

HOME OWNERSHIP AFFORDABILITY



What does this measure and why is it important?

This indicator measures the average home sale value in the Kootenay Development region in relation to average before-tax household income. Data is current as of 2010, the most recent year for which income data are currently available. Home sale values are reported by [BC Stats](#), and are based on Multiple Listing Service sales. Income data were sourced from the [National Household Survey](#). Home ownership is, by far, the most common housing tenure option for Basin Boundary residents. Since home sale values tend to be more volatile than incomes, home ownership affordability is a persistent area of interest for most communities.

What are the trends and current conditions?

In the Kootenay Development region (which includes the regional districts of Central Kootenay, Kootenay Boundary and East Kootenay,) the average home sale to household income ratio currently stands at 4.0, roughly the same as in 2006. This ratio is lower than the BC average, 6.5 (Table 1), however that statistic is heavily influenced by sales in the Lower Mainland, which are not representative of the remainder of BC.

	Average Household Income	Average Home Sale Value	Ratio
Basin Boundary	\$69,046.62	\$273,723.00	4.0
BC	\$77,378.00	\$505,178.00	6.5

Table 1: Home sale to income ratio, 2010.

Source: BC Stats, 2012e; Statistics Canada, 2013d

In our region, average home sale values peaked in 2008 but have remained relatively constant since dropping back down in 2009. Different types of housing markets display various pricing trends, however. The condominium and attached housing markets show more volatility than the detached market (Figure 1).

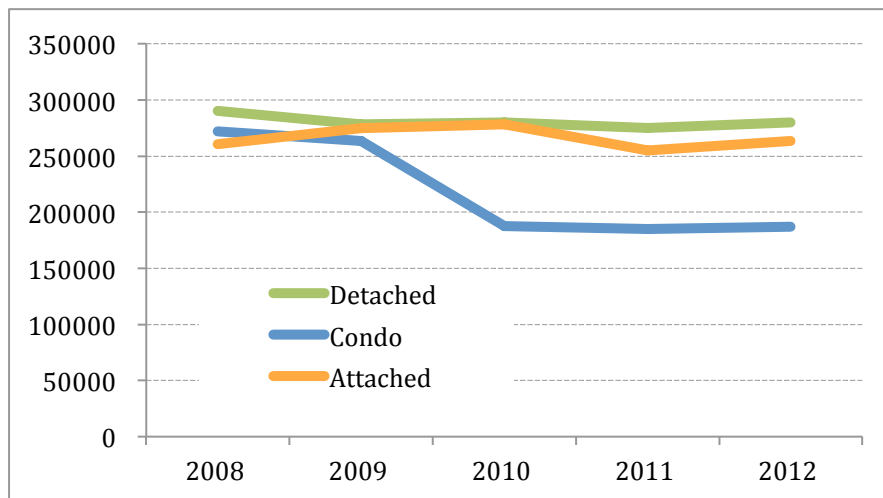


Figure 1: Average home sale values in the Kootenay region, 2008-2013

Source: Landcor, 2012; Landcor, 2011; Landcor, 2010

This analysis provides interesting context to the results of the RDI's 2013 poll of residents, which asked for residents' agreement with the statement, "housing in my community is affordable". Across the region, only 27% of respondents agreed.



The Columbia Basin Rural Development Institute, at Selkirk College, is a regional centre of excellence in applied research and information provision focused on strengthening rural communities in the Columbia Basin-Boundary Region. Visit www.cbrdi.ca for more information.