

## YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

### New Construction Highlights

#### Kelowna Housing Starts Surge Ahead in April

Kelowna area housing starts rebounded sharply in April, soaring to the highest monthly level since September 1989. April housing starts shot up to 549 units from 153 units in March. Skyrocketing condominium starts accounted for most of the increase. The singles sector also recorded gains in April.

April starts included three apartment condominium projects totaling 384 units. Demand for resort and other types of lifestyle-oriented condos has exploded during the past three year period. Retirees and move-down buyers also remain key markets. With the price of both new and resale detached units up sharply, more first-time buyers are turning to the new condo and townhouse markets. Attitudes among first-time buyers are changing, higher density housing becoming more widely accepted.

Singles starts have picked up, but continue to lag behind the same four month period last year. Demand has flattened out in response to rising prices.

Market fundamentals remain solid. The BC economy is firing on all cylinders. Inter-provincial migration has turned around. People are coming back to BC. The BC Index of Consumer Confidence is at an 18 year high. The Kelowna area economy and population continue to grow. Strong employment growth has, in turn, spurred in-migration, fueling demand for both new and resale housing. Low interest rates remain a key driver.

Elsewhere, Kamloops singles starts jumped to an eleven year high in April. The Vernon new home market, lead by the singles sector, recorded another strong performance. Penticton starts dropped back following March's surge in multifamily construction, but maintained a high level of activity.

#### BC Starts Down In April

BC starts fell back from last April's record level. Both singles and multifamily starts were down. Nationally, housing starts rose 5.5% to 230,400 units, seasonally adjusted at annual rates (SAAR), from 218,400 units (SAAR), in March. All regions except BC saw an increase in the annualized rate.

### April 2005

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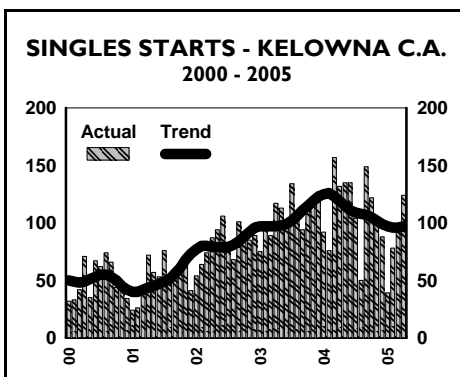
##### Kamloops/Okanagan

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#### CMHC Kelowna Noticeboard

- ◆ **May 2005** Housing Starts: Local, BC, and National news releases scheduled for June 8, 2005.
- ◆ **The Spring 2005 Kelowna Housing Market Outlook Report available May 16, 2005!** 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 2004 Rental Market and Okanagan Seniors Housing Market Survey Reports.**
- ◆ **To subscribe to CMHC Housing Market reports call:** Lisa Preston - Administrator, Products and Services. Telephone: (604) 737-4088. Fax: (604) 737-4021. E-mail: lp Preston@cmhc.ca

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Singles starts up in April.

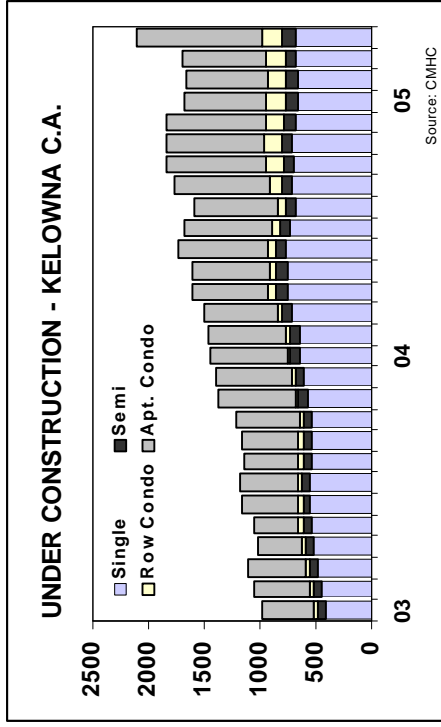
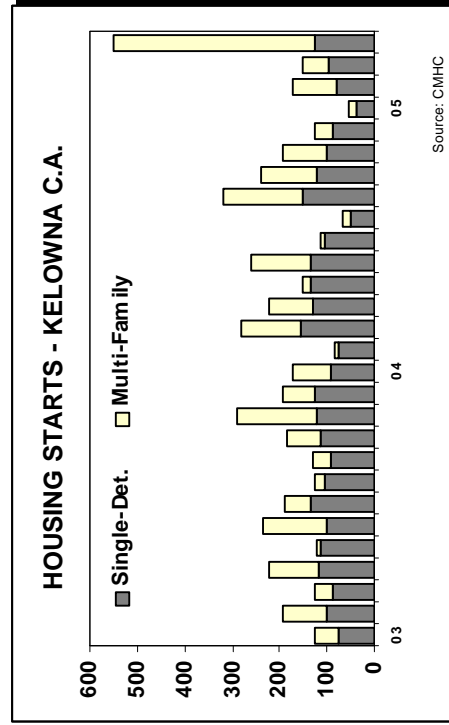
**KELOWNA C.A.**

**STARTS/COMPLETIONS/UNDER CONSTRUCTION**

**APRIL 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	80	22	10	0	342	0	454	61	10	8	0	0	0	79	447	68	154	1	997	117	1,784
Sub. J*	22	2	0	0	42	0	66	31	6	0	0	0	0	37	138	22	14	0	42	40	256
Sub. I*	2	0	0	0	0	2	2	6	0	0	0	0	0	6	13	4	0	0	0	0	17
Lake Country	19	0	0	0	0	19	3	0	0	0	0	0	0	3	55	2	12	0	0	0	69
Peachland	1	4	3	0	0	8	2	0	0	0	0	0	0	2	15	14	3	0	82	0	114
Indian Res.	0	0	0	0	0	0	9	0	0	0	0	0	0	9	19	0	0	0	0	0	19
<b>MONTH TOTAL</b>	<b>124</b>	<b>28</b>	<b>13</b>	<b>0</b>	<b>384</b>	<b>0</b>	<b>549</b>	<b>112</b>	<b>16</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>136</b>	<b>687</b>	<b>110</b>	<b>183</b>	<b>1</b>	<b>1,121</b>	<b>157</b>	<b>2,259</b>
<b>YEAR-TO-DATE</b>	<b>336</b>	<b>40</b>	<b>49</b>	<b>0</b>	<b>448</b>	<b>55</b>	<b>928</b>	<b>327</b>	<b>32</b>	<b>38</b>	<b>1</b>	<b>115</b>	<b>0</b>	<b>513</b>							

\* 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.



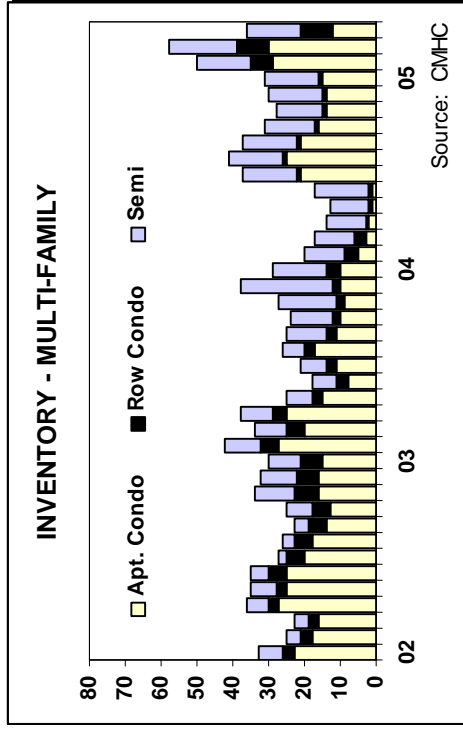
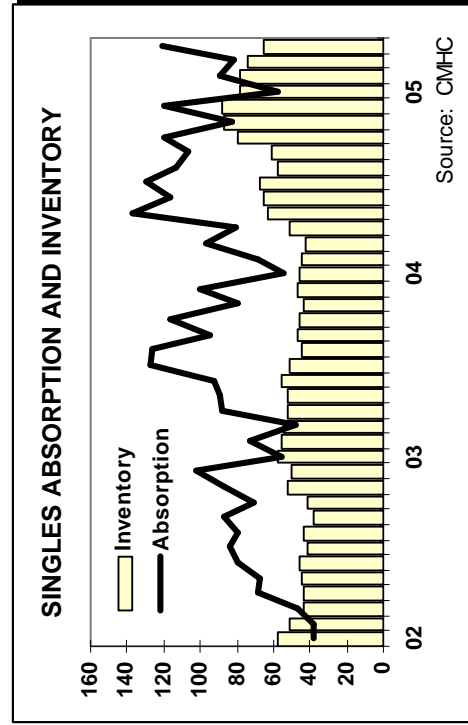
**KELOWNA C.A.**

**INVENTORY AND ABSORPTION**

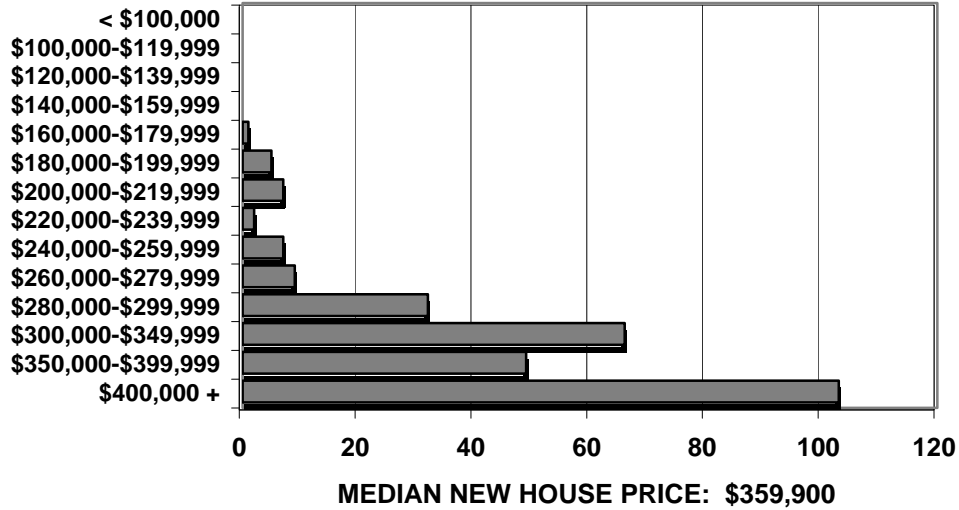
**APRIL 2005 & YEAR-TO-DATE 2004 & 2005**

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	12	0	9	0	10	46	77	Kelowna City		85	0	14	0	10	64	173			
Sub. J	0	0	0	0	1	14	15	Sub. J		0	0	0	0	10	36	46			
Sub. I	0	0	0	0	2	2	4	Sub. I		0	0	0	0	0	6	6			
Lake Country	0	0	0	0	0	0	0	Lake Country		0	0	2	0	0	4	6			
Peachland	0	0	0	0	2	0	2	Peachland		6	0	0	0	0	2	8			
Indian Reserve	0	0	0	0	0	3	3	Indian Reserve		0	0	0	0	0	9	9			
<b>MONTH TOTAL</b>	<b>12</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>15</b>	<b>65</b>	<b>101</b>	<b>MONTH TOTAL</b>	<b>91</b>	<b>0</b>	<b>16</b>	<b>0</b>	<b>20</b>	<b>121</b>	<b>248</b>				
<b>Y.T.D. Average 2005*</b>	<b>22</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>16</b>	<b>74</b>	<b>118</b>	<b>Y.T.D. Total 2005</b>	<b>158</b>	<b>45</b>	<b>52</b>	<b>1</b>	<b>32</b>	<b>350</b>	<b>638</b>				
<b>Y.T.D. Average 2004*</b>	<b>6</b>	<b>18</b>	<b>3</b>	<b>0</b>	<b>11</b>	<b>46</b>	<b>84</b>	<b>Y.T.D. Total 2004</b>	<b>168</b>	<b>70</b>	<b>7</b>	<b>0</b>	<b>17</b>	<b>301</b>	<b>563</b>				

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



**PRICES OF SINGLES ABSORBED AT COMPLETION**  
**Kelowna C.A. January - April 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	24	15	27	9
Dilworth Mountain	9	13	18	3
Ellison	7	25	26	15
Glenrosa	0	3	2	11
Glenmore	0	6	6	9
I.R.	2	14	12	3
Core Area*	36	72	35	62
Lakeview Heights	22	31	17	29
Lower Mission	17	19	19	9
North Glenmore	23	20	18	2
Peachland	9	2	7	5
Rutland North	8	17	5	18
Rutland South	0	0	0	1
S. E. Kelowna	14	15	14	13
Shannon Lake	19	10	8	12
Upper Mission	72	139	82	61
Westbank	4	7	7	3
Winfield	36	8	9	5
West Kelowna	16	29	18	27
Other**	18	12	20	4
<b>Total</b>	<b>336</b>	<b>457</b>	<b>350</b>	<b>301</b>

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

## HOUSING ACTIVITY SUMMARY - KELOWNA CA APRIL 2005

	OWNERSHIP				RENTAL				TOTAL
	FREEHOLD		CONDOMINIUM		PRIVATE		ASSISTED		
	Single	Semi	Row	Apt.	Row	Apt.	Row	Apt.	
<b>Starts</b>									
Apr. 2005	124	28	13	384	0	0	0	0	549
YTD 2005	336	40	49	448	0	15	0	40	928
YTD 2004	457	52	34	119	4	89	0	0	755
<b>Under Construction</b>									
Apr. 2005	687	110	183	1,121	1	117	0	40	2,259
Apr. 2004	756	108	56	695	4	96	0	0	1,715
<b>Completions</b>									
Apr. 2005	112	16	8	0	0	0	0	0	136
YTD 2005	327	32	38	115	1	0	0	0	513
YTD 2004	305	18	8	94	0	106	0	0	531
<b>Inventory</b>									
Apr. 2005	65	15	9	12	0	0			101
Apr. 2004	51	11	1	2	0	37			102
<b>Total Supply</b>									
Apr. 2005	752	125	192	1,133	1	117	0	40	2,360
Apr. 2004	807	119	57	697	4	133	0	0	1,817
<b>Absorption</b>									
Apr. 2005	121	20	16	91	0	0			248
3 Mo. Ave.	76	4	12	22	1	15			130
12 Mo. Ave.	103	9	11	27	1	10			161

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**  
**APRIL 2005 AND YEAR-TO-DATE 2005**

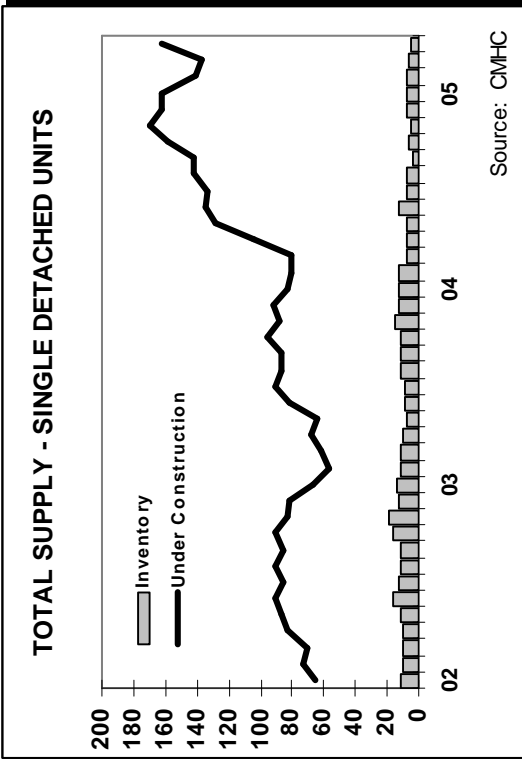
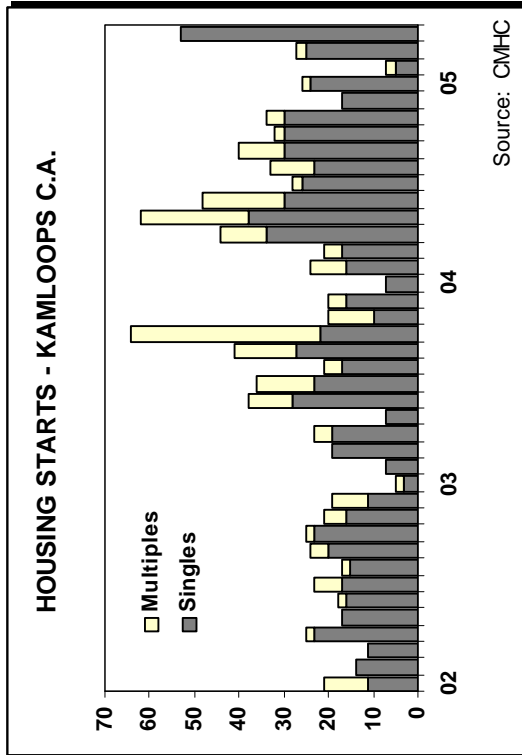
	STARTS							COMPLETIONS							UNDER CONSTRUCTION							
	Single	Semi	Condo	Apt. Rental	Row Rental	Condo Rental	Total	Single	Semi	Condo	Apt. Rental	Row Rental	Condo Rental	Total	Single	Semi	Condo	Apt. Rental	Row Rental	Condo Rental	Total	
Cranbrook City	13	0	0	0	0	0	13	0	0	0	0	0	0	0	31	2	0	0	0	0	0	33
E. Kootenay C	5	0	0	0	0	0	5	6	0	0	0	0	0	6	46	0	0	0	0	0	0	46
Cranbrook CA	18	0	0	0	0	0	18	6	0	0	0	0	0	6	77	2	0	0	0	0	0	79
<b>Y.T.D. 2005</b>	31	0	0	0	0	0	31	35	0	0	0	0	0	35	140	24	8	0	0	0	0	172
Kamloops C.	47	0	0	0	0	0	47	23	8	8	0	0	0	39	22	0	0	0	0	0	0	22
Kamloops IR	6	0	0	0	0	0	6	5	0	0	0	6	11	162	24	8	0	0	0	0	0	194
Kamloops CA	53	0	0	0	0	0	53	28	8	8	0	6	50	107	20	12	0	0	0	0	0	145
<b>Y.T.D. 2005</b>	107	6	0	0	0	0	113	4	0	0	0	0	4	32	8	47	161	0	0	0	0	248
Penticton City	6	0	13	0	0	0	19	4	0	0	0	0	4	20	0	0	0	0	0	0	0	20
Sub. D	3	0	0	0	0	0	3	4	0	0	0	0	4	11	0	0	0	0	0	0	0	11
Sub. E	2	0	0	0	0	0	2	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0
Sub. F	0	0	0	0	0	0	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0
Penticton IR	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1
Penticton CA	11	0	13	0	0	0	24	10	0	0	0	0	10	64	8	47	161	0	0	0	0	280
<b>Y.T.D. 2005</b>	27	2	24	59	0	0	112	36	4	16	0	0	56	42	18	6	6	0	0	0	0	72
Salmon Arm	9	4	0	0	0	0	13	9	2	3	0	0	14	25	2	6	0	0	0	0	0	39
<b>Y.T.D. 2005</b>	26	6	0	0	0	0	32	3	0	0	0	0	3	15	0	4	0	0	0	0	0	19
Summerland	4	0	0	0	0	0	4	10	0	6	0	0	16	146	18	56	0	3	0	0	0	223
<b>Y.T.D. 2005</b>	6	0	0	0	0	0	6	11	0	6	0	0	17	34	0	0	0	0	0	0	0	34
Vernon City	25	0	3	0	3	0	31	2	0	0	0	0	2	7	0	0	0	0	0	0	0	7
Coldstream	6	0	0	0	0	0	6	4	0	0	0	0	4	4	0	0	0	0	0	0	0	4
Sub. C	1	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub. B	4	0	0	0	0	0	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
I. R.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vernon CA	36	0	3	0	3	0	42	17	0	6	0	0	23	191	18	56	0	7	0	0	0	272
<b>Y.T.D. 2005</b>	100	12	15	0	3	0	130	96	12	11	0	0	119	10	10	10	10	10	10	10	10	119

# KAMLOOPS CA

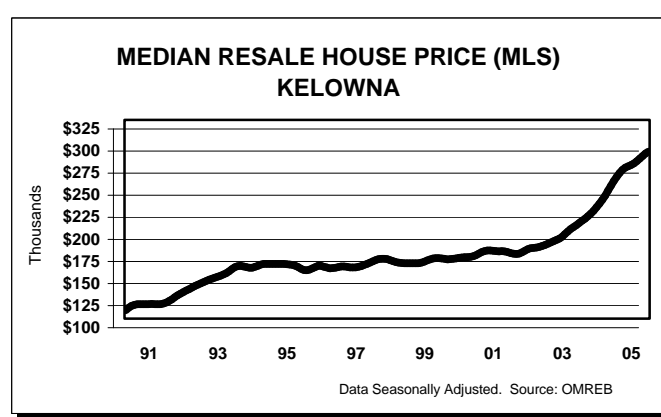
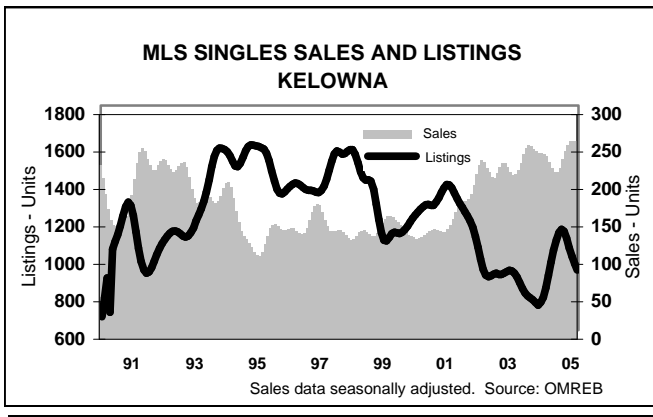
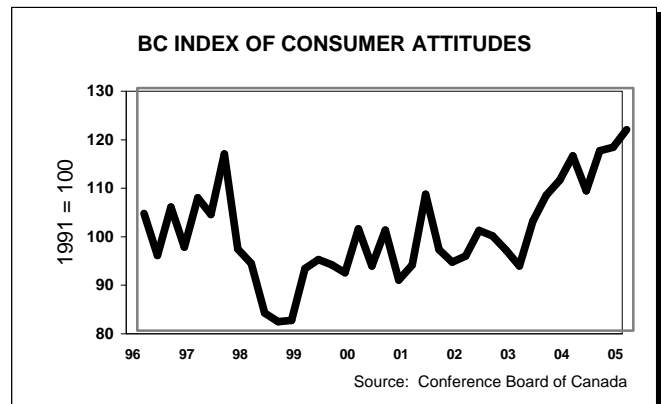
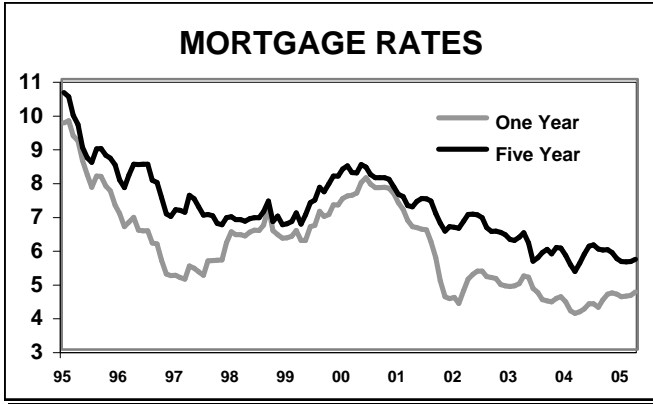
## Inventory and Absorption by Municipality APRIL 2005 AND YEAR-TO-DATE 2004 & 2005

	INVENTORY OF NEW HOMES						ABSORPTION OF NEW HOMES						Grand Total	
	Apt Condo	Apt Rental	Row Condo	Semi Rental	Single Rental	Total	Apt Condo	Apt Rental	Row Condo	Semi Rental	Single Rental	Row Condo		Single Rental
Kamloops City	8	0	4	0	4	20	0	0	0	0	8	0	24	32
Kamloops IR	0	0	0	0	1	1	0	0	0	0	0	0	5	5
<b>MONTH TOTAL</b>	<b>8</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>4</b>	<b>21</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>0</b>	<b>29</b>	<b>37</b>
<b>Y.T.D. Average 2005*</b>	<b>8</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>4</b>	<b>7</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22</b>	<b>0</b>	<b>109</b>	<b>140</b>
<b>Y.T.D. Average 2004*</b>	<b>13</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>11</b>	<b>10</b>	<b>32</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>14</b>	<b>0</b>	<b>67</b>	<b>116</b>

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



## KEY ECONOMIC INDICATORS



## SOUTHERN INTERIOR RESALE MARKETS

MLS SALES	APRIL				YEAR-TO-DATE			
	Sales Apr. 2005	Percent Change Apr. 04	Median Price Apr. 05	Percent Change Apr. 04	Sales YTD 2005	Percent Change YTD 04	Median Price YTD 2005	Percent Change YTD 04
Single Detached								
Kelowna	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Kamloops	130	-5	\$197,500	17%	435	-2%	\$188,000	12%
Vernon Area	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Penticton	31	-31%	\$262,000	19%	126	-8%	\$242,700	33%
Salmon Arm	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cranbrook	29	-9%	\$133,000	19%	116	16%	\$139,500	n/a

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