

LAND & DEVELOPMENT REPORT

NEW CONCRETE CONDO SALE PRICE/SF

2018: \$700+
2019: \$633
2020: \$653



WOOD FRAME CONDO SALE PRICE/SF

2018: \$550+
2019: \$560
2020: \$533



SINGLE FAMILY BUILDING PERMITS

2017-18: \$201.3M
2018-19: \$177.1M
2019-20: \$138.1M



PURPOSE BUILT RENTAL UNITS

2018: 975
2019: 563
2020: 812



KELOWNA'S LAND & DEVELOPMENT MARKET Q3 2020

MULTI-FAMILY BUILDING PERMITS

2017-18: \$139.9M
2018-19: \$245.2M
2019-20: \$96.9M



AVG LAND \$ PSF (LOW DENSITY)

2018: \$5.87
2019: \$3.92
2020: \$6.00



AVG LAND \$ PSF (MEDIUM DENSITY)

2018: \$37.82
2019: \$32.35
2020: \$35.84



AVG LAND \$ PSF (HIGH DENSITY)

2018: \$120-\$170
2019: N/A
2020: \$170-\$180



A number of high rise sites have sold in Downtown Kelowna, including the game-changing announcement that UBC Okanagan is adding a downtown campus and the proposed redevelopment of the former RCMP site next to the Kelowna Community Theatre.

Well located commercial land is being absorbed for mixed-use developments and high quality industrial land is also at a premium. Record pricing for land has been set in 2020, as demand for density in key locations drives prices higher.

Single family and townhouse sales remain strong and land for these developments is still very desirable.

Demand continues for purpose-built rentals. Another 812 rental units were added last year in Kelowna alone, while West Kelowna has more than 400 units currently under construction.

There is still a low vacancy rate for rentals in the city, but while it was near 0%, it's now hovering at 2.7%, which is still low. Since that number remains under 3%, the market is not balanced and

the demand is fierce.

The increased number of rentals is fuelled by several major factors. There has been a cultural shift in the market as more people seriously consider renting as a lifestyle choice.

Inexpensive financing is available with CMHC rates below 2%. Cap rates are being compressed. There is liquidity in the marketplace, with real estate investment trusts (REITs) and investors looking for yield and REITs and pension funds making forward purchases.

The City of Kelowna is keeping incentives in place due to the continued low vacancy rate. There is currently a 10-year abatement on property taxes relative to the increased value of the property.

The city is still seeing continual growth, with another 50,000 people expected to move to Kelowna in the next 20 years. The urban growth strategy is set to accommodate the majority of that growth in the city's core urban centres.

SINGLE FAMILY LOTS

PROJECT	LOT SIZES (SF)	PRICE RANGES
Prospect at Black Mountain	8,700-14,600	\$300,000-\$599,000
The Ponds	6,500-16,500	\$350,000-\$450,000
McKinley Beach	6,000-7,150	\$320,000-\$1,000,000+

SINGLE FAMILY HOMES

PROJECT	FLOOR AREA (SF)	SALE PRICE RANGE	\$ PER SF
Black Mountain	2,800-5,300	\$785,000-\$1,425,000	\$228-\$290
McKinley Beach	2,200-3,750	\$760,000-\$1,949,881	\$258-\$520
Saffron	2,400-2,900	\$604,000-\$758,000	\$208-\$328

LAND SALES - 2019-2020

ADDRESS	SITE SIZE (AC)	USE	SALE PRICE	\$ PER ACRE	\$ PER DOOR
5300 Main Street	1.43	Mixed Use	\$3,100,000	\$2,167,832	\$51,667
815 Leon Avenue	1.206	Multi-Family	\$3,500,000	\$2,902,156	\$27,559
235 Robson Road W	0.64	Multi-Family	\$1,300,000	\$2,031,250	\$43,333
1405 St Paul Street	0.78	Commercial	\$7,600,000	\$9,743,590	TBD
550 Doyle Avenue	1.64	Commercial	\$12,100,000	\$7,378,049	TBD

CONDO AND MICROSUITE SALE PRICES

PROJECT	TYPE	UNIT SIZES (SF)	SALE PRICE RANGE	\$ PER SF
ELLA	Concrete	311-2,115	\$255,900-\$1,999,900	\$581-\$946
Glenmore Central	Wood Frame	476-936	\$249,000-\$394,900	\$397-\$533
Cambridge House	Wood Frame	313-455	\$178,000-\$282,000	\$568-\$738
1151 Sunset	Concrete	650-851	\$385,900-\$572,500	\$750

NEW MULTI-FAMILY DEVELOPMENTS

PROJECT	STOREYS	UNITS
One Water Street	36 & 29	408
Ella	20	116
The Shore	5	103
Brooklyn	25	178
Bertram	34	257
726 & 816 Clement Ave	6	149
Prospera Towers	27 & 37	332
599 Clement	6	58
454-468 West Avenue	6	48
2080 Benvoulin Court	5	80



Prospera Towers