

H

HOUSING NOW

Kelowna / Southern Interior

YOUR LINK TO THE HOUSING MARKET

New Construction Highlights

Canada Mortgage and Housing Corporation

Housing Starts Remain At High Level in April

The Kelowna area new home market recorded another strong performance in April. Housing starts dropped back following March's big surge in construction activity, but remained above the 200 unit mark for the second straight month. April housing starts totaled 223 units, down from 280 units in March.

Singles construction maintained a blistering pace in April. Year-to-date singles starts are at the highest level since 1990. Almost two thirds of the homes destroyed by last year's wildfire have now been rebuilt or are currently under construction.

On the multi-family side, construction began on a 39 unit apartment condominium and two townhouse projects. Townhouses are making a comeback, regaining popularity lost through the mid and late 1990s. Sharply

rising singles prices and scarcity of building lots in some locations has led to increased demand for lower density multi-family housing.

Low mortgage interest rates remain a key driver. The Kelowna economy and population continue to grow, fueling demand for both new and resale housing. Also, with resale house prices up sharply and the supply of listings at decade lows, more buyers are turning to the new home market.

Elsewhere, the Kamloops and Vernon new home markets, lead by the singles sector, saw big gains in April. Condominium construction boosted Penticton starts to a twenty month high.

Resale markets in Kamloops, Salmon Arm and all three Okanagan centres surged ahead in April. The supply of listings, though trending back up, remains tight. Most locations continued to see stiff upward pressure on price levels.

BC Starts up Sharply

The BC starts were up sharply in April, a red hot Vancouver area multi-family sector accounting for much of the increase. Year-to-date, BC starts have jumped by more than half over the same four month period in 2003. Nationally, new home construction dropped back slightly, but remained at high levels. April housing starts dipped 4.4% to 241,600 units, seasonally adjusted at annual rates (SAAR), from 252,900 units (SAAR), in March.

APRIL 2004

IN THIS ISSUE

Monthly Highlights 1

STATISTICAL TABLES:

Kelowna C.A.

Starts/Completions/Under Construction 2

Inventory & Absorptions 3

Record of Starts 4

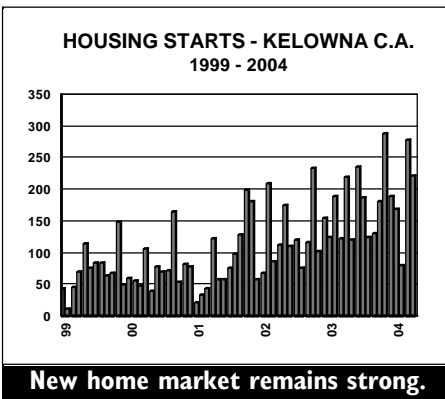
Kelowna Activity Summary 5

Kamloops/Okanagan

Starts/Completions/Under Construction 6

Kamloops Inventory & Absorptions 7

Key Economic Indicators & MLS® Sales 8



CMHC Kelowna Noticeboard

♦ **May 2004** Housing Starts: Local, BC, and National news releases scheduled for June 8, 2004.

♦ **The Spring 2004 Kelowna Housing Market Outlook Report is now available.**

Also available - the 2003 Kelowna Rental Market and Okanagan Seniors' Housing Market Survey Report. 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

Paul Fabri - CMHC Kelowna Market Analysis
Telephone: (250) 712-4334 Fax: (250) 712-4322
E-mail: pfabri@cmhc-schl.gc.ca



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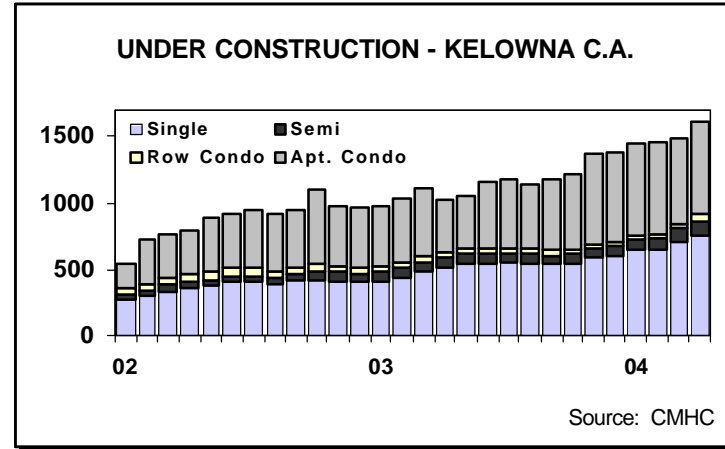
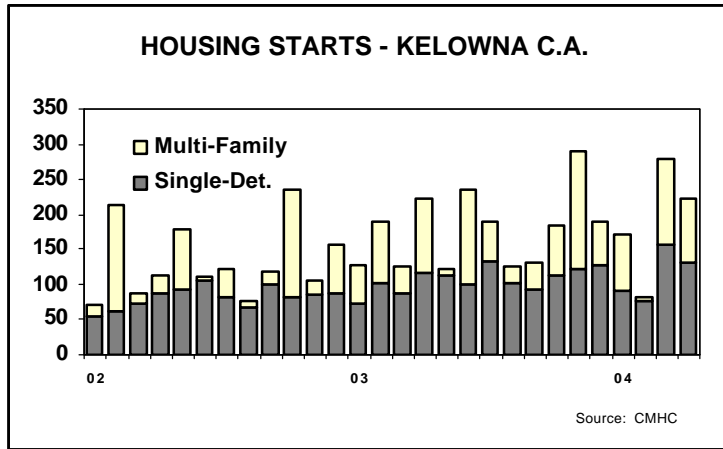
KELOWNA C.A.

STARTS/COMPLETIONS/UNDER CONSTRUCTION

APRIL 2004 & YEAR-TO-DATE 2004

	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	96	8	21	4	43	0	172	68	0	0	0	0	60	128	530	60	39	4	652	96	1,381
Sub. J*	28	4	3	0	0	0	35	19	2	0	0	0	0	21	160	38	10	0	43	0	251
Sub. I*	0	4	0	0	0	0	4	0	0	0	0	0	0	0	12	10	0	0	0	0	22
Lake Country	2	0	0	0	0	0	2	1	0	0	0	0	0	1	31	0	0	0	0	0	31
Peachland	2	0	4	0	0	0	6	0	0	5	0	0	0	5	8	0	7	0	0	0	15
Indian Res.	4	0	0	0	0	0	4	2	0	0	0	0	0	2	15	0	0	0	0	0	15
MONTH TOTAL	132	16	28	4	43	0	223	90	2	5	0	0	60	157	756	108	56	4	695	96	1,715
YEAR-TO-DATE	457	52	34	4	119	89	755	305	18	8	0	94	106	531							

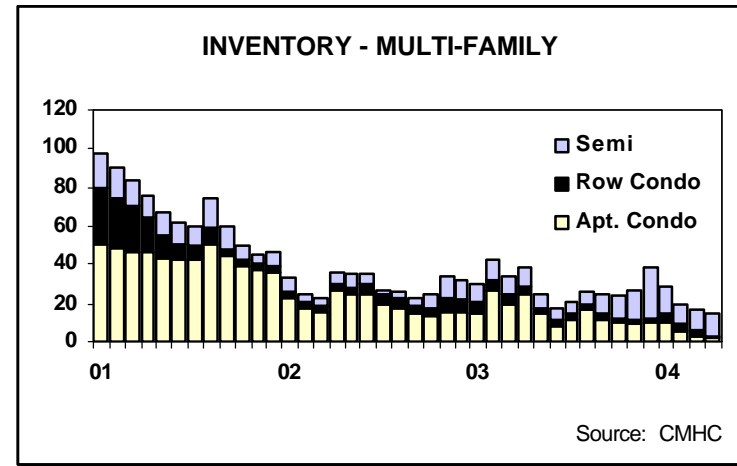
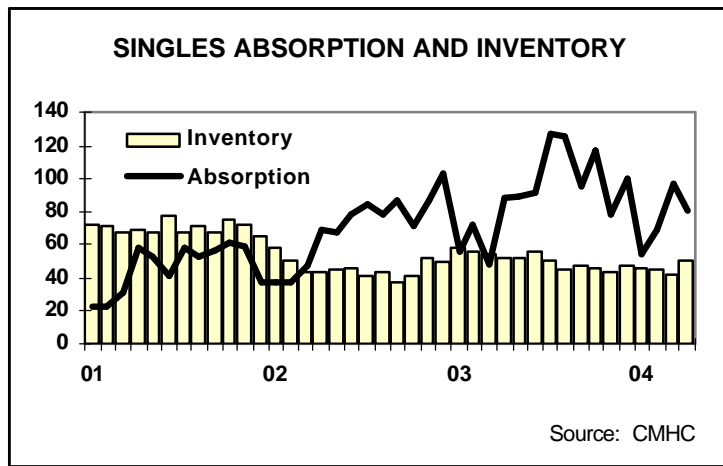
* Sub. J - Westside (former Sub. G and H) - Glenrosa, Westbank, Smith Creek, Shannon Heights, West Kelowna, Lakeview Heights, Westside/Fintry. Sub. I - Joe Rich, Ellison.



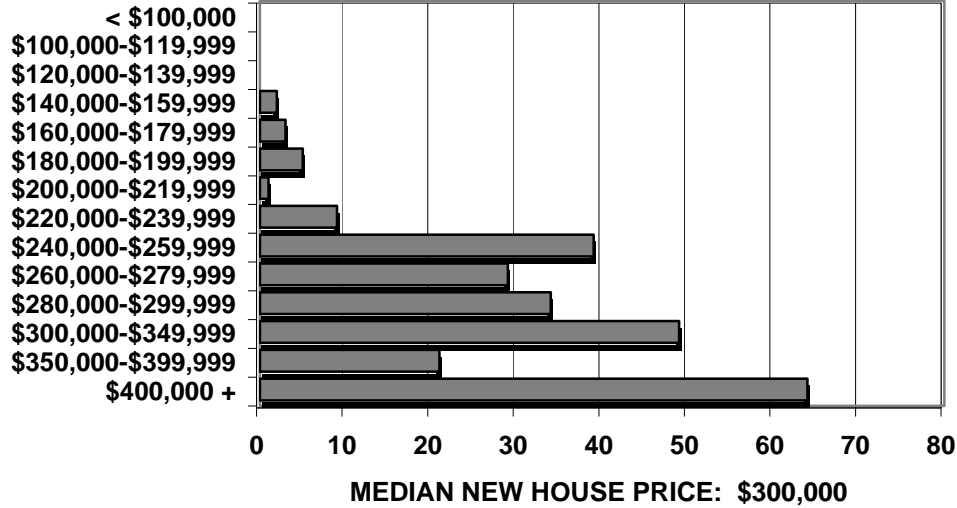
KELOWNA C.A.
INVENTORY AND ABSORPTION
APRIL 2004 & YEAR-TO-DATE 2003 & 2004

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	2	37	0	0	7	36	82	Kelowna City	21	34	1	0	0	61	117
Sub. J	0	0	0	0	1	10	11	Sub. J	0	0	0	0	2	17	19
Sub. I	0	0	0	0	1	2	3	Sub. I	0	0	0	0	0	0	0
Lake Country	0	0	0	0	0	0	0	Lake Country	0	0	0	0	0	1	1
Peachland	0	0	1	0	2	0	3	Peachland	0	0	1	0	0	0	1
Indian Reserve	0	0	0	0	0	3	3	Indian Reserve	0	0	0	0	0	2	2
MONTH TOTAL	2	37	1	0	11	51	102	MONTH TOTAL	21	34	2	0	2	81	140
Y.T.D. Average 2004*	6	18	3	0	11	46	84	Y.T.D. Total 2004	168	70	7	0	17	301	563
Y.T.D. Average 2003*	22	36	5	0	10	55	128	Y.T.D. Total 2003	76	11	7	0	22	264	380

Absorption does not include assisted rental units. * Rounded.



PRICES OF SINGLES ABSORBED AT COMPLETION
Kelowna C.A. January-April 2004



Sub Area	Singles Starts By Sub Area		Singles Absorption By Sub Area	
	Y.T.D. 2004	Y.T.D. 2003	Y.T.D. 2004	Y.T.D. 2003
Black Mountain	15	16	9	15
Dilworth Mountain	13	14	3	5
Ellison	25	18	15	10
Glenrosa	3	8	11	3
Glenmore	6	6	9	12
I.R.	14	0	3	0
Core Area*	72	65	62	29
Lakeview Heights	31	44	29	19
Lower Mission	19	20	9	9
North Glenmore	20	3	2	3
Peachland	2	4	5	8
Rutland North	17	19	18	14
Rutland South	0	0	1	6
S. E. Kelowna	15	28	13	11
Shannon Lake	10	18	12	16
Upper Mission	139	61	61	55
Westbank	7	3	3	2
Winfield	8	12	5	8
West Kelowna	29	38	27	33
Other**	12	5	4	6
Total	457	382	301	264

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

HOUSING ACTIVITY SUMMARY - KELOWNA CA APRIL 2004

	OWNERSHIP				RENTAL				TOTAL
	FREEHOLD		CONDOMINIUM		PRIVATE		ASSISTED		
	Single	Semi	Row	Apt.	Row	Apt.	Row	Apt.	
Starts									
Apr. 2004	132	16	28	43	4	0	0	0	223
YTD 2004	457	52	34	119	4	89	0	0	755
YTD 2003	382	24	0	204	0	54	0	0	664
Under Construction									
Apr. 2004	756	108	56	695	4	96	0	0	1,715
Apr. 2003	516	72	44	391	4	114	0	0	1,141
Completions									
Apr. 2004	90	2	5	0	0	60	0	0	157
YTD 2004	305	18	8	94	0	106	0	0	531
YTD 2003	266	22	3	266	0	0	0	0	557
Inventory									
Apr. 2004	51	11	1	2	0	37			102
Apr. 2003	52	10	4	25	0	32			123
Total Supply									
Apr. 2004	807	119	57	697	4	133	0	0	1,817
Apr. 2003	568	82	48	416	4	146	0	0	1,264
Absorption									
Apr. 2004	81	2	2	21	0	34			140
3 Mo. Ave.	73	5	2	49	0	12			141
12 Mo. Ave.	94	8	3	56	1	7			169

Absorption does not include assisted rentals.

RECORD OF STARTS - KELOWNA C.A.					
YEAR	SINGLE	SEMI	ROW	APT	TOTAL
1991	1294	82	218	623	2217
1992	1484	80	292	763	2619
1993	1149	44	194	584	1971
1994	918	152	169	255	1494
1995	776	92	170	167	1205
1996	859	131	85	307	1382
1997	987	192	131	428	1738
1998	751	88	9	0	848
1999	675	46	62	96	879
2000	603	77	94	154	928
2001	625	66	115	305	1111
2002	987	100	73	430	1590
2003	1290	100	30	718	2138

OTHER CENTRES
Starts/Completions/Under Construction
APRIL 2004 AND YEAR-TO-DATE 2004

	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	4	0	0	0	0	0	4	1	0	0	0	0	0	1	11	0	0	0	0	0	11
E. Kootenay C	1	0	0	0	0	0	1	0	0	0	0	0	0	0	35	0	0	0	0	0	35
Cranbrook CA	5	0	0	0	0	0	5	1	0	0	0	0	0	1	46	0	0	0	0	0	46
Y.T.D. 2004	14	0	0	0	0	0	14	5	0	0	0	0	0	5							
Kamloops C.	31	10	0	0	0	0	41	9	6	0	0	0	0	15	90	34	27	42	0	0	193
Kamloops IR	3	0	0	0	0	0	3	2	0	0	0	0	0	2	14	0	0	0	0	0	14
Kamloops CA	34	10	0	0	0	0	44	11	6	0	0	0	0	17	104	34	27	42	0	0	207
Y.T.D. 2004	74	22	0	0	0	0	96	62	12	0	0	0	0	74							
Penticton City	7	0	0	50	0	0	57	1	0	4	0	0	0	5	31	4	36	92	12	0	175
Sub. D	6	0	0	0	0	0	6	4	0	0	0	0	0	4	26	0	0	12	0	0	38
Sub. E	3	0	0	0	0	0	3	0	0	0	0	0	0	0	9	0	0	0	0	0	9
Sub. F	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Penticton IR	1	0	0	0	0	0	1	3	0	0	0	0	0	3	9	0	0	0	0	0	9
Penticton CA	17	0	0	50	0	0	67	8	0	4	0	0	0	12	75	4	36	104	12	0	231
Y.T.D. 2004	45	2	12	66	8	0	133	40	2	4	62	0	0	108							
Salmon Arm	9	0	0	6	0	0	15	6	0	0	0	0	3	9	34	6	6	6	0	0	52
Y.T.D. 2004	22	0	0	6	0	0	28	25	0	4	0	0	3	32							
Summerland	6	0	3	0	0	0	9	3	0	0	0	0	0	3	20	0	3	0	0	0	23
Y.T.D. 2004	12	0	3	0	0	0	15	7	0	0	0	0	0	7							
Vernon City	29	2	0	0	0	0	31	10	0	0	0	0	0	10	107	16	16	0	0	0	139
Coldstream	8	0	0	0	0	0	8	3	0	0	0	0	0	3	40	0	0	0	0	0	40
Sub. C	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4	2	0	0	0	0	6
Sub. D	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1
Sub. E	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lumby	0	0	0	0	0	0	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
Vernon CA	37	2	0	0	0	0	39	13	0	0	0	0	0	13	152	18	16	0	0	0	186
Y.T.D. 2004	88	6	3	0	0	0	97	79	10	0	0	0	0	89							

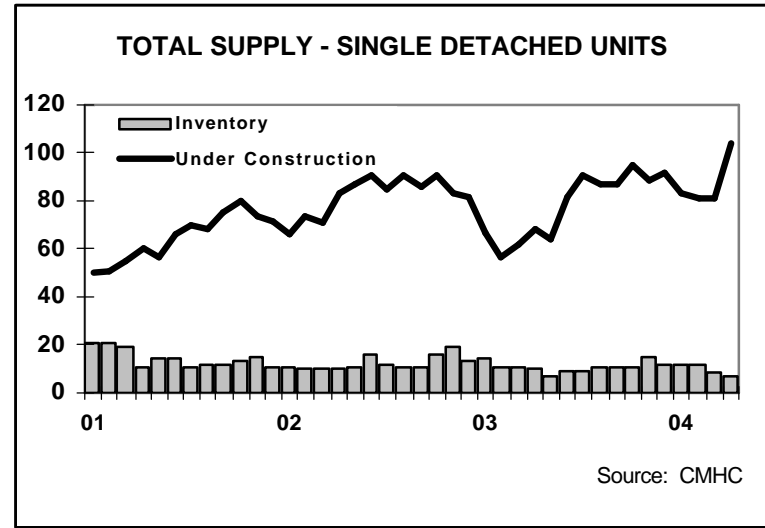
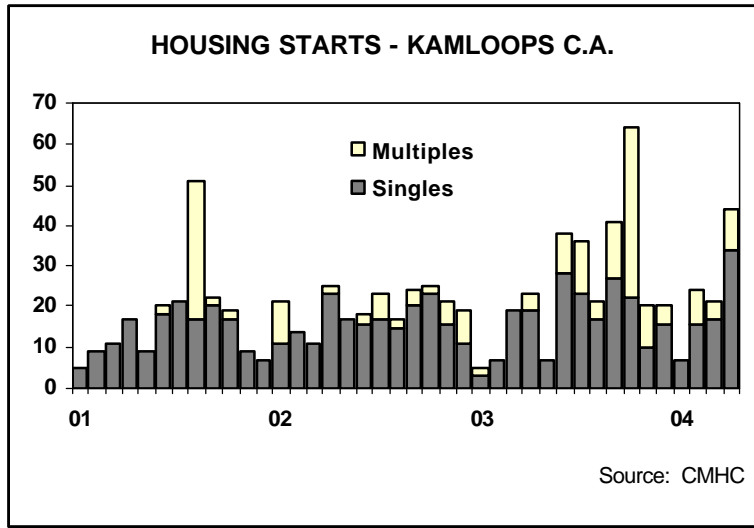
KAMLOOPS CA

Inventory and Absorption by Municipality

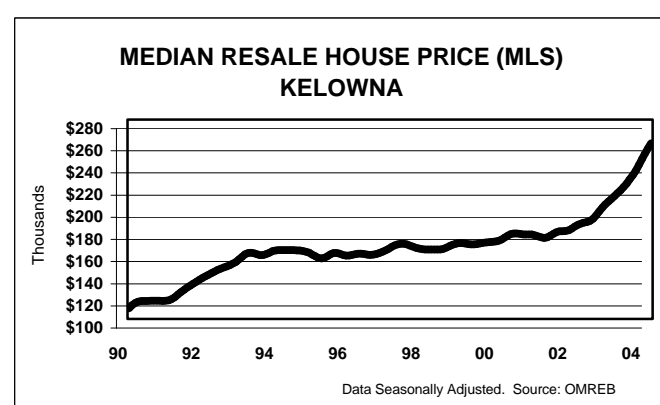
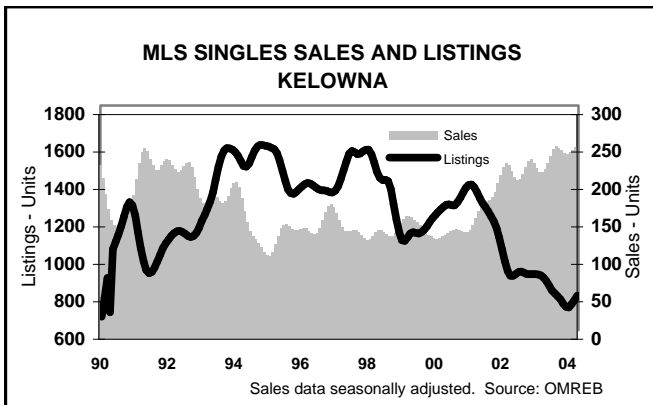
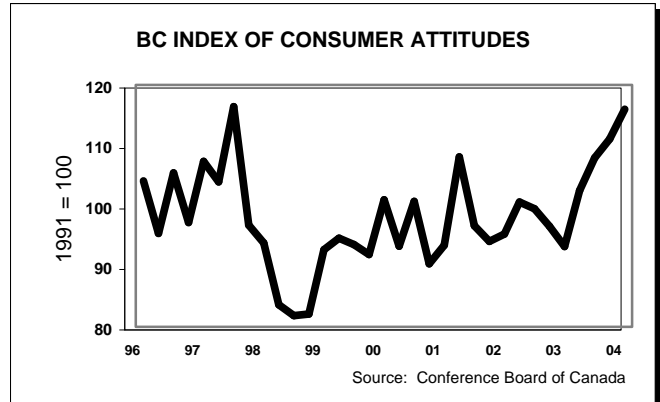
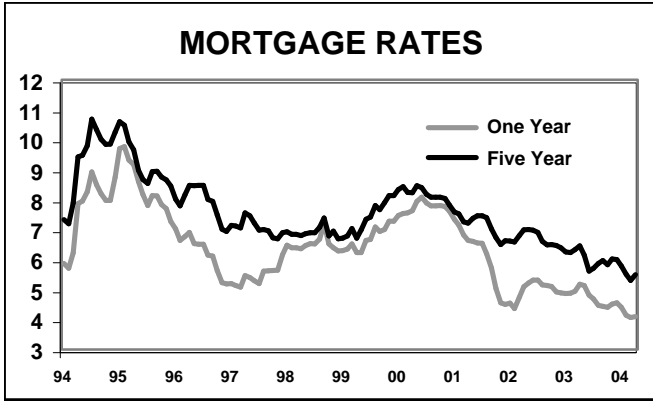
APRIL 2004 AND YEAR-TO-DATE 2003 & 2004

	INVENTORY OF NEW HOMES							ABSORPTION OF NEW HOMES							
	Apt	Apt	Row	Row	Semi	Single	Total	Apt	Apt	Row	Row	Semi	Single	Grand	
	Condo	Rental	Condo	Rental				Condo	Rental	Condo	Rental			Total	
Kamloops City	12	0	3	0	9	5	29	Kamloops City	1	0	0	0	7	10	18
Kamloops IR	0	0	0	0	0	2	2	Kamloops IR	0	0	0	0	0	2	2
MONTH TOTAL	12	0	3	0	9	7	31	MONTH TOTAL	1	0	0	0	7	12	20
Y.T.D. Average 2004*	13	0	3	0	11	10	37	Y.T.D. TOTAL 2004	32	0	3	0	14	67	116
Y.T.D. Average 2003*	31	0	3	0	16	12	62	Y.T.D. TOTAL 2003	3	0	5	0	8	65	81

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



KEY ECONOMIC INDICATORS



SOUTHERN INTERIOR RESALE MARKETS

MLS SALES	APRIL				YEAR-TO-DATE			
	Sales Apr. 2004	Percent Change Apr. 03	Median Price Apr. 04	Percent Change Apr. 03	Sales YTD 2004	Percent Change YTD 03	Median Price YTD 2004	Percent Change YTD 03
Single Detached								
Kelowna	316	24%	\$268,500	28%	1,004	14%	\$250,000	21%
Kamloops	133	12%	\$170,000	9%	441	24%	\$168,500	9%
Vernon Area	178	30%	\$192,000	22%	537	28%	\$180,000	13%
Penticton	45	32%	\$219,900	32%	136	4%	\$180,000	11%
Salmon Arm	28	65%	\$170,750	-9%	76	12%	\$165,750	-6%
Cranbrook	32	23%	\$111,250	-9%	104	44%	\$116,400	-0.3

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Current month MLS data is preliminary.

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 Phone: (604) 737-4088 or Fax: (604) 737-4021.
 E-mail: lpreston@cmhc-schl.gc.ca