

# H

# HOUSING NOW

Kelowna / Southern Interior

YOUR LINK TO THE HOUSING MARKET

## New Construction Highlights

Canada Mortgage and Housing Corporation

### Kelowna Housing Starts Reach Eleven Year High in 2003

The Kelowna area new home market saw housing starts climb to an eleven year high in 2003. Both the single and multi-family sectors recorded big gains. Housing starts jumped 34% to 2,138 units from 1,590 units in 2002. Kelowna's new home market closed out the year on a strong note, December housing starts totaling 192 units.

Condominium starts surged ahead for the second straight year, fueled by strong move-down, retiree and resort markets. Many are second residences. An aging population and Kelowna's growing profile among Vancouver area, out of province and international buyers has meant sharply rising demand for lifestyle oriented housing.

The singles sector also posted another strong performance. Singles starts included 73 rebuilds of homes destroyed

by the Okanagan Mountain Park wild fire.

Low mortgage rates have been a key driver. The Kelowna economy and population continue to grow, boosting demand for both new and resale housing. The search for lifestyle remains a big draw. With resale house prices trending up sharply and the supply of listings dropping to historical lows, more buyers are turning to the new home market.

Elsewhere, Kamloops housing starts were also up in 2003, the multi-family sector accounting for most of the increase. The Vernon area saw new home construction surge ahead, singles starts soaring to highest level since 1994. Penticton dropped back due to fewer multi-family starts. The singles sector maintained a steady pace.

Okanagan and Kamloops resale markets remained buoyant, most locations recording increased sales and sharply rising prices. Listings continue to decline.

## DECEMBER 2003

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**Kamloops/Okanagan**

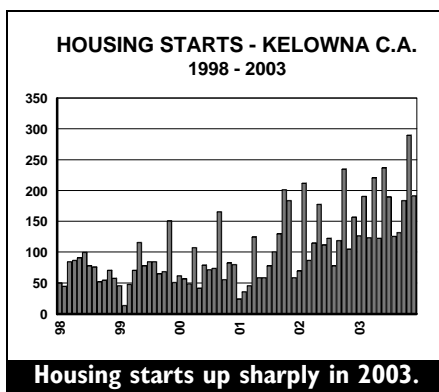
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### CMHC Kelowna Noticeboard

- ◆ **January 2004 Housing Starts: Local, BC, and National news releases** scheduled for Feb. 9, 2004.
- ◆ **The 2003 Kelowna Rental Market and Okanagan Seniors Housing Survey Market Reports are now available.** For an in-depth look at Kelowna area new construction, resale, rental and seniors' housing markets, turn to CMHC Market Analysis reports - Information you need to know to grow your business!
- ◆ **To subscribe to CMHC Housing Market reports call:** Telephone: (604) 737-4088. Fax: (604) 737-4021. E-mail: [lpreston@cmhc-schl.gc.ca](mailto:lpreston@cmhc-schl.gc.ca)



### BC Starts Up Sharply in 2003

The BC new home market continued to move forward in 2003. Housing starts jumped up 22%, multi-family starts posting the biggest gains. Nationally, annual housing starts reached a fifteen year high in 2003. All provinces except Nova Scotia and Alberta saw an increase. December starts edged up 1.2% to 217,600 units, seasonally adjusted at annual rates (SAAR), from 215,000 units (SAAR), in November.

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HOME TO CANADIANS  
Canada

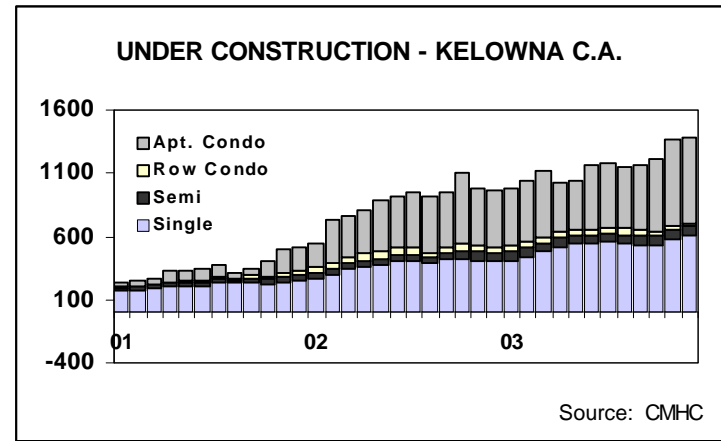
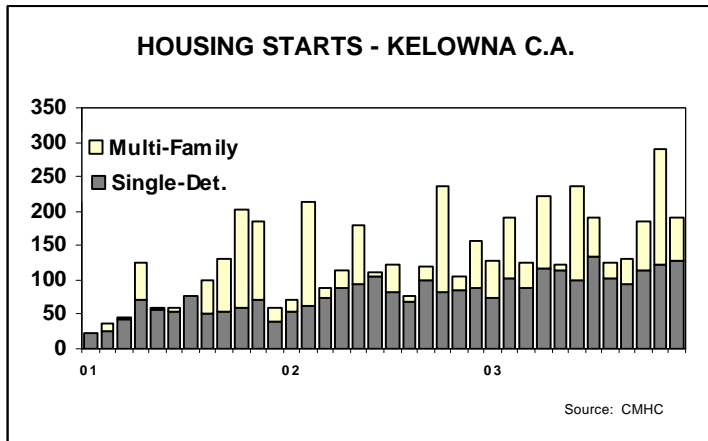
## KELOWNA C.A.

### STARTS/COMPLETIONS/UNDER CONSTRUCTION

#### DECEMBER 2003 & YEAR-TO-DATE 2003

	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	99	8	0	0	47	0	154	68	8	0	0	31	0	107	395	42	18	0	634	106	1,195
Sub. G*	9	0	4	0	0	0	13	8	0	0	0	0	0	8	64	0	4	0	0	0	68
Sub. H*	12	6	0	0	0	0	18	14	6	0	0	0	0	20	90	28	0	0	43	0	161
Sub. I*	3	0	0	0	0	0	3	3	0	0	0	0	0	3	15	2	0	0	0	0	17
Lake Country	3	0	0	0	0	0	3	7	0	4	0	25	0	36	22	0	0	0	0	0	22
Peachland	1	0	0	0	0	0	1	3	2	0	0	0	0	5	11	2	8	0	0	0	21
Indian Res.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7	0	0	0	0	0	7
<b>MONTH TOTAL</b>	<b>127</b>	<b>14</b>	<b>4</b>	<b>0</b>	<b>47</b>	<b>0</b>	<b>192</b>	<b>103</b>	<b>16</b>	<b>4</b>	<b>0</b>	<b>56</b>	<b>0</b>	<b>179</b>	<b>604</b>	<b>74</b>	<b>30</b>	<b>0</b>	<b>677</b>	<b>106</b>	<b>1,491</b>
<b>YEAR-TO-DATE</b>	<b>1,290</b>	<b>100</b>	<b>30</b>	<b>0</b>	<b>664</b>	<b>54</b>	<b>2,138</b>	<b>1,086</b>	<b>96</b>	<b>47</b>	<b>4</b>	<b>440</b>	<b>8</b>	<b>1,681</b>							

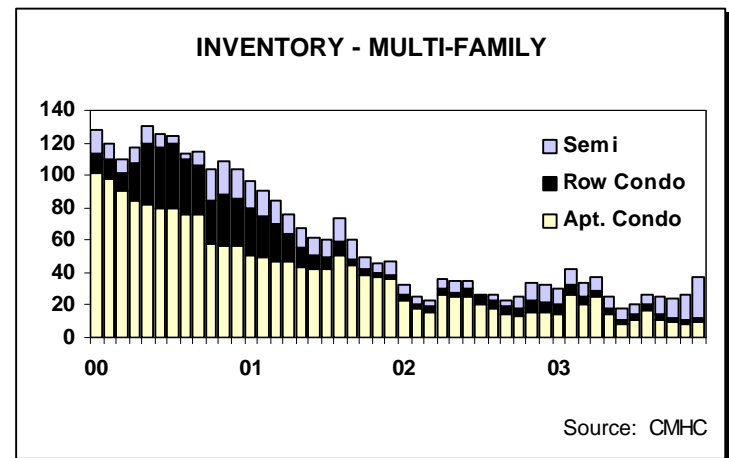
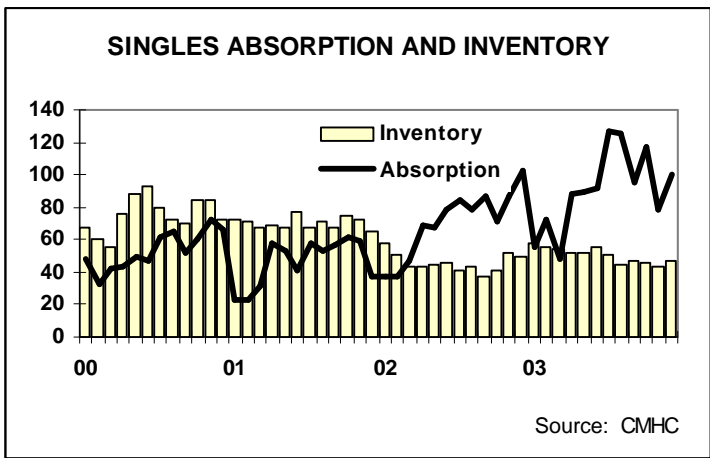
\* Sub. G - West Kelowna, Lakeview Heights, Westside/Fintry. Sub H. - Westbank, Glenrosa, Shannon Heights. (Sub G and H former Sub B.) Sub. I - Joe Rich, Ellison (former A.)



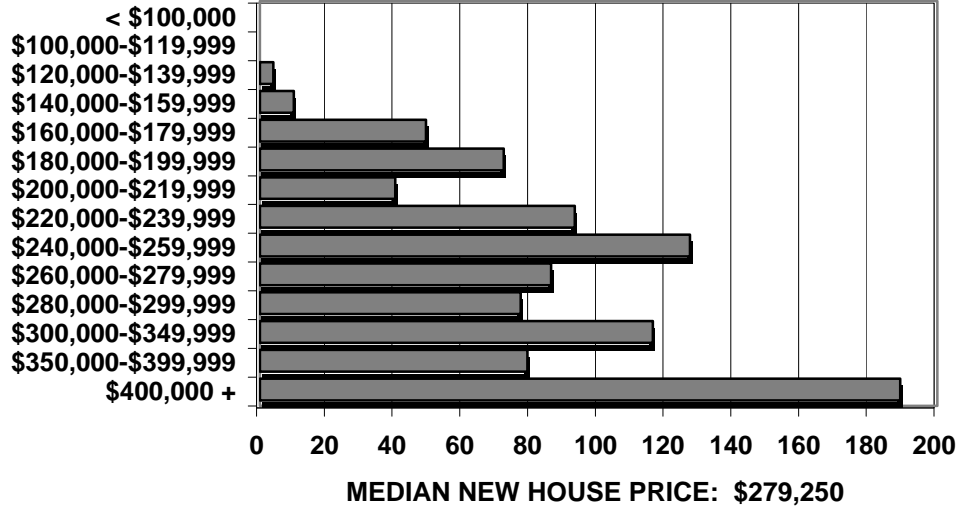
## KELOWNA C.A. INVENTORY AND ABSORPTION DECEMBER 2003 & YEAR-TO-DATE 2002 & 2003

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	26	1	2	0	6	28	63	Kelowna City	8	0	0	0	8	68	84
Sub. G	0	0	0	0	0	6	6	Sub. G	0	0	0	0	0	5	5
Sub. H	0	0	0	0	1	11	12	Sub. H	0	0	0	0	5	14	19
Sub. I	0	0	0	0	1	2	3	Sub. I	0	0	0	0	0	3	3
Lake Country	0	0	0	0	0	0	0	Lake Country	0	0	0	0	0	7	7
Peachland	0	0	0	0	2	0	2	Peachland	0	0	0	0	2	3	5
Indian Reserve	0	0	0	0	0	0	0	Indian Reserve	0	0	0	0	0	0	0
<b>MONTH TOTAL</b>	<b>26</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>10</b>	<b>47</b>	<b>86</b>	<b>MONTH TOTAL</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15</b>	<b>100</b>	<b>123</b>
<b>Y.T.D. Average 2003*</b>	<b>17</b>	<b>25</b>	<b>3</b>	<b>0</b>	<b>9</b>	<b>51</b>	<b>105</b>	<b>Y.T.D. Total 2003</b>	<b>594</b>	<b>50</b>	<b>31</b>	<b>4</b>	<b>96</b>	<b>1,089</b>	<b>1,864</b>
<b>Y.T.D. Average 2002*</b>	<b>19</b>	<b>19</b>	<b>4</b>	<b>1</b>	<b>6</b>	<b>46</b>	<b>95</b>	<b>Y.T.D. Total 2002</b>	<b>366</b>	<b>85</b>	<b>83</b>	<b>45</b>	<b>78</b>	<b>849</b>	<b>1,506</b>

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



**PRICES OF SINGLES ABSORBED AT COMPLETION  
Kelowna C.A. January - December 2003**



Sub Area	Singles Starts By Sub Area		Singles Absorption By Sub Area	
	Y.T.D. 2003	Y.T.D. 2002	Y.T.D. 2003	Y.T.D. 2002
Black Mountain	43	52	49	45
Dilworth Mountain	36	60	41	79
Ellison	63	59	51	54
Glenrosa	35	16	24	13
Glenmore	53	54	50	50
I.R.	8	2	3	3
Core Area*	189	88	164	50
Lakeview Heights	104	75	79	66
Lower Mission	58	35	48	31
North Glenmore	18	15	12	10
Peachland	21	37	26	31
Rutland North	70	28	64	15
Rutland South	1	23	11	21
S. E. Kelowna	77	45	64	45
Shannon Lake	64	88	62	91
Upper Mission	257	127	165	95
Westbank	12	9	10	7
Winfield	35	25	32	21
West Kelowna	96	107	99	85
Other**	50	42	35	37
<b>Total</b>	<b>1290</b>	<b>987</b>	<b>1089</b>	<b>849</b>

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

## HOUSING ACTIVITY SUMMARY - KELOWNA CA DECEMBER 2003

	OWNERSHIP				RENTAL				TOTAL
	FREEHOLD		CONDOMINIUM		PRIVATE		ASSISTED		
	Single	Semi	Row	Apt.	Row	Apt.	Row	Apt.	
<b>Starts</b>									
Dec. 2003	127	14	4	47	0	0	0	0	192
YTD 2003	1,290	100	30	664	0	54	0	0	2,138
YTD 2002	987	100	60	370	13	60	0	0	1,590
<b>Under Construction</b>									
Dec. 2003	604	74	30	677	0	106	0	0	1,491
Dec. 2002	400	70	47	453	4	60	0	0	1,034
<b>Completions</b>									
Dec. 2003	103	16	4	56	0	0	0	0	179
YTD 2003	1,086	96	47	440	4	8	0	0	1,681
YTD 2002	834	80	42	85	45	128	58	59	1,331
<b>Inventory</b>									
Dec. 2003	47	10	2	26	0	1			86
Dec. 2002	50	10	6	16	0	43			125
<b>Total Supply</b>									
Dec. 2003	651	84	32	703	0	107	0	0	1,577
Dec. 2002	450	80	53	469	4	103	0	0	1,159
<b>Absorption</b>									
Dec. 2003	100	15	0	8	0	0			123
3 Mo. Ave.	97	6	1	96	0	10			210
12 Mo. Ave.	91	7	3	49	1	4			155

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**  
**DECEMBER 2003 AND YEAR-TO-DATE 2003**

	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	1	0	0	0	0	0	1	3	0	0	0	0	0	3	7	0	0	0	0	0	7
E. Kootenay C	1	0	0	0	0	0	1	2	0	0	0	0	0	2	30	0	0	0	0	0	30
Cranbrook CA	2	0	0	0	0	0	2	5	0	0	0	0	0	5	37	0	0	0	0	0	37
<b>Y.T.D. 2003</b>	68	0	0	0	0	0	68	66	0	0	27	0	0	93							
Kamloops C.	15	4	0	0	0	0	19	12	2	8	0	0	0	22	82	24	19	42	0	4	171
Kamloops IR	1	0	0	0	0	0	1	0	0	0	0	0	0	0	10	0	0	0	0	0	10
Kamloops CA	16	4	0	0	0	0	20	12	2	8	0	0	0	22	92	24	19	42	0	4	181
<b>Y.T.D. 2003</b>	198	30	27	42	0	4	301	188	32	17	0	0	0	237							
Penticton City	2	2	4	0	0	0	8	7	2	4	0	0	0	13	22	4	32	100	0	0	158
Sub. D	1	0	0	0	0	0	1	0	0	0	0	0	0	0	25	0	0	0	0	0	25
Sub. E	1	0	0	0	0	0	1	1	0	0	0	0	0	1	9	0	0	0	0	0	9
Sub. F	0	0	0	0	0	0	0	1	0	0	0	0	0	1	1	0	0	0	0	0	1
Penticton IR	3	0	0	0	0	0	3	1	0	0	0	0	0	1	13	0	0	0	0	0	13
Penticton CA	7	2	4	0	0	0	13	10	2	4	0	0	0	16	70	4	32	100	0	0	206
<b>Y.T.D. 2003</b>	124	8	47	40	0	0	219	122	6	58	0	0	0	186							
Salmon Arm	8	0	0	0	0	0	8	5	0	0	0	0	0	5	37	6	10	0	0	3	56
<b>Y.T.D. 2003</b>	79	2	0	0	0	3	84	62	6	11	16	0	0	95							
Summerland	1	0	0	0	0	0	1	3	0	0	0	0	0	3	15	0	0	0	0	0	15
<b>Y.T.D. 2003</b>	37	0	0	0	0	0	37	29	0	0	0	0	0	29							
Vernon City	9	4	0	0	0	0	13	9	0	6	0	0	0	15	83	18	13	0	0	0	114
Coldstream	7	0	0	0	0	0	7	8	0	0	0	0	0	8	39	0	0	0	0	0	39
Sub. C	1	0	0	0	0	0	1	0	0	0	0	0	0	0	14	4	0	0	0	0	18
Sub. D	0	0	0	0	0	0	0	1	0	0	0	0	0	1	0	0	0	0	0	0	0
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	1	2	0	0	0	0	3	1	0	0	0	0	0	1
I. R.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6	0	0	0	0	0	6
Vernon CA	17	4	0	0	0	0	21	19	2	6	0	0	0	27	143	22	13	0	0	0	178
<b>Y.T.D. 2003</b>	277	22	19	0	0	0	318	225	6	39	0	0	0	270							

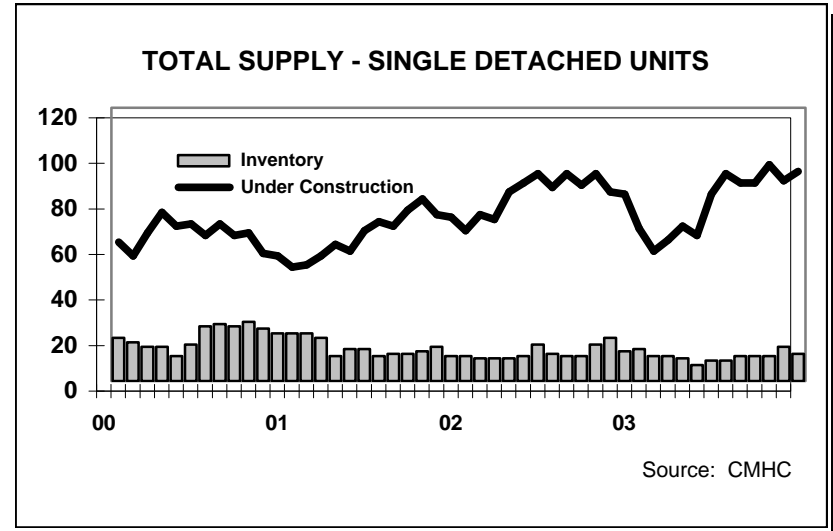
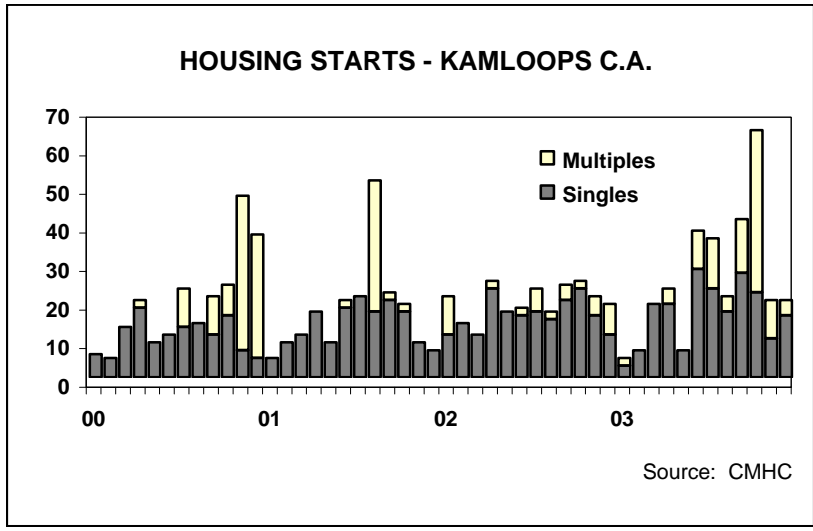
## KAMLOOPS CA

### Inventory and Absorption by Municipality

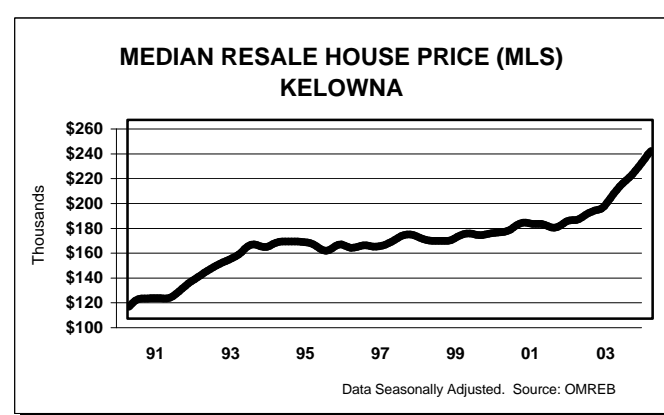
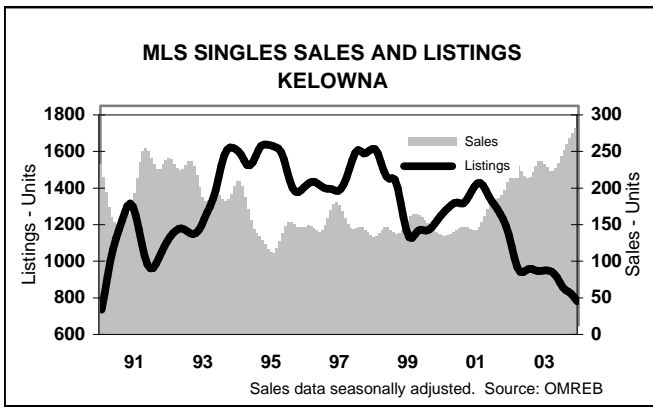
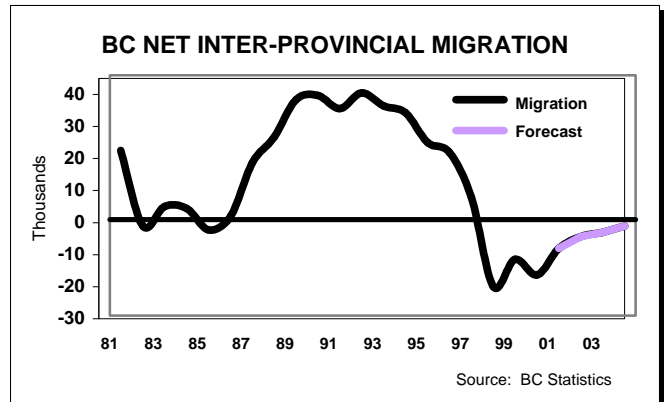
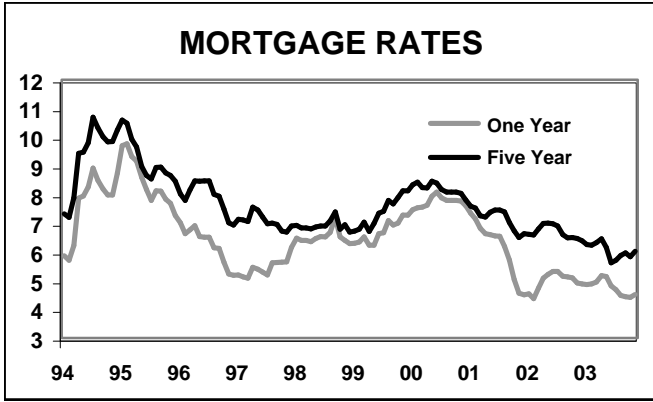
#### DECEMBER 2003 AND YEAR-TO-DATE 2002 & 2003

	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	14	0	3	0	11	10	38	Kamloops City	0	0	5	0	2	14	21
Kamloops IR	0	0	0	0	0	2	2	Kamloops IR	0	0	0	0	0	1	1
<b>MONTH TOTAL</b>	<b>14</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>11</b>	<b>12</b>	<b>40</b>	<b>MONTH TOTAL</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>2</b>	<b>15</b>	<b>22</b>
<b>Y.T.D. Average 2003*</b>	<b>20</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>14</b>	<b>11</b>	<b>47</b>	<b>Y.T.D. TOTAL 2003</b>	<b>19</b>	<b>0</b>	<b>24</b>	<b>0</b>	<b>37</b>	<b>189</b>	<b>269</b>
<b>Y.T.D. Average 2002*</b>	<b>32</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>17</b>	<b>13</b>	<b>67</b>	<b>Y.T.D. TOTAL 2002</b>	<b>30</b>	<b>0</b>	<b>17</b>	<b>0</b>	<b>17</b>	<b>182</b>	<b>246</b>

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



## KEY ECONOMIC INDICATORS



## SOUTHERN INTERIOR RESALE MARKETS

MLS SALES	DECEMBER				YEAR-TO-DATE			
	Sales Dec. 2003	Percent Change Dec. 02	Median Price Dec. 03	Percent Change Dec. 02	Sales YTD 2003	Percent Change YTD 02	Median Price YTD 2003	Percent Change YTD 02
Single Detached								
Kelowna	166	33%	\$235,000	21%	2,898	5%	\$221,500	17%
Kamloops	41	17%	\$158,000	5%	1,107	15%	\$158,000	7%
Vernon	71	9%	\$178,000	19%	1,470	25%	\$167,000	8%
Penticton	10	-9%	\$155,000	-11%	385	-3%	\$171,500	9%
Salmon Arm	11	9%	\$138,500	-2%	246	18%	\$173,500	12%
Cranbrook	5	-44%	\$129,500	21%	232	-1%	\$115,250	4%

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 Current month MLS data is preliminary.

### HOUSING NOW

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