HOUSING MARKET INFORMATION

HOUSING NOW
Kelowna CMA

CANADA MORTGAGE AND HOUSING CORPORATION

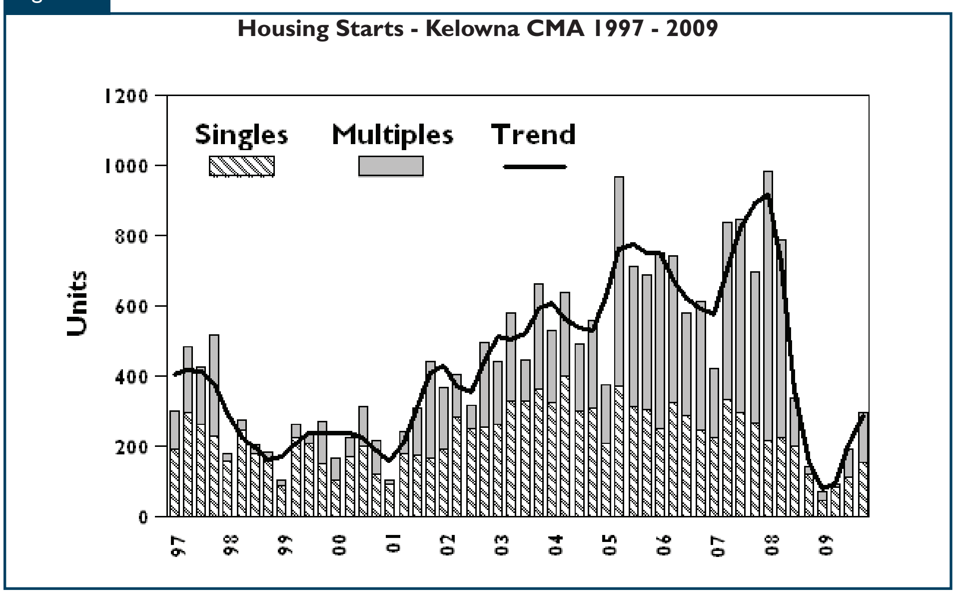
Date Released: January 2010

Housing Starts Move Up in Fourth Quarter

Kelowna's new home construction market ended the year on a positive note. Fourth quarter housing starts increased to 297 homes from 144 homes during the same three month period last year. Both the detached home and multi-family sectors recorded gains.

Kelowna area housing starts totalled 657 homes in 2009, down from 2,257 homes the previous year. Fewer multi-family homes accounted for most of 2009's decline. High inventories of new, completed and unoccupied units and strong price competition from a well supplied resale market constrained apartment condominium construction in 2009. Demand for resort housing and

Figure 1



Source: CMHC.

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second residences cooled off in the wake of slower economic growth, a key factor contributing to fewer condominium starts last year. Price reductions and other incentives have boosted absorptions during the past few months. Expect condominium construction to pick up later next year as the inventory of new, completed and unsold units and the supply of existing condominiums for sale comes down.

Rental housing starts will account for the bulk of apartment construction in 2010. Construction is expected to begin on up to four privately and publicly-initiated rental projects next year. With rents up sharply and construction costs coming down, rental construction has become a more viable development opportunity than in recent years. Reduced demand for condominiums has also freed up some building sites.

Starts of single detached units have trended up in recent months, but remain at low levels. The demand outlook is more positive. The inventory of new, completed and unoccupied detached homes has steadily declined after climbing to record levels earlier last year. Lower lot prices and construction costs have allowed builders to more effectively compete with existing homes. Lot prices have declined in response to moderating demand and increased supply. The Kelowna area is now well supplied with building lots, a big change from the shortages seen prior to 2008. Demand has been strongest for new detached homes in the $425,000 - $550,000 price range. Fewer buyers of resort-oriented homes and second residences have led to less demand for higher priced detached homes. This segment of the new detached home market continues to face especially strong price competition from a well supplied existing home market.

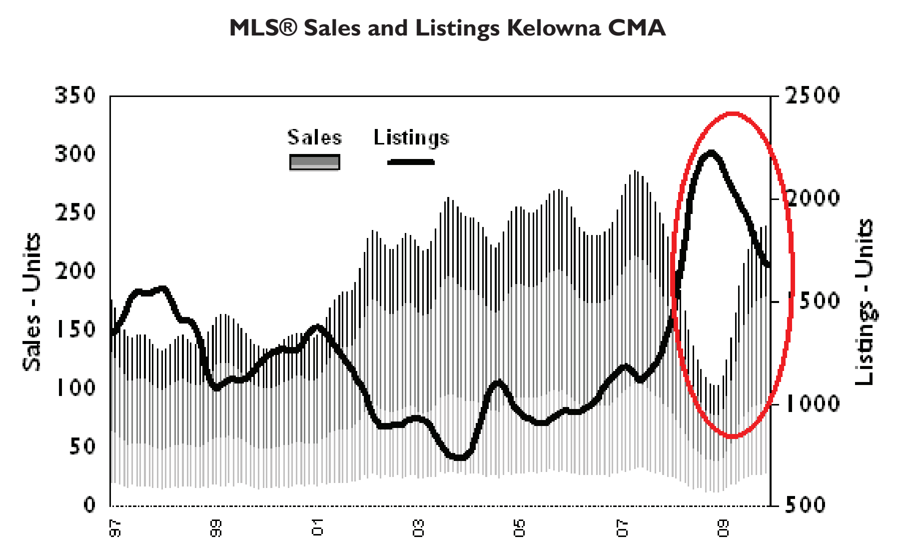
Existing Home Sales Increase

Sales of existing homes have rebounded sharply with fourth quarter sales more than doubling from a year ago. Detached home, townhouse and apartment condominium sales all recorded big increases. Strong third and fourth quarter sales have boosted 2009 existing home sales ahead of 2008 levels. Lower prices, an ample supply of listings and favourable interest rates have drawn more buyers into the marketplace. Existing home sales are forecast to increase at a more moderate pace next year, slightly higher mortgage interest rates and rising home prices tempering growth in demand. Buyers continued to benefit from more choice than in previous years. Although listing activity moderated during the second half of 2009, the supply of homes available for sale has remained at high levels. A good selection of listings will help sustain demand for existing homes next year. Sellers have adjusted list prices to better reflect current market conditions.

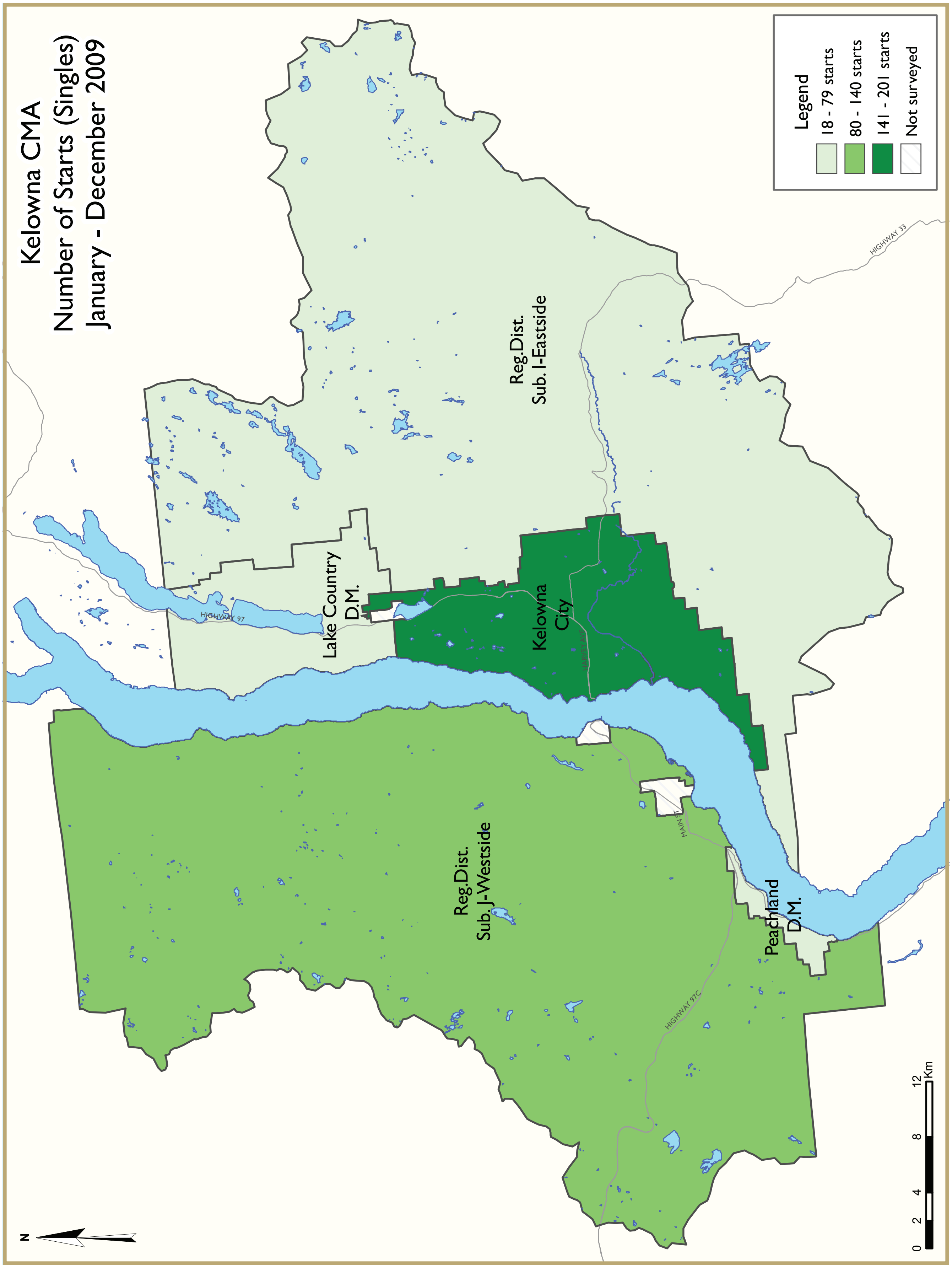
Existing home prices stabilized by mid-year after trending down since spring 2008. Lower prices have contributed to improved affordability and helped trigger the recent surge in existing home sales. Prices have since begun to rise in response to stronger demand and reduced supply and are expected to edge up through 2010.

Kelowna's existing home market has shifted to a balanced from a buyer's market position. The sales to new listings ratio has climbed back into balanced market territory. Homes are still taking longer to sell than in 2008, but sellers are now achieving a higher sale price to list price ratio than just a few months ago.

Figure 2



Source: OMREB. MLS® Multiple Listing Service (MLS®) is a registered certification mark owned by the Canadian Real Estate Association. Data is seasonally adjusted.


Kelowna CMA
Number of Starts (Singles)
January - December 2009
Legend
18 - 79 starts
80 - 140 starts
141 - 201 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
HIGHWAY 97C
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
--	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 2009

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
December 2009	51	2	0	0	19	0	0	0	72
December 2008	23	2	0	2	0	0	1	0	28
% Change	121.7	0.0	n/a	-100.0	n/a	n/a	-100.0	n/a	157.1
Year-to-date 2009	371	20	0	12	93	106	25	30	657
Year-to-date 2008	707	2	0	23	303	1,128	35	59	2,257
% Change	-47.5	**	n/a	-47.8	-69.3	-90.6	-28.6	-49.2	-70.9
UNDER CONSTRUCTION									
December 2009	448	18	0	10	179	651	18	30	1,354
December 2008	593	2	0	22	312	1,745	26	59	2,759
% Change	-24.5	**	n/a	-54.5	-42.6	-62.7	-30.8	-49.2	-50.9
COMPLETIONS									
December 2009	38	2	0	2	2	0	4	0	48
December 2008	43	0	0	1	18	123	1	0	186
% Change	-11.6	n/a	n/a	100.0	-88.9	-100.0	**	n/a	-74.2
Year-to-date 2009	515	6	0	24	204	1,092	42	59	1,942
Year-to-date 2008	944	0	0	40	428	1,659	41	30	3,142
% Change	-45.4	n/a	n/a	-40.0	-52.3	-34.2	2.4	96.7	-38.2
COMPLETED & NOT ABSORBED									
December 2009	110	2	0	7	71	281	0	0	471
December 2008	181	1	0	4	69	107	0	0	362
% Change	-39.2	100.0	n/a	75.0	2.9	162.6	n/a	n/a	30.1
ABSORBED									
December 2009	59	1	0	3	10	13	4	0	90
December 2008	32	0	0	0	19	78	1	0	130
% Change	84.4	n/a	n/a	n/a	-47.4	-83.3	**	n/a	-30.8
Year-to-date 2009	586	5	0	21	197	918	47	59	1,833
Year-to-date 2008	830	2	0	38	369	1,278	41	0	2,558
% Change	-29.4	150.0	n/a	-44.7	-46.6	-28.2	14.6	n/a	-28.3

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

Table 1.1: Housing Activity Summary by Submarket December 2009									
	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 2009	30	2	0	0	17	0	0	0	49
December 2008	10	2	0	2	0	0	1	0	15
Lake Country D.M.									
December 2009	7	0	0	0	0	0	0	0	7
December 2008	4	0	0	0	0	0	0	0	4
Peachland D.M.									
December 2009	3	0	0	0	0	0	0	0	3
December 2008	1	0	0	0	0	0	0	0	1
Reg. Dist. Sub. J - Westside									
December 2009	11	0	0	0	0	0	0	0	11
December 2008	7	0	0	0	0	0	0	0	7
Reg. Dist. Sub. I - Eastside									
December 2009	0	0	0	0	2	0	0	0	2
December 2008	1	0	0	0	0	0	0	0	1
Kelowna CMA									
December 2009	51	2	0	0	19	0	0	0	72
December 2008	23	2	0	2	0	0	1	0	28
UNDER CONSTRUCTION									
Kelowna City									
December 2009	207	10	0	3	107	590	18	30	965
December 2008	296	2	0	8	164	1,330	24	59	1,883
Lake Country D.M.									
December 2009	82	4	0	1	16	15	0	0	118
December 2008	86	0	0	2	55	87	0	0	230
Peachland D.M.									
December 2009	23	0	0	1	22	0	0	0	46
December 2008	23	0	0	1	26	0	0	0	50
Reg. Dist. Sub. J - Westside									
December 2009	120	2	0	5	24	46	0	0	197
December 2008	178	0	0	11	53	328	1	0	571
Reg. Dist. Sub. I - Eastside									
December 2009	16	2	0	0	10	0	0	0	28
December 2008	10	0	0	0	14	0	1	0	25
Kelowna CMA									
December 2009	448	18	0	10	179	651	18	30	1,354
December 2008	593	2	0	22	312	1,745	26	59	2,759

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

Table 1.1: Housing Activity Summary by Submarket December 2009									
	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 2009	25	0	0	2	2	0	3	0	32
December 2008	20	0	0	1	18	41	1	0	81
Lake Country D.M.									
December 2009	15	0	0	0	0	0	0	0	15
December 2008	0	0	0	0	0	0	0	0	0
Peachland D.M.									
December 2009	0	0	0	0	0	0	0	0	0
December 2008	0	0	0	0	0	0	0	0	0
Reg. Dist. Sub. J - Westside									
December 2009	13	2	0	0	0	0	1	0	16
December 2008	8	0	0	0	0	82	0	0	90
Reg. Dist. Sub. I - Eastside									
December 2009	0	0	0	0	0	0	0	0	0
December 2008	0	0	0	0	0	0	0	0	0
Kelowna CMA									
December 2009	38	2	0	2	2	0	4	0	48
December 2008	43	0	0	1	18	123	1	0	186
COMPLETED & NOT ABSORBED									
Kelowna City									
December 2009	56	0	0	5	38	147	0	0	246
December 2008	98	1	0	3	43	52	0	0	197
Lake Country D.M.									
December 2009	12	0	0	0	10	37	0	0	59
December 2008	21	0	0	0	13	13	0	0	47
Peachland D.M.									
December 2009	6	0	0	1	4	0	0	0	11
December 2008	1	0	0	0	5	0	0	0	6
Reg. Dist. Sub. J - Westside									
December 2009	36	2	0	1	17	97	0	0	153
December 2008	60	0	0	1	6	42	0	0	109
Reg. Dist. Sub. I - Eastside									
December 2009	0	0	0	0	2	0	0	0	2
December 2008	1	0	0	0	2	0	0	0	3
Kelowna CMA									
December 2009	110	2	0	7	71	281	0	0	471
December 2008	181	1	0	4	69	107	0	0	362

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

Table 2: Starts by Submarket and by Dwelling Type
December 2009

Submarket	Single		Semi		Row		Apt. & Other		Total		
	Dec 2009	Dec 2008	Dec 2009	Dec 2008	Dec 2009	Dec 2008	Dec 2009	Dec 2008	Dec 2009	Dec 2008	% Change
Black Mountain	3	4	0	0	0	0	0	0	3	4	-25.0
Dilworth Mountain	2	0	6	0	0	0	0	0	8	0	n/a
Ellison/Joe Rich	0	1	2	0	0	0	0	0	2	1	100.0
Glenrosa	0	0	0	0	0	0	0	0	0	0	n/a
Glenmore	1	0	0	0	0	0	0	0	1	0	n/a
Kelowna Core Area	4	2	0	2	13	0	0	0	17	4	**
Lake Country	0	0	0	0	0	0	0	0	0	0	n/a
Lakeview Heights	2	0	0	0	0	0	0	0	2	0	n/a
Lower Mission	0	0	0	0	0	0	0	0	0	0	n/a
North Glenmore	3	1	0	0	0	0	0	0	3	1	200.0
Peachland	3	1	0	0	0	0	0	0	3	1	200.0
Rutland	5	0	0	0	0	0	0	0	5	0	n/a
Southeast Kelowna	1	0	0	0	0	0	0	0	1	0	n/a
Shannon Lake	3	0	0	0	0	0	0	0	3	0	n/a
Upper Mission	11	6	0	0	0	0	0	0	11	6	83.3
Westbank	0	0	0	0	0	0	0	0	0	0	n/a
West Kelowna	3	3	0	0	0	0	0	0	3	3	0.0
Westside	3	4	0	0	0	0	0	0	3	4	-25.0
Kelowna CMA	51	26	8	2	13	0	0	0	72	28	157.1

Table 2.1: Starts by Submarket and by Dwelling Type
January - December 2009

Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	% Change
Black Mountain	32	61	8	8	0	28	0	0	40	97	-58.8
Dilworth Mountain	8	9	26	16	0	0	30	0	64	25	156.0
Ellison/Joe Rich	16	12	8	18	0	0	0	0	24	30	-20.0
Glenrosa	1	6	2	0	0	0	0	0	3	6	-50.0
Glenmore	9	25	0	4	0	0	0	0	9	29	-69.0
Kelowna Core Area	15	24	4	12	17	7	60	808	96	851	-88.7
Lake Country	0	19	0	4	0	19	0	0	0	42	-100.0
Lakeview Heights	19	25	2	8	0	4	0	0	21	37	-43.2
Lower Mission	2	14	2	4	6	0	0	206	10	224	-95.5
North Glenmore	32	64	0	8	0	20	0	0	32	92	-65.2
Peachland	21	23	2	0	20	24	0	0	43	47	-8.5
Rutland	21	26	2	2	0	4	0	92	23	124	-81.5
Southeast Kelowna	18	22	0	0	0	0	0	0	18	22	-18.2
Shannon Lake	29	58	0	2	8	9	0	66	37	135	-72.6
Upper Mission	63	126	0	4	0	60	0	0	63	190	-66.8
Westbank	11	24	0	0	0	4	46	0	57	28	103.6
West Kelowna	13	68	0	0	0	0	0	0	13	68	-80.9
Westside	26	48	0	0	0	0	0	0	26	48	-45.8
Kelowna CMA	404	765	62	98	55	207	136	1,187	657	2,257	-70.9

Source: CMHC (Starts and Completions Survey)

Table 3: Completions by Submarket and by Dwelling Type December 2009											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	Dec 2009	Dec 2008	Dec 2009	Dec 2008	Dec 2009	Dec 2008	Dec 2009	Dec 2008	Dec 2009	Dec 2008	% Change
Black Mountain	4	4	0	0	0	5	0	0	4	9	-55.6
Dilworth Mountain	3	0	2	0	0	0	0	0	5	0	n/a
Ellison/Joe Rich	0	0	0	0	0	0	0	0	0	0	n/a
Glenrosa	1	0	2	0	0	0	0	0	3	0	n/a
Glenmore	2	2	0	0	0	5	0	0	2	7	-71.4
Kelowna Core Area	2	6	0	0	0	0	0	41	2	47	-95.7
Lake Country	0	6	0	0	0	0	0	0	0	6	-100.0
Lakeview Heights	0	0	0	0	0	0	0	0	0	0	n/a
Lower Mission	1	0	0	0	0	0	0	0	1	0	n/a
North Glenmore	2	6	0	0	0	0	0	0	2	6	-66.7
Peachland	0	0	0	0	0	0	0	0	0	0	n/a
Rutland	4	0	0	0	0	8	0	0	4	8	-50.0
Southeast Kelowna	1	0	0	0	0	0	0	0	1	0	n/a
Shannon Lake	6	2	0	0	0	0	0	0	6	2	200.0
Upper Mission	11	4	0	0	0	0	0	0	11	4	175.0
Westbank	1	1	0	0	0	0	0	82	1	83	-98.8
West Kelowna	4	5	0	0	0	0	0	0	4	5	-20.0
Westside	2	0	0	0	0	0	0	0	2	0	n/a
Kelowna CMA	44	45	4	0	0	18	0	123	48	186	-74.2

Table 3.1: Completions by Submarket and by Dwelling Type January - December 2009											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	% Change
Black Mountain	44	70	8	0	4	20	0	0	56	90	-37.8
Dilworth Mountain	8	27	12	8	0	0	0	0	20	35	-42.9
Ellison/Joe Rich	12	25	10	16	0	0	0	0	22	41	-46.3
Glenrosa	1	3	2	0	0	0	0	0	3	3	0.0
Glenmore	23	36	4	2	10	26	67	217	104	281	-63.0
Kelowna Core Area	18	30	20	0	0	0	532	178	570	208	174.0
Lake Country	13	93	0	6	19	38	72	113	104	250	-58.4
Lakeview Heights	24	51	16	2	4	3	0	121	44	177	-75.1
Lower Mission	12	20	2	10	0	107	0	415	14	552	-97.5
North Glenmore	49	71	2	16	12	52	60	298	123	437	-71.9
Peachland	22	23	2	14	24	34	0	0	48	71	-32.4
Rutland	28	25	4	14	8	12	92	125	132	176	-25.0
Southeast Kelowna	9	25	6	4	0	0	0	0	15	29	-48.3
Shannon Lake	46	76	6	2	4	0	216	28	272	106	156.6
Upper Mission	105	190	2	8	16	12	0	0	123	210	-41.4
Westbank	20	67	2	10	0	12	112	194	134	283	-52.7
West Kelowna	35	92	0	0	0	0	0	0	35	92	-62.0
Westside	39	52	0	0	0	0	0	0	39	52	-25.0
Kelowna CMA	566	1,025	104	112	121	316	1,151	1,689	1,942	3,142	-38.2

Source: CMHC (Starts and Completions Survey)

Table 4: Absorbed Single-Detached Units by Price Range December 2009													
Submarket	Price Ranges										Total	Median Price ($)	Average Price ($)
	< $400,000		$400,000 - $499,999		$500,000 - $599,999		$600,000 - $749,999		$750,000 +				
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)			
Black Mountain													
December 2009	0	0.0	0	0.0	5	100.0	0	0.0	0	0.0	5	--	--
December 2008	0	0.0	0	0.0	2	100.0	0	0.0	0	0.0	2	--	--
Year-to-date 2009	1	1.9	7	13.5	30	57.7	9	17.3	5	9.6	52	556,395	604,336
Year-to-date 2008	0	0.0	8	11.9	35	52.2	21	31.3	3	4.5	67	577,395	597,020
Dilworth Mountain													
December 2009	0	0.0	1	50.0	0	0.0	1	50.0	0	0.0	2	--	--
December 2008	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2009	0	0.0	1	7.1	8	57.1	2	14.3	3	21.4	14	573,225	618,064
Year-to-date 2008	1	4.5	0	0.0	4	18.2	10	45.5	7	31.8	22	690,900	708,956
Ellison/Joe Rich													
December 2009	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
December 2008	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2009	1	7.7	4	30.8	5	38.5	0	0.0	3	23.1	13	562,908	605,188
Year-to-date 2008	2	8.3	6	25.0	5	20.8	8	33.3	3	12.5	24	613,200	607,911
Glenrosa													
December 2009	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	1	--	--
December 2008	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2009	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	1	--	--
Year-to-date 2008	0	0.0	2	66.7	1	33.3	0	0.0	0	0.0	3	--	--
Glenmore													
December 2009	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
December 2008	0	0.0	1	33.3	0	0.0	2	66.7	0	0.0	3	--	--
Year-to-date 2009	2	10.5	0	0.0	2	10.5	2	10.5	13	68.4	19	997,395	1,575,461
Year-to-date 2008	4	14.3	1	3.6	4	14.3	9	32.1	10	35.7	28	713,000	801,854
Kelowna Core Area													
December 2009	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
December 2008	1	33.3	1	33.3	1	33.3	0	0.0	0	0.0	3	--	--
Year-to-date 2009	4	23.5	4	23.5	7	41.2	0	0.0	2	11.8	17	529,900	695,655
Year-to-date 2008	17	65.4	2	7.7	3	11.5	2	7.7	2	7.7	26	599,000	655,822
Lake Country													
December 2009	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
December 2008	0	0.0	4	57.1	2	28.6	1	14.3	0	0.0	7	--	--
Year-to-date 2009	0	0.0	2	11.1	9	50.0	2	11.1	5	27.8	18	578,425	950,282
Year-to-date 2008	10	11.2	19	21.3	37	41.6	13	14.6	10	11.2	89	549,900	586,960
Lakeview Heights													
December 2009	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	1	--	--
December 2008	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2009	0	0.0	0	0.0	5	16.7	6	20.0	19	63.3	30	942,900	1,387,702
Year-to-date 2008	0	0.0	1	2.3	2	4.5	6	13.6	35	79.5	44	1,099,000	1,466,164
Lower Mission													
December 2009	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
December 2008	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2009	2	16.7	0	0.0	3	25.0	5	41.7	2	16.7	12	647,645	857,784
Year-to-date 2008	0	0.0	0	0.0	6	28.6	10	47.6	5	23.8	21	649,900	970,243

Source: CMHC (Market Absorption Survey)

Table 4: Absorbed Single-Detached Units by Price Range December 2009													
Submarket	Price Ranges										Total	Median Price ($)	Average Price ($)
	< $400,000		$400,000 - $499,999		$500,000 - $599,999		$600,000 - $749,999		$750,000 +				
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)			
North Glenmore													
December 2009	1	20.0	2	40.0	0	0.0	0	0.0	2	40.0	5	--	--
December 2008	0	0.0	0	0.0	0	0.0	2	66.7	1	33.3	3	--	--
Year-to-date 2009	1	1.8	4	7.1	10	17.9	14	25.0	27	48.2	56	742,400	865,372
Year-to-date 2008	1	1.5	0	0.0	6	9.1	31	47.0	28	42.4	66	735,000	796,138
Peachland													
December 2009	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
December 2008	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2009	2	12.5	1	6.3	5	31.3	4	25.0	4	25.0	16	648,500	1,197,124
Year-to-date 2008	1	4.5	3	13.6	11	50.0	5	22.7	2	9.1	22	529,900	578,841
Rutland													
December 2009	2	50.0	2	50.0	0	0.0	0	0.0	0	0.0	4	--	--
December 2008	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2009	5	17.2	17	58.6	1	3.4	4	13.8	2	6.9	29	463,736	504,148
Year-to-date 2008	6	27.3	9	40.9	3	13.6	2	9.1	2	9.1	22	484,200	553,871
Southeast Kelowna													
December 2009	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	1	--	--
December 2008	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2009	3	37.5	0	0.0	0	0.0	1	12.5	4	50.0	8	--	--
Year-to-date 2008	4	17.4	0	0.0	0	0.0	6	26.1	13	56.5	23	799,900	913,584
Shannon Lake													
December 2009	1	6.7	3	20.0	4	26.7	2	13.3	5	33.3	15	584,900	631,340
December 2008	0	0.0	0	0.0	0	0.0	0	0.0	2	100.0	2	--	--
Year-to-date 2009	2	3.6	8	14.3	20	35.7	17	30.4	9	16.1	56	582,645	616,275
Year-to-date 2008	6	10.3	7	12.1	20	34.5	15	25.9	10	17.2	58	589,900	663,991
Upper Mission													
December 2009	0	0.0	2	11.1	3	16.7	6	33.3	7	38.9	18	678,500	754,025
December 2008	0	0.0	1	100.0	0	0.0	0	0.0	0	0.0	1	--	--
Year-to-date 2009	1	0.8	10	8.3	29	24.2	32	26.7	48	40.0	120	691,500	766,563
Year-to-date 2008	1	0.6	4	2.4	37	22.6	56	34.1	66	40.2	164	699,000	856,023
Westbank													
December 2009	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
December 2008	0	0.0	1	100.0	0	0.0	0	0.0	0	0.0	1	--	--
Year-to-date 2009	0	0.0	7	33.3	12	57.1	1	4.8	1	4.8	21	524,895	634,832
Year-to-date 2008	1	1.5	35	51.5	26	38.2	5	7.4	1	1.5	68	498,900	559,290
West Kelowna													
December 2009	0	0.0	4	100.0	0	0.0	0	0.0	0	0.0	4	--	--
December 2008	0	0.0	2	50.0	0	0.0	2	50.0	0	0.0	4	--	--
Year-to-date 2009	5	11.9	22	52.4	11	26.2	2	4.8	2	4.8	42	485,475	527,705
Year-to-date 2008	0	0.0	28	37.8	35	47.3	11	14.9	0	0.0	74	518,980	525,178
Westside													
December 2009	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	1	--	--
December 2008	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--
Year-to-date 2009	16	44.4	15	41.7	3	8.3	0	0.0	2	5.6	36	420,680	429,754
Year-to-date 2008	33	62.3	15	28.3	0	0.0	0	0.0	5	9.4	53	379,900	465,232
Kelowna CMA													
December 2009	5	8.6	14	24.1	14	24.1	9	15.5	16	27.6	58	563,648	628,158
December 2008	1	3.0	11	33.3	6	18.2	7	21.2	8	24.2	33	589,450	628,309
Year-to-date 2009	46	7.4	112	18.0	194	31.2	108	17.4	161	25.9	621	582,645	751,103
Year-to-date 2008	87	9.6	145	16.0	247	27.2	221	24.3	209	23.0	909	599,900	716,494

Source: CMHC (Market Absorption Survey)

Table 4.1: Average Price ($) of Absorbed Single-detached Units December 2009						
Submarket	Dec 2009	Dec 2008	% Change	YTD 2009	YTD 2008	% Change
Black Mountain	--	--	n/a	604,336	597,020	1.2
Dilworth Mountain	--	--	n/a	618,064	708,956	-12.8
Ellison/Joe Rich	--	--	n/a	605,188	607,911	-0.4
Glenrosa	--	--	n/a	--	--	n/a
Glenmore	--	--	n/a	1,575,461	801,854	96.5
Kelowna Core Area	--	--	n/a	695,655	--	n/a
Lake Country	--	--	n/a	950,282	586,960	61.9
Lakeview Heights	--	--	n/a	1,387,702	1,466,164	-5.4
Lower Mission	--	--	n/a	857,784	970,243	-11.6
North Glenmore	--	--	n/a	865,372	796,138	8.7
Peachland	--	--	n/a	1,197,124	578,841	106.8
Rutland	--	--	n/a	504,148	553,871	-9.0
Southeast Kelowna	--	--	n/a	--	913,584	n/a
Shannon Lake	631,340	--	n/a	616,275	663,991	-7.2
Upper Mission	754,025	--	n/a	766,563	856,023	-10.5
Westbank	--	--	n/a	634,832	559,290	13.5
West Kelowna	--	--	n/a	527,705	525,178	0.5
Westside	--	--	n/a	429,754	465,232	-7.6
Kelowna CMA	628,158	628,309	0.0	751,103	716,494	4.8

Source: CMHC (Market Absorption Survey)

Table 5: MLS® Residential Activity for Kelowna December 2009													
		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 ($)
2008	January	163	1,250	13	491,497	24	182	13	315,602	61	651	9	299,067
	February	193	1,370	14	541,184	43	176	24	341,035	83	714	12	279,527
	March	234	1,476	16	533,714	28	192	15	355,929	114	855	13	277,698
	April	269	1,877	14	596,320	28	281	10	380,818	93	958	10	286,624
	May	223	2,055	11	564,379	26	303	9	354,405	72	1,045	7	297,594
	June	186	2,186	9	594,584	36	317	11	361,919	68	1,082	6	332,832
	July	155	2,357	7	544,688	27	332	8	354,815	74	1,120	7	315,707
	August	142	2,379	6	554,676	26	390	7	408,772	60	1,123	5	284,353
	September	144	2,358	6	495,898	19	392	5	381,068	56	1,116	5	281,955
	October	97	2,311	4	458,498	13	388	3	317,792	28	1,076	3	273,514
	November	73	2,168	3	465,314	11	366	3	268,636	35	1,043	3	255,746
	December	71	2,012	4	507,128	11	347	3	304,864	21	928	2	298,924
2009	January	60	1,823	3	411,943	10	303	3	347,390	25	806	3	262,532
	February	91	1,859	5	446,733	12	344	3	299,408	28	868	3	232,761
	March	142	1,979	7	437,118	25	380	7	320,512	43	940	5	253,706
	April	177	2,079	9	460,406	27	378	7	320,089	60	923	7	243,386
	May	216	2,068	10	501,617	37	363	10	320,767	71	988	7	279,935
	June	250	2,106	12	476,051	44	367	12	307,382	75	992	8	242,966
	July	249	2,131	12	506,555	42	343	12	367,148	102	919	11	262,601
	August	200	2,072	10	522,167	44	343	13	337,780	65	948	7	250,896
	September	229	2,007	11	481,946	38	313	12	325,755	69	1,000	7	267,494
	October	250	1,815	14	519,199	34	299	11	321,619	70	928	8	265,665
	November	157	1,628	10	467,226	28	272	10	336,638	60	936	6	271,966
	December	131	1,417	9	563,165	17	229	7	411,053	51	854	6	230,700
	YTD 2009	1,952	1,983	9	541,130	291	306	9	352,748	765	976	7	291,394
	YTD 2010	2,156	1,915	9	489,714	360	328	9	333,766	720	925	6	257,183
	% Change	10.0	-3.0	0.0	-10.0	24.0	7.0	0.0	-5.0	-6.0	-5.0	-14.0	-12.0

MLS® is a registered trademark of the Canadian Real Estate Association (CREA).
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 2009

		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						
2008	January	725	7.35	7.39	123.3	109.9	91.8	5.1	64.5	760
	February	718	7.25	7.29	123.4	110.3	92.8	4.7	64.5	765
	March	712	7.15	7.19	124.2	110.8	94.2	4.6	65.4	766
	April	700	6.95	6.99	124.2	111.8	95.8	4.2	66.7	767
	May	679	6.15	6.65	123.8	112.8	95.7	4.3	65.9	770
	June	710	6.95	7.15	123.7	113.6	95.9	4.0	65.8	778
	July	710	6.95	7.15	123.8	114.2	96.5	4.3	65.5	783
	August	691	6.65	6.85	123.7	114.0	98.2	4.1	66.9	783
	September	691	6.65	6.85	123.6	114.1	97.9	5.2	66.9	785
	October	713	6.35	7.20	122.2	112.8	97.0	6.1	67.4	788
	November	713	6.35	7.20	120.3	112.3	93.8	7.9	65.7	792
	December	685	5.60	6.75	120.2	111.4	93.0	6.7	64.5	794
2009	January	627	5.00	5.79	119.2	111.4	92.7	6.6	64.4	795
	February	627	5.00	5.79	115.9	111.9	94.2	6.1	64.6	798
	March	613	4.50	5.55	114.6	112.0	92.3	7.4	64.4	796
	April	596	3.90	5.25	113.3	112.1	89.7	9.0	64.2	797
	May	596	3.90	5.25	113.7	112.9	88.9	11.1	64.5	794
	June	631	3.75	5.85	112.8	112.8	89.3	11.5	65.1	795
	July	631	3.75	5.85	113.5	112.4	93.1	10.2	65.8	791
	August	631	3.75	5.85	113.7	112.8	95.7	8.3	66.9	796
	September	610	3.70	5.49	115.1	112.7	98.3	7.8	67.3	802
	October	630	3.80	5.84	115.8	112.1	100.3	6.7	68.6	809
	November	616	3.60	5.59	116.1	112.4	102.5	7.0	69.6	807
	December	610	3.60	5.49		111.9	102.6	8.2	70.6	809

"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), 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 2006 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 2006 Census area definitions, except the Economic Indicators data (Table 6) which is based on Statistics Canada’s 2001 Census area definitions.

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