HOUSING MARKET INFORMATION

HOUSING NOW
Kelowna CMA

CANADA MORTGAGE AND HOUSING CORPORATION

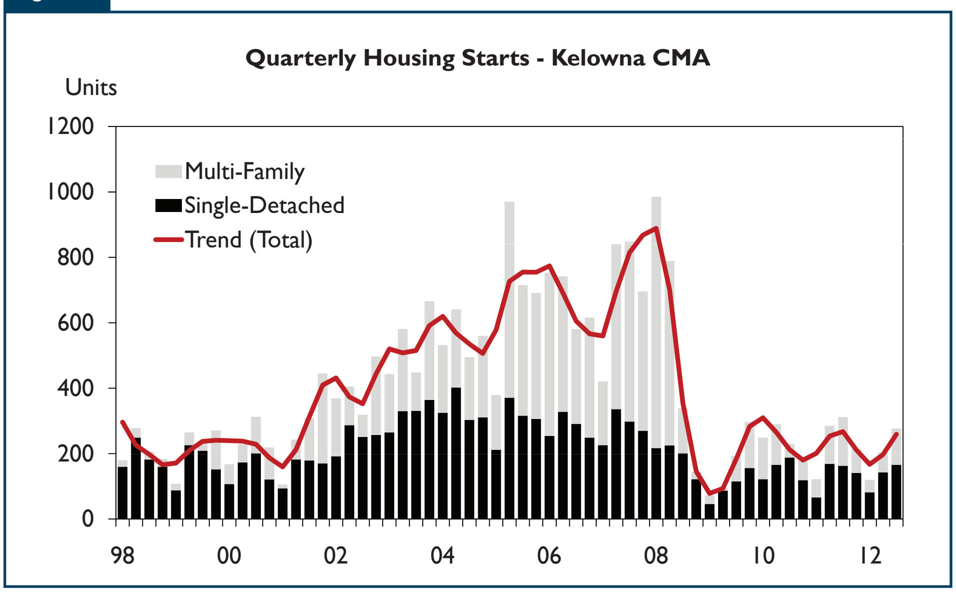
Date Released: October 2012

New Home Construction

Third quarter Kelowna area housing starts were lower compared to the same three month period in 2011. Fewer multiple-family starts accounted for the decrease. Single-detached starts matched 2011 levels. Strong price competition from a well-supplied MLS® home market has remained a key factor constraining the pace of new home construction in 2012. Reduced demand for resort homes and second residences has also contributed to lower levels of multiple-family starts compared to previous years.

Single-detached homes have remained the focus of new home construction in 2012. Detached home starts totalled 391 homes in the first nine months of

Figure 1



Source: CMHC.

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2012 compared to 398 homes in the same period last year. Lower lot prices and construction costs have enabled builders to better compete with the existing home market. Builders and home buyers have benefited from a wider selection of building lots than in recent years. The supply of active MLS® lot listings[1] has averaged 450 to 500 per month during the past several years compared to 200 to 300 listings per month prior to 2009. Declining inventories of new, completed and unoccupied homes have also helped sustain detached home construction this year.

Sales of new detached homes priced at more than $600,000 have increased slightly in 2012. Growth in demand for less costly detached homes has flattened out after steadily rising through the second half of 2010 and in 2011.

Third quarter multiple-family starts were lower than in 2011. With few exceptions, builders of multiple-family housing have focused on smaller, home owner-oriented attached housing projects during the past eighteen months rather than large apartment condominiums. This type of project is more easily released to the market in phases. New projects are targeting mainly local buyers rather than out-of-region investors and second home buyers. Demand has been strongest for moderately priced multiple-family homes.

Apartment condominium construction has been slower to rebound with only one project starting to date in 2012. The inventory of new, completed and unoccupied condominiums peaked at 420 units in 2010 and has since slowly declined to 123 units in September 2012. Declining inventories were due in part to the conversion of several condominium projects to rental buildings. Condominium absorption has improved in response to price reductions and other builder incentives, but remained below levels recorded in the mid 2000's.

MLS®[2] Home Market

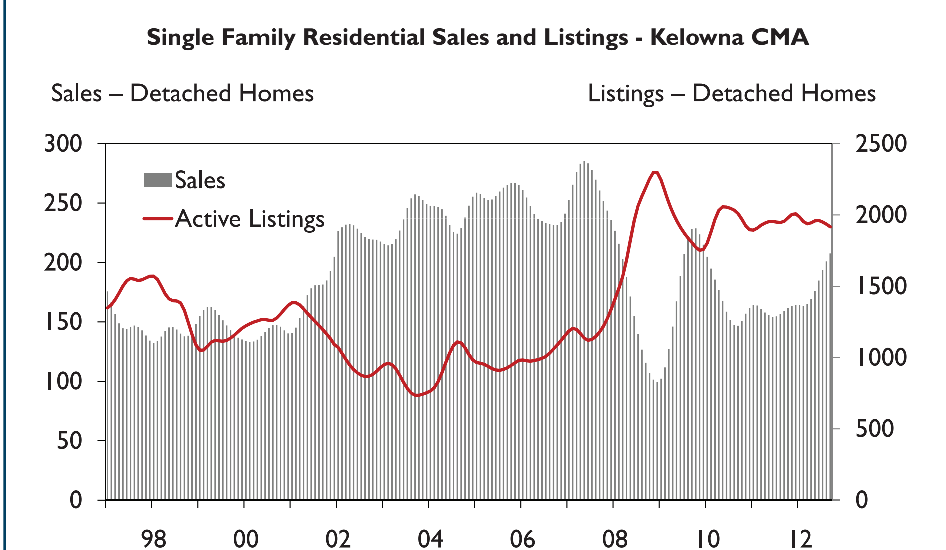
Third quarter Kelowna area MLS® sales moved higher compared to the same three month period in 2011. Year-over-year gains in July and August more than offset fewer sales in September. The uptick in third quarter sales was led by the detached home sector. Total MLS® residential sales have increased eight per cent to date in 2012, with townhouse and apartment condominium sales recording the biggest percentage gains. Favourable mortgage interest rates, stable prices and an ample supply of units listed for sale contributed to higher levels of sales.

Despite a few more sales of mid and higher priced single-family homes this year than last, the focus of demand has remained on moderately priced homes in 2012. Single-family homes (detached and semi-detached units) priced at less than $400,000 represented 39 and 37 per cent of home sales during the first nine months of 2012 and 2011 respectively. This price range accounted for only 22 per cent of sales in 2008.

Kelowna`s resale market has remained well supplied with homes listed for sale. This means that home buyers have continued to benefit from price competition among sellers. Despite rising sales, high levels of supply and flat prices have kept Kelowna's resale home market in border line buyers to balanced market position in 2012.

The average MLS® home price edged lower in the third quarter of 2012 from the previous year. An ample supply of homes listed for sale coupled with modest growth in demand has continued to dampen upward pressure on prices. Detached home prices appear to have stabilized in recent months, while apartment condominium prices have continued to trend lower.

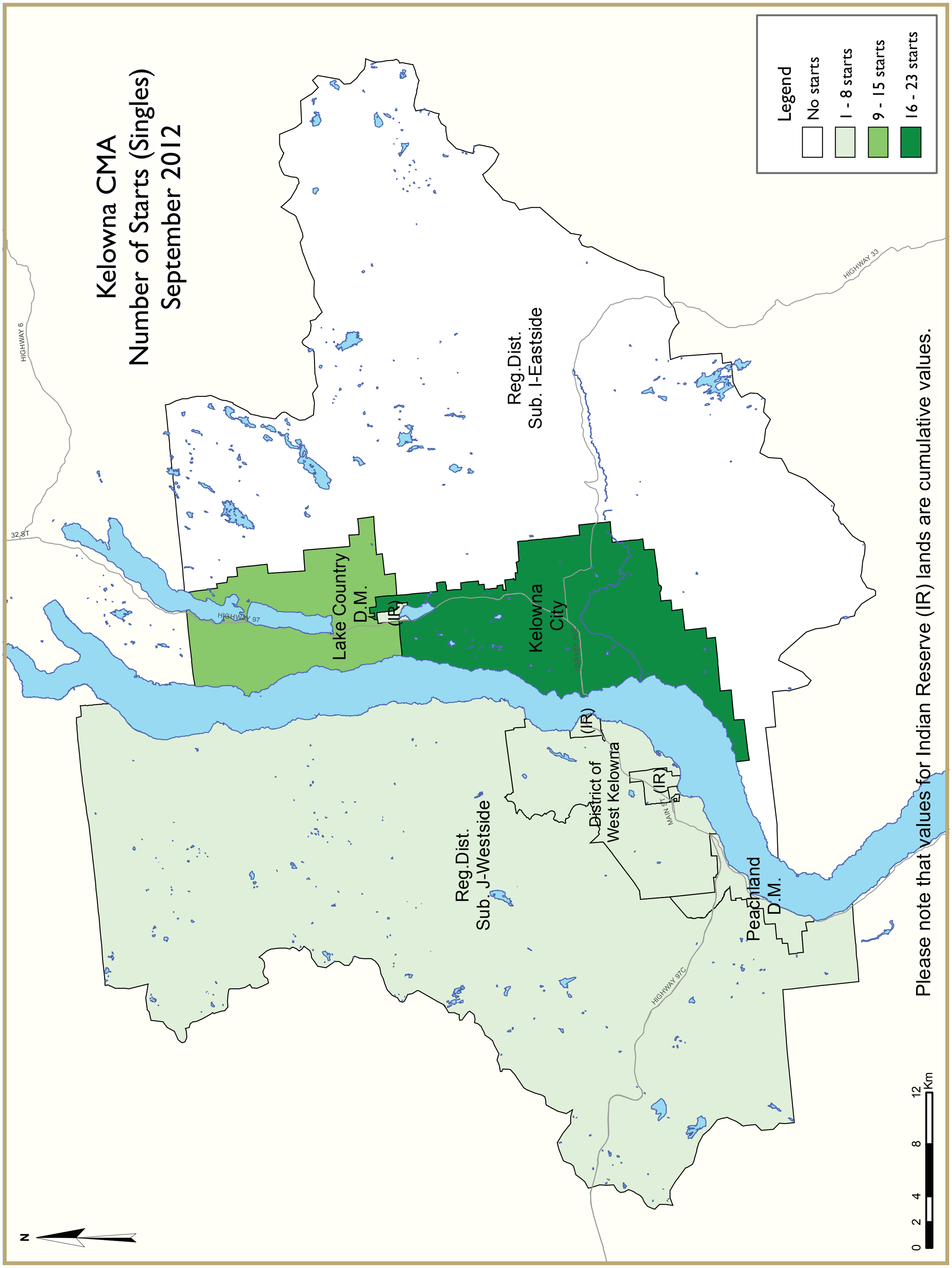
Figure 2



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

[1] Less acreages and Big White and Fintry areas.

[2] MLS® is a registered certification mark of the Canadian Real Estate Association (CREA)


Kelowna CMA
Number of Starts (Singles)
September 2012
Legend
No starts
1 - 8 starts
9 - 15 starts
16 - 23 starts
Reg.Dist.
Sub. I-Eastside
Lake Country
D.M.
(IR)
Kelowna
City
(IR)
District of
West Kelowna
(IR)
Reg.Dist.
Sub. J-Westside
Peachland
D.M.
HIGHWAY 6
HIGHWAY 33
HIGHWAY 97
HIGHWAY 97C
MAIN ST.
32 ST
N
0
2
4
8
12
Km
Please note that values for Indian Reserve (IR) lands are cumulative values.

HOUSING NOW REPORT TABLES

Available in ALL reports:

1	Housing Activity Summary of CMA
2	Starts by Submarket and by Dwelling Type – Current Month or Quarter
2.1	Starts by Submarket and by Dwelling Type – Year-to-Date
3	Completions by Submarket and by Dwelling Type – Current Month or Quarter
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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 2012									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
September 2012	44	8	0	0	10	48	0	7	117
September 2011	44	4	0	0	0	0	3	6	57
% Change	0.0	100.0	n/a	n/a	n/a	n/a	-100.0	16.7	105.3
Year-to-date 2012	381	40	7	0	73	48	10	42	601
Year-to-date 2011	373	47	0	0	48	96	47	108	719
% Change	2.1	-14.9	n/a	n/a	52.1	-50.0	-78.7	-61.1	-16.4
UNDER CONSTRUCTION									
September 2012	399	58	7	0	121	268	13	32	898
September 2011	425	67	6	0	82	399	45	197	1,221
% Change	-6.1	-13.4	16.7	n/a	47.6	-32.8	-71.1	-83.8	-26.5
COMPLETIONS									
September 2012	35	4	0	0	0	0	3	110	152
September 2011	44	0	0	0	27	0	1	2	74
% Change	-20.5	n/a	n/a	n/a	-100.0	n/a	200.0	**	105.4
Year-to-date 2012	395	47	6	0	49	11	45	210	763
Year-to-date 2011	393	26	0	2	91	6	25	181	724
% Change	0.5	80.8	n/a	-100.0	-46.2	83.3	80.0	16.0	5.4
COMPLETED & NOT ABSORBED									
September 2012	93	21	0	0	48	123	6	2	293
September 2011	107	16	0	5	93	268	6	0	495
% Change	-13.1	31.3	n/a	-100.0	-48.4	-54.1	0.0	n/a	-40.8
ABSORBED									
September 2012	35	2	0	0	3	14	3	110	167
September 2011	46	0	0	0	22	4	1	2	75
% Change	-23.9	n/a	n/a	n/a	-86.4	**	200.0	**	122.7
Year-to-date 2012	426	44	6	1	91	145	50	160	923
Year-to-date 2011	408	21	0	3	97	146	13	100	788
% Change	4.4	109.5	n/a	-66.7	-6.2	-0.7	**	60.0	17.1

Effective January 2011, data includes market housing on First Nations reserve lands in urban areas

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

Table 1.1: Housing Activity Summary by Submarket
September 2012

	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 2012	23	0	0	0	10	48	0	2	83
September 2011	26	4	0	0	0	0	2	1	33
Lake Country D.M.									
September 2012	9	0	0	0	0	0	0	5	14
September 2011	4	0	0	0	0	0	0	5	9
District of West Kelowna									
September 2012	6	2	0	0	0	0	0	0	8
September 2011	7	0	0	0	0	0	1	0	8
Peachland D.M.									
September 2012	1	0	0	0	0	0	0	0	1
September 2011	2	0	0	0	0	0	0	0	2
Reg. Dist. Sub. J - Westside									
September 2012	2	0	0	0	0	0	0	0	2
September 2011	0	0	0	0	0	0	0	0	0
Reg. Dist. Sub. I - Eastside									
September 2012	0	0	0	0	0	0	0	0	0
September 2011	0	0	0	0	0	0	0	0	0
Indian Reserves									
September 2012	3	6	0	0	0	0	0	0	9
September 2011	5	0	0	0	0	0	0	0	5
Kelowna CMA									
September 2012	44	8	0	0	10	48	0	7	117
September 2011	44	4	0	0	0	0	3	6	57

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Table 1.1: Housing Activity Summary by Submarket September 2012									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
UNDER CONSTRUCTION									
Kelowna City									
September 2012	187	14	7	0	78	268	13	19	586
September 2011	213	27	6	0	50	317	42	186	841
Lake Country D.M.									
September 2012	50	8	0	0	0	0	0	12	70
September 2011	64	14	0	0	4	0	0	11	93
District of West Kelowna									
September 2012	79	8	0	0	22	0	0	1	110
September 2011	74	2	0	0	7	0	1	0	84
Peachland D.M.									
September 2012	26	2	0	0	0	0	0	0	28
September 2011	13	0	0	0	0	0	1	0	14
Reg. Dist. Sub. J - Westside									
September 2012	19	0	0	0	0	0	0	0	19
September 2011	19	0	0	0	0	0	0	0	19
Reg. Dist. Sub. I - Eastside									
September 2012	6	4	0	0	0	0	0	0	10
September 2011	9	6	0	0	0	0	1	0	16
Indian Reserves									
September 2012	32	22	0	0	21	0	0	0	75
September 2011	33	18	0	0	21	82	0	0	154
Kelowna CMA									
September 2012	399	58	7	0	121	268	13	32	898
September 2011	425	67	6	0	82	399	45	197	1,221

Effective January 2011, data includes market housing on First Nations reserve lands in urban areas
Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket September 2012									
	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 2012	22	2	0	0	0	0	3	109	136
September 2011	19	0	0	0	23	0	1	1	44
Lake Country D.M.									
September 2012	3	0	0	0	0	0	0	1	4
September 2011	8	0	0	0	0	0	0	1	9
District of West Kelowna									
September 2012	7	2	0	0	0	0	0	0	9
September 2011	12	0	0	0	4	0	0	0	16
Peachland D.M.									
September 2012	0	0	0	0	0	0	0	0	0
September 2011	3	0	0	0	0	0	0	0	3
Reg. Dist. Sub. J - Westside									
September 2012	1	0	0	0	0	0	0	0	1
September 2011	0	0	0	0	0	0	0	0	0
Reg. Dist. Sub. I - Eastside									
September 2012	0	0	0	0	0	0	0	0	0
September 2011	1	0	0	0	0	0	0	0	1
Indian Reserves									
September 2012	2	0	0	0	0	0	0	0	2
September 2011	1	0	0	0	0	0	0	0	1
Kelowna CMA									
September 2012	35	4	0	0	0	0	3	110	152
September 2011	44	0	0	0	27	0	1	2	74

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	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
COMPLETED & NOT ABSORBED									
Kelowna City									
September 2012	45	9	0	0	34	74	6	1	169
September 2011	66	7	0	1	62	191	6	0	333
Lake Country D.M.									
September 2012	9	4	0	0	7	5	0	1	26
September 2011	9	4	0	0	8	6	0	0	27
District of West Kelowna									
September 2012	31	3	0	0	3	44	0	0	81
September 2011	24	4	0	4	11	71	0	0	114
Peachland D.M.									
September 2012	1	0	0	0	1	0	0	0	2
September 2011	4	0	0	0	6	0	0	0	10
Reg. Dist. Sub. J - Westside									
September 2012	1	0	0	0	0	0	0	0	1
September 2011	1	0	0	0	0	0	0	0	1
Reg. Dist. Sub. I - Eastside									
September 2012	0	0	0	0	0	0	0	0	0
September 2011	0	0	0	0	0	0	0	0	0
Indian Reserves									
September 2012	6	5	0	0	3	0	0	0	14
September 2011	3	1	0	0	6	0	0	0	10
Kelowna CMA									
September 2012	93	21	0	0	48	123	6	2	293
September 2011	107	16	0	5	93	268	6	0	495

Effective January 2011, data includes market housing on First Nations reserve lands in urban areas
Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket September 2012									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
ABSORBED									
Kelowna City									
September 2012	23	0	0	0	1	12	3	109	148
September 2011	18	0	0	0	13	3	1	1	36
Lake Country D.M.									
September 2012	3	0	0	0	1	0	0	1	5
September 2011	10	0	0	0	0	0	0	1	11
District of West Kelowna									
September 2012	5	2	0	0	0	2	0	0	9
September 2011	13	0	0	0	9	1	0	0	23
Peachland D.M.									
September 2012	0	0	0	0	0	0	0	0	0
September 2011	3	0	0	0	0	0	0	0	3
Reg. Dist. Sub. J - Westside									
September 2012	1	0	0	0	0	0	0	0	1
September 2011	0	0	0	0	0	0	0	0	0
Reg. Dist. Sub. I - Eastside									
September 2012	0	0	0	0	0	0	0	0	0
September 2011	1	0	0	0	0	0	0	0	1
Indian Reserves									
September 2012	3	0	0	0	1	0	0	0	4
September 2011	1	0	0	0	0	0	0	0	1
Kelowna CMA									
September 2012	35	2	0	0	3	14	3	110	167
September 2011	46	0	0	0	22	4	1	2	75

Effective January 2011, data includes market housing on First Nations reserve lands in urban areas
Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 2: Starts by Submarket and by Dwelling Type September 2012											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	Sept 2012	Sept 2011	Sept 2012	Sept 2011	Sept 2012	Sept 2011	Sept 2012	Sept 2011	Sept 2012	Sept 2011	% Change
Black Mountain	3	12	0	0	0	0	0	0	3	12	-75.0
Dilworth Mountain	0	0	0	0	0	0	0	0	0	0	n/a
Ellison/Joe Rich	0	0	0	0	0	0	0	0	0	0	n/a
Glenrosa	0	0	0	0	0	0	0	0	0	0	n/a
Glenmore	1	3	0	0	4	0	0	0	5	3	66.7
Kelowna Core Area	0	2	0	0	0	0	0	0	0	2	-100.0
Lake Country	9	4	0	0	0	0	5	5	14	9	55.6
Lakeview Heights	1	2	0	0	0	0	0	0	1	2	-50.0
Lower Mission	1	2	0	0	6	0	0	0	7	2	**
North Glenmore	8	3	0	2	0	0	50	0	58	5	**
Peachland	1	2	0	0	0	0	0	0	1	2	-50.0
Rutland	1	1	0	2	0	0	0	1	1	4	-75.0
Southeast Kelowna	1	0	0	0	0	0	0	0	1	0	n/a
Shannon Lake	3	3	0	0	0	0	0	0	3	3	0.0
Upper Mission	8	5	0	0	0	0	0	0	8	5	60.0
Westbank	0	0	0	0	0	0	0	0	0	0	n/a
West Kelowna	2	3	2	0	0	0	0	0	4	3	33.3
Westside	2	0	0	0	0	0	0	0	2	0	n/a
Indian Reserves	3	5	6	0	0	0	0	0	9	5	80.0
Kelowna CMA	44	47	8	4	10	0	55	6	117	57	105.3

Table 2.1: Starts by Submarket and by Dwelling Type January - September 2012											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	% Change
Black Mountain	26	33	0	4	4	0	2	0	32	37	-13.5
Dilworth Mountain	5	3	4	12	0	0	0	30	9	45	-80.0
Ellison/Joe Rich	4	10	2	4	0	0	0	0	6	14	-57.1
Glenrosa	1	0	0	0	0	0	0	0	1	0	n/a
Glenmore	26	35	0	0	26	21	0	1	52	57	-8.8
Kelowna Core Area	10	29	4	3	15	16	3	98	32	146	-78.1
Lake Country	52	55	2	8	0	10	16	19	70	92	-23.9
Lakeview Heights	13	18	2	0	0	0	0	0	15	18	-16.7
Lower Mission	15	16	0	0	18	0	0	0	33	16	106.3
North Glenmore	33	20	2	2	0	0	59	3	94	25	**
Peachland	17	7	2	0	0	0	0	0	19	7	171.4
Rutland	7	14	2	4	4	12	8	52	21	82	-74.4
Southeast Kelowna	12	11	0	0	0	0	1	0	13	11	18.2
Shannon Lake	29	20	2	2	5	0	1	0	37	22	68.2
Upper Mission	69	60	0	0	0	0	0	1	69	61	13.1
Westbank	4	2	0	0	5	0	0	0	9	2	**
West Kelowna	20	21	2	0	3	3	0	0	25	24	4.2
Westside	9	11	0	0	0	0	0	0	9	11	-18.2
Indian Reserves	39	33	16	16	0	0	0	0	55	49	12.2
Kelowna CMA	391	398	40	55	80	62	90	204	601	719	-16.4

Effective January 2011, data includes market housing on First Nations reserve lands in urban areas
Source: CMHC (Starts and Completions Survey)

Table 3: Completions by Submarket and by Dwelling Type September 2012											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	Sept 2012	Sept 2011	Sept 2012	Sept 2011	Sept 2012	Sept 2011	Sept 2012	Sept 2011	Sept 2012	Sept 2011	% Change
Black Mountain	4	4	0	0	0	4	1	0	5	8	-37.5
Dilworth Mountain	0	0	0	0	0	0	0	0	0	0	n/a
Ellison/Joe Rich	0	1	0	0	0	0	0	0	0	1	-100.0
Glenrosa	0	0	0	0	0	0	0	0	0	0	n/a
Glenmore	2	1	0	0	0	12	108	0	110	13	**
Kelowna Core Area	2	1	0	0	0	0	0	0	2	1	100.0
Lake Country	3	8	0	0	0	0	1	1	4	9	-55.6
Lakeview Heights	0	2	2	0	0	0	0	0	2	2	0.0
Lower Mission	6	0	0	0	0	0	0	0	6	0	n/a
North Glenmore	1	3	0	0	0	0	0	1	1	4	-75.0
Peachland	0	3	0	0	0	0	0	0	0	3	-100.0
Rutland	1	3	2	0	0	0	0	0	3	3	0.0
Southeast Kelowna	3	3	0	0	0	0	0	0	3	3	0.0
Shannon Lake	7	5	0	0	0	4	0	0	7	9	-22.2
Upper Mission	6	5	0	0	0	7	0	0	6	12	-50.0
Westbank	0	2	0	0	0	0	0	0	0	2	-100.0
West Kelowna	0	3	0	0	0	0	0	0	0	3	-100.0
Westside	1	0	0	0	0	0	0	0	1	0	n/a
Indian Reserves	2	1	0	0	0	0	0	0	2	1	100.0
Kelowna CMA	38	45	4	0	0	27	110	2	152	74	105.4

Table 3.1: Completions by Submarket and by Dwelling Type January - September 2012											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	% Change
Black Mountain	24	39	0	4	0	8	2	0	26	51	-49.0
Dilworth Mountain	2	6	2	8	0	0	30	0	34	14	142.9
Ellison/Joe Rich	8	13	6	6	0	0	0	0	14	19	-26.3
Glenrosa	1	0	0	0	0	0	0	0	1	0	n/a
Glenmore	33	31	0	0	33	18	114	0	180	49	**
Kelowna Core Area	31	12	3	0	12	12	7	173	53	197	-73.1
Lake Country	44	58	10	12	4	6	10	8	68	84	-19.0
Lakeview Heights	18	21	2	0	0	0	0	0	20	21	-4.8
Lower Mission	18	21	0	0	6	6	0	0	24	27	-11.1
North Glenmore	24	20	2	0	0	0	8	2	34	22	54.5
Peachland	8	9	0	0	0	0	0	0	8	9	-11.1
Rutland	10	12	6	2	12	14	49	0	77	28	175.0
Southeast Kelowna	26	9	0	0	0	0	1	0	27	9	200.0
Shannon Lake	26	25	0	0	0	4	0	0	26	29	-10.3
Upper Mission	75	65	0	2	0	7	0	1	75	75	0.0
Westbank	3	9	0	0	0	0	0	3	3	12	-75.0
West Kelowna	17	20	0	2	0	0	0	0	17	22	-22.7
Westside	6	15	0	0	0	0	0	0	6	15	-60.0
Indian Reserves	54	23	16	12	0	6	0	0	70	41	70.7
Kelowna CMA	428	408	47	48	67	81	221	187	763	724	5.4

Effective January 2011, data includes market housing on First Nations reserve lands in urban areas
Source: CMHC (Starts and Completions Survey)

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 2012	0	0.0	3	60.0	0	0.0	1	20.0	1	20.0	5	--	--
September 2011	0	0.0	1	33.3	0	0.0	1	33.3	1	33.3	3	--	--
Year-to-date 2012	0	0.0	8	24.2	7	21.2	11	33.3	7	21.2	33	609,730	701,881
Year-to-date 2011	0	0.0	11	31.4	8	22.9	13	37.1	3	8.6	35	588,330	591,007
Dilworth Mountain													
September 2012	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
September 2011	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2012	0	0.0	0	0.0	0	0.0	2	100.0	0	0.0	2	--	--
Year-to-date 2011	0	0.0	0	0.0	1	14.3	5	71.4	1	14.3	7	--	--
Ellison/Joe Rich													
September 2012	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
September 2011	0	0.0	1	100.0	0	0.0	0	0.0	0	0.0	1	--	--
Year-to-date 2012	0	0.0	2	25.0	1	12.5	1	12.5	4	50.0	8	--	--
Year-to-date 2011	2	15.4	7	53.8	2	15.4	2	15.4	0	0.0	13	473,000	488,997
Glenrosa													
September 2012	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
September 2011	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2012	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	1	--	--
Year-to-date 2011	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Glenmore													
September 2012	0	0.0	0	0.0	0	0.0	2	100.0	0	0.0	2	--	--
September 2011	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	1	--	--
Year-to-date 2012	0	0.0	3	8.8	5	14.7	10	29.4	16	47.1	34	749,000	813,974
Year-to-date 2011	0	0.0	1	3.0	5	15.2	10	30.3	17	51.5	33	759,900	1,169,820
Kelowna Core Area													
September 2012	1	33.3	1	33.3	0	0.0	1	33.3	0	0.0	3	--	--
September 2011	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2012	1	5.0	7	35.0	5	25.0	5	25.0	2	10.0	20	529,450	712,671
Year-to-date 2011	0	0.0	3	33.3	2	22.2	1	11.1	3	33.3	9	--	--
Lake Country													
September 2012	0	0.0	0	0.0	2	66.7	1	33.3	0	0.0	3	--	--
September 2011	0	0.0	6	60.0	0	0.0	1	10.0	3	30.0	10	497,300	734,822
Year-to-date 2012	1	2.0	18	36.0	9	18.0	15	30.0	7	14.0	50	550,890	668,859
Year-to-date 2011	1	1.6	29	46.0	19	30.2	5	7.9	9	14.3	63	502,950	608,175
Lakeview Heights													
September 2012	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
September 2011	0	0.0	0	0.0	0	0.0	0	0.0	3	100.0	3	--	--
Year-to-date 2012	0	0.0	0	0.0	1	5.9	1	5.9	15	88.2	17	1,065,000	1,414,582
Year-to-date 2011	0	0.0	1	4.5	2	9.1	1	4.5	18	81.8	22	911,740	1,099,641
Lower Mission													
September 2012	0	0.0	0	0.0	0	0.0	3	50.0	3	50.0	6	--	--
September 2011	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2012	0	0.0	0	0.0	3	15.0	8	40.0	9	45.0	20	719,900	766,765
Year-to-date 2011	0	0.0	0	0.0	10	62.5	1	6.3	5	31.3	16	593,743	698,694

Effective January 2011, data includes market housing on First Nations reserve lands in urban areas

Source: CMHC (Market Absorption Survey)

Table 4: Absorbed Single-Detached Units by Price Range September 2012													
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 2012	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
September 2011	0	0.0	1	50.0	0	0.0	1	50.0	0	0.0	2	--	--
Year-to-date 2012	0	0.0	12	46.2	2	7.7	6	23.1	6	23.1	26	585,825	811,279
Year-to-date 2011	1	6.3	6	37.5	2	12.5	4	25.0	3	18.8	16	551,813	642,166
Peachland													
September 2012	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
September 2011	0	0.0	3	100.0	0	0.0	0	0.0	0	0.0	3	--	--
Year-to-date 2012	0	0.0	0	0.0	3	30.0	2	20.0	5	50.0	10	908,965	974,690
Year-to-date 2011	0	0.0	4	50.0	1	12.5	2	25.0	1	12.5	8	--	--
Rutland													
September 2012	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	1	--	--
September 2011	0	0.0	1	25.0	1	25.0	2	50.0	0	0.0	4	--	--
Year-to-date 2012	0	0.0	4	44.4	3	33.3	1	11.1	1	11.1	9	--	--
Year-to-date 2011	1	6.7	5	33.3	6	40.0	3	20.0	0	0.0	15	543,828	522,408
Southeast Kelowna													
September 2012	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	1	--	--
September 2011	0	0.0	0	0.0	0	0.0	0	0.0	3	100.0	3	--	--
Year-to-date 2012	0	0.0	0	0.0	1	5.9	3	17.6	13	76.5	17	1,070,000	1,184,299
Year-to-date 2011	0	0.0	0	0.0	0	0.0	1	14.3	6	85.7	7	--	--
Shannon Lake													
September 2012	0	0.0	2	40.0	3	60.0	0	0.0	0	0.0	5	--	--
September 2011	1	20.0	1	20.0	2	40.0	1	20.0	0	0.0	5	--	--
Year-to-date 2012	0	0.0	6	23.1	15	57.7	5	19.2	0	0.0	26	550,697	555,175
Year-to-date 2011	2	7.1	11	39.3	9	32.1	3	10.7	3	10.7	28	524,900	533,492
Upper Mission													
September 2012	0	0.0	1	20.0	2	40.0	0	0.0	2	40.0	5	--	--
September 2011	0	0.0	1	20.0	4	80.0	0	0.0	0	0.0	5	--	--
Year-to-date 2012	0	0.0	17	21.3	13	16.3	14	17.5	36	45.0	80	714,225	913,492
Year-to-date 2011	0	0.0	6	8.3	10	13.9	18	25.0	38	52.8	72	778,110	903,604
Westbank													
September 2012	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
September 2011	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	1	--	--
Year-to-date 2012	0	0.0	0	0.0	2	66.7	0	0.0	1	33.3	3	--	--
Year-to-date 2011	0	0.0	4	57.1	3	42.9	0	0.0	0	0.0	7	--	--
West Kelowna													
September 2012	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
September 2011	1	25.0	0	0.0	0	0.0	1	25.0	2	50.0	4	--	--
Year-to-date 2012	1	6.7	6	40.0	4	26.7	1	6.7	3	20.0	15	510,000	685,574
Year-to-date 2011	4	16.7	9	37.5	1	4.2	3	12.5	7	29.2	24	467,250	793,373
Westside													
September 2012	0	0.0	1	100.0	0	0.0	0	0.0	0	0.0	1	--	--
September 2011	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2012	2	33.3	3	50.0	0	0.0	1	16.7	0	0.0	6	--	--
Year-to-date 2011	7	46.7	2	13.3	3	20.0	0	0.0	3	20.0	15	433,650	594,986

Effective January 2011, data includes market housing on First Nations reserve lands in urban areas
Source: CMHC (Market Absorption Survey)

Submarket	< $400,000		$400,000 - $499,999		$500,000 - $599,999		$600,000 - $749,999		$750,000 +		Total	Median Price ($)	Average Price ($)
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)			
Indian Reserves													
September 2012	3	100.0	0	0.0	0	0.0	0	0.0	0	0.0	3	--	--
September 2011	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	1	--	--
Year-to-date 2012	32	64.0	6	12.0	7	14.0	5	10.0	0	0.0	50	373,445	403,458
Year-to-date 2011	18	90.0	2	10.0	0	0.0	0	0.0	0	0.0	20	334,950	309,989
Kelowna CMA													
September 2012	4	11.4	8	22.9	7	20.0	9	25.7	7	20.0	35	589,900	743,188
September 2011	3	6.5	15	32.6	9	19.6	7	15.2	12	26.1	46	556,800	733,404
Year-to-date 2012	37	8.7	92	21.5	81	19.0	91	21.3	126	29.5	427	603,480	760,929
Year-to-date 2011	36	8.8	101	24.6	84	20.5	72	17.6	117	28.5	410	585,500	738,642

Table 4: Absorbed Single-Detached Units by Price Range, September 2012 (Price Ranges)

Effective January 2011, data includes market housing on First Nations reserve lands in urban areas
Source: CMHC (Market Absorption Survey)

Table 4.1: Average Price ($) of Absorbed Single-detached Units September 2012						
Submarket	Sept 2012	Sept 2011	% Change	YTD 2012	YTD 2011	% Change
Black Mountain	--	--	n/a	701,881	591,007	18.8
Dilworth Mountain	--	--	n/a	--	--	n/a
Ellison/Joe Rich	--	--	n/a	--	488,997	n/a
Glenrosa	--	--	n/a	--	--	n/a
Glenmore	--	--	n/a	813,974	1,169,820	-30.4
Kelowna Core Area	--	--	n/a	712,671	--	n/a
Lake Country	--	734,822	n/a	668,859	608,175	10.0
Lakeview Heights	--	--	n/a	1,414,582	1,099,641	28.6
Lower Mission	--	--	n/a	766,765	698,694	9.7
North Glenmore	--	--	n/a	811,279	642,166	26.3
Peachland	--	--	n/a	974,690	--	n/a
Rutland	--	--	n/a	--	522,408	n/a
Southeast Kelowna	--	--	n/a	1,184,299	--	n/a
Shannon Lake	--	--	n/a	555,175	533,492	4.1
Upper Mission	--	--	n/a	913,492	903,604	1.1
Westbank	--	--	n/a	--	--	n/a
West Kelowna	--	--	n/a	685,574	793,373	-13.6
Westside	--	--	n/a	--	594,986	n/a
Indian Reserves	--	--	n/a	403,458	309,989	30.2
Kelowna CMA	743,188	733,404	1.3	760,929	738,642	3.0

Effective January 2011, data includes market housing on First Nations reserve lands in urban areas
Source: CMHC (Market Absorption Survey)

Table 5: MLS® Residential Activity for Kelowna
September 2012

		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 ($)
2011	January	118	1,480	8	489,723	21	285	7	312,232	32	676	5	270,098
	February	144	1,673	9	460,533	14	304	5	278,136	51	744	7	280,994
	March	196	1,836	11	505,155	34	319	11	344,567	55	765	7	239,418
	April	172	1,990	9	488,629	27	323	8	345,577	46	775	6	228,638
	May	197	2,113	9	486,841	41	352	12	348,555	68	856	8	270,098
	June	215	2,225	10	473,178	26	387	7	355,644	47	883	5	303,270
	July	165	2,211	7	609,685	38	407	9	350,417	75	892	8	232,061
	August	158	2,226	7	540,771	22	390	6	357,552	61	865	7	250,205
	September	167	2,131	8	541,726	28	373	8	287,619	70	831	8	262,151
	October												
	November												
	December												
2012	January	113	1,548	7	419,446	17	269	6	376,076	36	692	5	274,358
	February	147	1,694	9	454,677	33	292	11	339,149	51	748	7	205,851
	March	179	1,812	10	502,136	29	332	9	320,791	72	789	9	232,472
	April	199	1,999	10	504,629	28	350	8	328,940	61	823	7	224,735
	May	223	2,158	10	528,778	47	373	13	330,094	78	876	9	262,881
	June	233	2,238	10	481,281	44	349	13	295,298	74	904	8	250,084
	July	233	2,210	11	512,407	35	339	10	314,146	69	885	8	221,895
	August	205	2,188	9	572,853	38	329	12	338,390	72	865	8	265,300
	September	131	2,123	6	517,346	21	355	6	363,168	57	883	6	221,456
	October												
	November												
	December												
	YTD 2011	1,529	1,987	9	509,544	251	349	8	335,894	507	810	7	257,868
	YTD 2012	1,659	1,997	8	500,848	292	332	10	328,721	569	829	8	240,201
	% Change	9.0	0.5	-11.0	-2.0	16.0	-5.0	25.0	-2.0	12.0	2.0	14.0	-7.0

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 2012

		Interest Rates			NHPI, Total, 2007=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						
2011	January	592	3.35	5.19	97.3	114.8	94.7	7.8	69.2	823
	February	607	3.50	5.44	97.4	115.2	93.4	7.9	68.2	825
	March	601	3.50	5.34	97.6	116.1	93.2	8.0	68.1	828
	April	621	3.70	5.69	97.7	116.3	93.3	8.2	68.2	828
	May	616	3.70	5.59	97.9	117.1	94.8	8.4	69.3	829
	June	604	3.50	5.39	97.8	116.5	95.6	8.5	69.9	833
	July	604	3.50	5.39	97.8	116.6	96.3	8.1	70.0	835
	August	604	3.50	5.39	97.5	116.9	96.5	7.2	69.4	838
	September	592	3.50	5.19	97.5	117.3	95.1	7.2	68.4	839
	October	598	3.50	5.29	97.4	117.4	94.5	7.4	68.1	842
	November	598	3.50	5.29	97.1	117.5	92.4	8.2	67.1	845
	December	598	3.50	5.29	96.9	116.5	93.7	8.0	67.9	848
2012	January	598	3.50	5.29	97.1	116.8	93.2	8.5	67.9	851
	February	595	3.20	5.24	96.9	117.2	94.2	8.2	68.4	856
	March	595	3.20	5.24	96.7	117.9	92.2	8.8	67.4	857
	April	607	3.20	5.44	96.7	118.2	91.5	9.0	67.0	854
	May	601	3.20	5.34	96.7	118.6	91.1	9.2	66.9	846
	June	595	3.20	5.24	96.8	118.2	92.9	7.3	66.8	844
	July	595	3.10	5.24	96.8	117.9	94.0	6.1	66.7	845
	August	595	3.10	5.24	96.8	118.1	95.2	4.1	66.1	850
	September	595	3.10	5.24		118.1	93.9	5.4	66.0	852
	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.

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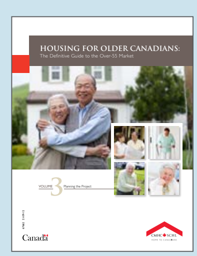

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