

H

Kelowna / Southern Interior

HOUSING NOW

YOUR LINK TO THE HOUSING MARKET

New Construction Highlights

Canada Mortgage and Housing Corporation

Kelowna Housing Starts Down in March

Kelowna area housing starts were down in March. Both single and multi-family starts fell back following February's surge in construction activity. March housing starts dropped to 124 units from 191 units in February.

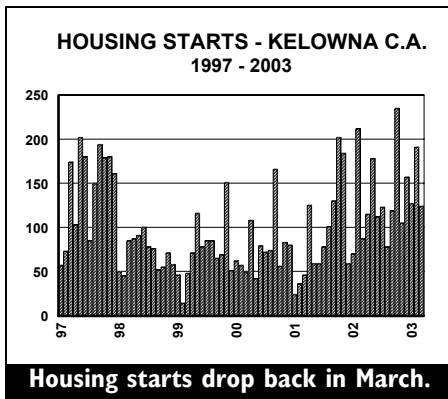
The Kelowna area new home market remains strong despite March's decline. Singles starts reached the highest first quarter level since 1992. The multiples sector has also maintained a healthy pace, one rental apartment and four apartment condominium projects breaking ground to date in 2003.

The demand outlook remains positive. An aging population points to growing demand for retiree, lifestyle and resort-oriented housing. Expect condominium starts to increase sharply through the spring and summer. Inventories of new, complete and unsold

units - all types - remain low, sales keeping pace with new supply. Also with resale house prices on the rise and supply and selection of listings down sharply, more buyers are turning to the new home market. The new home market has become increasingly competitive with resale housing, especially in the mid to upper price ranges. Low interest rates remain a key driver.

Elsewhere, Kamloops saw some improvement, singles starts jumping to a five month high. The Penticton new home market continues to move ahead, first quarter starts more than double the same period a year ago. The Vernon area singles sector recorded another strong performance in March.

Okanagan resale markets remain buoyant. Kelowna and Penticton sales have flattened out, but remain at a high level. All Okanagan centres continue to see strong upward pressure on price levels.



BC Starts Reach Highest First Quarter Level Since 1997

BC's new home market, lead by the singles sector, has also seen big gains, first quarter housing starts up 15% over last year. Singles starts have jumped 32% from the same three month period a year ago. Nationally, housing starts slipped to 210,000 units, seasonally adjusted at annual rates (SAAR) from 246,100 units (SAAR) in February. Ontario accounted for most of the decline.

MARCH 2003

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CMHC Kelowna Noticeboard

◆ **April 2003** Housing Starts: Local, BC, and National news releases scheduled for May 8, 2003.

◆ **The Spring 2003 Kelowna Housing Market Outlook Report is now available.**

Ask for CMHC's 2002 Okanagan Seniors' Housing Market Survey and Kelowna Rental Market Reports. 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.

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HOME TO CANADIANS

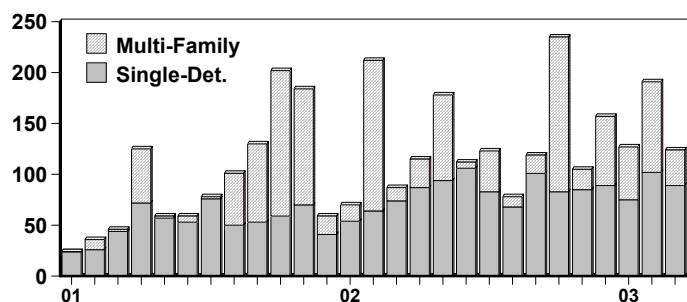
Canada

KELOWNA C.A. STARTS/COMPLETIONS/UNDER CONSTRUCTION MARCH 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	57	0	0	0	33	0	90	27	4	0	0	0	0	31	316	42	22	4	494	106	984
Sub. G*	8	0	0	0	0	0	8	7	0	0	0	0	0	7	59	0	0	0	0	4	63
Sub. H*	17	0	0	0	0	0	17	7	0	0	0	0	0	7	75	4	0	0	0	0	79
Sub. I*	4	0	0	0	0	0	4	2	0	0	0	0	0	2	7	12	0	0	0	0	19
Lake Country	3	0	0	0	0	0	3	3	0	0	0	0	0	3	18	0	22	0	25	0	65
Peachland	0	2	0	0	0	0	2	0	4	0	0	0	0	4	11	8	0	0	0	0	19
Indian Res.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MONTH TOTAL	89	2	0	0	33	0	124	46	8	0	0	0	0	54	486	66	44	4	519	110	1229
YEAR-TO-DATE	266	10	0	0	116	50	442	180	14	3	0	50	0	247	---	---	---	---	---	---	---

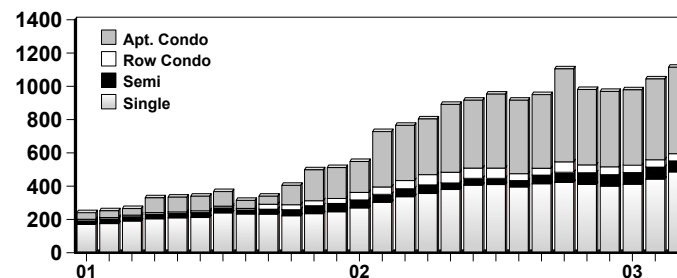
* Sub. G - West Kelowna, Lakeview Heights, Westside/Fintry. Sub H. - Westbank, Glenrosa, Shannon Heights. (Sub G and H former Sub B.) Sub. I - Joe Rich, Ellison (former A.)

HOUSING STARTS - KELOWNA C.A.



Source: CMHC

UNDER CONSTRUCTION - KELOWNA C.A.

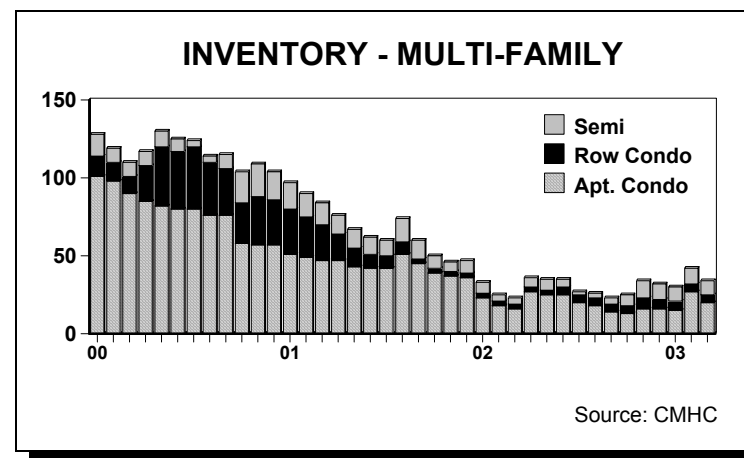
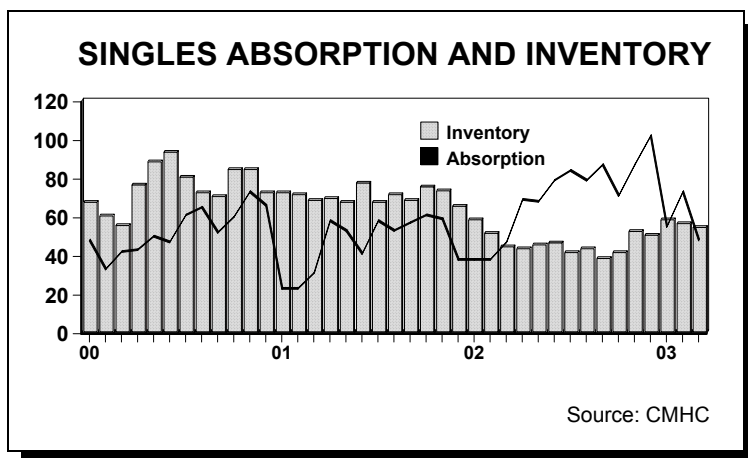


Source: CMHC

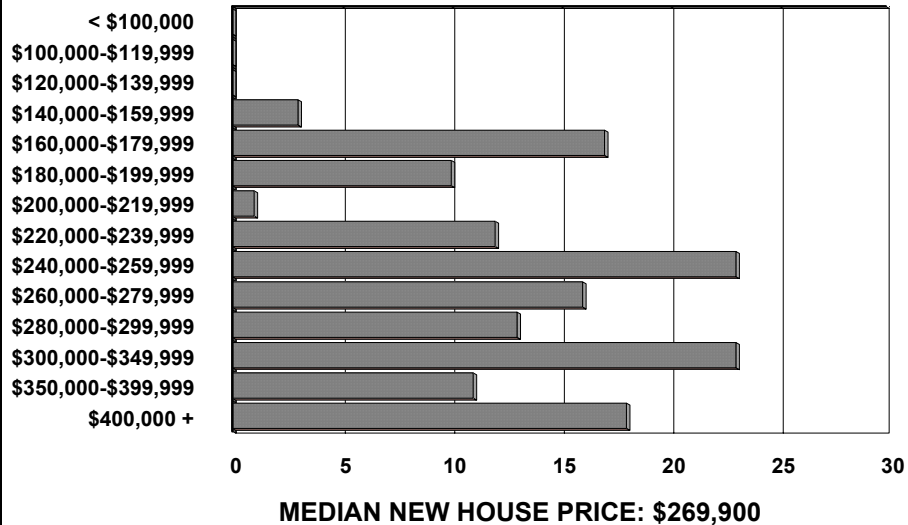
KELOWNA C.A. INVENTORY AND ABSORPTION MARCH 2003 AND YEAR TO DATE 2002 & 2003

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	20	35	5	0	9	39	108	Kelowna City	33	3	0	0	5	29	70
Sub. G	0	0	0	0	0	4	4	Sub. G	0	0	0	0	0	9	9
Sub. H	0	0	0	0	0	9	9	Sub. H	0	0	0	0	0	5	5
Sub. I	0	0	0	0	0	2	2	Sub. I	0	0	0	0	0	2	2
Lake Country	0	0	0	0	0	0	0	Lake Country	0	0	0	0	0	3	3
Peachland	0	0	0	0	0	0	0	Peachland	0	0	0	0	4	0	4
Indian Reserve	0	0	0	0	0	0	0	Indian Reserve	0	0	0	0	0	0	0
MONTH TOTAL	20	35	5	0	9	54	123	MONTH TOTAL	33	3	0	0	9	48	93
Y.T.D. Average 2003*	21	37	5	0	9	56	128	Y.T.D. TOTAL 2003	66	8	5	0	15	176	270
Y.T.D. Average 2002*	19	0	3	0	5	51	78	Y.T.D. TOTAL 2002	36	0	0	28	8	123	195

Absorption does not include assisted rental units. * Rounded.



**PRICES OF SINGLES ABSORBED AT COMPLETION
Kelowna C. A. January - March 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	9	11	11	8
Dilworth Mountain	7	23	4	14
Ellison	13	13	7	5
Glenrosa	4	3	1	1
Glenmore	4	5	8	7
I.R.	0	0	0	1
Core Area*	49	8	14	2
Lakeview Heights	27	17	14	7
Lower Mission	17	2	8	6
North Glenmore	0	2	0	0
Peachland	1	7	6	2
Rutland North	13	8	6	2
Rutland South	0	4	5	4
S. E. Kelowna	22	11	6	7
Shannon Lake	14	18	11	10
Upper Mission	49	21	39	20
Westbank	3	4	2	1
Winfield	9	2	8	3
West Kelowna	21	26	22	14
Other**	4	7	4	9
Total	266	192	176	123

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

HOUSING ACTIVITY SUMMARY - KELOWNA CA MARCH 2003

	OWNERSHIP				RENTAL				TOTAL
	FREEHOLD		CONDOMINIUM		PRIVATE		ASSISTED		
	Single	Semi	Row	Apt.	Row	Apt.	Row	Apt.	
Starts									
Mar. 2003	89	2	0	33	0	0	0	0	124
YTD 2003	266	10	0	116	4	46	0	0	442
YTD 2002	192	2	20	146	9	0	0	0	369
Under Construction									
Mar. 2003	486	66	44	519	4	110	0	0	1,229
Mar. 2002	337	48	49	332	17	60	58	59	960
Completions									
Mar. 2003	46	8	0	0	0	0	0	0	54
YTD 2003	180	14	3	50	0	0	0	0	247
YTD 2002	102	4	0	0	28	0	0	0	134
Inventory									
Mar. 2003	54	9	5	20	0	35	-	-	123
Mar. 2002	44	4	3	16	0	0	-	-	67
Total Supply									
Mar. 2003	540	75	49	539	4	145	0	0	1,352
Mar. 2002	381	52	52	348	17	60	58	59	1,027
Absorption									
Mar. 2003	48	9	0	33	0	3	-	-	93
3 Mo. Ave.	77	4	4	11	0	2	-	-	98
12 Mo. Ave.	75	6	7	31	1	8	-	-	128

Absorption does not include assisted rentals.

RECORD OF STARTS - KELOWNA C.A.

YEAR	SINGLE	SEMI	ROW	APARTMENT	TOTAL
1991	1,294	82	218	623	2,217
1992	1,484	80	292	763	2,619
1993	1,149	44	194	584	1,971
1994	918	152	169	255	1,494
1995	776	92	170	167	1,205
1996	859	131	85	307	1,382
1997	987	192	131	428	1,738
1998	751	88	9	0	848
1999	675	46	62	96	879
2000	603	77	94	154	928
2001	625	66	115	305	1,111
2002	987	100	73	430	1,590

Row and apartment starts include rental units.

OTHER CENTRES

Starts/Completions/Under Construction

MARCH 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	5	0	0	0	0	0	5	5	0	0	27	0	0	32	13	0	0	0	0	0	13
E. Kootenay C	0	0	0	0	0	0	0	1	0	0	0	0	0	1	19	0	0	0	0	0	19
Cranbrook CA	5	0	0	0	0	0	5	6	0	0	27	0	0	33	32	0	0	0	0	0	32
Y.T.D. 2003	7	0	0	0	0	0	7	10	0	0	27	0	0	37							
Kamloops C.	19	0	0	0	0	0	19	14	2	0	0	0	0	16	55	18	0	0	0	0	73
Kamloops IR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7	4	5	0	0	0	16
Kamloops CA	19	0	0	0	0	0	19	14	2	0	0	0	0	16	62	22	5	0	0	0	89
Y.T.D. 2003	29	2	0	0	0	0	31	49	6	4	0	0	0	59							
Penticton City	4	0	0	2	0	0	6	2	0	0	0	0	0	2	28	2	41	62	0	0	133
Sub. D	2	0	0	0	0	0	2	2	0	0	0	0	0	2	17	0	0	0	0	0	17
Sub. E	1	0	0	0	0	0	1	0	0	0	0	0	0	0	13	0	0	0	0	0	13
Sub. F	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1
Penticton IR	1	0	0	0	0	0	1	2	0	0	0	0	0	2	6	0	0	0	0	0	6
Penticton CA	8	0	0	2	0	0	10	6	0	0	0	0	0	6	65	2	41	62	0	0	170
Y.T.D. 2003	19	0	16	2	0	0	37	22	0	18	0	0	0	40							
Salmon Arm	3	2	0	0	0	0	5	6	0	3	0	0	0	9	11	10	10	0	0	0	31
Y.T.D. 2003	6	2	0	0	0	0	8	15	2	11	16	0	0	44							
Summerland	2	0	0	0	0	0	2	0	0	0	0	0	0	0	13	0	0	0	0	0	13
Y.T.D. 2003	7	0	0	0	0	0	7	1	0	0	0	0	0	1							
Vernon City	8	2	0	0	0	0	10	5	0	0	0	0	0	5	57	4	27	0	0	0	88
Coldstream	3	0	0	0	0	0	3	2	0	0	0	0	0	2	30	0	0	0	0	0	30
Sub. C	3	0	0	0	0	0	3	1	0	0	0	0	0	1	7	0	0	0	0	0	7
Sub. D	1	0	0	0	0	0	1	0	0	0	0	0	0	0	5	0	0	0	0	0	5
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	1	0	0	0	0	0	1
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	15	2	0	0	0	0	17	8	0	0	0	0	0	8	100	4	27	0	0	0	131
Y.T.D. 2003	41	2	0	0	0	0	43	33	2	6	0	0	0	41							

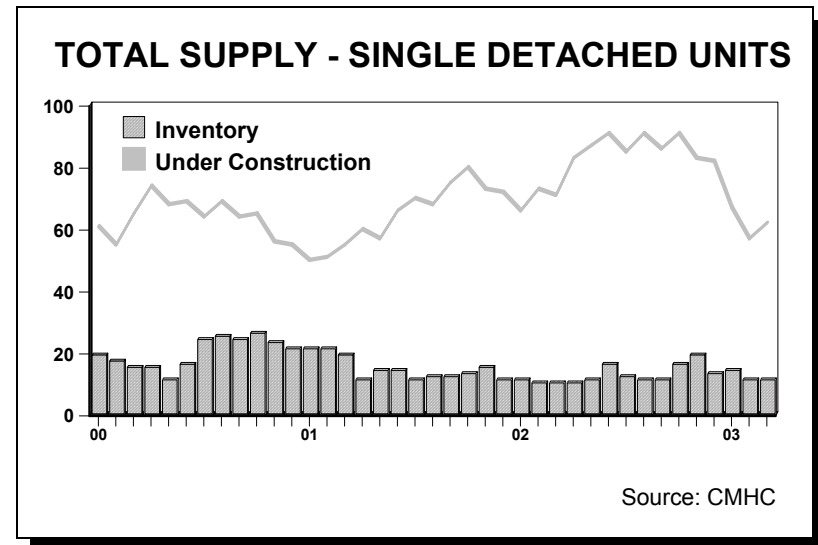
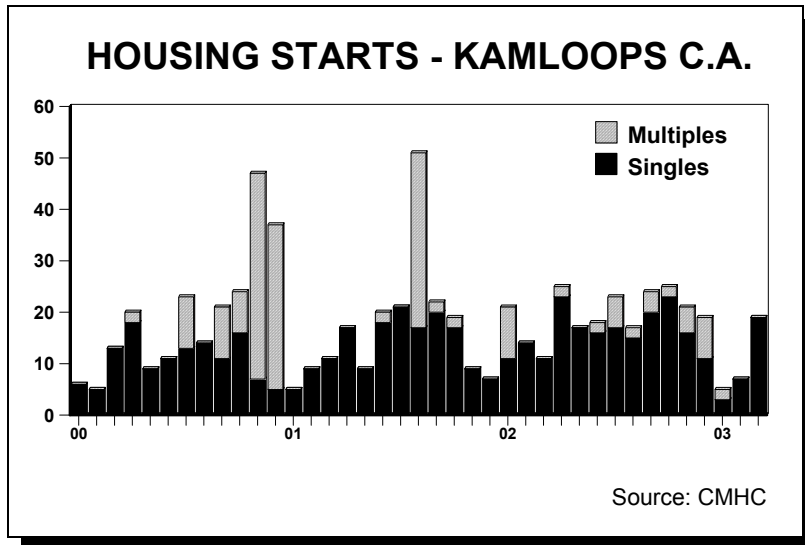
KAMLOOPS CA

Inventory and Absorption by Municipality

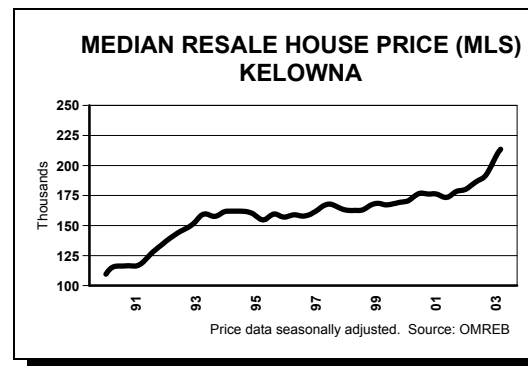
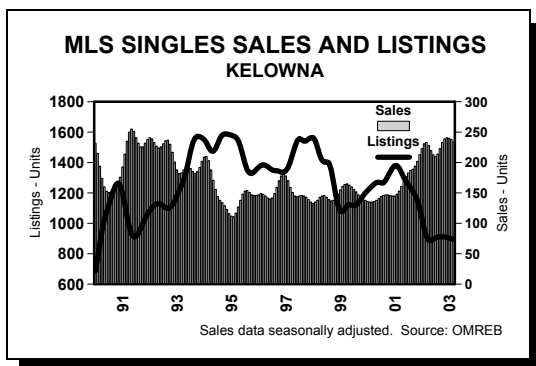
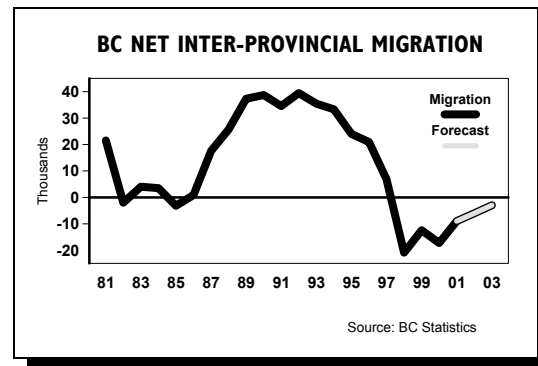
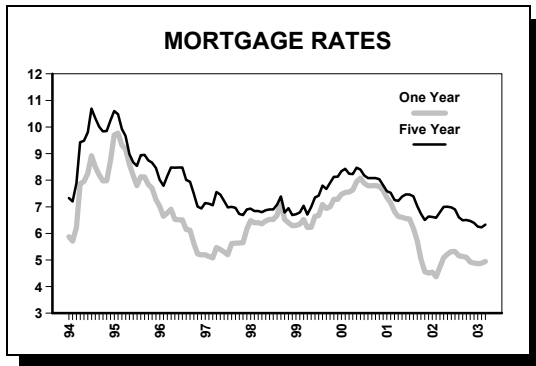
MARCH 2003 AND YEAR-TO-DATE 2002 & 2003

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	Total
Kamloops City	31	0	3	0	16	8	58	Kamloops City	1	0	0	0	1	14	16
Kamloops IR	0	0	0	0	0	3	3	Kamloops IR	0	0	0	0	0	0	0
TOTAL	31	0	3	0	16	11	61	TOTAL	1	0	0	0	1	14	16
Y.T.D. AVG. 2003*	32	0	3	0	15	12	62	Y.T.D. TOTAL 2003	2	0	4	0	6	51	63
Y.T.D. AVG. 2002*	31	0	2	0	17	10	60	Y.T.D. TOTAL 2002	10	0	1	0	2	38	51

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



KEY ECONOMIC INDICATORS



SOUTHERN INTERIOR RESALE MARKETS

MLS SALES	MARCH				YEAR TO DATE			
	Sales	Percent	Median	Percent	Sales	Percent	Median	Percent
Single - Detached	Mar. 2003	Change Mar. 02	Price Mar. 03	Change Mar. 02	YTD 2003	Change YTD 02	Pr. YTD 2003	Change YTD 02
Kelowna	255	-7%	\$214,900	13%	625	-1%	\$209,900	14%
Kamloops	86	-14%	\$166,000	16%	224	-9%	\$155,000	9%
Vernon	117	27%	\$174,900	12%	275	27%	\$169,500	9%
Penticton	31	-31	\$158,500	6%	91	1%	\$161,000	5%
Salmon Arm	21	-16%	\$162,000	5%	50	9%	\$178,450	18%
Cranbrook	12	-40%	\$105,500	-17%	44	-10%	\$114,750	n/a

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