

H

HOUSING NOW

Kelowna / Southern Interior

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

New Construction Highlights

Kelowna Housing Starts Bounce Back in November

Kelowna area housing starts, lead by the apartment condominium sector, rebounded sharply in November. Housing starts shot up to 289 units from 159 units in October.

Construction began on four condo projects totaling 150 units. Multi-family starts are on track to reach the highest level ever in 2005, surpassing singles construction for the first time since the early 1980s. Price and lifestyle are the key drivers.

The singles sector also recorded big gains in November. Construction activity has followed lot supply, shifting outward as municipalities extend infrastructure. Lake Country, Shannon Lake/Smith Creek and North Glenmore have seen the biggest increase in singles construction to date this year.

Market fundamentals remain solid. The Kelowna area economy continues to expand, churning out jobs. Strong employment growth has, in turn, spurred in-migration, fueling demand for both new and resale housing. Retirees and others seeking lifestyle-oriented housing have also contributed to increased demand. Interest rates, though edging up, remain low by historical standards. Condo pre sales have held up. Low inventories of complete and unsold units - all housing types - point to more opportunity for expansion.

Elsewhere, the Kamloops new home market maintained a blistering pace in November. Single-detached units and low density multi-family housing remain, for now, the focus of new home demand. The Vernon and Penticton markets also recorded another strong performance in November.

NOVEMBER 2005

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Kamloops/Okanagan

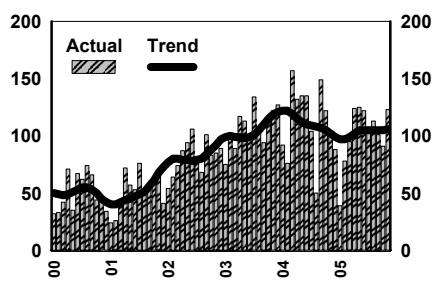
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CMHC Kelowna Noticeboard

- **December 2005 Housing Starts:** Local, BC, and National news releases scheduled for January 10, 2006. CMHC's **2005 Kelowna Rental Market Report** is 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! **Ask for CMHC's Fall 2005 Kelowna Housing Market Outlook Report and the 2005 BC Seniors' Housing Survey Report.**

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SINGLES STARTS - KELOWNA C.A.
2000 - 2005



Singles starts jump up in November.

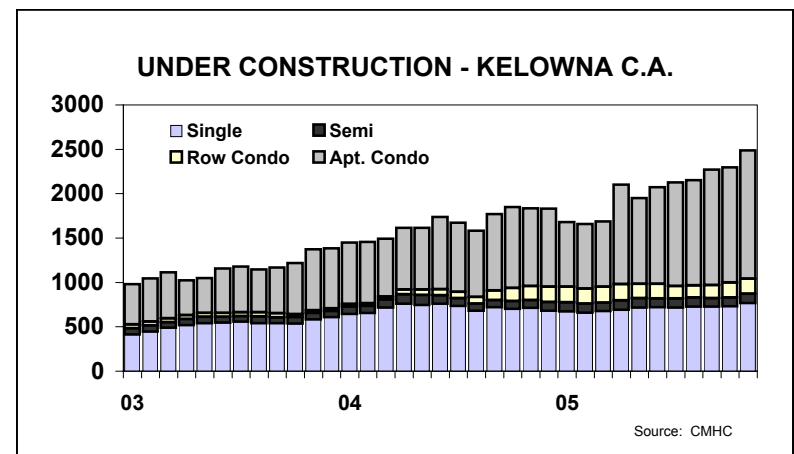
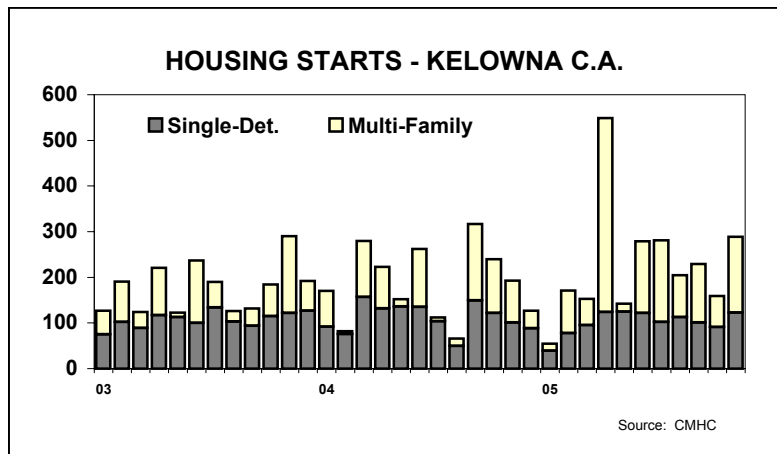
BC Starts Drop Back

BC starts were down in November, the province seeing a mixed performance by region. Vancouver accounted for most of the decline. Nationally, housing starts, rose 7% to 222,100 units, seasonally adjusted at annual rates (SAAR), from 206,800 units (SAAR), in October. Ontario led the country. The Prairies and Quebec posted smaller increases.

KELOWNA C.A. STARTS/COMPLETIONS/UNDER CONSTRUCTION NOVEMBER 2005 & YEAR-TO-DATE 2005

	2005							2004							2003						
	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	81	8	9	0	115	0	213	59	6	8	0	0	0	73	482	76	130	1	1,268	137	2,094
Sub. J*	24	0	0	0	0	0	24	12	0	0	0	0	0	12	145	10	35	0	42	40	272
Sub. I*	1	2	0	0	0	0	3	4	0	0	0	0	0	4	23	14	0	0	0	0	37
Lake Country	3	0	0	0	0	0	3	6	0	0	0	0	0	6	73	0	3	0	0	0	76
Peachland	3	0	0	0	32	0	35	3	0	0	0	0	0	3	15	6	3	0	134	0	158
Indian Res.	11	0	0	0	0	0	11	0	0	0	0	0	0	28	0	0	8	0	0	0	36
MONTH TOTAL	123	10	9	0	147	0	289	84	6	8	0	0	0	98	766	106	171	9	1,444	177	2,673
YEAR-TO-DATE	1,113	104	187	9	1,016	83	2,512	1,025	100	188	2	451	8	1,774							

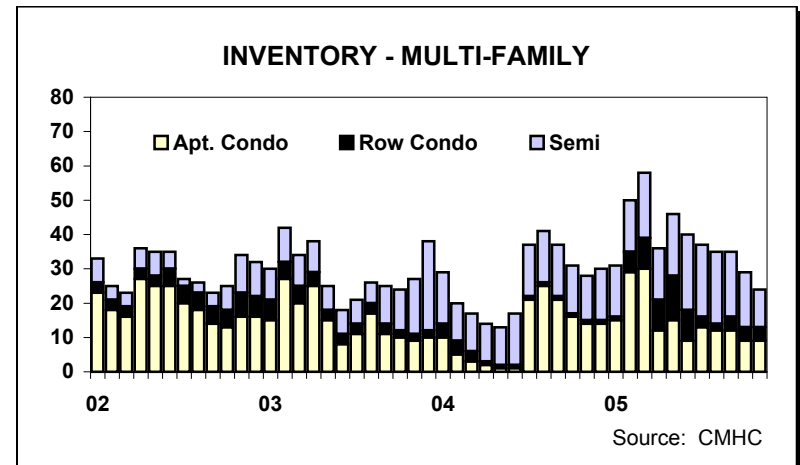
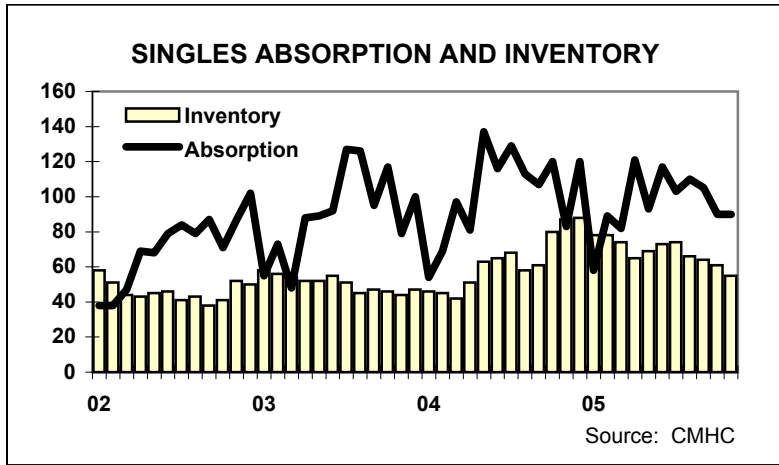
* Sub. J - Westside (former Sub. G and H) - Glenrosa, Westbank, Smith Creek, Shannon Heights, West Kelowna, Lakeview Heights, Westside/Fintry. Sub. I - Joe Rich, Ellision.



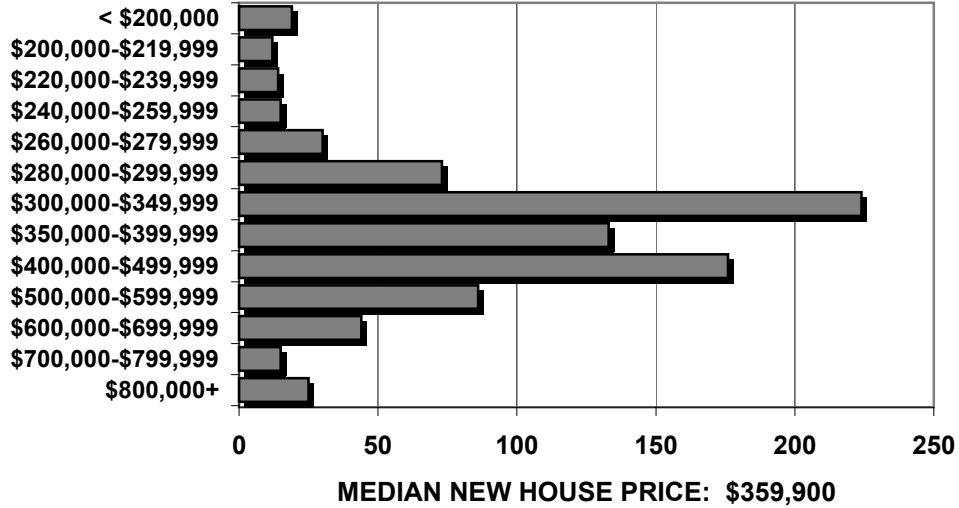
KELOWNA C.A. INVENTORY AND ABSORPTION NOVEMBER 2005 & YEAR-TO-DATE 2004 & 2005

	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	9	0	2	0	7	44	62	Kelowna City	54	0	8	0	9	64	135
Sub. J	0	0	2	0	1	7	10	Sub. J	0	0	24	0	0	12	36
Sub. I	0	0	0	0	3	0	3	Sub. I	0	0	0	0	0	5	5
Lake Country	0	0	0	0	0	1	1	Lake Country	0	0	0	0	0	5	5
Peachland	0	0	0	0	0	0	0	Peachland	51	0	0	0	2	3	56
Indian Reserve	0	0	0	0	0	3	3	Indian Reserve	0	0	0	0	0	1	1
MONTH TOTAL	9	0	4	0	11	55	79	MONTH TOTAL	105	0	32	0	11	90	238
Y.T.D. Average 2005*	15	0	6	0	17	69	107	Y.T.D. Total 2005	818	75	210	2	104	1,058	2,267
Y.T.D. Average 2004*	11	20	2	0	13	61	107	Y.T.D. Total 2004	389	114	92	4	109	1,106	1,814

Absorption does not include assisted rental units. * Rounded.



PRICES OF SINGLES ABSORBED AT COMPLETION
Kelowna C.A. January - November 2005



Sub Area	Singles Starts By Sub Area		Singles Absorption By Sub Area	
	Y.T.D. 2005	Y.T.D. 2004	Y.T.D. 2005	Y.T.D. 2004
Black Mountain	73	74	74	36
Dilworth Mountain	31	47	37	26
Ellison	23	84	60	55
Glenrosa	3	17	12	22
Glenmore	23	14	15	26
I.R.	31	46	32	23
Core Area*	113	174	119	167
Lakeview Heights	53	69	56	77
Lower Mission	40	54	51	44
North Glenmore	95	71	67	37
Peachland	20	16	18	16
Rutland North	50	35	38	38
Rutland South	0	3	2	1
S. E. Kelowna	34	44	40	50
Shannon Lake	62	28	42	37
Upper Mission	244	297	225	292
Westbank	14	21	18	13
Winfield	98	31	56	31
West Kelowna	44	68	51	76
Other**	62	60	45	39
Total	1113	1253	1058	1106

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

HOUSING ACTIVITY SUMMARY - KELOWNA CA NOVEMBER 2005

	OWNERSHIP				RENTAL				TOTAL
	FREEHOLD		CONDOMINIUM		PRIVATE		ASSISTED		
	Single	Semi	Row	Apt.	Row	Apt.	Row	Apt.	
Starts									
Nov. 2005	123	10	9	147	0	0	0	0	289
YTD 2005	1,113	104	187	1,016	1	43	8	40	2,512
YTD 2004	1,253	128	152	461	5	102	0	0	2,101
Under Construction									
Nov. 2005	766	106	171	1,444	1	137	8	40	2,673
Nov. 2004	711	90	157	879	2	102	0	0	1,941
Completions									
Nov. 2005	84	6	8	0	0	0	0	0	98
YTD 2005	1,025	100	188	451	2	8	0	0	1,774
YTD 2004	1,146	112	24	252	4	113	0	0	1,651
Inventory									
Nov. 2005	55	11	4	9	0	0			79
Nov. 2004	87	13	1	14	0	0			115
Total Supply									
Nov. 2005	821	117	175	1,453	1	137	8	40	2,752
Nov. 2004	798	103	158	893	2	102	0	0	2,056
Absorption									
Nov. 2005	90	11	32	105	0	0			238
3 Mo. Ave.	102	11	16	77	0	7			213
12 Mo. Ave.	98	9	20	62	2	6			197

Absorption does not include assisted rentals.

RECORD OF STARTS - KELOWNA C.A.					
YEAR	SINGLE	SEMI	ROW	APT	TOTAL
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
2004	1341	148	176	563	2228

OTHER CENTRES
Starts/Completions/Under Construction
NOVEMBER 2005 AND YEAR-TO-DATE 2005

	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	24	0	0	0	0	0	24	19	0	0	0	0	0	19	69	0	0	0	0	0	69
E. Kootenay C	7	0	0	0	0	0	7	10	0	0	0	0	0	10	52	0	0	0	0	0	52
Cranbrook CA	31	0	0	0	0	0	31	29	0	0	0	0	0	29	121	0	0	0	0	0	121
Y.T.D. 2005	147	0	0	0	0	0	147	107	2	0	0	0	0	109							
Kamloops C.	50	10	12	0	0	0	72	26	0	0	0	0	0	26	195	92	31	43	0	0	361
Kamloops IR	3	0	0	0	0	0	3	5	0	0	0	0	0	5	19	0	0	0	0	0	19
Kamloops CA	53	10	12	0	0	0	75	31	0	0	0	0	0	31	214	92	31	43	0	0	380
Y.T.D. 2005	373	100	23	43	0	0	539	321	46	16	0	6	0	389							
Penticton City	8	0	20	0	0	0	28	6	2	5	0	0	0	13	50	6	88	296	0	0	440
Sub. D	2	0	0	0	0	0	2	3	0	0	0	0	0	3	29	0	0	0	0	0	29
Sub. E	0	0	0	0	0	0	0	6	0	0	0	0	0	6	10	0	0	0	0	0	10
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	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	2
Penticton CA	10	0	20	0	0	0	30	15	2	5	0	0	0	22	91	6	88	296	0	0	481
Y.T.D. 2005	106	6	79	194	0	0	385	88	10	30	0	0	0	128							
Salmon Arm	15	4	0	0	0	0	19	17	2	0	0	0	0	19	54	12	0	16	0	0	82
Y.T.D. 2005	105	14	0	16	0	0	135	92	16	12	12	0	0	132							
Summerland	5	0	0	0	0	0	5	3	0	0	0	0	0	3	22	2	0	0	0	0	24
Y.T.D. 2005	29	2	0	0	0	0	31	26	0	10	0	0	0	36							
Vernon City	19	4	0	0	0	15	38	13	0	0	0	0	0	13	146	32	49	0	3	15	245
Coldstream	7	0	0	0	0	0	7	7	0	0	0	0	0	7	45	0	0	0	0	0	45
Sub. C	2	0	0	0	0	0	2	3	0	0	0	0	0	3	14	4	0	0	0	0	18
Sub. B	0	0	0	0	0	0	0	2	0	0	0	0	0	2	6	0	0	0	0	0	6
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	28	4	0	0	0	15	47	25	0	0	0	0	0	25	211	36	49	0	3	15	314
Y.T.D. 2005	313	38	32	0	3	15	401	289	20	35	0	4	0	348							

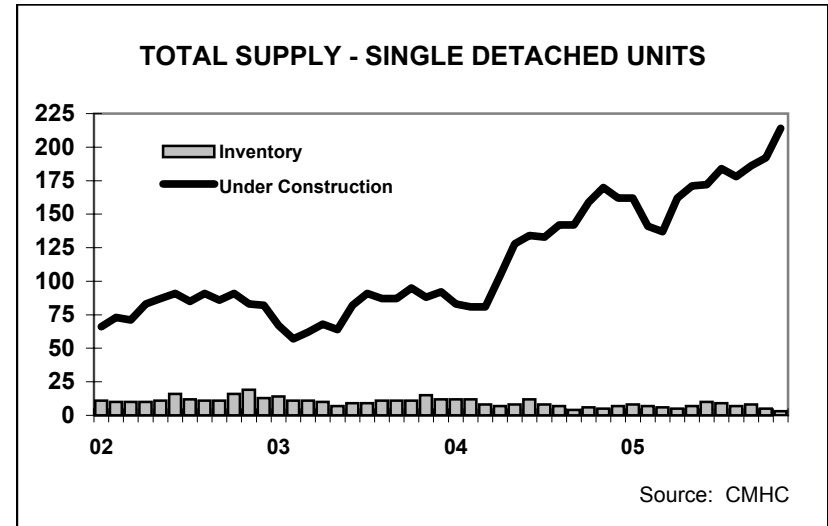
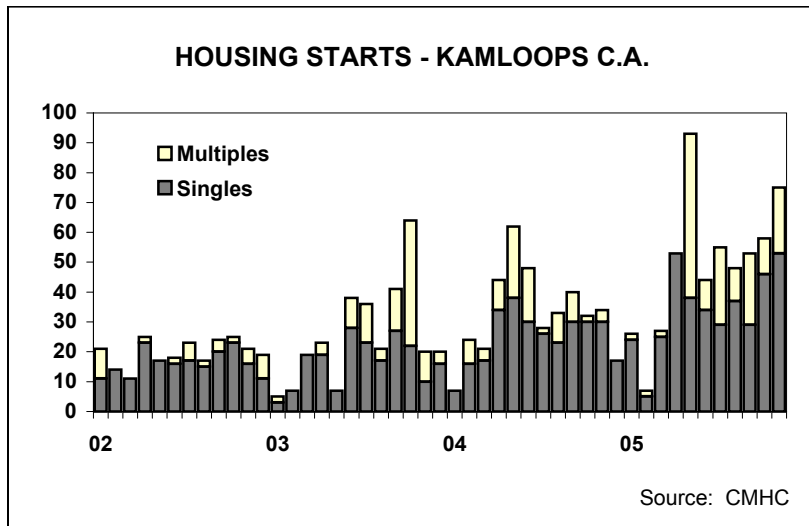
KAMLOOPS CA

Inventory and Absorption by Municipality

NOVEMBER 2005 AND YEAR-TO-DATE 2004 & 2005

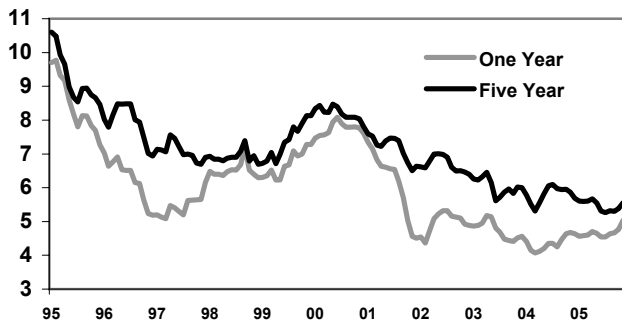
	Apt	Apt	Row	Row	Semi	Single	Total		Apt	Apt	Row	Row	Semi	Single	Grand
	Condo	Rental	Condo	Rental					Condo	Rental	Condo	Rental			Total
Kamloops City	6	0	1	0	1	3	11	Kamloops City	0	0	1	0	3	28	32
Kamloops IR	0	0	0	0	0	0	0	Kamloops IR	0	0	0	0	0	5	5
MONTH TOTAL	6	0	1	0	1	3	11	MONTH TOTAL	0	0	1	0	3	33	37
Y.T.D. Average 2005*	8	0	1	0	4	7	20	Y.T.D. TOTAL 2005	35	0	16	0	51	325	427
Y.T.D. Average 2004*	12	0	2	0	8	8	30	Y.T.D. TOTAL 2004	46	0	21	0	57	210	334

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

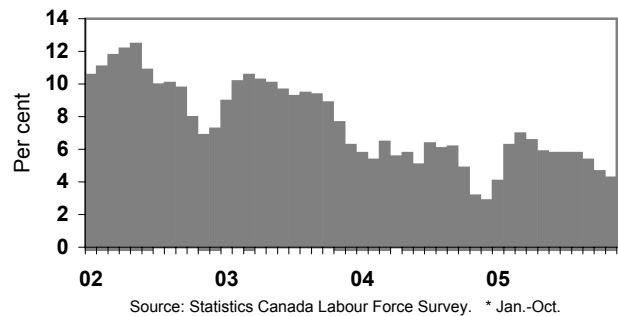


KEY ECONOMIC INDICATORS

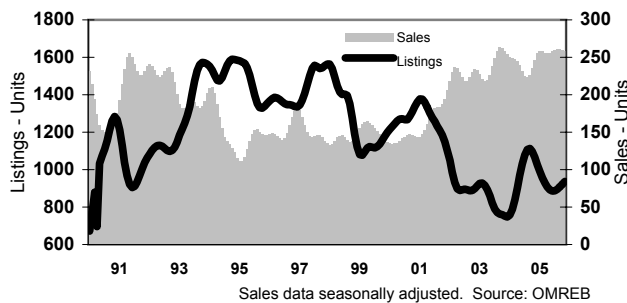
MORTGAGE RATES



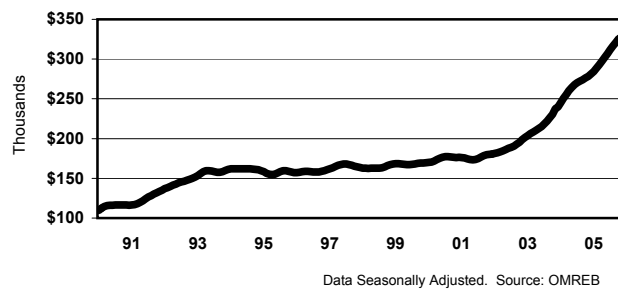
UNEMPLOYMENT RATE - KELOWNA



MLS SINGLES SALES AND LISTINGS KELOWNA



MEDIAN RESALE HOUSE PRICE (MLS) KELOWNA



SOUTHERN INTERIOR RESALE MARKETS

MLS SALES								
	Sales Nov. 2005	Percent Change Nov. 04	Median Price Nov. 05	Percent Change Nov. 04	Sales YTD 2005	Percent Change YTD 04	Median Price YTD 2005	Percent Change YTD 04
Single Detached								
Kelowna	230	3%	\$326,250	20%	2,961	8%	\$309,000	16%
Kamloops	75	6%	\$242,000	31%	1,273	4%	\$213,000	20%
Vernon Area	85	-19%	\$250,000	17%	1,465	-7%	\$239,200	26%
Penticton	31	29%	\$243,000	5%	406	6%	\$259,900	21%
Salmon Arm	18	-5%	\$240,450	21%	322	22%	\$225,025	29%
Cranbrook	15	-50%	\$199,000	39%	329	13%	\$154,000	23%

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Current month MLS data is preliminary.

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