HOUSING MARKET INFORMATION

HOUSING NOW
Kelowna CMA

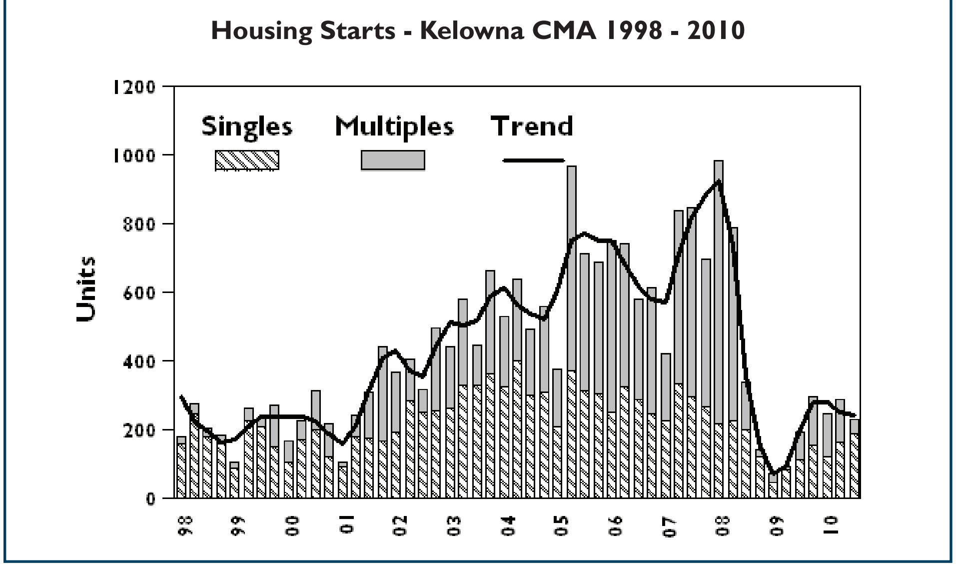
CANADA MORTGAGE AND HOUSING CORPORATION

Date Released: October 2010

New Home Construction

Kelowna's new home construction sector saw third quarter detached home starts move up from levels recorded in 2009. Detached home starts have slowly trended higher for seven straight quarters. Lower lot prices and construction costs have allowed builders to compete more effectively with existing homes and attract more buyers. New home buyers have benefited from an ample supply of building lots during the past year, a big change from the shortages seen prior to 2008. Low mortgage interest rates have been a key factor contributing to higher demand for new detached homes. The inventory of new, completed and unoccupied detached homes has steadily declined since mid 2009, clearing the way for

Figure 1



Source: CMHC.

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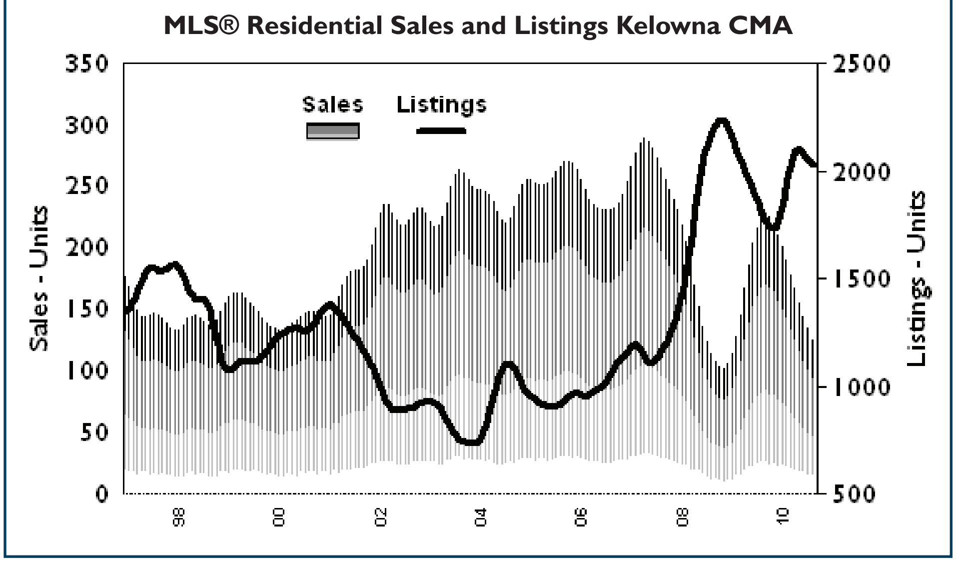
more detached home construction this year. The introduction of the Harmonized Sales Tax (HST) resulted in some new home buyers bringing forward their plans to build, boosting detached home construction during the first half of 2010.

Moderately priced homes have remained the focus of new detached home demand in 2010. Builders are targeting buyers seeking homes in the $450,000 -$550,000 price range. This year, new detached homes have been available for as low as $400,000, well below the average existing home price.

Condominium construction has been slower to rebound. Lingering inventories of new, completed and unoccupied units and strong price competition from a well-supplied resale market have constrained apartment condominium construction this year. The supply of apartment condominiums under construction has come down. Condominium absorption has increased in response to builder incentives and price reductions, but remains sluggish compared to recent years. For now, demand has shifted to local buyers from investors and those seeking resort homes and second residences. Builders have remained cautious, focusing on smaller, phased multi-family housing projects this year.

Rental apartment construction accounted for the largest share of multi-family starts in 2010, despite higher vacancy rates during the past year. Developers of multi-family rental housing are building in anticipation of lower vacancy rates. With construction costs coming down, rental construction has become a more viable development opportunity than in recent years.

Figure 2



Source: OMREB. MLS® Multiple Listing Service (MLS®) is a registered certification mark owned by the Canadian Real Estate Association. Data is seasonally adjusted.

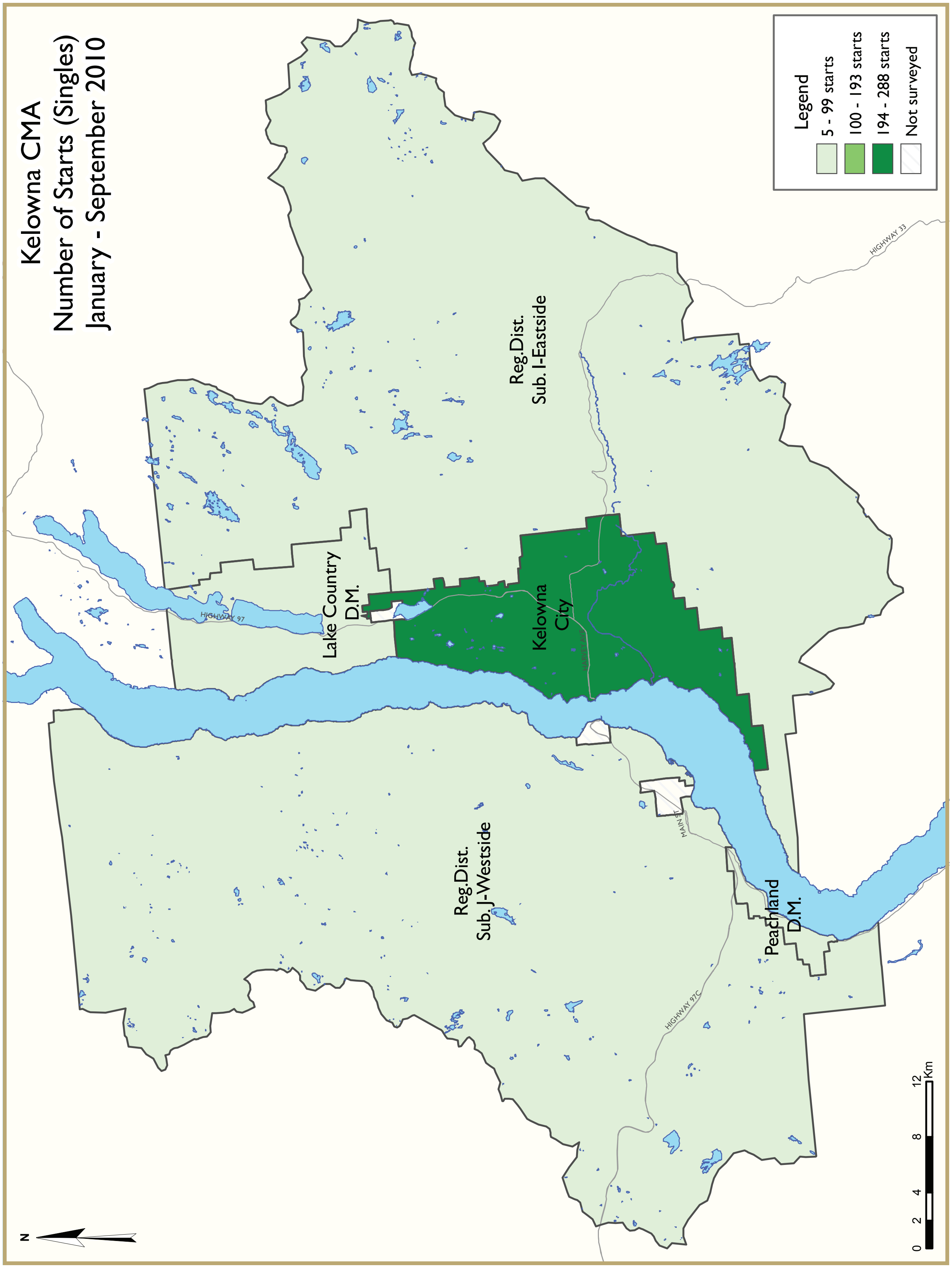
Existing Home Market

Existing home sales have moderated in recent months after increasing through the second half of 2009 and earlier this year. Expectations of higher interest rates pushed up sales, drawing more buyers into the marketplace last year and in the first quarter 2010. Pent-up demand among first-time buyers was to some extent satisfied during 2009's third and fourth quarter surge in sales.

Home buyers continued to benefit from ample choice and strong price competition among sellers. The supply of both detached and multi-family homes listed for sale has moved back up, rising to near record high levels. Both single family residential and apartment condominium listings have been trending higher in 2010. With sales edging lower and the supply of listings increasing, the sales to active and sales to new listings ratios have moved into buyers' from balanced market territory

Demand has broadened to include more move-up buyers this year. While sales of mid and higher priced homes have risen, the focus of demand among home buyers remains moderately priced homes. Single family homes (detached and semi-detached units) priced at less than $400,000 captured 33 and 42 per cent of sales during the first eight months of 2010 and 2009, respectively, compared to only 22 per cent in 2008.

Existing home prices stabilized by mid 2009 after trending down since the previous Spring. The average detached home price has moved higher in 2010, but much of the increase is attributed to shifts in the price distribution of sales, rather than true price appreciation. An ample supply of listings in combination with moderating demand has tempered upward pressure on prices during the past few months.


Kelowna CMA
Number of Starts (Singles)
January - September 2010
Legend
5 - 99 starts
100 - 193 starts
194 - 288 starts
Not surveyed
Reg.Dist. Sub. I-Eastside
Lake Country D.M.
Kelowna City
Reg.Dist. Sub. J-Westside
Peachland D.M.
HIGHWAY 97
HIGHWAY 33
HIGHWAY 97C
MAIN ST
N
0 2 4 8 12 Km

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4.1	Average Price ($) of Absorbed Single-Detached Units

SYMBOLS

n/a	Not applicable
*	Totals may not add up due to co-operatives and unknown market types
**	Percent change > 200%
-	Nil
--	Amount too small to be expressed
SA	Monthly figures are adjusted to remove normal seasonal variation

Table 1: Housing Activity Summary of Kelowna CMA
September 2010

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
September 2010	49	4	0	2	15	0	2	0	72
September 2009	36	4	0	1	8	46	2	0	97
% Change	36.1	0.0	n/a	100.0	87.5	-100.0	0.0	n/a	-25.8
Year-to-date 2010	444	34	0	12	68	9	20	182	769
Year-to-date 2009	224	12	0	9	48	48	19	0	360
% Change	98.2	183.3	n/a	33.3	41.7	-81.3	5.3	n/a	113.6
UNDER CONSTRUCTION									
September 2010	465	28	0	6	98	239	21	253	1,110
September 2009	409	12	0	9	169	731	17	0	1,347
% Change	13.7	133.3	n/a	-33.3	-42.0	-67.3	23.5	n/a	-17.6
COMPLETIONS									
September 2010	42	4	0	6	28	0	2	0	82
September 2009	59	0	0	3	14	56	2	0	134
% Change	-28.8	n/a	n/a	100.0	100.0	-100.0	0.0	n/a	-38.8
Year-to-date 2010	425	24	0	16	149	481	19	30	1,144
Year-to-date 2009	408	4	0	22	174	954	36	59	1,657
% Change	4.2	**	n/a	-27.3	-14.4	-49.6	-47.2	-49.2	-31.0
COMPLETED & NOT ABSORBED									
September 2010	103	7	0	6	81	360	3	30	590
September 2009	145	1	0	10	79	251	0	0	486
% Change	-29.0	**	n/a	-40.0	2.5	43.4	n/a	n/a	21.4
ABSORBED									
September 2010	38	1	0	5	26	0	0	0	70
September 2009	75	0	0	3	21	81	2	0	182
% Change	-49.3	n/a	n/a	66.7	23.8	-100.0	-100.0	n/a	-61.5
Year-to-date 2010	432	19	0	17	139	402	16	0	1,025
Year-to-date 2009	444	4	0	16	164	810	36	59	1,533
% Change	-2.7	**	n/a	6.3	-15.2	-50.4	-55.6	-100.0	-33.1

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
September 2010

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Kelowna City									
September 2010	33	2	0	0	15	0	1	0	51
September 2009	11	2	0	1	6	0	2	0	22
Lake Country D.M.									
September 2010	9	2	0	0	0	0	1	0	12
September 2009	5	2	0	0	2	0	0	0	9
Peachland D.M.									
September 2010	0	0	0	0	0	0	0	0	0
September 2009	1	0	0	0	0	0	0	0	1
Reg. Dist. Sub. J - Westside									
September 2010	4	0	0	2	0	0	0	0	6
September 2009	16	0	0	0	0	46	0	0	62
Reg. Dist. Sub. I - Eastside									
September 2010	3	0	0	0	0	0	0	0	3
September 2009	3	0	0	0	0	0	0	0	3
Kelowna CMA									
September 2010	49	4	0	2	15	0	2	0	72
September 2009	36	4	0	1	8	46	2	0	97
UNDER CONSTRUCTION									
Kelowna City									
September 2010	235	12	0	4	80	193	20	182	726
September 2009	187	6	0	5	88	604	16	0	906
Lake Country D.M.									
September 2010	83	8	0	0	0	0	1	71	163
September 2009	69	4	0	1	26	15	0	0	115
Peachland D.M.									
September 2010	17	0	0	0	0	0	0	0	17
September 2009	19	0	0	0	22	0	0	0	41
Reg. Dist. Sub. J - Westside									
September 2010	115	4	0	2	14	46	0	0	181
September 2009	119	2	0	3	25	112	1	0	262
Reg. Dist. Sub. I - Eastside									
September 2010	15	4	0	0	4	0	0	0	23
September 2009	15	0	0	0	8	0	0	0	23
Kelowna CMA									
September 2010	465	28	0	6	98	239	21	253	1,110
September 2009	409	12	0	9	169	731	17	0	1,347

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket September 2010									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
COMPLETIONS									
Kelowna City									
September 2010	24	4	0	6	8	0	2	0	44
September 2009	23	0	0	2	12	56	1	0	94
Lake Country D.M.									
September 2010	6	0	0	0	0	0	0	0	6
September 2009	5	0	0	0	2	0	0	0	7
Peachland D.M.									
September 2010	0	0	0	0	20	0	0	0	20
September 2009	0	0	0	0	0	0	0	0	0
Reg. Dist. Sub. J - Westside									
September 2010	8	0	0	0	0	0	0	0	8
September 2009	30	0	0	1	0	0	1	0	32
Reg. Dist. Sub. I - Eastside									
September 2010	4	0	0	0	0	0	0	0	4
September 2009	1	0	0	0	0	0	0	0	1
Kelowna CMA									
September 2010	42	4	0	6	28	0	2	0	82
September 2009	59	0	0	3	14	56	2	0	134
COMPLETED & NOT ABSORBED									
Kelowna City									
September 2010	58	5	0	3	50	262	3	30	411
September 2009	74	1	0	7	46	131	0	0	259
Lake Country D.M.									
September 2010	10	0	0	0	8	16	0	0	34
September 2009	13	0	0	0	8	41	0	0	62
Peachland D.M.									
September 2010	5	0	0	0	7	0	0	0	12
September 2009	7	0	0	1	4	0	0	0	12
Reg. Dist. Sub. J - Westside									
September 2010	30	2	0	3	14	82	0	0	131
September 2009	51	0	0	2	19	79	0	0	151
Reg. Dist. Sub. I - Eastside									
September 2010	0	0	0	0	2	0	0	0	2
September 2009	0	0	0	0	2	0	0	0	2
Kelowna CMA									
September 2010	103	7	0	6	81	360	3	30	590
September 2009	145	1	0	10	79	251	0	0	486

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 2: Starts by Submarket and by Dwelling Type September 2010											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	Sept 2010	Sept 2009	Sept 2010	Sept 2009	Sept 2010	Sept 2009	Sept 2010	Sept 2009	Sept 2010	Sept 2009	% Change
Black Mountain	9	1	0	2	0	0	0	0	9	3	200.0
Dilworth Mountain	1	1	2	6	0	0	0	0	3	7	-57.1
Ellison/Joe Rich	3	3	0	0	0	0	0	0	3	3	0.0
Glenrosa	0	1	0	0	0	0	0	0	0	1	-100.0
Glenmore	7	2	0	0	3	0	0	0	10	2	**
Kelowna Core Area	2	0	0	0	12	0	0	0	14	0	n/a
Lake Country	10	5	2	4	0	0	0	0	12	9	33.3
Lakeview Heights	0	3	0	0	0	0	0	0	0	3	-100.0
Lower Mission	3	0	0	0	0	0	0	0	3	0	n/a
North Glenmore	3	2	0	0	0	0	0	0	3	2	50.0
Peachland	0	1	0	0	0	0	0	0	0	1	-100.0
Rutland	0	1	0	0	0	0	0	0	0	1	-100.0
Southeast Kelowna	2	1	0	0	0	0	0	0	2	1	100.0
Shannon Lake	1	2	0	0	0	0	0	0	1	2	-50.0
Upper Mission	7	6	0	0	0	0	0	0	7	6	16.7
Westbank	4	1	0	0	0	0	0	46	4	47	-91.5
West Kelowna	1	0	0	0	0	0	0	0	1	0	n/a
Westside	0	9	0	0	0	0	0	0	0	9	-100.0
Kelowna CMA	53	39	4	12	15	0	0	46	72	97	-25.8

Table 2.1: Starts by Submarket and by Dwelling Type January - September 2010											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2010	YTD 2009	YTD 2010	YTD 2009	YTD 2010	YTD 2009	YTD 2010	YTD 2009	YTD 2010	YTD 2009	% Change
Black Mountain	55	17	2	2	4	0	0	0	61	19	**
Dilworth Mountain	8	6	20	12	0	0	0	0	28	18	55.6
Ellison/Joe Rich	12	13	8	4	0	0	0	0	20	17	17.6
Glenrosa	0	1	0	2	0	0	0	0	0	3	-100.0
Glenmore	35	3	0	0	7	0	71	0	113	3	**
Kelowna Core Area	8	10	4	4	12	4	120	2	144	20	**
Lake Country	79	40	8	6	0	4	0	0	87	50	74.0
Lakeview Heights	22	9	0	0	0	0	0	0	22	9	144.4
Lower Mission	26	2	0	2	6	0	0	0	32	4	**
North Glenmore	31	21	0	0	0	0	0	0	31	21	47.6
Peachland	5	13	0	2	0	20	0	0	5	35	-85.7
Rutland	19	10	6	2	14	0	0	0	39	12	**
Southeast Kelowna	16	13	0	0	0	0	0	0	16	13	23.1
Shannon Lake	39	23	0	0	0	0	0	0	39	23	69.6
Upper Mission	90	34	0	0	7	0	0	0	97	34	185.3
Westbank	9	8	2	0	0	0	0	46	11	54	-79.6
West Kelowna	17	4	2	0	0	0	0	0	19	4	**
Westside	5	21	0	0	0	0	0	0	5	21	-76.2
Kelowna CMA	476	248	52	36	50	28	191	48	769	360	113.6

Source: CMHC (Starts and Completions Survey)

Table 3: Completions by Submarket and by Dwelling Type
September 2010

Submarket	Single		Semi		Row		Apt. & Other		Total		
	Sept 2010	Sept 2009	Sept 2010	Sept 2009	Sept 2010	Sept 2009	Sept 2010	Sept 2009	Sept 2010	Sept 2009	% Change
Black Mountain	5	5	0	0	0	4	0	0	5	9	-44.4
Dilworth Mountain	1	1	6	0	0	0	0	0	7	1	**
Ellison/Joe Rich	4	1	0	0	0	0	0	0	4	1	**
Glenrosa	0	0	0	0	0	0	0	0	0	0	n/a
Glenmore	3	3	0	2	0	0	0	0	3	5	-40.0
Kelowna Core Area	0	3	2	0	0	0	0	56	2	59	-96.6
Lake Country	6	5	0	2	0	0	0	0	6	7	-14.3
Lakeview Heights	0	2	0	0	0	0	0	0	0	2	-100.0
Lower Mission	3	0	0	0	0	0	0	0	3	0	n/a
North Glenmore	1	3	4	0	0	0	0	0	5	3	66.7
Peachland	0	0	0	0	20	0	0	0	20	0	n/a
Rutland	0	4	0	0	0	0	0	0	0	4	-100.0
Southeast Kelowna	2	0	0	6	0	0	0	0	2	6	-66.7
Shannon Lake	5	2	0	0	0	0	0	0	5	2	150.0
Upper Mission	17	7	0	0	0	0	0	0	17	7	142.9
Westbank	2	2	0	0	0	0	0	0	2	2	0.0
West Kelowna	1	2	0	0	0	0	0	0	1	2	-50.0
Westside	0	24	0	0	0	0	0	0	0	24	-100.0
Kelowna CMA	50	64	12	10	20	4	0	56	82	134	-38.8

Table 3.1: Completions by Submarket and by Dwelling Type
January - September 2010

Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2010	YTD 2009	YTD 2010	YTD 2009	YTD 2010	YTD 2009	YTD 2010	YTD 2009	YTD 2010	YTD 2009	% Change
Black Mountain	42	34	10	8	4	4	0	0	56	46	21.7
Dilworth Mountain	8	3	30	8	0	0	30	0	68	11	**
Ellison/Joe Rich	13	9	12	10	0	0	0	0	25	19	31.6
Glenrosa	5	0	0	0	0	0	0	0	5	0	n/a
Glenmore	14	17	0	4	0	10	0	67	14	98	-85.7
Kelowna Core Area	12	13	4	16	17	0	406	460	439	489	-10.2
Lake Country	78	58	8	2	12	33	15	72	113	165	-31.5
Lakeview Heights	18	21	2	16	0	4	0	0	20	41	-51.2
Lower Mission	8	11	4	2	6	0	60	0	78	13	**
North Glenmore	31	39	6	2	0	12	0	60	37	113	-67.3
Peachland	12	18	2	2	20	24	0	0	34	44	-22.7
Rutland	22	21	2	4	0	8	0	92	24	125	-80.8
Southeast Kelowna	28	7	0	6	0	0	0	0	28	13	115.4
Shannon Lake	28	32	0	6	8	0	0	150	36	188	-80.9
Upper Mission	92	87	0	2	24	8	0	0	116	97	19.6
Westbank	9	16	2	2	0	0	0	112	11	130	-91.5
West Kelowna	22	27	0	0	0	0	0	0	22	27	-18.5
Westside	18	37	0	0	0	0	0	0	18	37	-51.4
Kelowna CMA	460	451	82	90	91	103	511	1,013	1,144	1,657	-31.0

Source: CMHC (Starts and Completions Survey)

Table 4: Absorbed Single-Detached Units by Price Range
September 2010

Submarket	Price Ranges										Total	Median Price ($)	Average Price ($)
	< $400,000		$400,000 - $499,999		$500,000 - $599,999		$600,000 - $749,999		$750,000 +				
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)			
Black Mountain													
September 2010	0	0.0	1	20.0	2	40.0	2	40.0	0	0.0	5	--	--
September 2009	0	0.0	0	0.0	4	80.0	1	20.0	0	0.0	5	--	--
Year-to-date 2010	0	0.0	5	13.2	12	31.6	16	42.1	5	13.2	38	626,635	621,652
Year-to-date 2009	1	2.8	5	13.9	20	55.6	6	16.7	4	11.1	36	555,450	598,517
Dilworth Mountain													
September 2010	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	1	--	--
September 2009	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	1	--	--
Year-to-date 2010	0	0.0	0	0.0	0	0.0	2	33.3	4	66.7	6	--	--
Year-to-date 2009	0	0.0	0	0.0	5	62.5	0	0.0	3	37.5	8	--	--
Ellison/Joe Rich													
September 2010	0	0.0	1	25.0	3	75.0	0	0.0	0	0.0	4	--	--
September 2009	0	0.0	1	100.0	0	0.0	0	0.0	0	0.0	1	--	--
Year-to-date 2010	0	0.0	2	16.7	7	58.3	1	8.3	2	16.7	12	545,000	649,804
Year-to-date 2009	1	10.0	4	40.0	4	40.0	0	0.0	1	10.0	10	523,950	543,039
Glenrosa													
September 2010	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
September 2009	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2010	0	0.0	1	25.0	2	50.0	1	25.0	0	0.0	4	--	--
Year-to-date 2009	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Glenmore													
September 2010	0	0.0	0	0.0	0	0.0	1	50.0	1	50.0	2	--	--
September 2009	0	0.0	0	0.0	1	20.0	2	40.0	2	40.0	5	--	--
Year-to-date 2010	0	0.0	2	13.3	0	0.0	4	26.7	9	60.0	15	799,900	967,532
Year-to-date 2009	2	11.8	0	0.0	1	5.9	2	11.8	12	70.6	17	997,395	1,642,529
Kelowna Core Area													
September 2010	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
September 2009	0	0.0	2	66.7	0	0.0	0	0.0	1	33.3	3	--	--
Year-to-date 2010	0	0.0	2	25.0	1	12.5	1	12.5	4	50.0	8	--	--
Year-to-date 2009	4	25.0	3	18.8	7	43.8	0	0.0	2	12.5	16	537,845	714,468
Lake Country													
September 2010	0	0.0	3	60.0	2	40.0	0	0.0	0	0.0	5	--	--
September 2009	0	0.0	2	33.3	1	16.7	1	16.7	2	33.3	6	--	--
Year-to-date 2010	2	2.5	29	36.7	22	27.8	12	15.2	14	17.7	79	537,033	683,276
Year-to-date 2009	0	0.0	10	15.2	38	57.6	7	10.6	11	16.7	66	548,848	687,404
Lakeview Heights													
September 2010	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
September 2009	0	0.0	0	0.0	0	0.0	2	66.7	1	33.3	3	--	--
Year-to-date 2010	0	0.0	0	0.0	3	15.0	2	10.0	15	75.0	20	907,275	1,192,085
Year-to-date 2009	0	0.0	0	0.0	3	12.0	5	20.0	17	68.0	25	943,950	1,322,743
Lower Mission													
September 2010	0	0.0	0	0.0	0	0.0	1	33.3	2	66.7	3	--	--
September 2009	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2010	0	0.0	1	16.7	0	0.0	1	16.7	4	66.7	6	--	--
Year-to-date 2009	2	16.7	0	0.0	3	25.0	5	41.7	2	16.7	12	647,645	857,784

Source: CMHC (Market Absorption Survey)

Table 4: Absorbed Single-Detached Units by Price Range September 2010													
Submarket	**Price Ranges**										Total	Median Price ($)	Average Price ($)
	< $400,000		$400,000 - $499,999		$500,000 - $599,999		$600,000 - $749,999		$750,000 +				
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)			
North Glenmore													
September 2010	0	0.0	3	100.0	0	0.0	0	0.0	0	0.0	3	--	--
September 2009	0	0.0	0	0.0	2	40.0	1	20.0	2	40.0	5	--	--
Year-to-date 2010	0	0.0	14	42.4	2	6.1	6	18.2	11	33.3	33	649,950	636,466
Year-to-date 2009	0	0.0	1	2.5	7	17.5	12	30.0	20	50.0	40	752,743	752,860
Peachland													
September 2010	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
September 2009	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2010	0	0.0	0	0.0	5	41.7	5	41.7	2	16.7	12	629,000	650,548
Year-to-date 2009	2	18.2	1	9.1	3	27.3	3	27.3	2	18.2	11	639,000	1,174,477
Rutland													
September 2010	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
September 2009	0	0.0	5	71.4	1	14.3	0	0.0	1	14.3	7	--	--
Year-to-date 2010	1	5.3	10	52.6	3	15.8	5	26.3	0	0.0	19	498,645	511,169
Year-to-date 2009	3	15.0	10	50.0	1	5.0	4	20.0	2	10.0	20	481,648	541,849
Southeast Kelowna													
September 2010	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	1	--	--
September 2009	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2010	0	0.0	1	5.0	0	0.0	2	10.0	17	85.0	20	939,225	1,030,939
Year-to-date 2009	3	42.9	0	0.0	0	0.0	1	14.3	3	42.9	7	--	--
Shannon Lake													
September 2010	0	0.0	0	0.0	0	0.0	2	100.0	0	0.0	2	--	--
September 2009	0	0.0	0	0.0	1	50.0	1	50.0	0	0.0	2	--	--
Year-to-date 2010	0	0.0	7	21.2	12	36.4	10	30.3	4	12.1	33	550,943	594,170
Year-to-date 2009	1	3.3	3	10.0	12	40.0	10	33.3	4	13.3	30	569,900	620,866
Upper Mission													
September 2010	0	0.0	0	0.0	2	15.4	5	38.5	6	46.2	13	748,893	929,570
September 2009	0	0.0	1	10.0	3	30.0	5	50.0	1	10.0	10	626,769	666,394
Year-to-date 2010	0	0.0	0	0.0	19	21.1	21	23.3	50	55.6	90	777,445	905,983
Year-to-date 2009	1	1.1	8	8.4	25	26.3	25	26.3	36	37.9	95	683,000	813,412
Westbank													
September 2010	0	0.0	0	0.0	1	50.0	0	0.0	1	50.0	2	--	--
September 2009	0	0.0	2	66.7	0	0.0	0	0.0	1	33.3	3	--	--
Year-to-date 2010	0	0.0	3	50.0	2	33.3	0	0.0	1	16.7	6	--	--
Year-to-date 2009	0	0.0	6	37.5	8	50.0	1	6.3	1	6.3	16	524,895	671,436
West Kelowna													
September 2010	0	0.0	2	100.0	0	0.0	0	0.0	0	0.0	2	--	--
September 2009	1	20.0	4	80.0	0	0.0	0	0.0	0	0.0	5	--	--
Year-to-date 2010	0	0.0	12	60.0	6	30.0	1	5.0	1	5.0	20	474,923	531,155
Year-to-date 2009	5	14.7	17	50.0	8	23.5	2	5.9	2	5.9	34	485,475	536,728
Westside													
September 2010	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
September 2009	15	68.2	4	18.2	1	4.5	0	0.0	2	9.1	22	364,900	417,609
Year-to-date 2010	1	5.6	9	50.0	5	27.8	1	5.6	2	11.1	18	488,198	614,607
Year-to-date 2009	15	42.9	15	42.9	3	8.6	0	0.0	2	5.7	35	425,360	432,607
Kelowna CMA													
September 2010	0	0.0	10	23.3	10	23.3	11	25.6	12	27.9	43	606,375	824,330
September 2009	16	20.5	21	26.9	15	19.2	13	16.7	13	16.7	78	513,450	609,725
Year-to-date 2010	4	0.9	98	22.3	101	23.0	91	20.7	145	33.0	439	628,950	776,848
Year-to-date 2009	40	8.4	83	17.4	148	31.0	83	17.4	124	25.9	478	585,450	749,639

Source: CMHC (Market Absorption Survey)

Table 4.1: Average Price ($) of Absorbed Single-detached Units
September 2010

Submarket	Sept 2010	Sept 2009	% Change	YTD 2010	YTD 2009	% Change
Black Mountain	--	--	n/a	621,652	598,517	3.9
Dilworth Mountain	--	--	n/a	--	--	n/a
Ellison/Joe Rich	--	--	n/a	649,804	--	n/a
Glenrosa	--	--	n/a	--	--	n/a
Glenmore	--	--	n/a	967,532	1,642,529	-41.1
Kelowna Core Area	--	--	n/a	--	714,468	n/a
Lake Country	--	--	n/a	683,276	687,404	-0.6
Lakeview Heights	--	--	n/a	1,192,085	1,322,743	-9.9
Lower Mission	--	--	n/a	--	857,784	n/a
North Glenmore	--	--	n/a	636,466	752,860	-15.5
Peachland	--	--	n/a	650,548	--	n/a
Rutland	--	--	n/a	511,169	541,849	-5.7
Southeast Kelowna	--	--	n/a	1,030,939	--	n/a
Shannon Lake	--	--	n/a	594,170	620,866	-4.3
Upper Mission	929,570	666,394	39.5	905,983	813,412	11.4
Westbank	--	--	n/a	--	671,436	n/a
West Kelowna	--	--	n/a	531,155	536,728	-1.0
Westside	--	417,609	n/a	614,607	432,607	42.1
Kelowna CMA	824,330	609,725	35.2	776,848	749,639	3.6

Source: CMHC (Market Absorption Survey)

Table 5: MLS® Residential Activity for Kelowna
September 2010

		Single Detached				Townhouse				Apartment Condo			
		Number of Sales	Number of Active Listings	Sales-to-Active Listings Ratio	Average Price ($)	Number of Sales	Number of Active Listings	Sales-to-Active Listings Ratio	Average Price ($)	Number of Sales	Number of Active Listings	Sales-to-Active Listings Ratio	Average Price ($)
2009	January	60	1,823	3	411,943	10	303	3	347,390	25	806	3	262,532
	February	91	1,859	5	446,733	12	344	3	299,408	28	868	3	232,761
	March	142	1,979	7	437,118	25	380	7	320,512	43	940	5	253,706
	April	178	2,079	9	459,684	27	378	7	320,089	60	923	7	243,386
	May	216	2,068	10	501,617	37	363	10	320,767	71	988	7	279,935
	June	251	2,106	12	476,544	44	367	12	307,382	77	992	8	245,072
	July	249	2,131	12	506,555	42	343	12	367,148	102	919	11	262,601
	August	200	2,072	10	522,167	44	343	13	337,780	65	948	7	250,896
	September	229	2,007	11	481,946	38	313	12	325,755	69	1,000	7	267,494
	October												
	November												
	December												
2010	January	149	1,413	11	506,581	23	227	10	351,185	47	807	6	232,494
	February	154	1,673	9	500,523	25	308	8	272,312	57	1,005	6	257,532
	March	205	1,856	11	496,243	45	289	16	329,985	53	917	6	251,347
	April	237	2,136	11	509,338	42	309	14	341,430	83	970	9	254,459
	May	217	2,205	10	523,327	50	318	16	317,127	67	1,047	6	273,725
	June	212	2,266	9	550,819	33	309	11	369,704	52	1,063	5	234,323
	July	126	2,335	5	596,685	18	368	5	266,944	42	1,046	4	264,487
	August	139	2,304	6	534,672	25	368	7	321,328	75	1,000	8	281,945
	September	138	2,225	6	502,235	18	351	5	320,578	41	992	4	231,734
	October												
	November												
	December												
	YTD 2009	1,613	2,014	9	478,993	280	348	9	330,094	539	932	6	256,942
	YTD 2010	1,577	2,046	9	523,640	279	316	10	325,232	518	983	6	256,480
	% Change	-2.0	2.0	0.0	9.0	-0.4	-9.0	11.0	-1.0	-4.0	5.0	0.0	-0.2

MLS® is a registered trademark of the Canadian Real Estate Association (CREA).
Note: Based on boundaries of the OMREB. Townhouse and apartment data does not include Big White.

Source: Okanagan Mainline Real Estate Board (OMREB)

Table 6: Economic Indicators September 2010											
		Interest Rates			NHPI, Total, 1997=100 (B.C.)	CPI, 2002 =100 (B.C.)	Kelowna Labour Market			
		P & I Per $100,000	Mortage Rates (%)				Employment SA (,000)	Unemployment Rate (%) SA	Participation Rate (%) SA	Average Weekly Earnings ($)
			1 Yr. Term	5 Yr. Term						
2009	January	627	5.00	5.79	119.2	111.4	92.5	6.3	63.9	795
	February	627	5.00	5.79	115.9	111.9	94.1	6.0	64.4	798
	March	613	4.50	5.55	114.6	112.0	92.1	7.4	64.3	796
	April	596	3.90	5.25	113.3	112.1	89.9	9.1	64.1	797
	May	596	3.90	5.25	113.7	112.9	89.7	10.5	64.7	794
	June	631	3.75	5.85	112.8	112.8	89.9	11.5	65.4	795
	July	631	3.75	5.85	113.5	112.4	93.5	10.1	66.2	791
	August	631	3.75	5.85	113.7	112.8	95.3	8.8	66.8	796
	September	610	3.70	5.49	115.1	112.7	98.1	7.8	67.3	802
	October	630	3.80	5.84	115.8	112.1	100.0	6.9	68.6	809
	November	616	3.60	5.59	116.1	112.4	102.1	7.5	69.5	807
	December	610	3.60	5.49	116.8	111.9	102.2	8.2	70.5	809
2010	January	610	3.60	5.49	117.3	112.2	102.8	8.8	71.4	810
	February	604	3.60	5.39	117.8	113.2	103.3	8.2	70.9	814
	March	631	3.60	5.85	118.4	112.6	103.4	7.7	70.6	816
	April	655	3.80	6.25	118.8	113.2	103.4	6.9	70.1	818
	May	639	3.70	5.99	119.1	113.6	103.0	7.0	69.4	824
	June	633	3.60	5.89	118.9	113.4	103.1	6.4	68.8	827
	July	627	3.50	5.79	118.0	114.6	103.3	7.1	68.9	829
	August	604	3.30	5.39	118.1	114.5	103.9	7.4	69.5	831
	September	604	3.30	5.39		114.5	102.0	8.9	69.2	833
	October									
	November									
	December									

"P & I" means Principal and Interest (assumes $100,000 mortgage amortized over 25 years using current 5 year interest rate)
"NHPI" means New Housing Price Index
"CPI" means Consumer Price Index
"SA" means Seasonally Adjusted

Source: CMHC, adapted from Statistics Canada (CANSIM), Statistics Canada (CANSIM)

METHODOLOGY

Starts & Completions Survey Methodology

The Starts and Completions Survey is conducted by way of site visits which are used to confirm that new units have reached set stages in the construction process. Since most municipalities in the country issue building permits, these are used as an indication of where construction is likely to take place. In areas where there are no permits, reliance has to be placed either on local sources or searching procedures.

The Starts and Completions Survey is carried out monthly in urban areas with population in excess of 50,000, as defined by the 2006 Census. In urban areas with populations of 10,000 to 49,999, all Starts are enumerated in the last month of the quarter (i.e. four times a year, in March, June, September and December). In these centres with quarterly enumeration, Completion activity is modelled based on historical patterns. Monthly Starts and Completions activity in these quarterly locations are statistically estimated at a provincial level for single and multi categories. Centres with populations below 10,000 are enumerated on a sample basis, also in the last month of each quarter (i.e. four times a year, in March, June, September and December).

The Starts and Completions Survey enumerates dwelling units in new structures only, designed for non-transient and year-round occupancy.

Mobile homes are included in the surveys. A mobile home is a type of manufactured house that is completely assembled in a factory and then moved to a foundation before it is occupied.

Trailers or any other movable dwelling (the larger often referred to as a mobile home) with no permanent foundation are excluded from the survey.

Conversions and/or alterations within an existing structure are excluded from the surveys as are seasonal dwellings, such as: summer cottages, hunting and ski cabins, trailers and boat houses; and hostel accommodations, such as: hospitals, nursing homes, penal institutions, convents, monasteries, military and industrial camps, and collective types of accommodation such as: hotels, clubs, and lodging homes.

Market Absorption Survey Methodology

The Market Absorption Survey is carried out in conjunction with the Starts and Completions Survey in urban areas with populations in excess of 50,000. When a structure is recorded as completed, an update is also made as units are sold or rented. The dwellings are then enumerated each month until such time as full absorption occurs.

STARTS AND COMPLETIONS SURVEY AND MARKET ABSORPTION SURVEY DEFINITIONS

A "**dwelling unit**", for purposes of the Starts and Completions Survey, is defined as a structurally separate set of self-contained living premises with a private entrance from outside the building or from a common hall, lobby, or stairway inside the building. Such an entrance must be one that can be used without passing through another separate dwelling unit.

A "**start**", for purposes of the Starts and Completions Survey, is defined as the beginning of construction work on a building, usually when the concrete has been poured for the whole of the footing around the structure, or an equivalent stage where a basement will not be part of the structure.

The number of units "**under construction**" as at the end of the period shown, takes into account certain adjustments which are necessary for various reasons. For example, after a start on a dwelling has commenced construction may cease, or a structure, when completed, may contain more or fewer dwelling units than were reported at start.

A "**completion**", for purposes of the Starts and Completions Survey, is defined as the stage at which all the proposed construction work on a dwelling unit has been performed, although under some circumstances a dwelling may be counted as completed where up to 10 per cent of the proposed work remains to be done.

The term "**absorbed**" means that a housing unit is no longer on the market (i.e. has been sold or rented). This usually happens when a binding contract is secured by a non-refundable deposit and has been signed by a qualified purchaser. The purpose of the Market Absorption Survey is to measure the rate at which units are sold or rented after they are completed, as well as collect prices.

DWELLING TYPES:

A "**Single-Detached**" dwelling (also referred to as "**Single**") is a building containing only one dwelling unit, which is completely separated on all sides from any other dwelling or structure. Includes link homes, where two units may share a common basement wall but are separated above grade. Also includes cluster-single developments.

A "**Semi-Detached (Double)**" dwelling (also referred to as "**Semi**") is one of two dwellings located side-by-side in a building, adjoining no other structure and separated by a common or party wall extending from ground to roof.

A "**Row (Townhouse)**" dwelling is a one family dwelling unit in a row of three or more attached dwellings separated by a common or party wall extending from ground to roof.

The term "**Apartment and other**" includes all dwellings other than those described above, including structures commonly known as stacked townhouses, duplexes, triplexes, double duplexes and row duplexes.

INTENDED MARKET:

The "**intended market**" is the tenure in which the unit is being marketed. This includes the following categories:

Freehold: A residence where the owner owns the dwelling and lot outright.

Condominium (including Strata-Titled): An individual dwelling which is privately owned, but where the building and/or the land are collectively owned by all dwelling unit owners. A condominium is a form of ownership rather than a type of house.

Rental: Dwelling constructed for rental purposes regardless of who finances the structure.

GEOGRAPHICAL TERMS:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree on integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

A "**Rural**" area, for the purposes of this publication, is a centre with a population less than 10,000.

All data presented in this publication is based on Statistics Canada's 2006 Census area definitions, except the Economic Indicators data (Table 6) which is based on Statistics Canada's 2001 Census area definitions.

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