HOUSING MARKET INFORMATION

HOUSING NOW

Kelowna CMA

Canada Mortgage and Housing Corporation

Date Released: January 2008

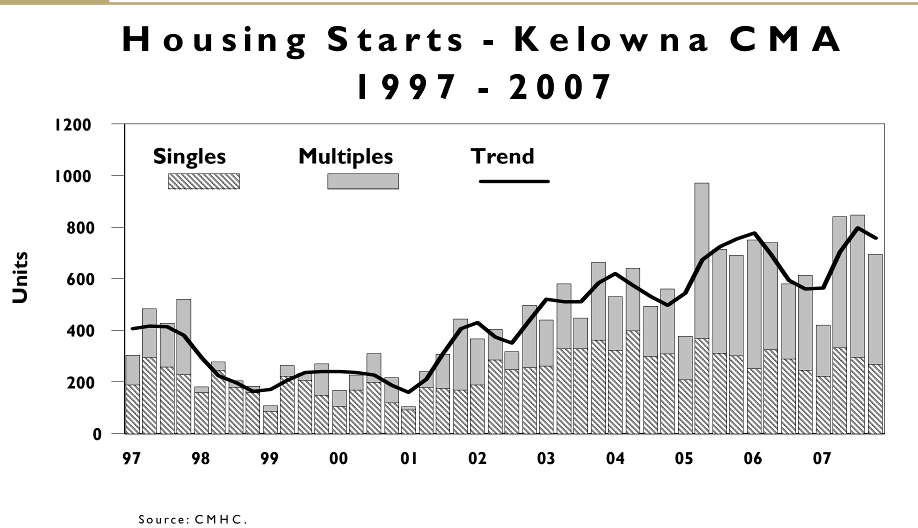
Housing Starts Reach Record High

Kelowna area housing starts, led by the multi-family sector, reached a record high in 2007. Housing starts climbed four per cent to 2,805 units from 2,692 units the previous year. Kelowna's new home market closed out the year on a strong note, with fourth quarter starts up by 13 per cent from the same three month period in 2006.

Housing starts have broken the 2,500 mark for three straight years. Kelowna's growing economy has been a key driver. Strong employment growth has boosted in-migration and demand for housing. Retirees and buyers seeking resort-oriented housing have also contributed to sharply increased demand for new homes.

Multi-family housing has seen the strongest growth in demand. With few new or existing detached units available for less than $400,000,

Figure 1



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more first-time buyers are turning to townhouses and condominiums. Resort housing and second residences have emerged as the fastest growing segment of Kelowna's condominium market. The Westbank area recorded a surge in multi-family construction activity in 2007. Pent-up demand, expansion of infrastructure and retail services and prospects of a new bridge across Lake Okanagan were factors underlying the increase.

Absorption of both townhouses and condominiums has been strong, keeping inventories of complete and unsold units low. An estimated 80 per cent of condominiums currently under construction have been pre sold. Strong absorption coupled with low inventories point to more opportunity for expansion in 2008.

New condominium prices were up sharply in 2007, The uptick in prices reflected rising construction costs, longer build times and strong demand for upscale units.

Starts of detached units were on par with last year's level. Move-up buyers accounted for the lion's share of new singles demand. Singles construction has followed lot supply, with Lake Country, Shannon Lake, North Glenmore and the Black/Kirschner Mountain neighbourhoods seeing the biggest increase in construction activity.

Rising lot prices and other costs and extended construction periods pushed up the cost of detached units in 2007. Few building lots are available for less than $175,000 - $200,000 in price. The average new home price increased almost 17 per cent to $629,741 this past year from $538,658 in 2006.

Existing Home Sales Up Sharply in 2007

Existing homes sales climbed to an all time high in 2007. Sales of detached homes were up 14 per cent from the previous year. Like the new home sector, multi-family housing saw the strongest growth in demand. Townhouse and apartment condominium sales jumped 28 and 27 per cent, respectively. Price relative to the cost of detached units and lifestyle were the key drivers. In addition, sustained low vacancy rates in combination with rising rents, low cost of financing and prospect of significant equity gains have led to more interest from investors. Most of 2007's increase in sales activity occurred during the second quarter. The third and fourth quarters recorded smaller increases as rising construction costs began to dampen growth in demand.

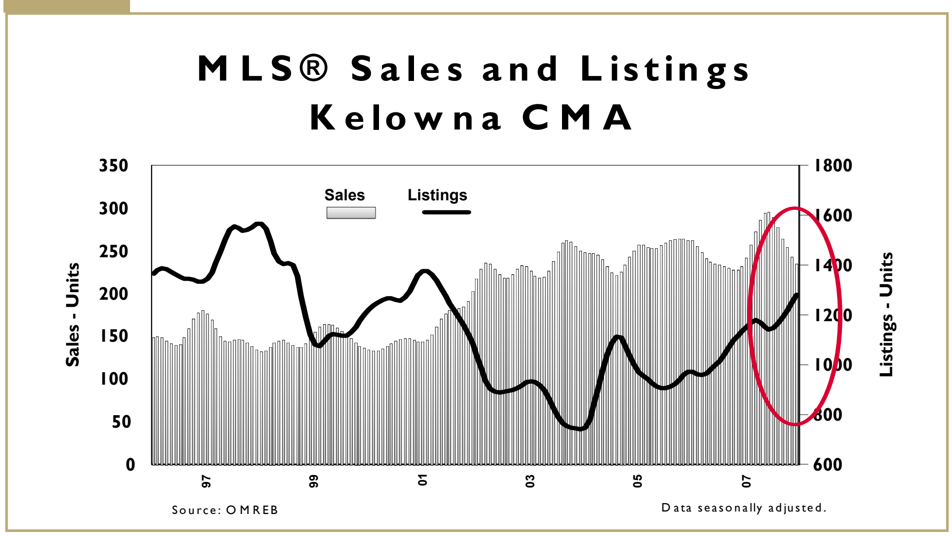
Strong demand in combination with rising supply fuelled 2007's upswing in sales activity. By year-end, the supply of active condominium listings had risen to the highest level ever.

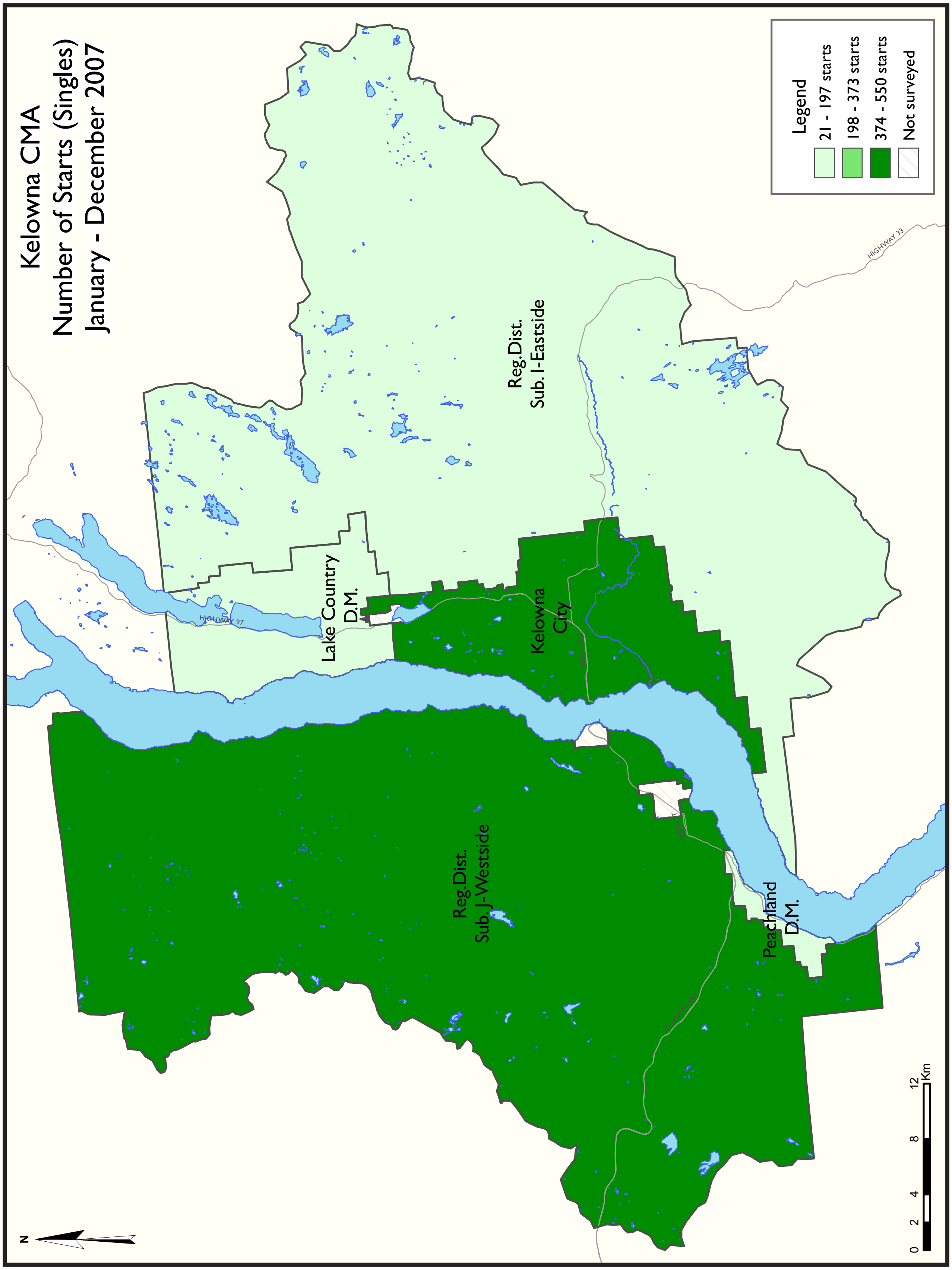
More townhouse and detached home listings were also available in 2007. Big gains in home equity have drawn more sellers into the market place. High levels of construction activity also contributed to increased supply.

Kelowna continued to experience strong upward pressure on prices in 2007 despite rising supply, the average house recording double-digit increases for the sixth straight year. The annual average price of an existing detached unit was up 18 per cent, breaking the half million mark in 2007. Buyers with equity from previous homes, including move-up and move-down buyers and retirees remained the focus of resale singles demand. First-time buyer activity has declined in the face of soaring singles prices. Both townhouses and condominiums recorded big price gains, average annual prices increasing 16 and 15 per cent, respectively. Expect the pace of price growth to begin slowing as the market adjusts to rising supply and slightly reduced demand.

For now, the Kelowna area resale market remains a seller's market.

Figure 2




Kelowna CMA
Number of Starts (Singles)
January - December 2007
Legend
21 - 197 starts
198 - 373 starts
374 - 550 starts
Not surveyed
Reg.Dist.
Sub. I-Eastside
Lake Country
D.M.
Kelowna
City
Reg.Dist.
Sub. J-Westside
Peachland
D.M.
HIGHWAY 97
HIGHWAY 33
N
0 2 4 8 12 Km

HOUSING NOW REPORT TABLES

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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 or zero
--	Amount too small to be expressed
SA	Monthly figures are adjusted to remove normal seasonal variation

Table 1: Housing Activity Summary of Kelowna CMA
December 2007

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
December 2007	77	0	0	4	54	0	6	0	141
December 2006	72	0	0	2	61	0	4	0	139
% Change	6.9	n/a	n/a	100.0	-11.5	n/a	50.0	n/a	1.4
Year-to-date 2007	1,043	0	0	42	333	1,312	45	30	2,805
Year-to-date 2006	1,026	0	0	33	433	1,132	68	0	2,692
% Change	1.7	n/a	n/a	27.3	-23.1	15.9	-33.8	n/a	4.2
UNDER CONSTRUCTION									
December 2007	833	0	0	38	437	2,505	30	30	3,873
December 2006	730	0	0	24	401	1,859	44	25	3,083
% Change	14.1	n/a	n/a	58.3	9.0	34.7	-31.8	20.0	25.6
COMPLETIONS									
December 2007	81	0	0	0	10	0	6	0	97
December 2006	56	0	0	2	4	78	5	0	145
% Change	44.6	n/a	n/a	-100.0	150.0	-100.0	20.0	n/a	-33.1
Year-to-date 2007	934	0	0	27	293	666	70	25	2,015
Year-to-date 2006	946	12	0	52	303	814	65	137	2,329
% Change	-1.3	-100.0	n/a	-48.1	-3.3	-18.2	7.7	-81.8	-13.5
COMPLETED & NOT ABSORBED									
December 2007	67	3	0	2	10	1	0	0	83
December 2006	65	8	0	1	12	78	0	1	165
% Change	3.1	-62.5	n/a	100.0	-16.7	-98.7	n/a	-100.0	-49.7
ABSORBED									
December 2007	78	0	0	1	12	29	6	0	126
December 2006	59	0	0	2	8	33	5	0	107
% Change	32.2	n/a	n/a	-50.0	50.0	-12.1	20.0	n/a	17.8
Year-to-date 2007	932	5	0	26	280	405	70	1	1,719
Year-to-date 2006	925	13	0	53	175	428	65	58	1,717
% Change	0.8	-61.5	n/a	-50.9	60.0	-5.4	7.7	-98.3	0.1

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

Table 1.1: Housing Activity Summary by Submarket December 2007									
	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									
December 2007	38	0	0	0	34	0	6	0	78
December 2006	40	0	0	0	32	0	2	0	74
Lake Country D.M.									
December 2007	9	0	0	1	2	0	0	0	12
December 2006	3	0	0	0	0	0	1	0	4
Peachland D.M.									
December 2007	2	0	0	0	0	0	0	0	2
December 2006	2	0	0	0	20	0	0	0	22
Reg. Dist. Sub. J - Westside									
December 2007	26	0	0	3	12	0	0	0	41
December 2006	26	0	0	2	3	0	1	0	32
Reg. Dist. Sub. I - Eastside									
December 2007	2	0	0	0	6	0	0	0	8
December 2006	1	0	0	0	6	0	0	0	7
Kelowna CMA									
December 2007	77	0	0	4	54	0	6	0	141
December 2006	72	0	0	2	61	0	4	0	139
UNDER CONSTRUCTION									
Kelowna City									
December 2007	414	0	0	10	280	1,637	27	30	2,398
December 2006	428	0	0	9	304	1,460	32	0	2,233
Lake Country D.M.									
December 2007	97	0	0	3	40	256	0	0	396
December 2006	75	0	0	1	0	232	2	25	335
Peachland D.M.									
December 2007	24	0	0	0	50	7	0	0	81
December 2006	13	0	0	0	48	39	0	0	100
Reg. Dist. Sub. J - Westside									
December 2007	279	0	0	23	55	605	1	0	963
December 2006	195	0	0	11	27	128	9	0	370
Reg. Dist. Sub. I - Eastside									
December 2007	19	0	0	2	12	0	2	0	35
December 2006	19	0	0	3	22	0	1	0	45
Kelowna CMA									
December 2007	833	0	0	38	437	2,505	30	30	3,873
December 2006	730	0	0	24	401	1,859	44	25	3,083

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

Table 1.1: Housing Activity Summary by Submarket
December 2007

	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									
December 2007	59	0	0	0	6	0	6	0	71
December 2006	39	0	0	0	2	52	5	0	98
Lake Country D.M.									
December 2007	3	0	0	0	0	0	0	0	3
December 2006	2	0	0	0	0	0	0	0	2
Peachland D.M.									
December 2007	0	0	0	0	0	0	0	0	0
December 2006	1	0	0	0	0	26	0	0	27
Reg. Dist. Sub. J - Westside									
December 2007	19	0	0	0	4	0	0	0	23
December 2006	14	0	0	1	0	0	0	0	15
Reg. Dist. Sub. I - Eastside									
December 2007	0	0	0	0	0	0	0	0	0
December 2006	0	0	0	1	2	0	0	0	3
Kelowna CMA									
December 2007	81	0	0	0	10	0	6	0	97
December 2006	56	0	0	2	4	78	5	0	145
COMPLETED & NOT ABSORBED									
Kelowna City									
December 2007	45	1	0	1	8	1	0	0	56
December 2006	42	4	0	1	9	78	0	1	135
Lake Country D.M.									
December 2007	3	0	0	0	0	0	0	0	3
December 2006	6	0	0	0	0	0	0	0	6
Peachland D.M.									
December 2007	0	0	0	0	1	0	0	0	1
December 2006	0	0	0	0	3	0	0	0	3
Reg. Dist. Sub. J - Westside									
December 2007	19	0	0	1	1	0	0	0	21
December 2006	17	1	0	0	0	0	0	0	18
Reg. Dist. Sub. I - Eastside									
December 2007	0	2	0	0	0	0	0	0	2
December 2006	0	3	0	0	0	0	0	0	3
Kelowna CMA									
December 2007	67	3	0	2	10	1	0	0	83
December 2006	65	8	0	1	12	78	0	1	165

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

Table 1.2: History of Housing Starts of Kelowna CMA 1998 - 2007									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
2007	1,043	0	0	42	333	1,312	45	30	2,805
% Change	1.7	n/a	n/a	27.3	-23.1	15.9	-33.8	n/a	4.2
2006	1,026	0	0	33	433	1,132	68	0	2,692
% Change	-10.5	-100.0	n/a	**	63.4	0.7	15.3	-100.0	-2.3
2005	1,147	44	0	8	265	1,124	59	108	2,755
% Change	-10.3	-66.7	-100.0	n/a	61.6	143.8	-25.3	5.9	23.9
2004	1,279	132	7	0	164	461	79	102	2,224
% Change	1.1	40.4	0.0	n/a	**	-30.6	163.3	88.9	4.1
2003	1,265	94	7	0	23	664	30	54	2,137
% Change	32.9	9.3	**	n/a	-60.3	78.5	-50.0	-10.0	34.3
2002	952	86	2	0	58	372	60	60	1,591
% Change	54.0	65.4	-90.5	n/a	n/a	100.0	-24.1	-59.2	44.2
2001	618	52	21	0	0	186	79	147	1,103
% Change	3.3	-27.8	n/a	n/a	-100.0	**	71.7	28.9	18.9
2000	598	72	0	0	14	40	46	114	928
% Change	-11.1	80.0	-100.0	n/a	-65.0	81.8	100.0	54.1	5.5
1999	673	40	6	0	40	22	23	74	880
% Change	-10.3	-55.6	n/a	-100.0	**	n/a	**	n/a	3.4
1998	750	90	0	1	9	0	1	0	851

Source: CMHC (Starts and Completions Survey)

Table 2: Starts by Submarket and by Dwelling Type December 2007											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	Dec 2007	Dec 2006	Dec 2007	Dec 2006	Dec 2007	Dec 2006	Dec 2007	Dec 2006	Dec 2007	Dec 2006	% Change
Black Mountain	0	5	0	0	4	0	0	0	4	5	-20.0
Dilworth Mountain	5	1	0	0	0	0	0	0	5	1	**
Ellison/Joe Rich	2	1	6	6	0	0	0	0	8	7	14.3
Glenrosa	1	0	0	0	0	0	0	0	1	0	n/a
Glenmore	5	1	2	0	0	0	0	0	7	1	**
Kelowna Core Area	5	0	0	0	0	0	0	0	5	0	n/a
Lake Country	10	4	2	0	0	0	0	0	12	4	200.0
Lakeview Heights	1	1	8	0	0	0	0	0	9	1	**
Lower Mission	3	0	2	0	17	0	0	0	22	0	n/a
North Glenmore	5	13	0	0	0	28	0	0	5	41	-87.8
Peachland	2	2	0	0	0	20	0	0	2	22	-90.9
Rutland	2	2	0	0	9	4	0	0	11	6	83.3
Southeast Kelowna	5	1	0	0	0	0	0	0	5	1	**
Shannon Lake	5	20	0	0	0	1	0	0	5	21	-76.2
Upper Mission	14	15	0	0	0	0	0	0	14	15	-6.7
Westbank	8	6	4	2	0	0	0	0	12	8	50.0
West Kelowna	9	2	0	0	0	0	0	0	9	2	**
Westside	5	0	0	0	0	0	0	0	5	0	n/a
Kelowna CMA	87	78	24	8	30	53	0	0	141	139	1.4

Table 2.1: Starts by Submarket and by Dwelling Type January - December 2007											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	% Change
Black Mountain	80	74	0	2	4	0	0	0	84	76	10.5
Dilworth Mountain	30	21	8	16	0	0	0	0	38	37	2.7
Ellison/Joe Rich	23	25	14	32	0	0	0	0	37	57	-35.1
Glenrosa	3	3	0	0	0	0	0	0	3	3	0.0
Glenmore	35	9	2	0	30	4	67	217	134	230	-41.7
Kelowna Core Area	36	44	4	16	0	4	292	198	332	262	26.7
Lake Country	141	140	2	0	38	0	103	200	284	340	-16.5
Lakeview Heights	61	56	10	0	3	18	50	86	124	160	-22.5
Lower Mission	23	21	2	10	75	51	60	72	160	154	3.9
North Glenmore	81	148	8	22	26	48	195	231	310	449	-31.0
Peachland	21	18	8	12	14	40	0	7	43	77	-44.2
Rutland	23	44	14	28	19	102	91	121	147	295	-50.2
Southeast Kelowna	30	23	4	12	0	0	0	0	34	35	-2.9
Shannon Lake	107	79	8	0	12	1	178	0	305	80	**
Upper Mission	210	282	0	10	0	0	0	0	210	292	-28.1
Westbank	100	29	14	10	12	0	306	0	432	39	**

Table 3: Completions by Submarket and by Dwelling Type
December 2007

Submarket	Single		Semi		Row		Apt. & Other		Total		
	Dec 2007	Dec 2006	Dec 2007	Dec 2006	Dec 2007	Dec 2006	Dec 2007	Dec 2006	Dec 2007	Dec 2006	% Change
Black Mountain	13	4	0	0	0	0	0	0	13	4	**
Dilworth Mountain	2	3	4	2	0	0	0	0	6	5	20.0
Ellison/Joe Rich	0	1	0	2	0	0	0	0	0	3	-100.0
Glenrosa	1	0	0	0	0	0	0	0	1	0	n/a
Glenmore	1	1	0	0	0	0	0	0	1	1	0.0
Kelowna Core Area	0	5	0	0	0	0	0	0	0	5	-100.0
Lake Country	3	2	0	0	0	0	0	0	3	2	50.0
Lakeview Heights	5	3	0	0	0	0	0	0	5	3	66.7
Lower Mission	2	2	0	0	0	0	0	0	2	2	0.0
North Glenmore	14	3	0	0	0	0	0	0	14	3	**
Peachland	0	1	0	0	0	0	0	26	0	27	-100.0
Rutland	0	5	2	0	0	0	0	52	2	57	-96.5
Southeast Kelowna	9	3	0	0	0	0	0	0	9	3	200.0
Shannon Lake	2	6	0	0	0	0	0	0	2	6	-66.7
Upper Mission	24	18	0	0	0	0	0	0	24	18	33.3
Westbank	7	4	4	0	0	0	0	0	11	4	175.0
West Kelowna	4	2	0	0	0	0	0	0	4	2	100.0
Westside	0	0	0	0	0	0	0	0	0	0	n/a
Kelowna CMA	87	63	10	4	0	0	0	78	97	145	-33.1

Table 3.1: Completions by Submarket and by Dwelling Type
January - December 2007

Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	% Change
Black Mountain	65	90	2	0	0	0	0	0	67	90	-25.6
Dilworth Mountain	20	29	20	28	0	0	0	0	40	57	-29.8
Ellison/Joe Rich	22	21	24	24	0	0	0	0	46	45	2.2
Glenrosa	3	2	0	0	0	0	0	0	3	2	50.0
Glenmore	9	16	0	2	4	4	0	0	13	22	-40.9
Kelowna Core Area	36	70	6	14	20	27	178	394	240	505	-52.5
Lake Country	119	134	0	0	0	3	104	0	223	137	62.8
Lakeview Heights	53	48	0	0	18	0	15	0	86	48	79.2
Lower Mission	22	29	0	4	16	13	50	0	88	46	91.3
North Glenmore	134	111	14	18	20	8	128	182	296	319	-7.2
Peachland	10	21	0	8	20	3	32	102	62	134	-53.7
Rutland	26	44	22	12	90	95	142	273	280	424	-34.0
Southeast Kelowna	28	23	6	4	0	0	0	0	34	27	25.9
Shannon Lake	96	68	0	0	1	14	42	0	139	82	69.5
Upper Mission	225	265	2	0	0	0	0	0	227	265	-14.3
Westbank	64	20	8	4	4	0	0	0	76	24	**

Table 4: Absorbed Single-Detached Units by Price Range December 2007													
Submarket	Price Ranges										Total	Median Price ($)	Average Price ($)
	< $300,000		$300,000 - $349,999		$350,000 - $399,999		$400,000 - $499,999		$500,000 +				
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)			
Black Mountain													
December 2007	0	0.0	0	0.0	0	0.0	2	28.6	5	71.4	7	--	--
December 2006	0	0.0	0	0.0	1	20.0	1	20.0	3	60.0	5	--	--
Year-to-date 2007	0	0.0	0	0.0	0	0.0	26	41.3	37	58.7	63	529,900	519,991
Year-to-date 2006	2	2.4	13	15.5	24	28.6	21	25.0	24	28.6	84	439,900	451,867
Dilworth Mountain													
December 2007	0	0.0	0	0.0	0	0.0	0	0.0	2	100.0	2	--	--
December 2006	0	0.0	0	0.0	0	0.0	0	0.0	2	100.0	2	--	--
Year-to-date 2007	0	0.0	0	0.0	0	0.0	0	0.0	20	100.0	20	694,000	652,795
Year-to-date 2006	1	3.7	0	0.0	0	0.0	8	29.6	18	66.7	27	599,450	592,404
Ellison/Joe Rich													
December 2007	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
December 2006	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	1	--	--
Year-to-date 2007	1	4.5	0	0.0	1	4.5	13	59.1	7	31.8	22	489,900	591,838
Year-to-date 2006	2	9.5	0	0.0	3	14.3	12	57.1	4	19.0	21	454,800	463,937
Glenrosa													
December 2007	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	1	--	--
December 2006	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2007	0	0.0	0	0.0	0	0.0	1	33.3	2	66.7	3	--	--
Year-to-date 2006	0	0.0	0	0.0	1	50.0	0	0.0	1	50.0	2	--	--
Glenmore													
December 2007	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	1	--	--
December 2006	1	50.0	0	0.0	0	0.0	1	50.0	0	0.0	2	--	--
Year-to-date 2007	1	11.1	0	0.0	1	11.1	0	0.0	7	77.8	9	--	--
Year-to-date 2006	2	12.5	0	0.0	4	25.0	6	37.5	4	25.0	16	477,450	577,693
Kelowna Core Area													
December 2007	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
December 2006	4	80.0	0	0.0	0	0.0	1	20.0	0	0.0	5	--	--
Year-to-date 2007	18	51.4	0	0.0	1	2.9	4	11.4	12	34.3	35	559,000	716,553
Year-to-date 2006	31	43.1	13	18.1	13	18.1	11	15.3	4	5.6	72	379,900	478,621
Lake Country													
December 2007	0	0.0	0	0.0	0	0.0	0	0.0	3	100.0	3	--	--
December 2006	0	0.0	0	0.0	0	0.0	1	50.0	1	50.0	2	--	--
Year-to-date 2007	3	2.5	16	13.1	13	10.7	32	26.2	58	47.5	122	499,000	565,213
Year-to-date 2006	18	14.0	33	25.6	11	8.5	33	25.6	34	26.4	129	449,000	519,772
Lakeview Heights													
December 2007	0	0.0	0	0.0	0	0.0	0	0.0	4	100.0	4	--	--
December 2006	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	1	--	--
Year-to-date 2007	2	3.6	0	0.0	0	0.0	1	1.8	53	94.6	56	984,900	1,052,689
Year-to-date 2006	0	0.0	0	0.0	0	0.0	9	21.4	33	78.6	42	707,200	815,575
Lower Mission													

Table 4: Absorbed Single-Detached Units by Price Range
December 2007

Submarket	Price Ranges										Total	Median Price ($)	Average Price ($)
	< $300,000		$300,000 - $349,999		$350,000 - $399,999		$400,000 - $499,999		$500,000 +				
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)			
North Glenmore													
December 2007	2	15.4	0	0.0	0	0.0	0	0.0	11	84.6	13	689,900	749,591
December 2006	0	0.0	0	0.0	0	0.0	1	33.3	2	66.7	3	--	--
Year-to-date 2007	25	18.5	1	0.7	1	0.7	10	7.4	98	72.6	135	599,900	610,629
Year-to-date 2006	25	23.1	1	0.9	3	2.8	27	25.0	52	48.1	108	499,900	493,524
Peachland													
December 2007	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
December 2006	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	1	--	--
Year-to-date 2007	1	10.0	0	0.0	0	0.0	3	30.0	6	60.0	10	529,900	601,933
Year-to-date 2006	2	9.5	1	4.8	3	14.3	10	47.6	5	23.8	21	459,900	495,563
Rutland													
December 2007	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	1	--	--
December 2006	0	0.0	1	16.7	4	66.7	1	16.7	0	0.0	6	--	--
Year-to-date 2007	2	8.7	1	4.3	7	30.4	12	52.2	1	4.3	23	429,900	431,967
Year-to-date 2006	5	11.6	16	37.2	14	32.6	5	11.6	3	7.0	43	359,000	372,036
Southeast Kelowna													
December 2007	3	30.0	0	0.0	0	0.0	0	0.0	7	70.0	10	899,900	900,500
December 2006	0	0.0	0	0.0	0	0.0	0	0.0	3	100.0	3	--	--
Year-to-date 2007	7	23.3	1	3.3	0	0.0	1	3.3	21	70.0	30	699,900	712,163
Year-to-date 2006	0	0.0	0	0.0	0	0.0	0	0.0	24	100.0	24	629,000	664,100
Shannon Lake													
December 2007	0	0.0	0	0.0	0	0.0	0	0.0	3	100.0	3	--	--
December 2006	2	28.6	0	0.0	0	0.0	5	71.4	0	0.0	7	--	--
Year-to-date 2007	10	10.8	0	0.0	5	5.4	64	68.8	14	15.1	93	449,900	452,391
Year-to-date 2006	15	22.4	4	6.0	18	26.9	27	40.3	3	4.5	67	409,900	401,111
Upper Mission													
December 2007	1	3.8	0	0.0	0	0.0	2	7.7	23	88.5	26	699,000	886,236
December 2006	1	5.3	0	0.0	0	0.0	3	15.8	15	78.9	19	598,600	589,363
Year-to-date 2007	3	1.3	0	0.0	4	1.8	20	8.9	197	87.9	224	640,000	722,901
Year-to-date 2006	1	0.4	10	3.8	27	10.2	95	35.7	133	50.0	266	502,400	548,354
Westbank													
December 2007	0	0.0	0	0.0	0	0.0	4	66.7	2	33.3	6	--	--
December 2006	0	0.0	0	0.0	2	50.0	2	50.0	0	0.0	4	--	--
Year-to-date 2007	2	3.4	0	0.0	9	15.3	44	74.6	4	6.8	59	452,000	511,858
Year-to-date 2006	3	15.0	3	15.0	6	30.0	6	30.0	2	10.0	20	394,450	422,775
West Kelowna													
December 2007	0	0.0	0	0.0	1	14.3	2	28.6	4	57.1	7	--	--
December 2006	0	0.0	0	0.0	0	0.0	3	100.0	0	0.0	3	--	--
Year-to-date 2007	1	1.8	0	0.0	1	1.8	35	61.4	20	35.1	57	466,500	485,086
Year-to-date 2006	1	2.5	0	0.0	5	12.5	26	65.0	8	20.0	40	463,200	467,212
Westside													

Table 4.1: Average Price ($) of Absorbed Single-detached Units December 2007						
Submarket	Dec 2007	Dec 2006	% Change	YTD 2007	YTD 2006	% Change
Black Mountain	--	--	n/a	519,991	451,867	15.1
Dilworth Mountain	--	--	n/a	652,795	592,404	10.2
Ellison/Joe Rich	--	--	n/a	591,838	463,937	27.6
Glenrosa	--	--	n/a	--	--	n/a
Glenmore	--	--	n/a	--	577,693	n/a
Kelowna Core Area	--	--	n/a	716,553	478,621	49.7
Lake Country	--	--	n/a	565,213	519,772	8.7
Lakeview Heights	--	--	n/a	1,052,689	815,575	29.1
Lower Mission	--	--	n/a	1,257,238	1,169,679	7.5
North Glenmore	749,591	--	n/a	610,629	493,524	23.7
Peachland	--	--	n/a	--	495,563	n/a
Rutland	--	--	n/a	431,967	372,036	16.1
Southeast Kelowna	--	--	n/a	712,163	664,100	7.2
Shannon Lake	--	--	n/a	452,391	401,111	12.8
Upper Mission	886,236	589,363	50.4	722,901	548,354	31.8
Westbank	--	--	n/a	511,858	422,775	21.1
West Kelowna	--	--	n/a	485,086	467,212	3.8
Westside	--	--	n/a	404,260	371,850	8.7
Kelowna CMA	733,203	515,809	42.1	629,741	538,658	16.9

Source: CMHC (Market Absorption Survey)

Table 5: MLS® Residential Activity for Kelowna December 2007													
		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 ($)
2006	January	181	879	21	385,999	33	71	46	234,614	63	297	21	208,204
	February	248	903	27	397,286	35	78	45	266,919	72	301	24	218,775
	March	299	943	32	411,783	30	113	27	277,057	104	326	32	233,160
	April	269	980	27	425,053	41	104	39	241,460	80	324	25	237,063
	May	287	1,052	27	429,380	41	110	37	290,076	95	326	29	229,184
	June	285	1,097	26	452,552	37	120	31	264,677	85	334	25	239,556
	July	286	1,091	26	431,303	36	119	30	293,267	94	309	30	242,583
	August	263	1,110	24	473,369	32	124	26	286,744	104	315	33	250,496
	September	228	1,149	20	462,252	27	138	20	341,911	67	323	21	267,496
	October	199	1,133	18	444,863	41	124	33	261,367	65	355	18	234,475
	November	176	1,040	17	415,215	19	135	14	275,313	63	325	19	234,035
	December	118	942	13	453,913	21	128	16	289,852	34	345	10	239,417
2007	January	185	1,000	19	436,216	28	119	24	314,779	68	409	17	232,675
	February	227	1,004	23	507,291	31	122	25	282,289	94	417	23	232,083
	March	334	1,152	29	459,236	55	118	47	295,280	127	441	29	256,960
	April	339	1,208	28	489,805	51	139	37	314,716	143	405	35	263,311
	May	380	1,175	32	488,654	65	118	55	317,203	112	390	29	274,939
	June	373	1,188	31	525,671	46	126	37	323,914	109	386	28	289,745
	July	274	1,240	22	525,035	43	118	36	333,294	107	429	25	282,487
	August	322	1,254	26	552,334	49	128	38	345,778	122	470	26	296,629
	September	248	1,287	19	570,443	39	121	32	326,759	78	496	16	276,047
	October	236	1,268	19	513,130	43	150	29	334,021	86	515	17	291,860
	November	179	1,174	15	503,441	25	151	17	301,620	74	572	13	288,030
	December	134	1,076	12	515,000	27	143	19	306,779	53	582	9	285,574
	YTD 2006	2,839	1,027	23	432,056	393	114	30	274,761	926	323	24	236,629
	YTD 2007	3,229	1,169	23	507,799	502	129	33	317,886	1,174	459	22	272,442
	% Change	14	14	0	18	28	13	10	16	27	42	-8	15

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
December 2007

		Interest Rates			NHPI, Total, 1997=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						
2006	January	658	5.80	6.30	109.5	106.6	80.4	6.0	61.1	715
	February	667	5.85	6.45	110.3	106.7	81.8	5.7	61.7	715
	March	667	6.05	6.45	110.7	107.2	83.3	6.2	63.0	718
	April	685	6.25	6.75	111.6	107.8	86.0	6.4	65.9	719
	May	685	6.25	6.75	111.9	108.7	86.2	6.1	64.5	720
	June	697	6.60	6.95	112.2	108.7	86.6	5.2	64.2	722
	July	697	6.60	6.95	112.6	108.8	85.5	5.3	62.7	722
	August	691	6.40	6.85	115.2	109.0	85.6	6.6	64.2	724
	September	682	6.40	6.70	115.8	108.4	87.4	7.2	64.8	726
	October	688	6.40	6.80	116.2	108.3	89.3	6.4	66.0	730
	November	673	6.40	6.55	116.3	108.7	89.8	5.6	65.3	734
	December	667	6.30	6.45	116.3	108.8	90.5	5.1	65.7	737
2007	January	679	6.50	6.65	116.3	109.0	90.8	5.5	65.6	741
	February	679	6.50	6.65	116.3	109.1	91.7	4.7	65.4	742
	March	669	6.40	6.49	117.5	109.5	91.8	4.2	64.8	743
	April	678	6.60	6.64	118.2	109.9	90.9	2.6	63.8	745
	May	709	6.85	7.14	120.9	110.5	88.7	3.7	62.2	744
	June	715	7.05	7.24	121.8	110.3	86.9	4.8	61.8	743
	July	715	7.05	7.24	122.0	110.5	84.9	6.1	60.4	742
	August	715	7.05	7.24	122.1	110.4	84.0	4.7	59.3	747
	September	712	7.05	7.19	122.1	110.5	83.9	4.1	58.0	752
	October	728	7.25	7.44	122.8	110.0	86.0	3.9	60.0	753
	November	725	7.20	7.39	123.1	110.1	88.9	5.1	62.4	752
	December	734	7.35	7.54			90.8	5.8	64.4	753

"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), CREA (MLS®), 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 2001 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 2001 Census area definitions.

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