

# H

# HOUSING NOW

Kelowna / Southern Interior

YOUR LINK TO THE HOUSING MARKET

## New Construction Highlights

Canada Mortgage and Housing Corporation

### Kelowna Housing Starts Up Sharply in October

Kelowna area new home construction surged ahead in October. Housing starts shot up to 235 units from 119 units in September - a nine year high.

The apartment/townhouse condominium sector saw the biggest gains, two projects totaling 138 units boosting October housing starts. An aging population has meant sharply increased demand for retiree and resort/lifestyle oriented condominiums. Buyers are looking for prime locations, good views, quality construction and features and amenity packages that not only meets **their** needs, but enhance lifestyle. Many are second residences or purchased in anticipation of retirement. Most new projects are targeting the mid to upper price ranges. With more projects slated to come on stream, this segment of the condo market will become **increasingly** competitive in 2003.

Golf course and adult community housing developments have also been steady performers. The singles sector maintained a healthy pace despite fewer starts in October.

Pent-up demand, triggered by low interest rates remains a key driver. Low inventories of new and unsold homes point to more opportunity for expansion through year-end and on into 2003.

Elsewhere, Penticton housing starts rebounded sharply in October, both singles and multi-family sectors posting solid gains. The Vernon and Kamloops new home markets saw smaller increases.

Okanagan resale singles markets maintained a brisk pace, sales edging up in October. Kamloops and Salmon Arm sales have leveled out following big increases earlier this year. Year-to-date, sales are up in all three Okanagan centres, Kamloops and Cranbrook. Listings are down and prices on the rise.

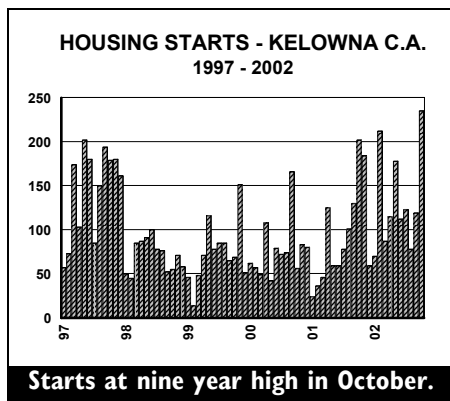
## OCTOBER 2002

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### CMHC Kelowna Noticeboard

- ◆ **November 2002 Housing Starts:** Local, BC, and National news releases scheduled for Dec. 9, 2002.
- ◆ **The Fall 2002 Kelowna Housing Market Outlook Report** is now available. **2002 Rental Market FastFax Reports** available November 26. Coming Soon - The Okanagan Seniors' Housing and Kelowna Rental Market Survey 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](mailto:lpreston@cmhc-schl.gc.ca)



### BC Housing Starts Up Again

The BC new home market also saw big gains in October. BC housing starts, lead by the singles sector, are up 26% to date this year. Nationally, October housing starts jumped 10% to 220,400 units, seasonally adjusted at annual rates (SAAR) from 199,700 (SAAR) units in September - the highest monthly level since March 1990. All regions saw an increase.

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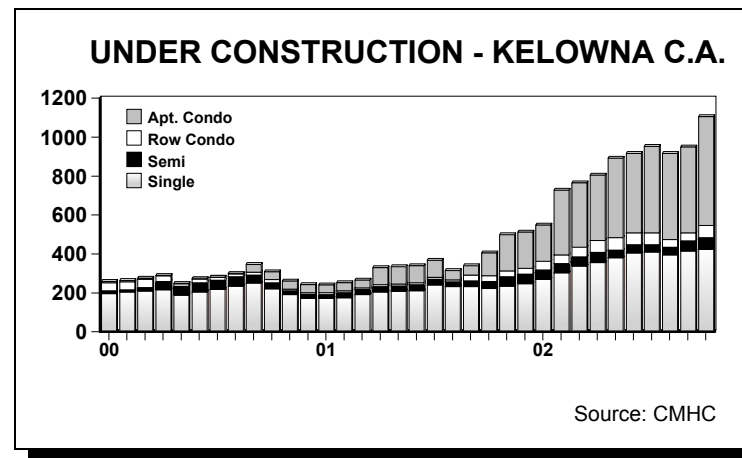
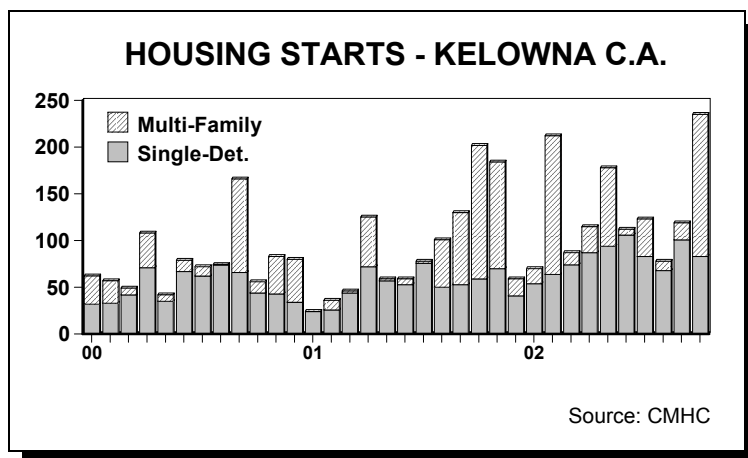


HOME TO CANADIANS  
**Canada**

## KELOWNA C.A. STARTS/COMPLETIONS/UNDER CONSTRUCTION OCTOBER 2002 & YEAR TO DATE 2002

	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	53	14	0	0	91	0	158	52	4	0	0	0	0	56	261	54	38	0	533	0	886
Sub. G*	8	0	0	0	0	0	8	5	0	0	0	0	0	5	57	0	0	0	0	0	57
Sub. H*	17	0	0	0	0	0	17	13	0	0	0	0	0	13	72	0	0	0	0	0	72
Sub. I*	2	0	0	0	0	0	2	0	0	0	0	0	0	0	4	2	0	0	0	0	6
Lake Country	3	0	22	0	25	0	50	2	0	0	0	0	0	2	14	0	25	0	25	0	64
Peachland	0	0	0	0	0	0	0	2	2	0	0	0	0	4	15	4	0	0	0	0	19
Indian Res.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1
<b>MONTH TOTAL</b>	<b>83</b>	<b>14</b>	<b>22</b>	<b>0</b>	<b>116</b>	<b>0</b>	<b>235</b>	<b>74</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>80</b>	<b>424</b>	<b>60</b>	<b>63</b>	<b>0</b>	<b>558</b>	<b>0</b>	<b>1105</b>
<b>YEAR-TO-DATE</b>	<b>813</b>	<b>76</b>	<b>60</b>	<b>9</b>	<b>370</b>	<b>0</b>	<b>1328</b>	<b>636</b>	<b>66</b>	<b>26</b>	<b>103</b>	<b>48</b>	<b>119</b>	<b>998</b>	---	---	---	---	---	---	---

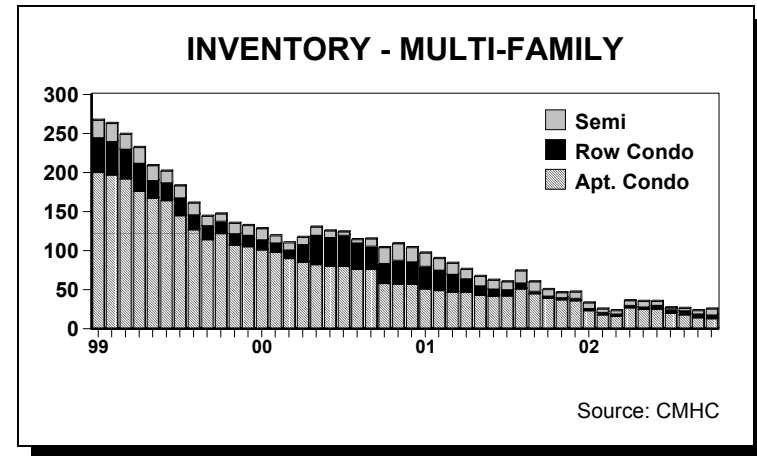
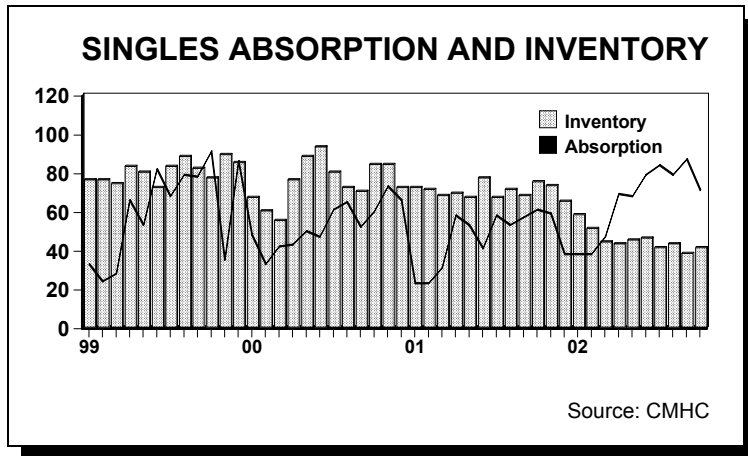
\* Sub. G - West Kelowna, Lakeview Heights, Westside/Fintry. Sub H. - Westbank, Glenrosa, Shannon Heights. (Sub G and H former Sub B.) Sub. I - Joe Rich, Ellision (former A.)



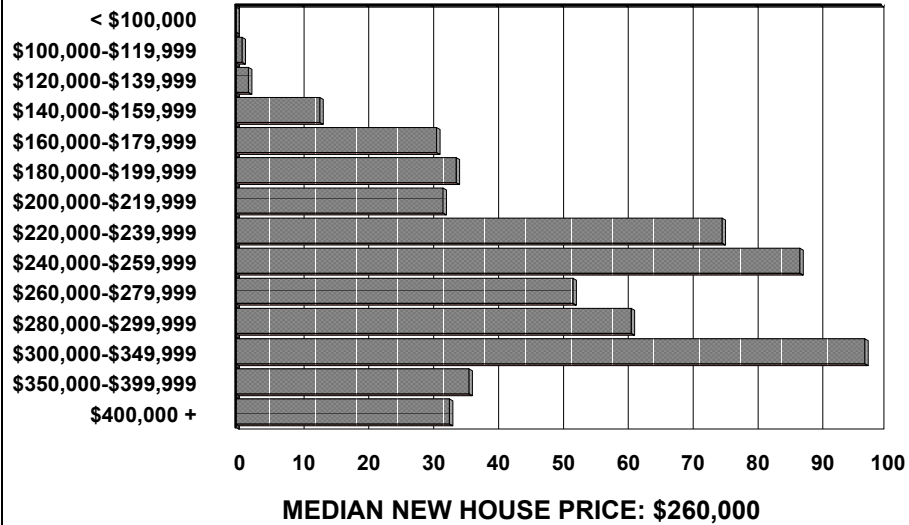
## KELOWNA C.A. INVENTORY AND ABSORPTION OCTOBER 2002 AND YEAR TO DATE 2001 & 2002

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	13	27	5	0	7	26	78	Kelowna City	19	33	2	0	1	51	106
Sub. G	0	0	0	0	0	8	8	Sub. G	0	0	0	0	0	3	3
Sub. H	0	0	0	0	0	7	7	Sub. H	0	0	0	0	0	13	13
Sub. I	0	0	0	0	0	0	0	Sub. I	0	0	0	0	0	0	0
Lake Country	0	0	0	0	0	0	0	Lake Country	22	0	13	0	0	2	37
Peachland	0	0	0	0	0	0	0	Peachland	0	0	0	0	2	2	4
Indian Reserve	0	0	0	0	0	0	0	Indian Reserve	0	0	0	0	0	0	0
<b>MONTH TOTAL</b>	<b>13</b>	<b>27</b>	<b>5</b>	<b>0</b>	<b>7</b>	<b>41</b>	<b>93</b>	<b>MONTH TOTAL</b>	<b>41</b>	<b>33</b>	<b>15</b>	<b>0</b>	<b>3</b>	<b>71</b>	<b>163</b>
<b>Y.T.D. Average 2002*</b>	<b>20</b>	<b>15</b>	<b>4</b>	<b>1</b>	<b>5</b>	<b>45</b>	<b>90</b>	<b>Y.T.D. TOTAL 2002</b>	<b>358</b>	<b>33</b>	<b>66</b>	<b>45</b>	<b>67</b>	<b>660</b>	<b>1229</b>
<b>Y.T.D. Average 2001*</b>	<b>46</b>	<b>6</b>	<b>14</b>	<b>0</b>	<b>13</b>	<b>71</b>	<b>150</b>	<b>Y.T.D. TOTAL 2001</b>	<b>62</b>	<b>62</b>	<b>26</b>	<b>0</b>	<b>46</b>	<b>458</b>	<b>654</b>

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



**PRICES OF SINGLES ABSORBED AT COMPLETION  
Kelowna C. A. January - October 2002**



Sub Area	Singles Starts By Sub Area		Singles Absorption by Sub Area	
	Y.T.D. 2002	Y.T.D. 2001	Y.T.D. 2002	Y.T.D. 2001
Black Mountain	43	23	36	14
Dilworth Mountain	59	26	68	29
Ellison	50	28	43	29
Glenrosa	15	6	10	8
Glenmore	49	33	37	23
I.R.	2	3	2	2
Core Area*	63	19	31	18
Lakeview Heights	64	37	53	39
Lower Mission	24	27	24	24
North Glenmore	11	7	5	7
Peachland	29	18	24	18
Rutland North	21	3	13	5
Rutland South	21	13	16	12
S. E. Kelowna	40	52	35	47
Shannon Lake	81	36	70	33
Upper Mission	98	63	78	34
Westbank	7	19	5	18
Winfield	22	15	20	25
West Kelowna	82	54	62	41
Other**	32	32	28	32
<b>Total</b>	<b>813</b>	<b>514</b>	<b>660</b>	<b>458</b>

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

## HOUSING ACTIVITY SUMMARY - KELOWNA CA OCTOBER 2002

	OWNERSHIP				RENTAL				TOTAL
	FREEHOLD		CONDOMINIUM		PRIVATE		ASSISTED		
	Single	Semi	Row	Apt.	Row	Apt.	Row	Apt.	
<b>Starts</b>									
Oct. 2002	83	14	22	116	0	0	0	0	235
YTD 2002	813	76	60	370	9	0	0	0	1,328
YTD 2001	514	48	21	116	0	88	14	59	860
<b>Under Construction</b>									
Oct. 2002	424	60	63	558	0	0	0	0	1,105
Oct. 2001	223	36	30	116	0	88	66	59	618
<b>Completions</b>									
Oct. 2002	74	6	0	0	0	0	0	0	80
YTD 2002	636	66	26	48	45	60	58	59	998
YTD 2001	461	36	0	40	0	60	28	0	625
<b>Inventory</b>									
Oct. 2002	41	7	5	13	0	27	-	-	93
Oct. 2001	75	8	3	39	0	0	-	-	125
<b>Total Supply</b>									
Oct. 2002	465	67	68	571	0	27	0	0	1,198
Oct. 2001	298	44	33	155	0	88	66	59	743
<b>Absorption</b>									
Oct. 2002	71	3	15	41	0	33	-	-	163
3 Mo. Ave.	83	8	3	18	5	0	-	-	117
12 Mo. Ave.	62	6	4	28	4	0	-	-	104

Absorption does not include assisted rentals.

### RECORD OF STARTS - KELOWNA C.A.

YEAR	SINGLE	SEMI	ROW	APARTMENT	TOTAL
1990	1,257	30	173	608	2,068
1991	1,294	82	218	623	2,217
1992	1,484	80	292	763	2,619
1993	1,149	44	194	584	1,971
1994	918	152	169	255	1,494
1995	776	92	170	167	1,205
1996	859	131	85	307	1,382
1997	987	192	131	428	1,738
1998	751	88	9	0	848
1999	675	46	62	96	879
2000	603	77	94	154	928
2001	625	66	115	305	1,111

Row and apartment starts include rental units.

**OTHER OKANAGAN CENTRES**  
**Starts/Completions/Under Construction**  
**OCTOBER 2002 AND YEAR TO DATE 2002**

	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	3	0	0	0	0	0	3	1	0	0	0	0	0	1	13	0	0	27	0	0	40
E. Kootenay C	5	0	0	0	0	0	5	2	0	0	0	0	0	2	21	0	0	0	0	0	21
Cranbrook CA	8	0	0	0	0	0	8	3	0	0	0	0	0	3	34	0	0	27	0	0	61
<b>Y.T.D. 2002</b>	47	0	0	27	0	0	74	71	0	0	0	0	0	71							
Kamloops C.	23	2	0	0	0	0	25	17	0	4	0	0	0	21	84	22	8	0	0	0	114
Kamloops IR	0	0	0	0	0	0	0	1	0	0	0	0	0	1	7	0	0	0	0	0	7
Kamloops CA	23	2	0	0	0	0	25	18	0	4	0	0	0	22	91	22	8	0	0	0	121
<b>Y.T.D. 2002</b>	167	20	8	0	0	0	195	148	10	24	72	0	32	286							
Penticton City	9	0	18	0	0	0	27	6	0	0	0	0	0	6	27	2	39	60	0	0	128
Sub. D	3	0	0	0	0	0	3	2	0	0	0	0	0	2	20	0	0	12	0	0	32
Sub. E	4	0	0	0	0	0	4	1	0	0	0	0	0	1	17	0	0	0	0	0	17
Sub. F	0	0	0	0	0	0	0	1	0	0	0	0	0	1	1	0	0	0	0	0	1
Penticton IR	1	0	0	0	0	0	1	3	0	0	0	0	0	3	4	0	0	0	0	0	4
Penticton CA	17	0	18	0	0	0	35	13	0	0	0	0	0	13	69	2	39	72	0	0	182
<b>Y.T.D. 2002</b>	101	2	39	93	0	0	235	75	0	0	21	0	0	96							
Salmon Arm	3	0	0	0	0	0	3	1	2	0	0	0	0	3	24	10	17	16	0	0	67
<b>Y.T.D. 2002</b>	39	10	9	16	0	0	74	30	2	0	3	0	0	35							
Summerland	1	0	0	0	0	0	1	2	0	0	0	0	0	2	12	0	0	0	0	0	12
<b>Y.T.D. 2002</b>	19	0	0	0	0	0	19	16	0	0	0	0	0	16							
Vernon City	14	0	6	0	0	0	20	5	6	0	0	0	0	11	51	4	29	0	0	0	84
Coldstream	4	0	0	0	0	0	4	4	0	0	0	0	0	4	18	0	0	0	0	0	18
Sub. C	2	0	0	0	0	0	2	2	0	0	0	0	0	2	16	6	0	0	0	0	22
Sub. D	1	0	0	0	0	0	1	0	0	0	0	0	0	0	3	0	0	0	0	0	3
Sub. E	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lumby	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1
I. R.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1
Vernon CA	21	0	6	0	0	0	27	11	6	0	0	0	0	17	90	10	29	0	0	0	129
<b>Y.T.D. 2002</b>	164	14	12	0	0	35	225	139	14	20	0	44	35	252							

## KAMLOOPS CA

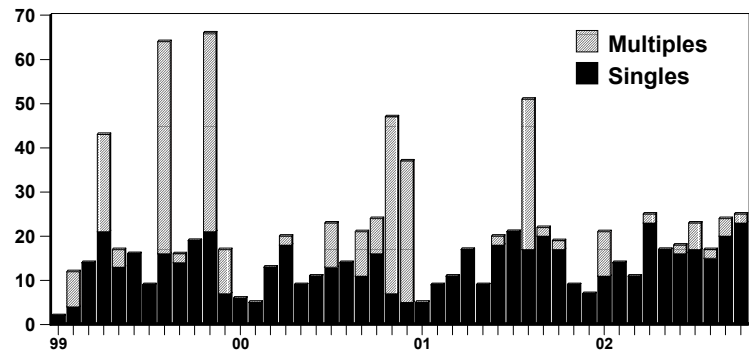
### Inventory and Absorption by Municipality

#### OCTOBER 2002 AND YEAR-TO-DATE 2001 & 2002

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	Total
Kamloops City	36	0	6	0	16	13	71	Kamloops City	3	0	5	0	1	11	20
Kamloops IR	0	0	0	0	0	3	3	Kamloops IR	0	0	0	0	0	2	2
<b>TOTAL</b>	<b>36</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>16</b>	<b>16</b>	<b>74</b>	<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>1</b>	<b>13</b>	<b>22</b>
Y.T.D. AVG. 2002*	32	0	5	0	17	12	66	Y.T.D. TOTAL 2002	27	0	13	0	13	143	196
Y.T.D. AVG. 2001*	24	0	2	0	22	15	63	Y.T.D. TOTAL 2001	40	0	1	0	13	125	179

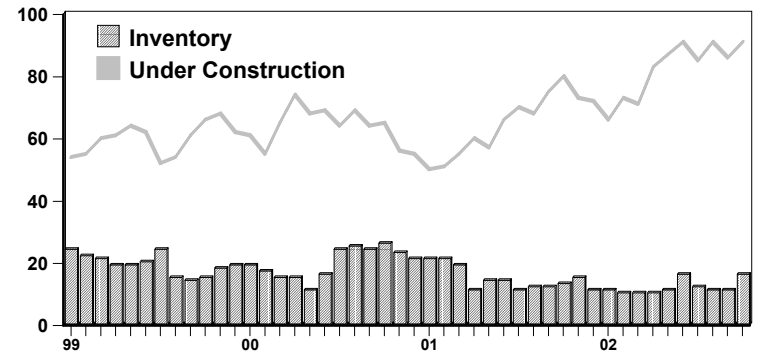
*Absorption does not include assisted rental units. \* Rounded.*

### HOUSING STARTS - KAMLOOPS C.A.



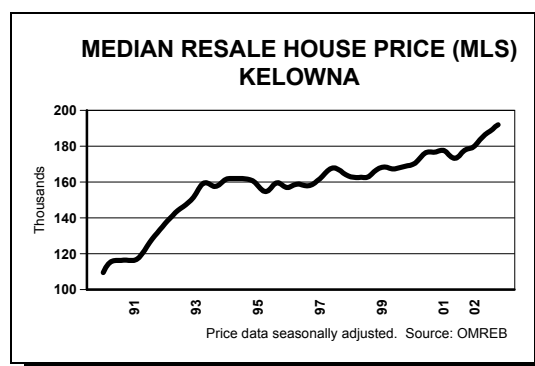
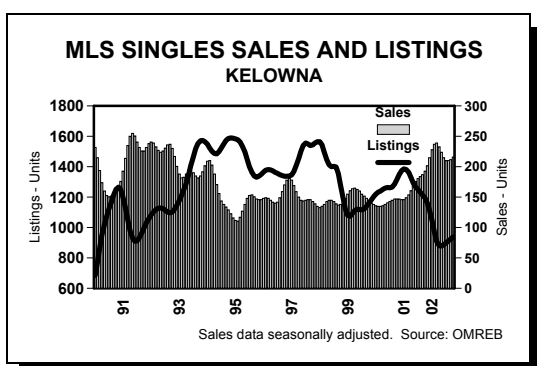
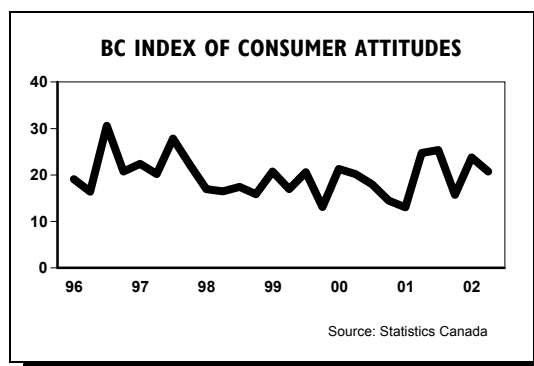
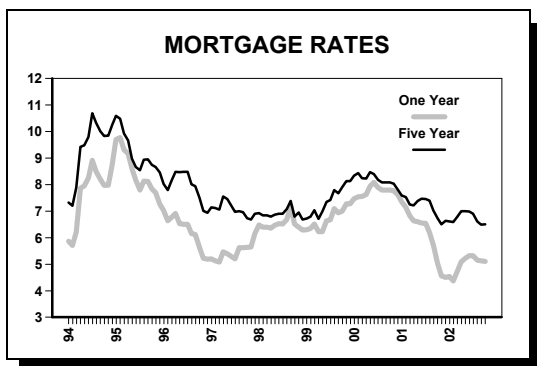
Source: CMHC

### TOTAL SUPPLY - SINGLE DETACHED UNITS



Source: CMHC

## KEY ECONOMIC INDICATORS



## SOUTHERN INTERIOR RESALE MARKETS

MLS SALES	OCTOBER				YEAR TO DATE			
	Sales Oct. 2002	Percent Change Oct. 01	Median Price Oct. 02	Percent Change Oct. 01	Sales YTD 2002	Percent Change YTD 01	Median Pr. YTD 2002	Percent Change YTD 01
Single - Detached								
Kelowna	226	39%	\$192,000	9%	2,430	27%	\$188,000	7%
Kamloops	58	5%	\$159,000	9%	858	11%	\$148,000	3%
Vernon	109	36	\$142,000	-2%	1,021	12%	\$155,000	6%
Penticton	35	52%	\$159,900	18%	360	24%	\$155,000	6%
Salmon Arm	15	0%	\$165,000	2%	182	1%	\$159,500	7%
Cranbrook	22	38%	\$105,250	-12%	202	10%	\$115,500	n/a

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