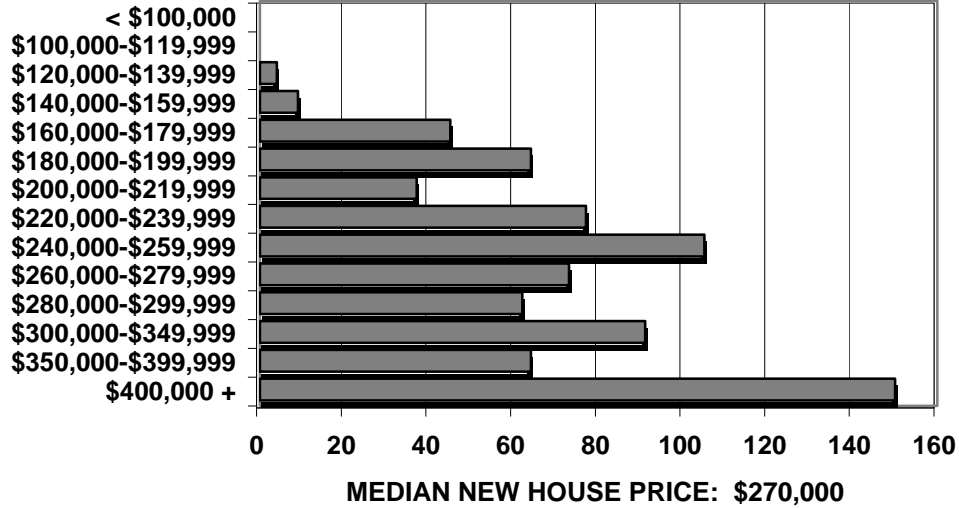
KELOWNA C.A. INVENTORY AND ABSORPTION OCTOBER 2003 & YEAR-TO-DATE 2002 & 2003

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	10	1	2	0	8	27	48	Kelowna City	31	31	1	0	0	85	148
Sub. G	0	0	0	0	0	5	5	Sub. G	0	0	0	0	0	12	12
Sub. H	0	0	0	0	0	12	12	Sub. H	0	0	0	0	0	14	14
Sub. I	0	0	0	0	1	2	3	Sub. I	0	0	0	0	0	3	3
Lake Country	0	0	0	0	0	0	0	Lake Country	0	0	0	0	0	1	1
Peachland	0	0	0	0	3	0	3	Peachland	0	0	0	0	3	2	5
Indian Reserve	0	0	0	0	0	0	0	Indian Reserve	0	0	0	0	0	0	0
MONTH TOTAL	10	1	2	0	12	46	71	MONTH TOTAL	31	31	1	0	3	117	183
Y.T.D. Average 2003*	16	29	4	0	9	52	110	Y.T.D. Total 2003	404	50	30	4	68	910	1,466
Y.T.D. Average 2002*	20	15	4	1	5	45	90	Y.T.D. Total 2002	358	33	66	45	67	660	1,229

Absorption does not include assisted rental units. * Rounded.



**PRICES OF SINGLES ABSORBED AT COMPLETION
Kelowna C.A. January - October 2003**



Sub Area	Singles Starts By Sub Area		Singles Absorption By Sub Area	
	Y.T.D. 2003	Y.T.D. 2002	Y.T.D. 2003	Y.T.D. 2002
Black Mountain	37	43	40	36
Dilworth Mountain	34	59	31	68
Ellison	49	50	46	43
Glenrosa	29	15	16	10
Glenmore	47	49	35	37
I.R.	7	2	2	2
Core Area*	164	63	134	31
Lakeview Heights	89	64	69	53
Lower Mission	49	24	42	24
North Glenmore	16	11	10	5
Peachland	16	29	22	24
Rutland North	63	21	52	13
Rutland South	0	21	11	16
S. E. Kelowna	64	40	55	35
Shannon Lake	50	81	54	70
Upper Mission	169	98	145	78
Westbank	9	7	5	5
Winfield	32	22	28	20
West Kelowna	78	82	88	62
Other**	39	32	25	28
Total	1041	813	910	660

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

HOUSING ACTIVITY SUMMARY - KELOWNA CA OCTOBER 2003

	OWNERSHIP				RENTAL				TOTAL
	FREEHOLD		CONDOMINIUM		PRIVATE		ASSISTED		
	Single	Semi	Row	Apt.	Row	Apt.	Row	Apt.	
Starts									
Oct. 2003	115	10	0	59	0	0	0	0	184
YTD 2003	1,041	76	26	459	0	54	0	0	1,656
YTD 2002	813	76	60	370	9	0	0	0	1,328
Under Construction									
Oct. 2003	535	76	32	575	0	106	0	0	1,324
Oct. 2002	424	60	63	558	0	0	0	0	1,105
Completions									
Oct. 2003	116	4	14	0	0	4	0	0	138
YTD 2003	906	70	41	337	4	8	0	0	1,366
YTD 2002	636	66	26	48	45	60	58	59	998
Inventory									
Oct. 2003	46	12	2	10	0	1			71
Oct. 2002	41	7	5	13	0	27			93
Total Supply									
Oct. 2003	581	88	34	585	0	107	0	0	1,395
Oct. 2002	465	67	68	571	0	27	0	0	1,198
Absorption									
Oct. 2003	117	3	1	31	0	31			183
3 Mo. Ave.	116	7	7	77	0	1			208
12 Mo. Ave.	88	7	5	35	1	9			145

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

OTHER CENTRES
Starts/Completions/Under Construction
OCTOBER 2003 AND YEAR-TO-DATE 2003

	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	2	0	0	0	0	0	2	2	0	0	0	0	0	2	10	0	0	0	0	0	10
E. Kootenay C	5	0	0	0	0	0	5	1	0	0	0	0	0	1	35	0	0	0	0	0	35
Cranbrook CA	7	0	0	0	0	0	7	3	0	0	0	0	0	3	45	0	0	0	0	0	45
Y.T.D. 2003	62	0	0	0	0	0	62	52	0	0	27	0	0	79							
Kamloops C.	20	0	0	42	0	0	62	14	2	0	0	0	0	16	88	18	27	42	0	0	175
Kamloops IR	2	0	0	0	0	0	2	0	0	0	0	0	0	0	7	2	0	0	0	0	9
Kamloops CA	22	0	0	42	0	0	64	14	2	0	0	0	0	16	95	20	27	42	0	0	184
Y.T.D. 2003	172	20	27	42	0	0	261	159	26	9	0	0	0	194							
Penticton City	1	0	0	0	0	0	1	6	0	5	0	0	0	11	26	6	28	100	0	0	160
Sub. D	0	0	0	0	0	0	0	0	0	0	0	0	0	0	19	0	0	0	0	0	19
Sub. E	0	0	0	0	0	0	0	1	0	0	0	0	0	1	10	0	0	0	0	0	10
Sub. F	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	2
Penticton IR	2	0	0	0	0	0	2	1	0	0	0	0	0	1	13	0	0	0	0	0	13
Penticton CA	3	0	0	0	0	0	3	8	0	5	0	0	0	13	70	6	28	100	0	0	204
Y.T.D. 2003	101	6	39	40	0	0	186	99	2	54	0	0	0	155							
Salmon Arm	12	0	0	0	0	0	12	15	2	0	0	0	0	17	30	6	10	0	0	0	46
Y.T.D. 2003	64	2	0	0	0	0	66	54	6	11	16	0	0	87							
Summerland	4	0	0	0	0	0	4	1	0	0	0	0	0	1	19	0	0	0	0	0	19
Y.T.D. 2003	34	0	0	0	0	0	34	22	0	0	0	0	0	22							
Vernon City	15	0	0	0	0	0	15	7	0	0	0	0	0	7	89	12	30	0	0	0	131
Coldstream	10	0	0	0	0	0	10	7	0	0	0	0	0	7	42	0	0	0	0	0	42
Sub. C	2	0	0	0	0	0	2	0	0	0	0	0	0	0	16	4	0	0	0	0	20
Sub. D	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1
Sub. E	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lumby	1	0	0	0	0	0	1	0	0	0	0	0	0	0	2	2	0	0	0	0	4
I. R.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6	0	0	0	0	0	6
Vernon CA	28	0	0	0	0	0	28	14	0	0	0	0	0	14	156	18	30	0	0	0	204
Y.T.D. 2003	244	18	14	0	0	0	276	180	4	17	0	0	0	201							

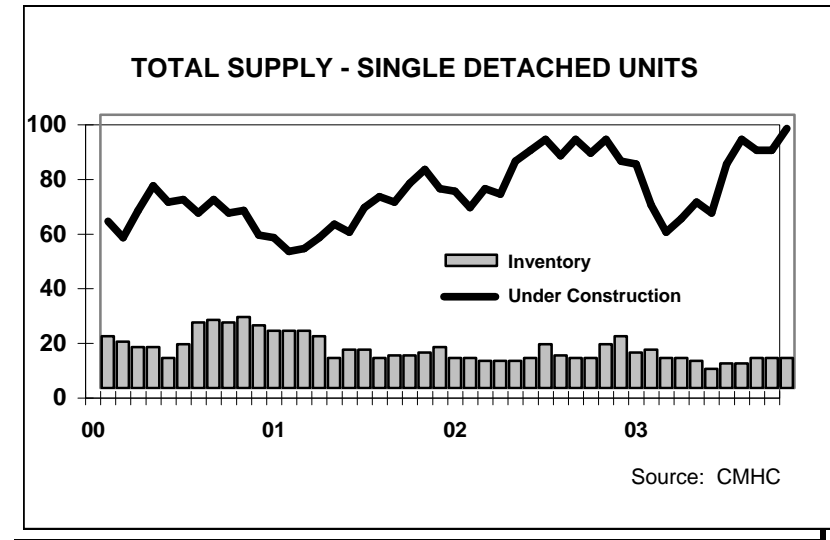
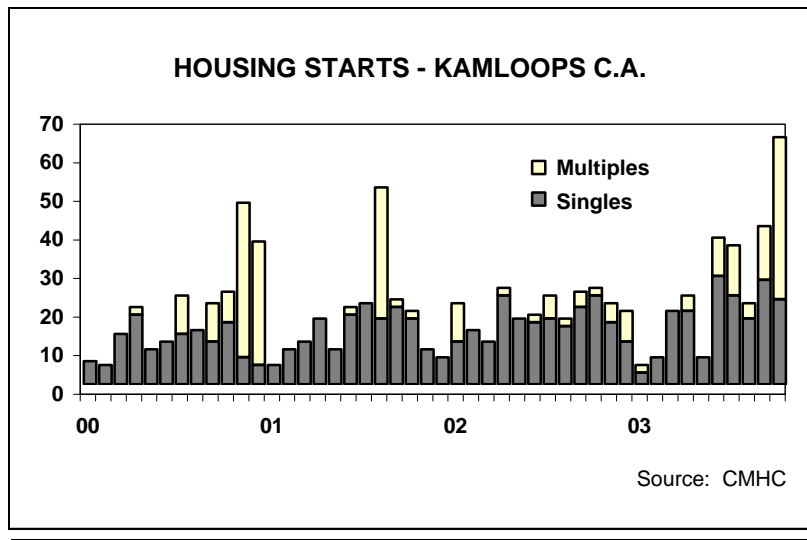
KAMLOOPS CA

Inventory and Absorption by Municipality

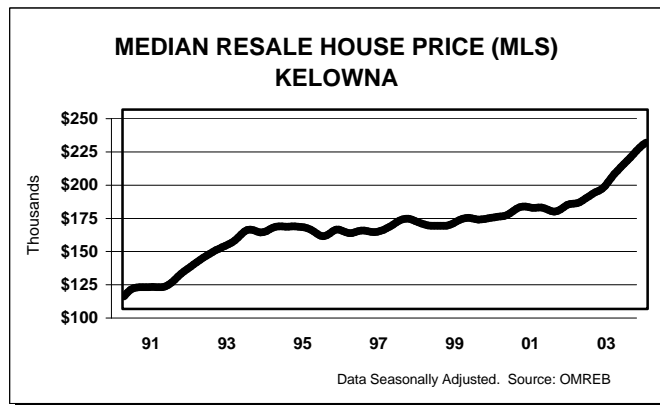
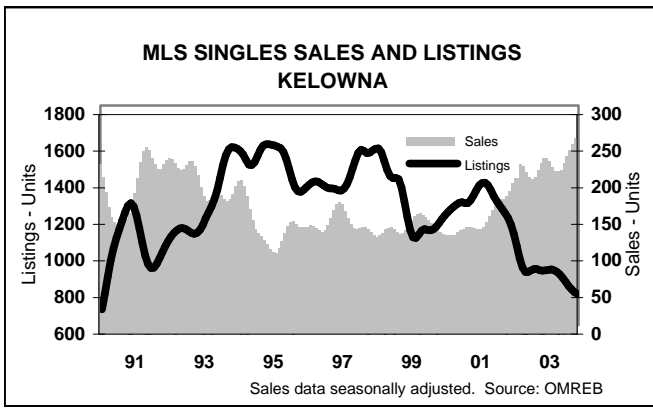
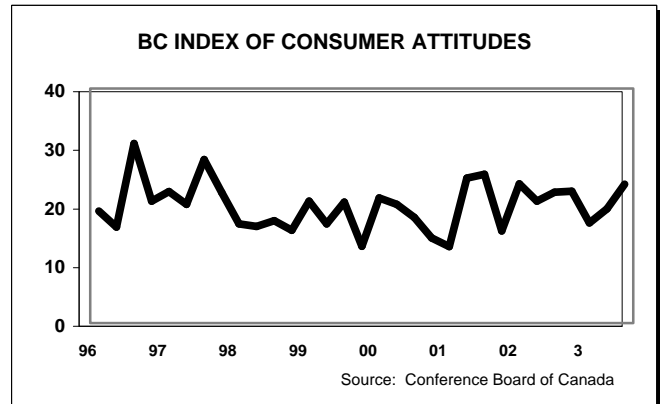
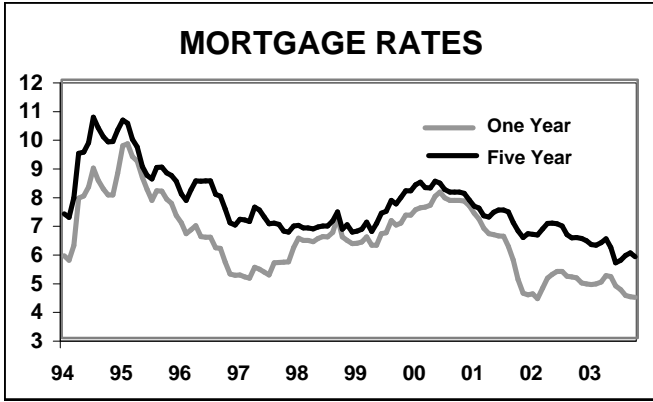
OCTOBER 2003 AND YEAR-TO-DATE 2002 & 2003

	INVENTORY OF NEW HOMES							ABSORPTION OF NEW HOMES							
	Apt	Apt	Row	Row	Semi	Single	Total	Apt	Apt	Row	Row	Semi	Single	Grand	
	Condo	Rental	Condo	Rental				Condo	Rental	Condo	Rental			Total	
Kamloops City	14	0	0	0	12	7	33	Kamloops City	0	0	6	0	2	14	22
Kamloops IR	0	0	0	0	0	4	4	Kamloops IR	0	0	0	0	0	0	0
MONTH TOTAL	14	0	0	0	12	11	37	MONTH TOTAL	0	0	6	0	2	14	22
Y.T.D. Average 2003*	21	0	2	0	14	10	47	Y.T.D. TOTAL 2003	19	0	19	0	30	161	229
Y.T.D. Average 2002*	32	0	5	0	17	12	66	Y.T.D. TOTAL 2002	27	0	13	0	13	143	196

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



KEY ECONOMIC INDICATORS



SOUTHERN INTERIOR RESALE MARKETS

MLS SALES	OCTOBER				YEAR-TO-DATE			
	Sales Oct. 2003	Percent Change Oct. 02	Median Price Oct. 03	Percent Change Oct. 02	Sales YTD 2003	Percent Change YTD 02	Median Price YTD 2003	Percent Change YTD 02
Single Detached								
Kelowna	249	10%	\$240,000	26%	2,526	4%	\$219,000	16%
Kamloops	88	31%	\$160,000	0.6%	1,004	16%	\$158,000	7%
Vernon	148	32%	\$175,000	23%	1,302	27%	\$166,375	7%
Penticton	23	-38%	\$194,000	21%	347	-4%	\$174,000	12%
Salmon Arm	22	47%	\$175,000	6%	218	20%	\$175,500	10%
Cranbrook	22	-12%	\$114,500	2%	206	4%	\$116,000	n/a

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Current month MLS data is preliminary.

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