



# Kelowna Market Update

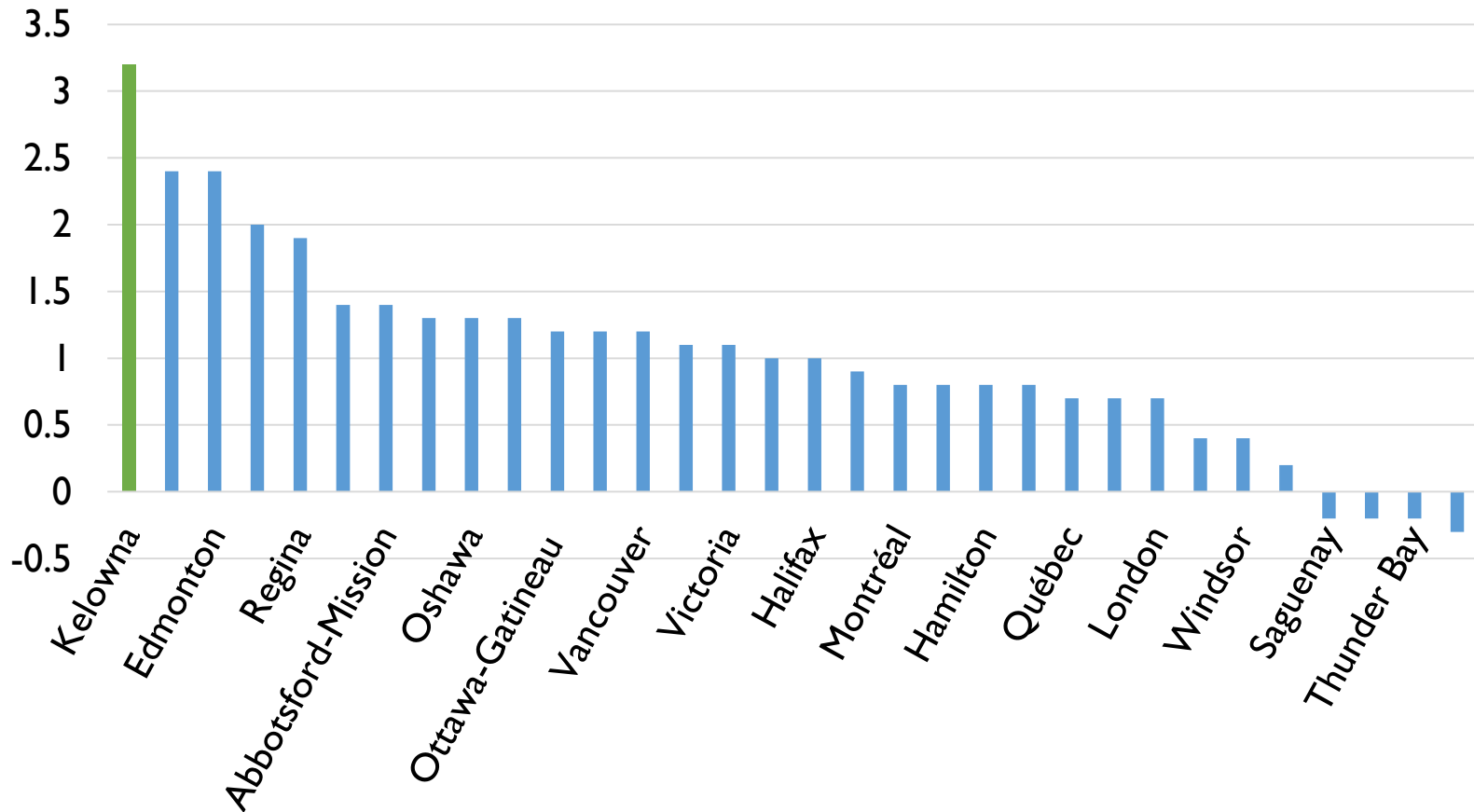
## June 23, 2016

*Taylor Pardy*  
*Senior Market Analyst*



# Strong population growth is a key driver of housing market activity

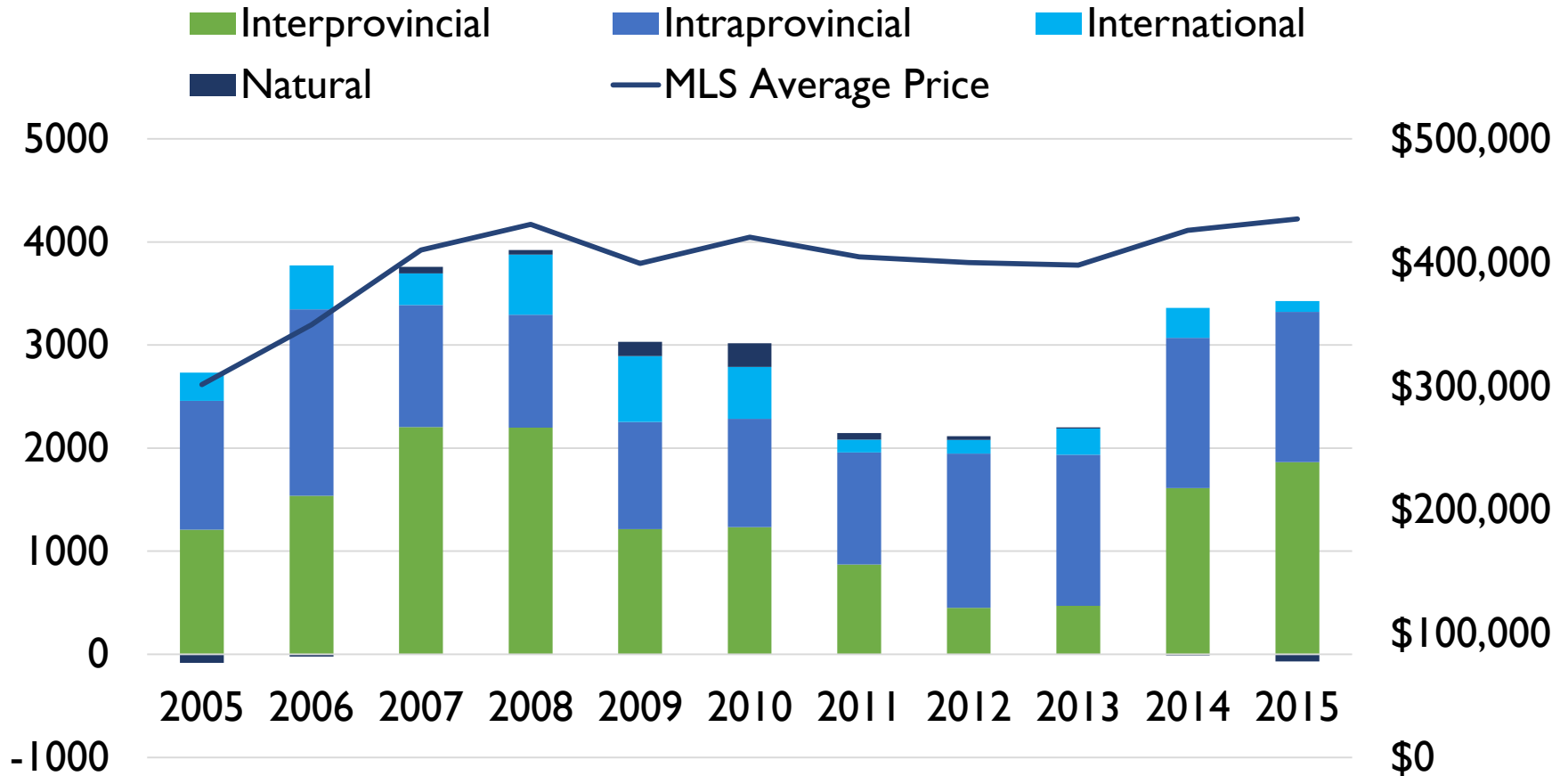
## Population Growth Rate from 2014 to 2015 – Canadian CMA's



Source: Statistics Canada – Population of census metropolitan areas

# Driven by stronger net-migration

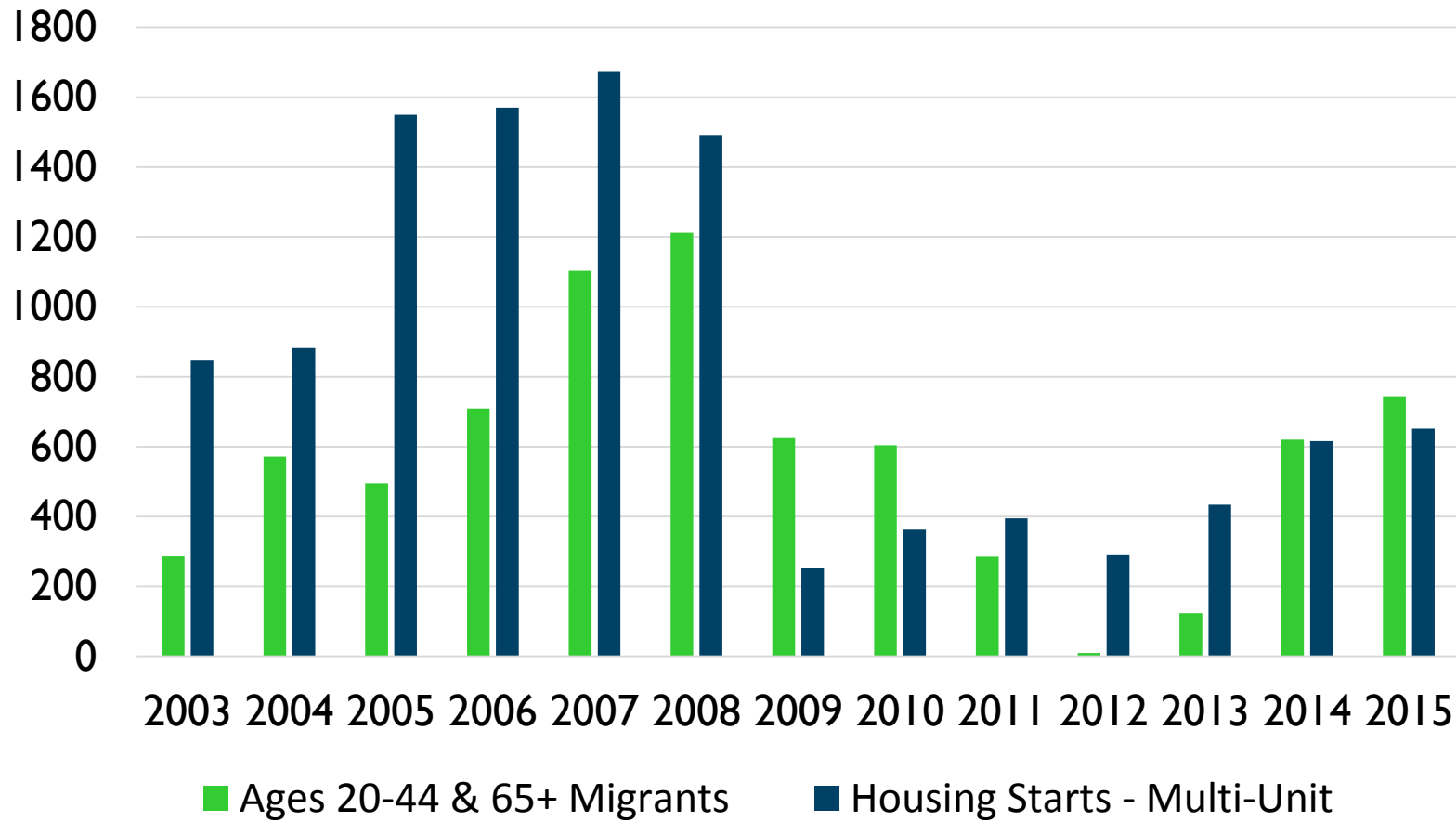
## Components of Population Growth - Kelowna CMA



Source: Statistics Canada, Okanagan Mainline Real Estate Board (OMREB)

# Migration of young professionals and seniors tracks multi-unit housing demand

## Multi-Unit Housing Starts and Migration of Persons Aged 20-44 & 65+



Source: CMHC, Statistics Canada – detailed migration data, Kelowna CMA

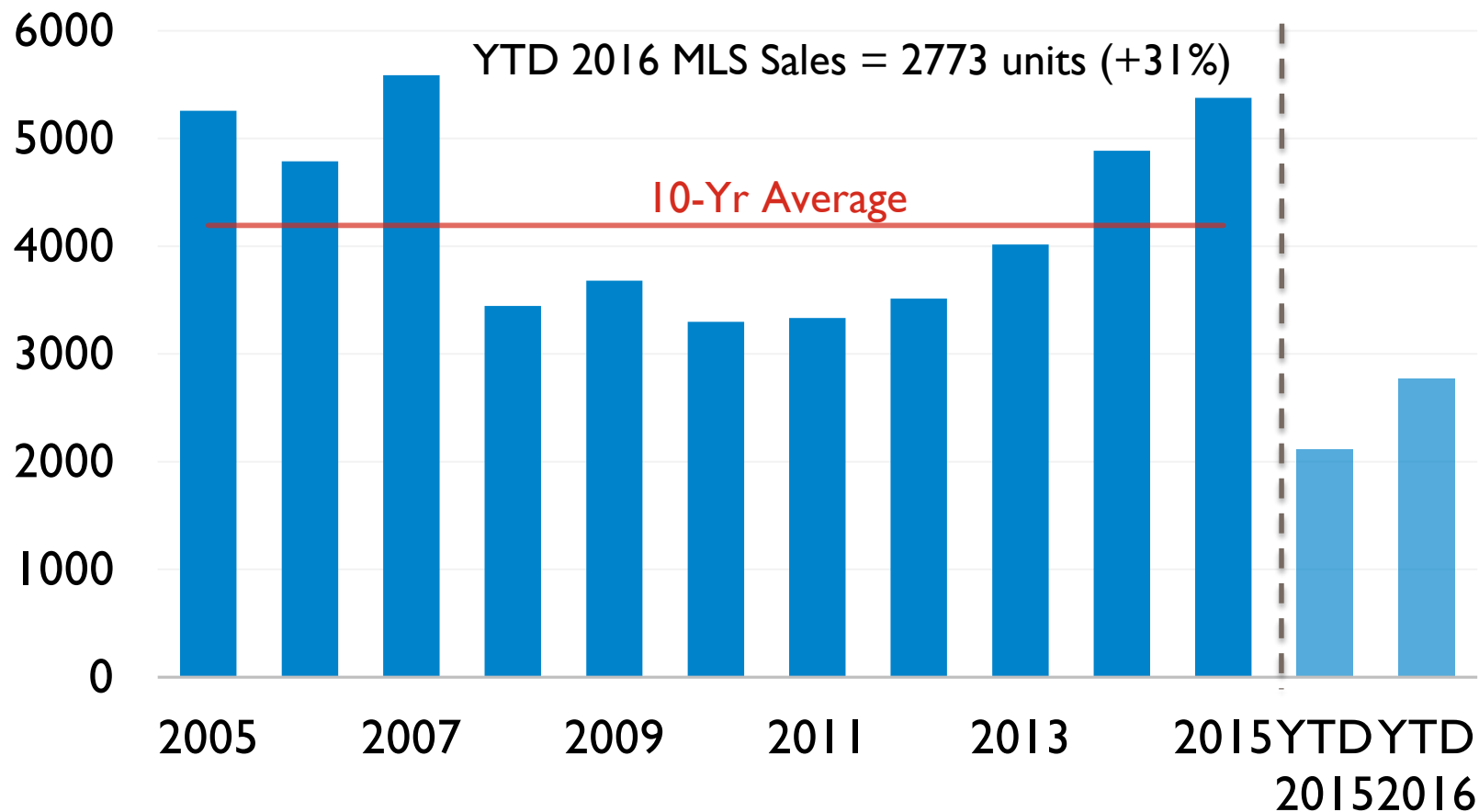


# Resale Market



# Strong resale market activity in 2016

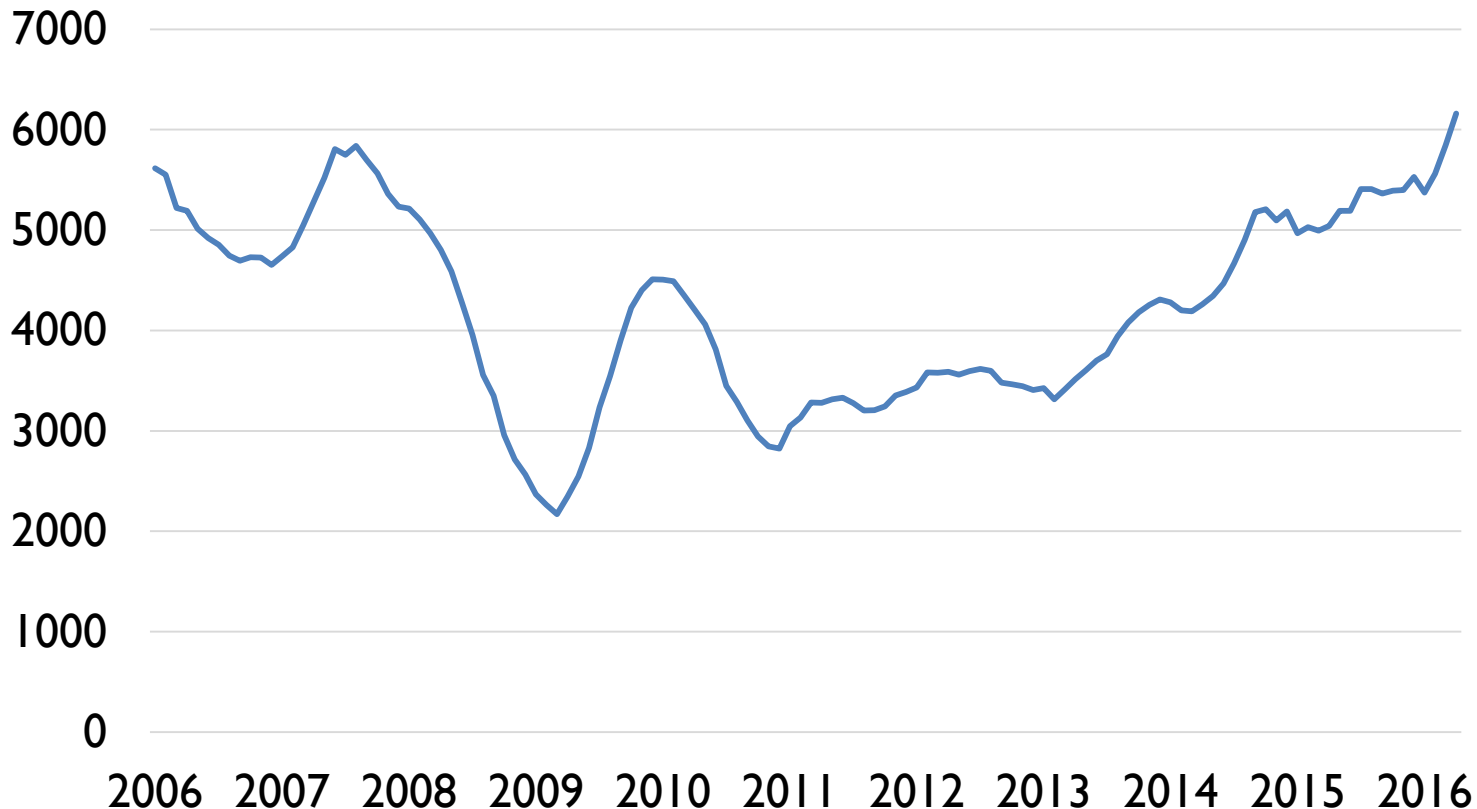
## Annual MLS® Sales – Kelowna CMA



Source: Okanagan Mainline Real Estate Board (OMREB)

# Record level pace of sales

Trend in MLS® Sales – Kelowna CMA

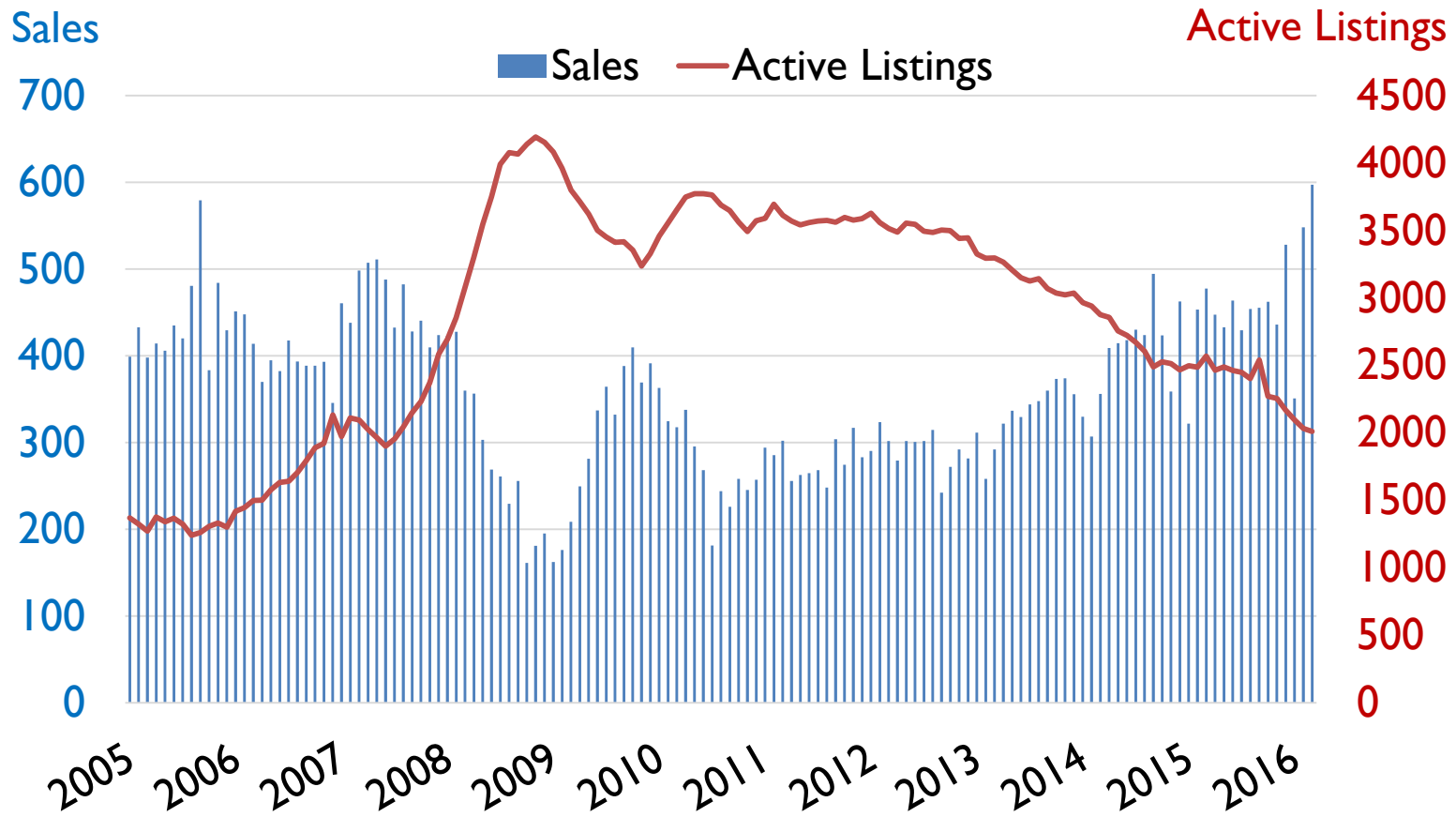


Source: Okanagan Mainline Real Estate Board (OMREB), CMHC calculations.

Note: The trend is the six month moving average of the monthly seasonally-adjusted annual rates of sales, which is the annual total that would result if the pace of sales in a given month continued for an entire year.

# Listings Trend Down as Sales Volume Increases

Total Residential MLS® Sales and Active Listings – Kelowna CMA

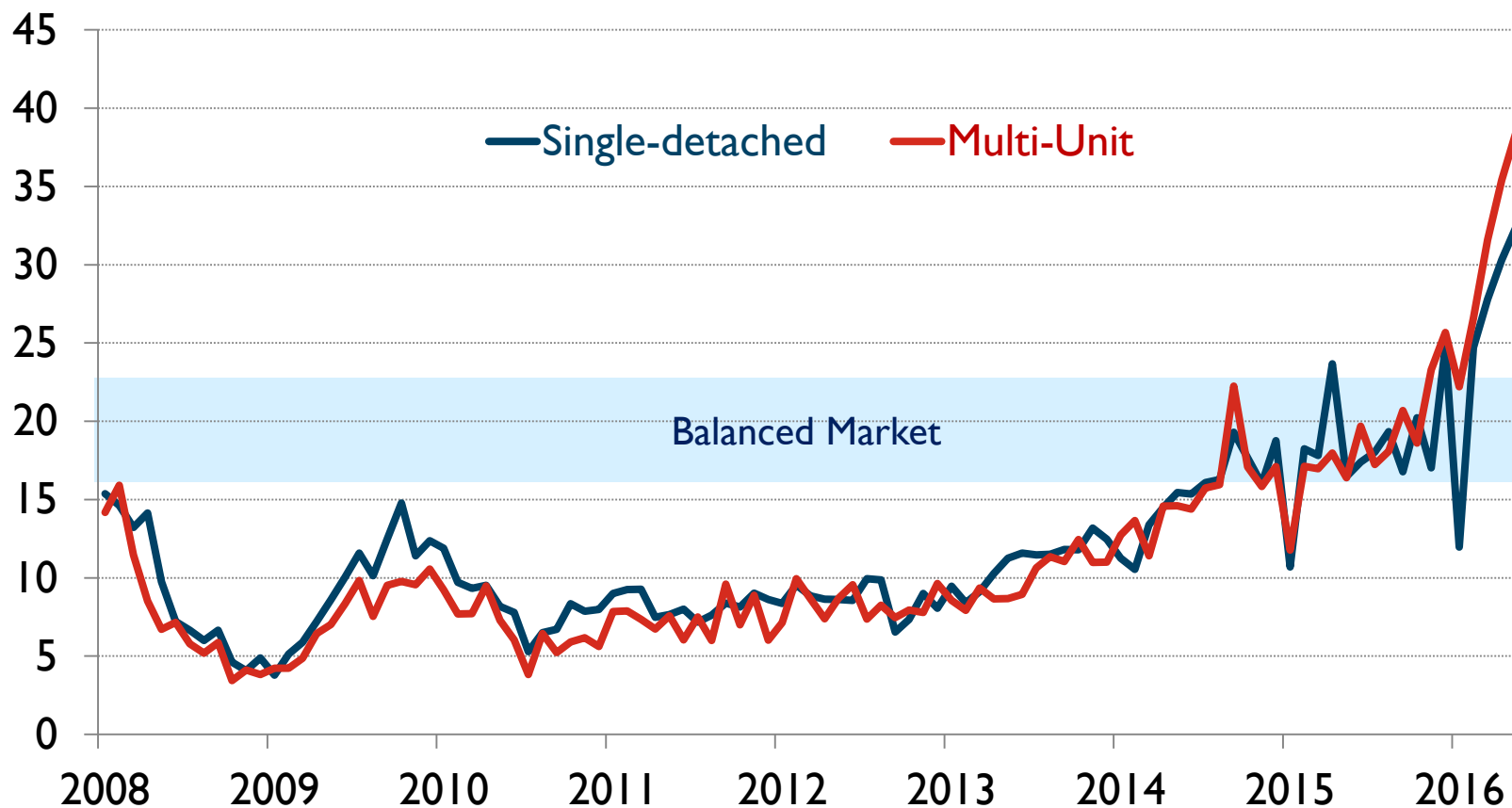


Source: Okanagan Mainline Real Estate Board (OMREB)



# Market conditions moved by higher sales, lower active listings

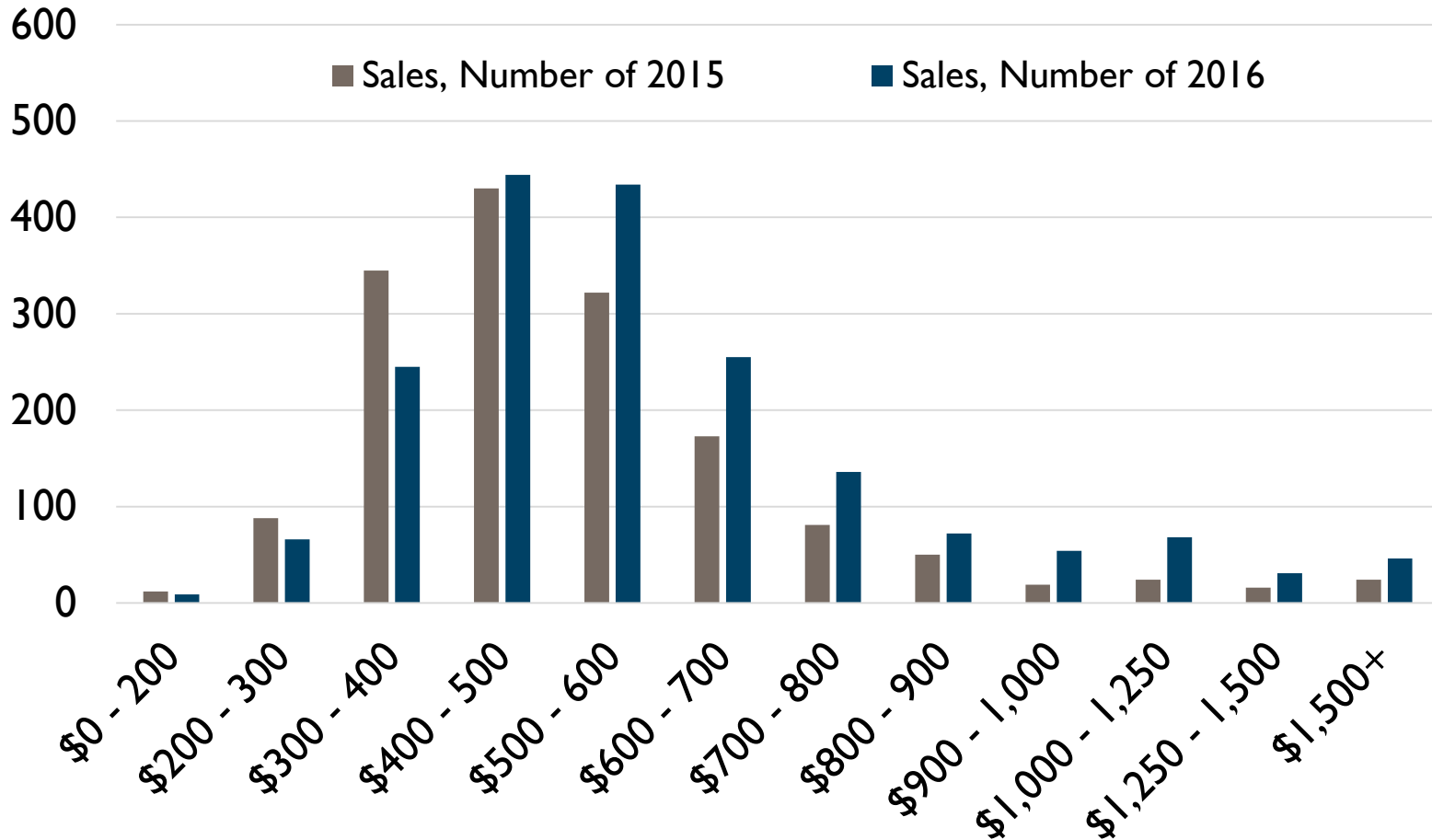
Kelowna MLS<sup>®</sup> Sales to Active Listings Ratios by Housing Type, seasonally-adjusted



Source: Okanagan Mainline Real Estate Board (OMREB), CMHC calculations, May 2016 latest data point

# Single-detached sales shifted to higher end in 2016

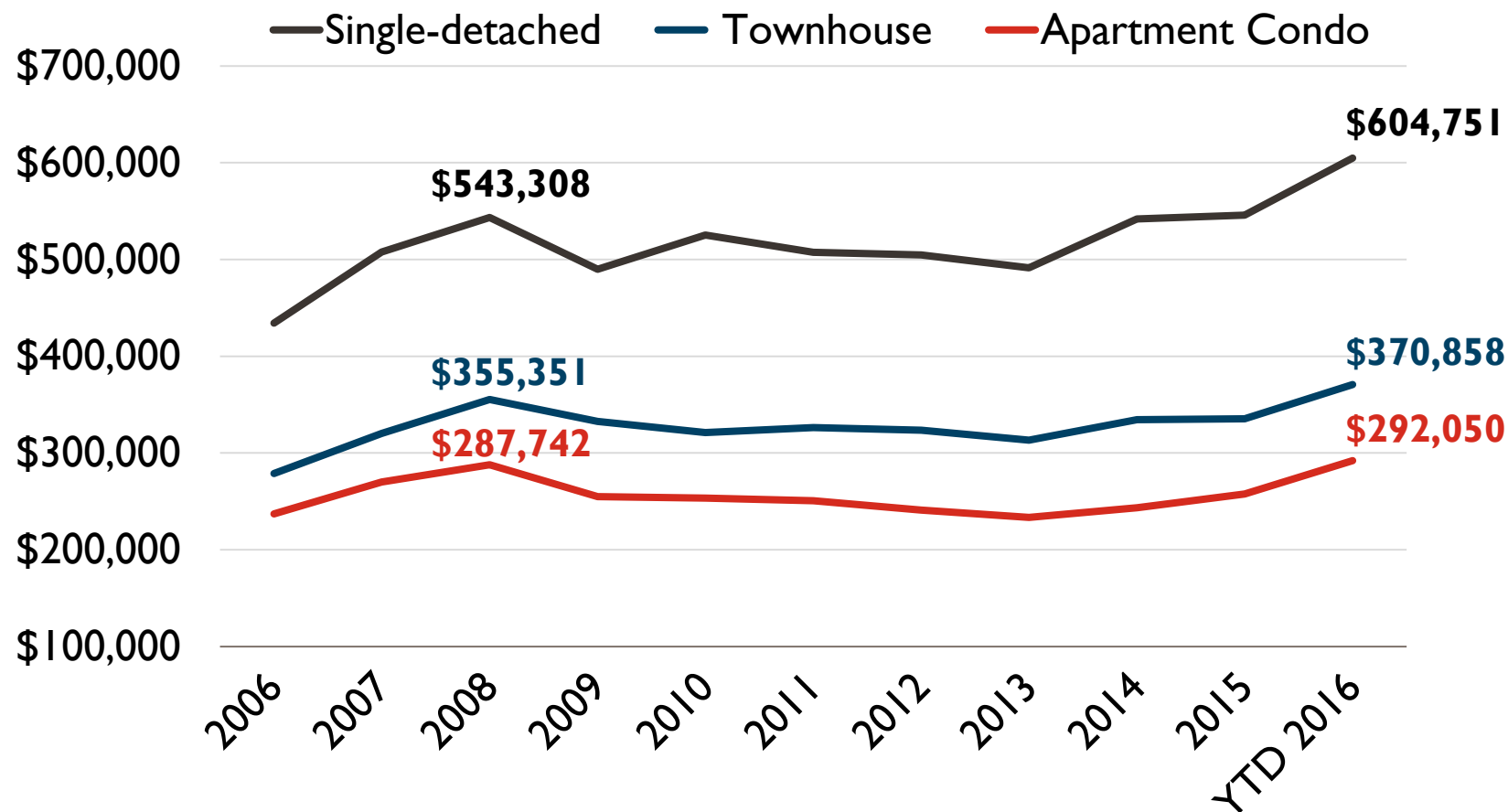
## Single-detached MLS® Sales by Price Range – January to May



Source: Okanagan Mainline Real Estate Board (OMREB), May 2016 latest data point

# MLS® Average Prices move above previous peaks in all segments

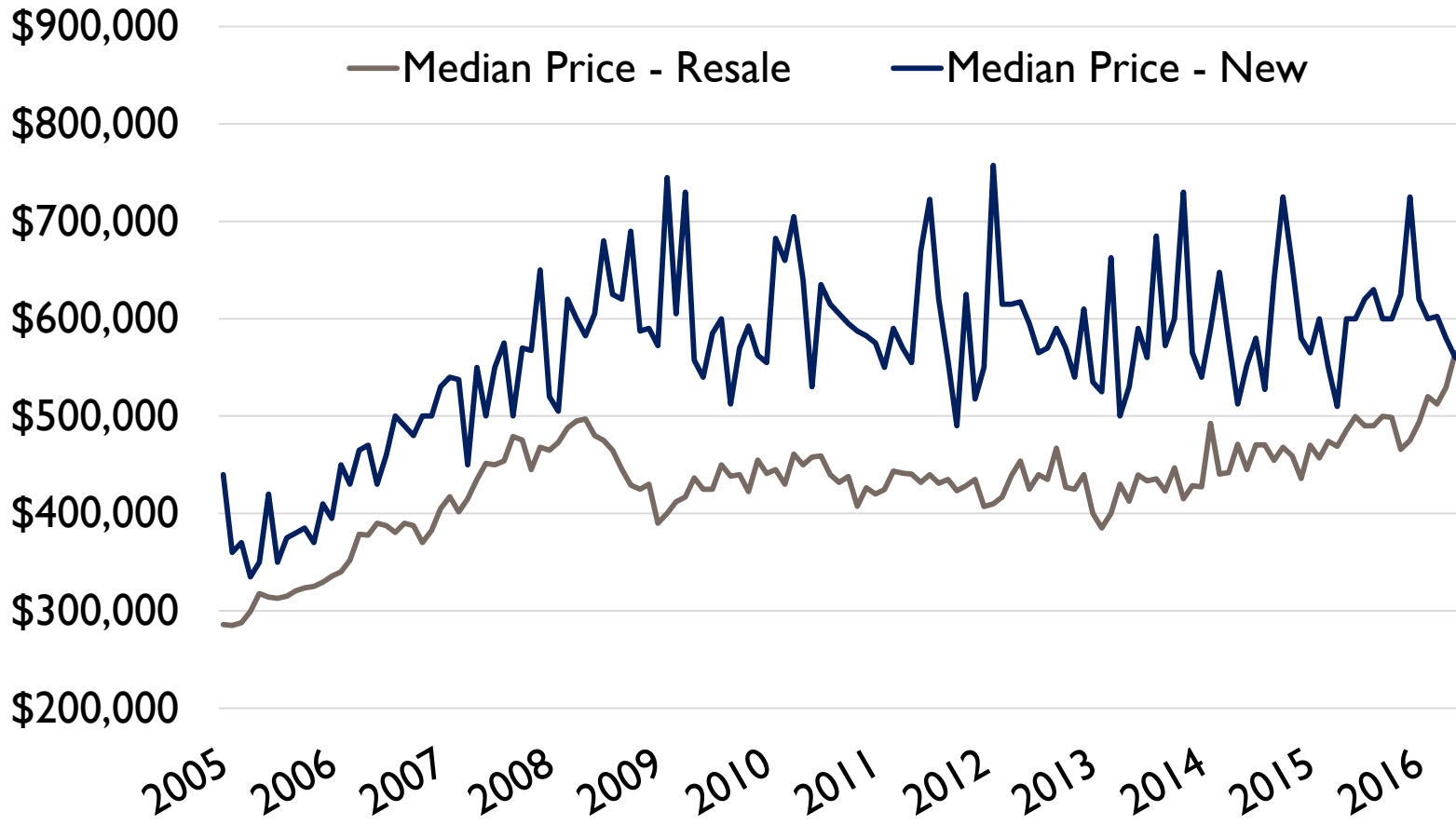
Kelowna CMA – Average MLS® Prices by Unit Type



Source: Okanagan Mainline Real Estate Board (OMREB), CMHC calculations, May 2016 latest data point

# Median sale price gap between resale and new home market closes

## Median Sale Prices for Single-detached Units – Resale and New



Source: Okanagan Mainline Real Estate Board (OMREB) and CMHC Absorbed Unit Prices

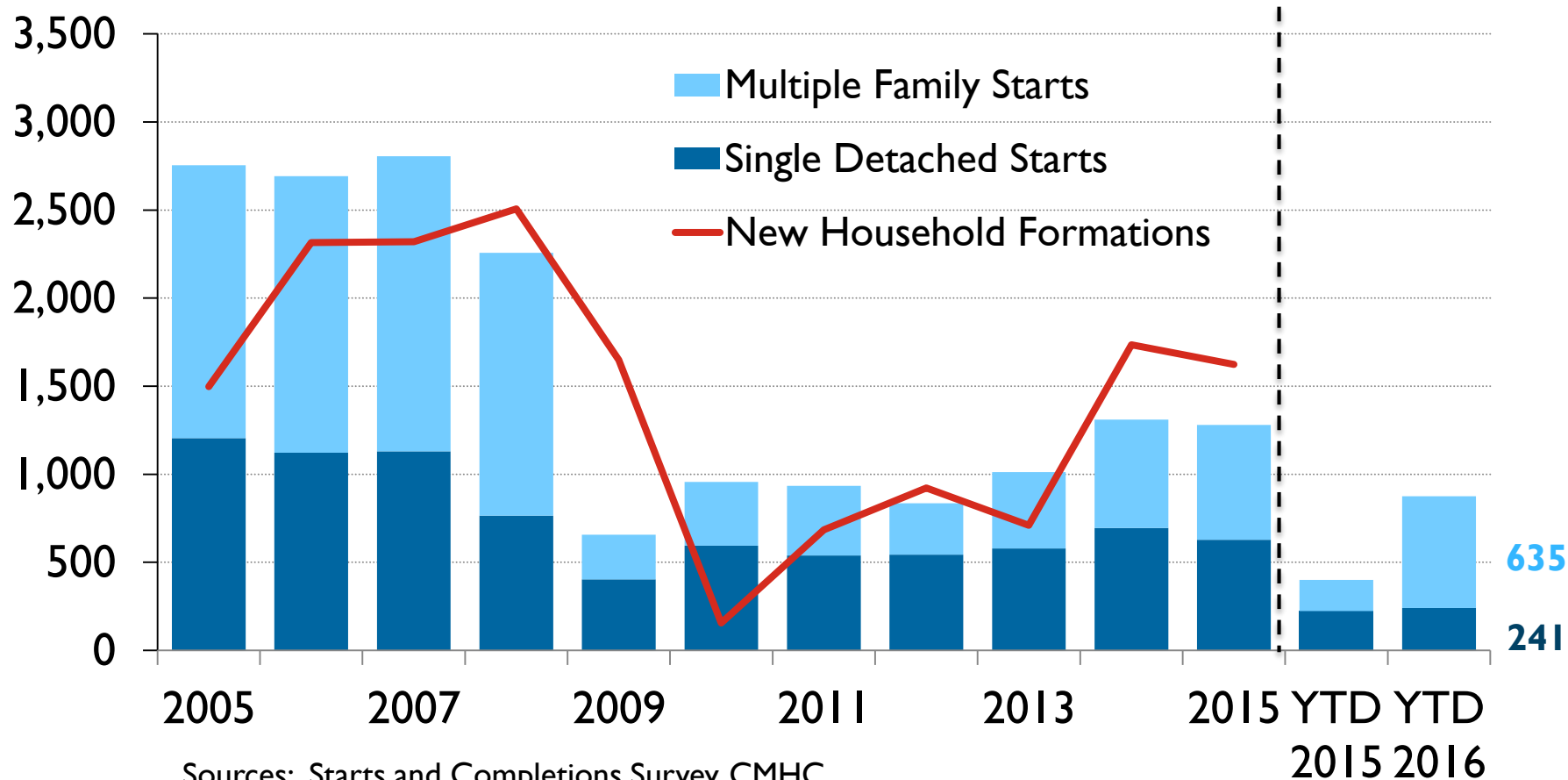


# New Home Construction



# Strong gain in new construction in 2016

Housing Starts by Dwelling Type and New Household Formations – Kelowna CMA

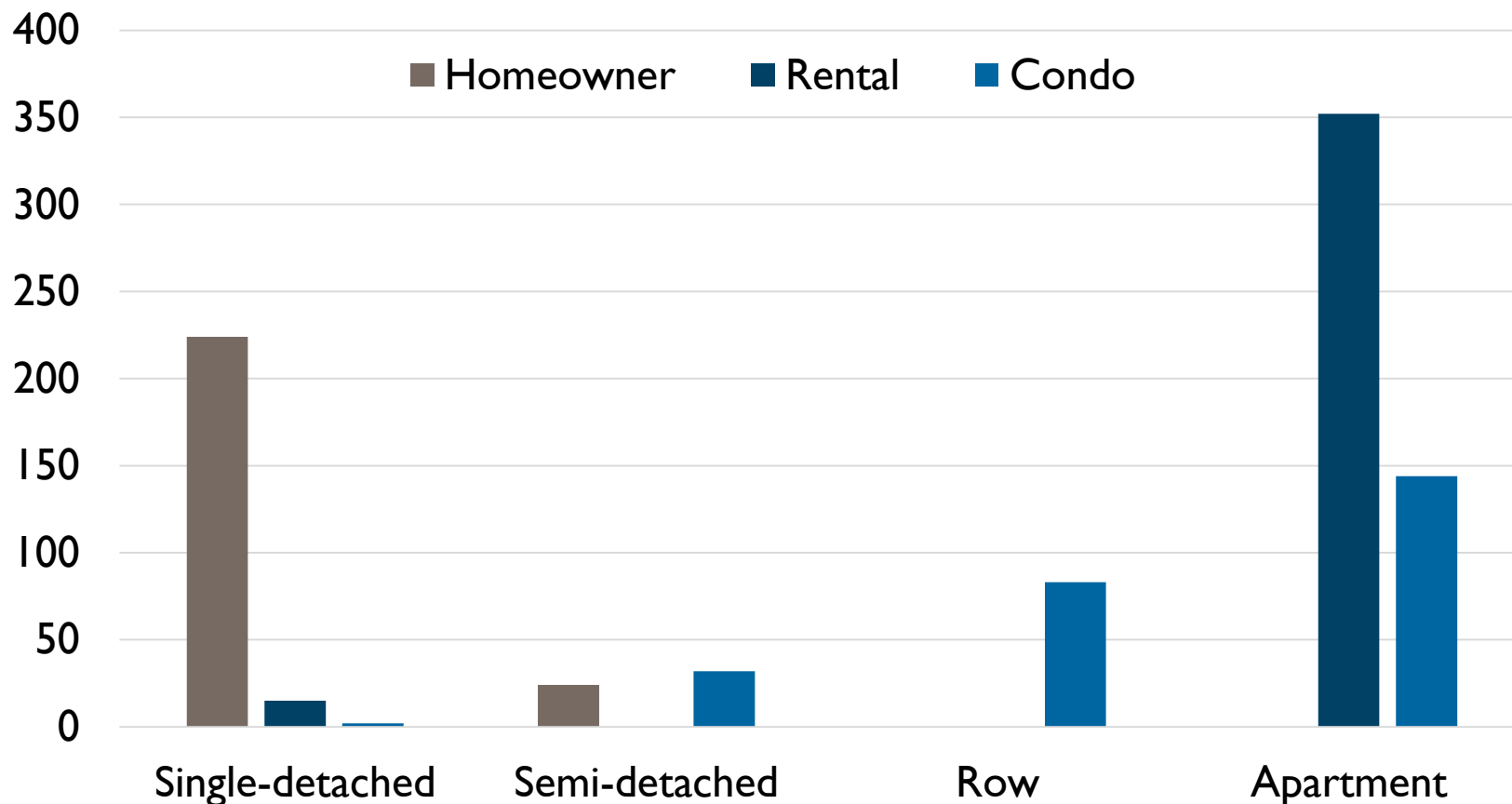


Sources: Starts and Completions Survey, CMHC

Sources: P.E.O.P.L.E. 2015 Household Projections, BC Stats, calculations by CMHC.

# Rental apartments and condominium construction account for most growth

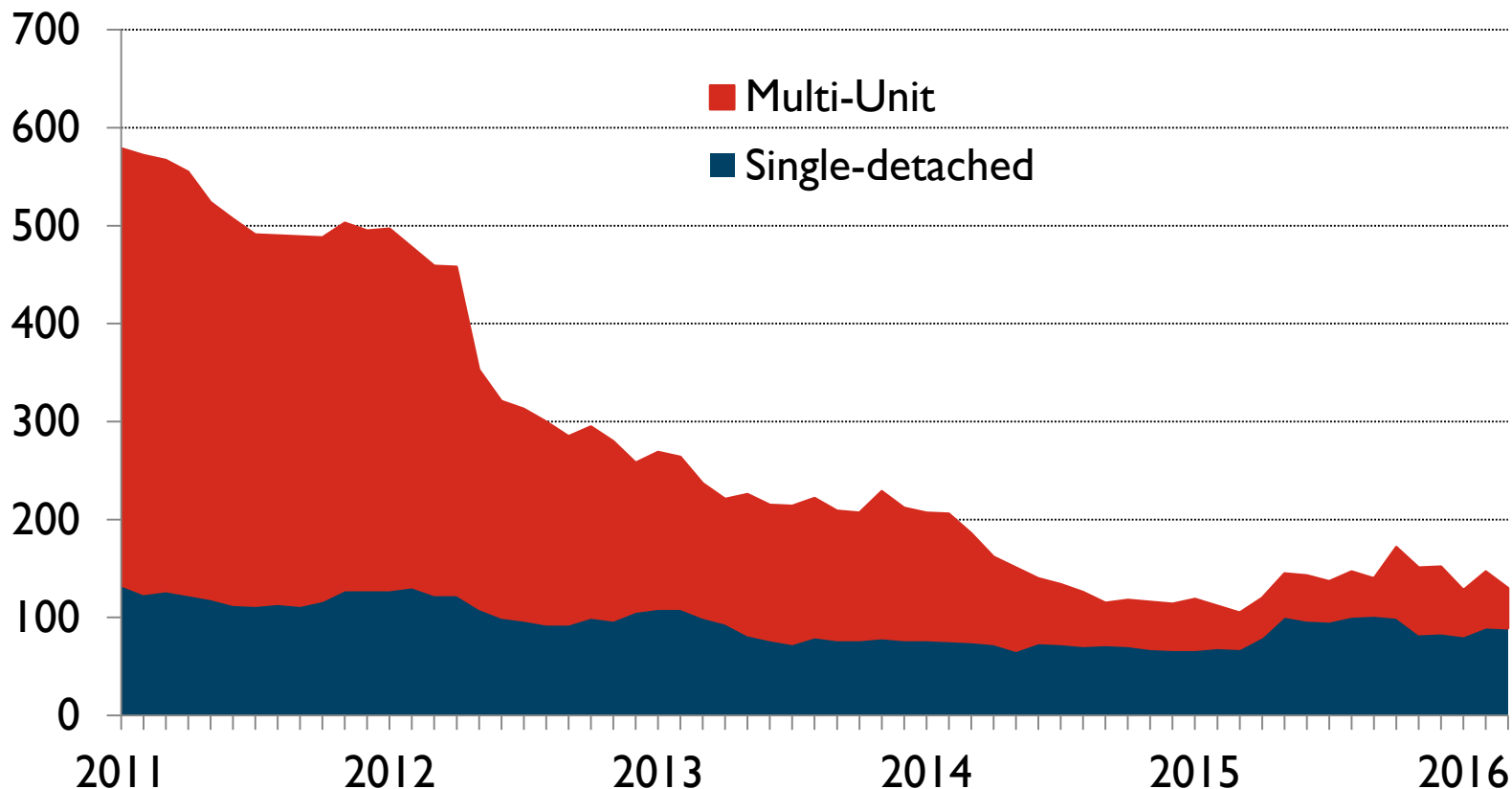
Housing Starts by Dwelling Type and Intended Market – January to May 2016



Source: CMHC Starts and Completions Survey, May 2016 last data point

# Multi-unit inventories of unsold units remains low in 2016

## Completed and Unsold Units - Kelowna CMA

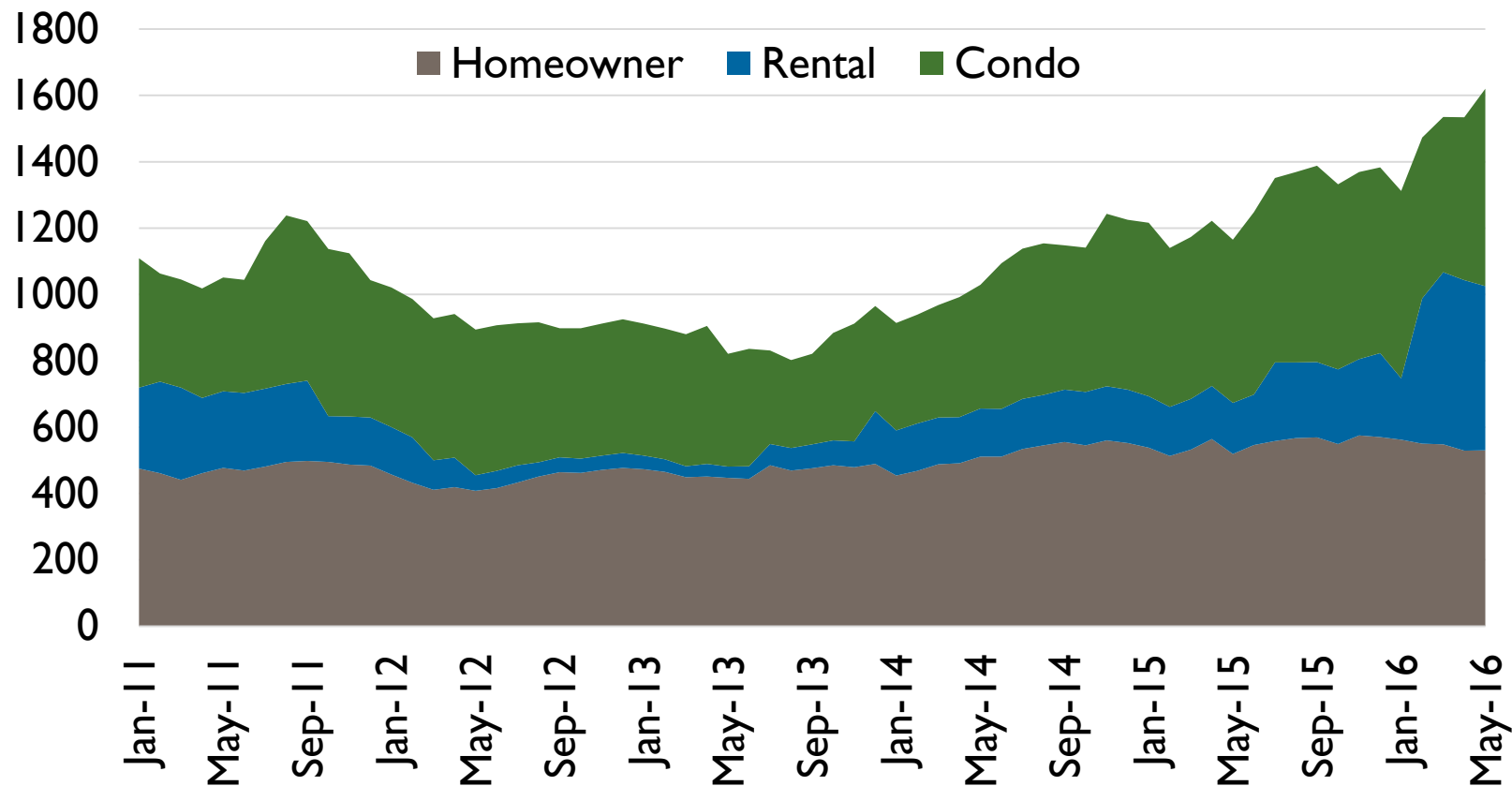


Source: CMHC Starts and Completions Survey, May 2016 last data point



# Multi-unit inventories finding balance

## Units Under Construction - Kelowna CMA



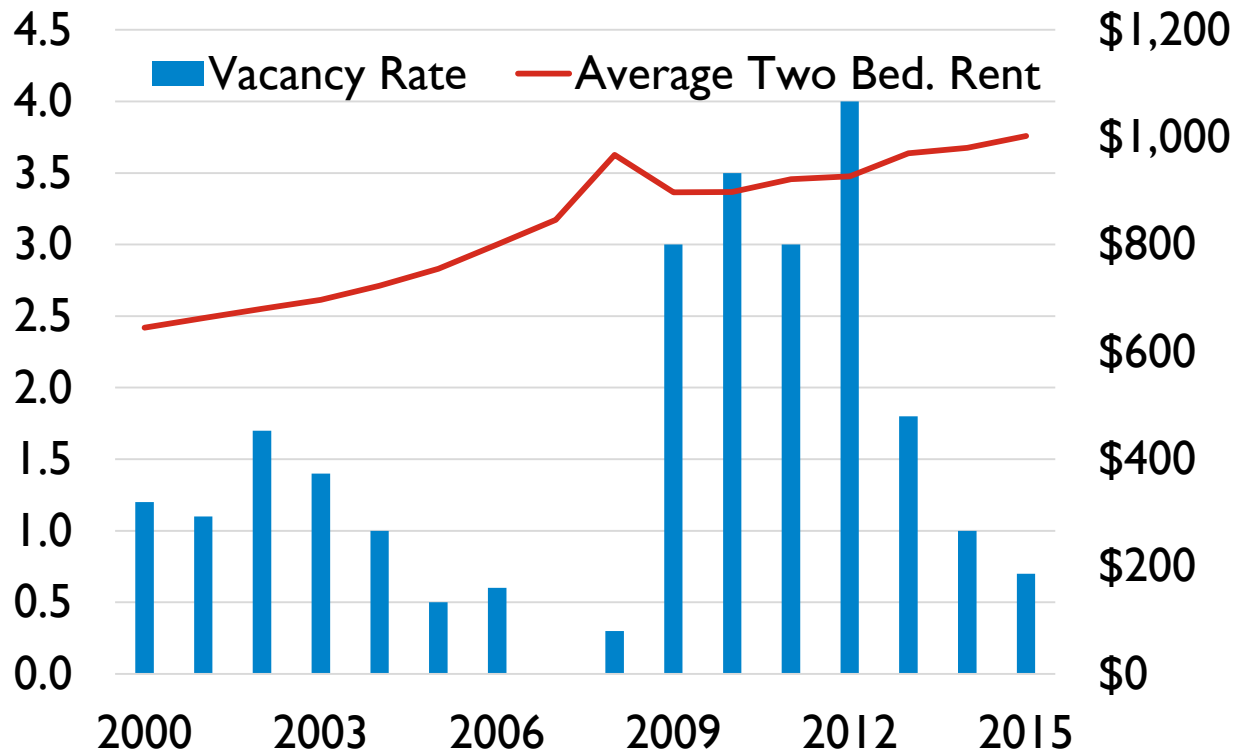
Source: CMHC Starts and Completions Survey, May 2016 last data point

# Rental vacancies moved lower in 2015

## Primary Rental Market Statistics – October 2015

Apartment Vacancy Rate  
Per Cent

Average Two  
Bed. Rent



**Rental Condominium  
Vacancy Rate**

**2.1%**

**Rental Condominium  
Universe**

**3,136 units**

Out Of  
12,730  
condominium units

Source: CMHC Fall Rental Market Survey – October 2000 to 2015

# Kelowna Housing Market Summary



- ✓ A rising number of housing starts is expected in 2016 with some leveling off in 2017.
- ✓ Multi-unit homes are expected to make up a greater portion of total starts over the forecast horizon.
- ✓ MLS® prices to move higher; sales are forecast to move higher in 2016 and then stabilize above the 10-year average in 2017.

	2014	2015	2016F	2017F
Annual Starts	1,311	1,280	1,420 - 1,580	1,290 - 1,510
Annual MLS® Sales	4,886	5,378	5,720 - 6,080	5,330 - 6,070
Average MLS® Price	\$425,996 +7.0%	\$435,261 +2.2%	\$446,500 - \$453,500	\$452,500 - \$467,500

Sources: Kelowna CMA Spring 2016 Housing Market Outlook Report, CMHC, OMREB

# Housing Market Information Portal

## 4 Ways to Access Info:

### At-a-Glance

Snapshots of Local, Regional, and National data.

### Compare

Compare statistics for multiple locations.

### Tables

Comprehensive tables, map and charts.

### Publications

Current and archived CMHC publications.

The screenshot displays the Housing Market Information Portal interface. At the top, there are navigation links for Français, Home, About CMHC, Library, Careers, Newsroom, and Contact Us. Social media icons for Twitter, YouTube, LinkedIn, and Facebook are also present. The main header features the CMHC and SCHL logos, the title 'HOUSING MARKET INFORMATION PORTAL', and the tagline 'The housing data you want, the way you want it.' A search bar is located on the right. Below the header, there are tabs for 'At-a-Glance', 'Compare', 'Tables', and 'Publications'. The 'Tables' tab is active, showing a list of data categories for Kelowna: New Housing Construction, Primary Rental Market, Secondary Rental Market, Seniors' Rental Housing, Population, Households and Housing Stock, and Core Housing Need. To the right of the list is a map of Kelowna with a legend for 'Change submarket boundary' including Zone, Census Subdivision (CSD), Neighbourhood, and Census Tract. The footer includes the Canada logo, privacy policy, terms and conditions, data use agreement, and copyright information for 2014 CMHC-SCHL.

[cmhc.ca/hmiportal](http://cmhc.ca/hmiportal)

Thank You!

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