



### San Francisco Real Estate

May 2023 Report

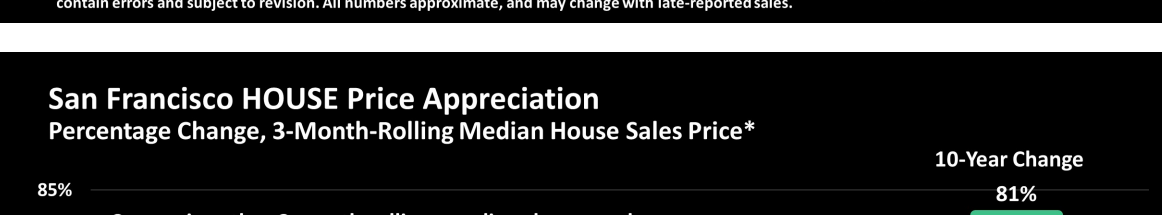
The Spring Market Continues to Recover
The specifics for San Francisco will be covered in great detail within this report. But looking at the overall Bay Area, buyer demand has continued to rebound from its late-2022 nadir. Though mortgage applications are still well down year-over-year, many buyers have accepted higher interest rates as the norm and decided to move forward - and, in the last 3 months, rates have been trending downward. A significant number of buyers are staying all-cash. Open houses are seeing increased traffic, more listings are selling, and selling more quickly with multiple offers. Median sales prices have generally been ticking back up in 2023, though still down across the Bay Area from the market peak last spring. San Francisco was more negatively affected by the pandemic - with lower rates of appreciation during the pandemic boom - and due to its specific economic circumstances has typically seen somewhat larger price declines since the market slumped in mid-2022.

Even with the increase in demand, sales activity remains far below last spring due to a number of economic and supply constraints. While increasing mid-winter flows - with some very big sales occurring - luxury home sales volumes have generally seen larger declines as compared to the peak of the pandemic boom, when luxury sales often hit spectacular new highs.

The number of new listings has also dropped from historic norms. This is mostly attributed to the "mortgage lock effect," i.e. comes with very low long-term, fixed-rate mortgages are reluctant to sell to then buy at much higher prevailing rates. This decline in new listings has major ramifications for supply and demand dynamics, and increases pressure on prices even in a reduced activity environment.

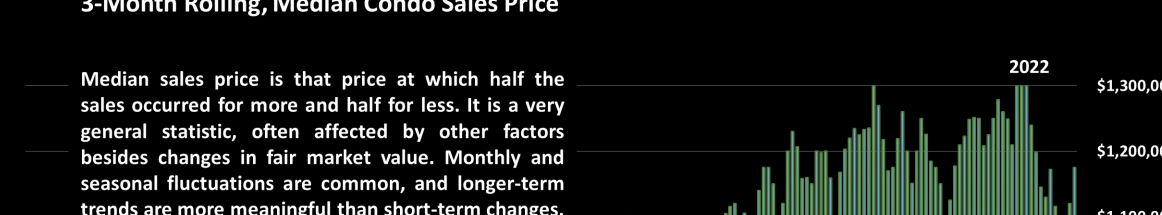
Some uncertainty clearly continues with inflation, interest rates, stock markets, bank exits, high-tech layoffs, and now, as of early May, federal debt-limit negotiations. But, so far, the 2023 housing market has mostly been moving in a positive direction.

Report created in good faith with data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate, and may change with time-reported sales.

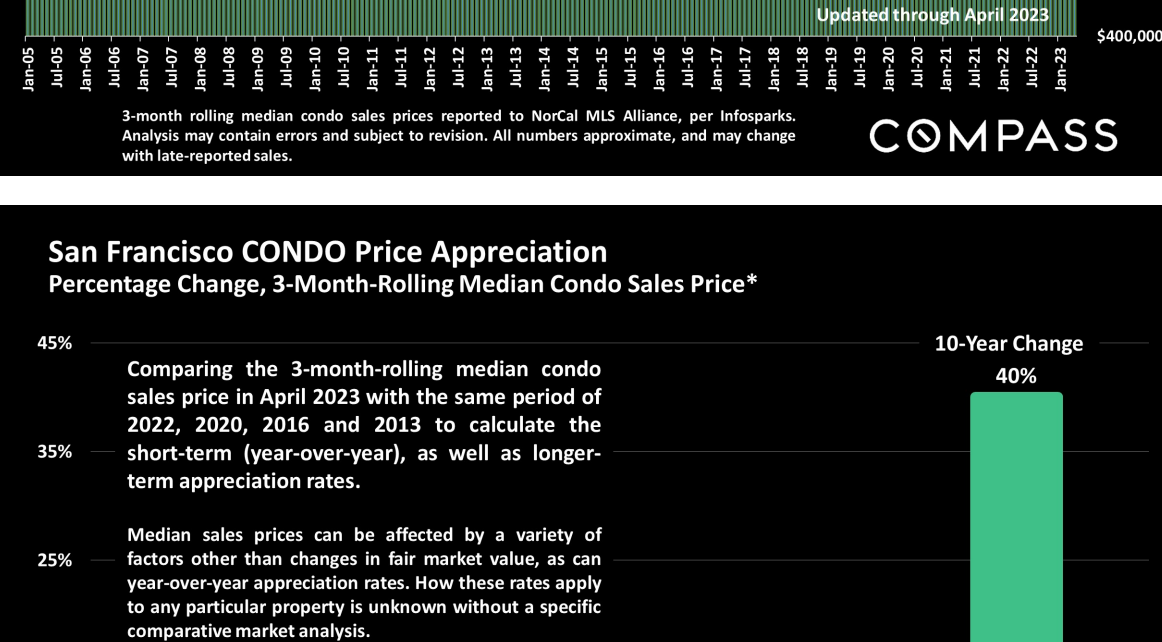


Regarding Market Cycles
Over the past 40 years alone, the San Francisco Bay Area has seen 4 major cycles of housing booms. In each, there have been enthusiasts who argued that this time the boom times would never end - and each ended, typically after hitting a final peak of what economists call "irrational exuberance." Cycles were followed by market corrections or down-cycles, during which many predicted (often gleefully) that the Bay Area was on an endless downward spiral - but recoveries followed. Housing and financial markets have always run in cycles, both economic and psychological, but, so far, since the days of the Gold Rush, despite all its booms and busts, the Bay Area has always rebounded once more.

The Bay Area is one of the world's great metropolitan areas - as a financial and cultural center, in the spectacular beauty of its setting and surrounding open space - as a hub of innovation, in its scientific openness and opportunity - and despite its current round of challenges, we expect it will continue to be so for a long time to come.

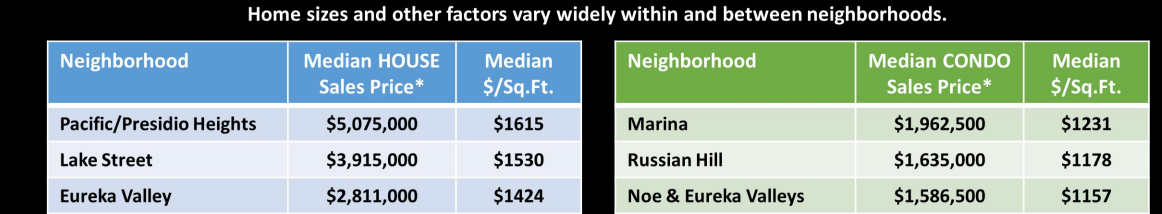


San Francisco House Price Trends since 1990
Monthly Median House Sales Prices - 3-Month Rolling
Year over year, the 3-month rolling, median house sales price in April 2023, \$1,268,000, is down about 20%, but has started to tick back up in recent months.

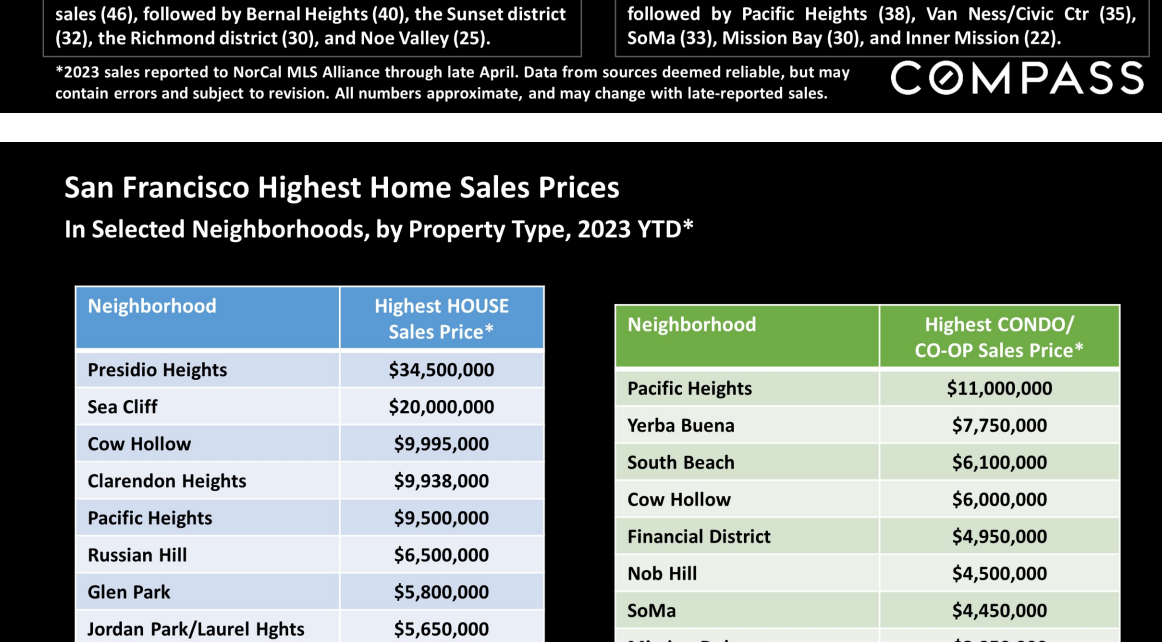


1-Year Change: -20%
Change since Pandemic Hi: 0%
7-Year Change: 19%
10-Year Change: 81%

3-month rolling average of monthly median sales prices for "existing" homes, per CA Association of Realtors. A 3-month rolling average of monthly median sales prices for "new" homes, per CA Association of Realtors. All numbers approximate, and may change with time-reported sales.



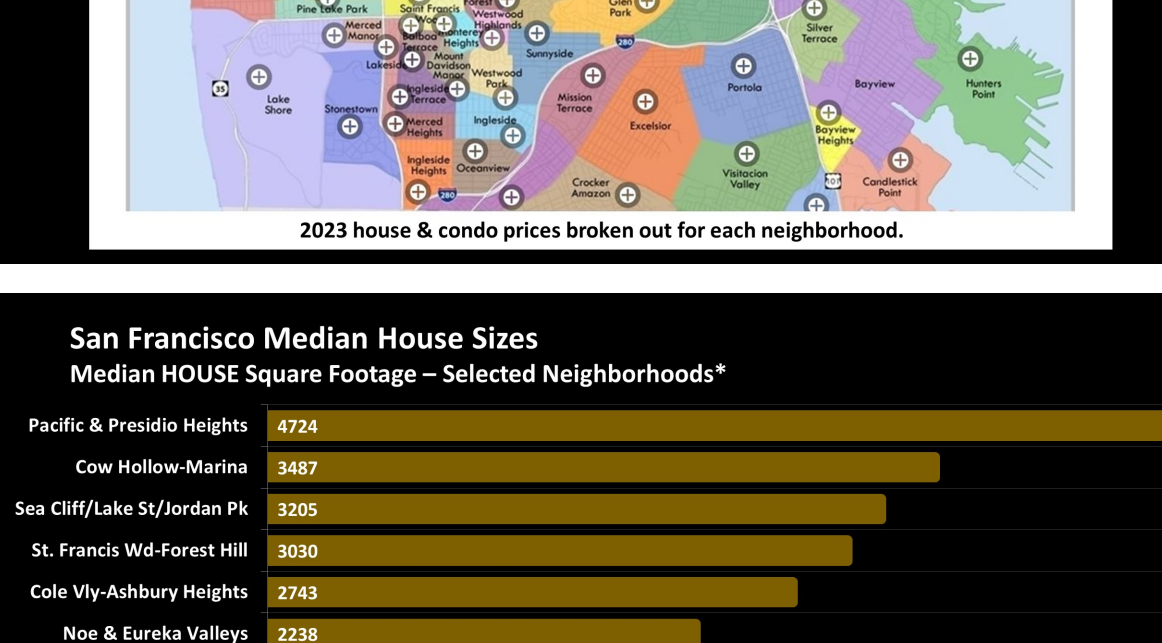
San Francisco House Price Appreciation
Percentage Change 3-Month-Rolling Median House Sales Price\*
Comparing the 3-month-rolling median house sales price in April 2023 with the same period of 2022, 2020, and 2013 to calculate the short-term (year-over-year) as well as long-term appreciation rates.



2-month rolling sales reported to NAR's MLS database by early May 2023, per MLSdata. Data from sources deemed reliable, but may contain errors and subject to revision. Percentages rounded to nearest full point. All numbers approximate, and may change with time-reported sales.

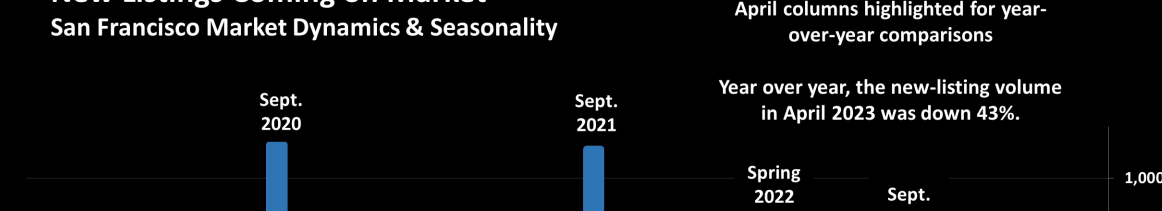


San Francisco Condo Price Trends since 2005
3-Month Rolling Median Condo Sales Prices
Median sales price in that price at which half the condos for more and half for less. It is a very general statistic, often affected by other factors besides changes in fair market value. Monthly and seasonal fluctuations are common, and long-term trends are more meaningful than short-term changes.

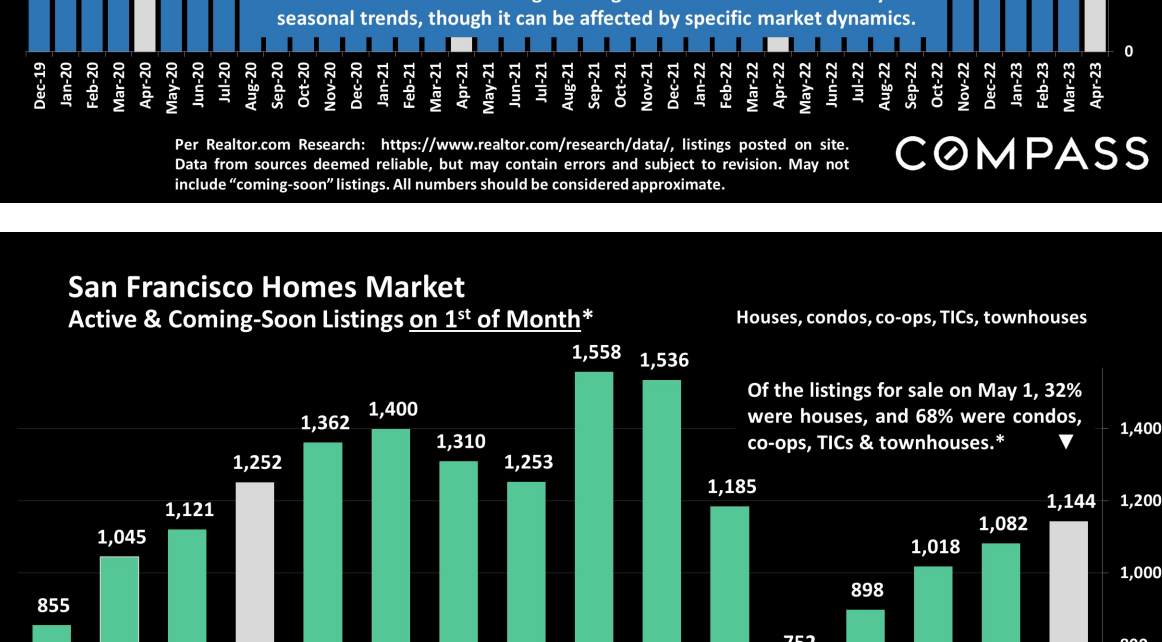


1-Year Change: -10%
Change since Pandemic Hi: -7%
7-Year Change: 7%
10-Year Change: 40%

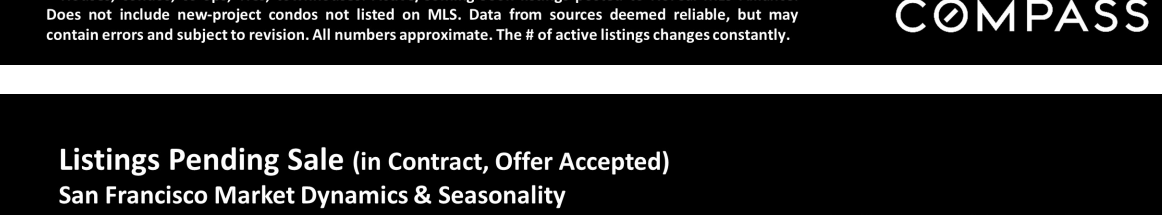
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San Francisco Condo Price Appreciation
Percentage Change 3-Month-Rolling Median Condo Sales Price\*
Comparing the 3-month-rolling median condo sales price in April 2023 with the same period of 2022, 2020, and 2013 to calculate the short-term (year-over-year) as well as long-term appreciation rates.



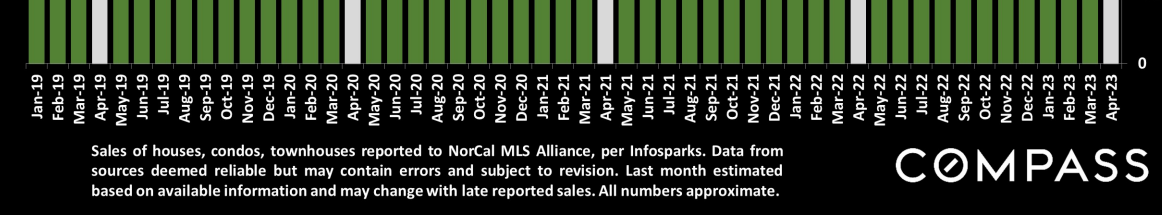
2-month rolling sales reported to NAR's MLS database by early May 2023, per MLSdata. Data from sources deemed reliable, but may contain errors and subject to revision. Percentages rounded to nearest full point. All numbers approximate, and may change with time-reported sales.



San Francisco Median Home Sales Prices
2023 YTD, A Sampling of 50+ Neighborhoods\*
Neighborhoods with at least 10 sales of the designated property type within the past year. Home sales and other factors vary widely within and between neighborhoods.

Table with 6 columns: Neighborhood, Median HOUSE Sales Price, Median CONDO Sales Price, Neighborhood, Median HOUSE Sales Price, Median CONDO Sales Price

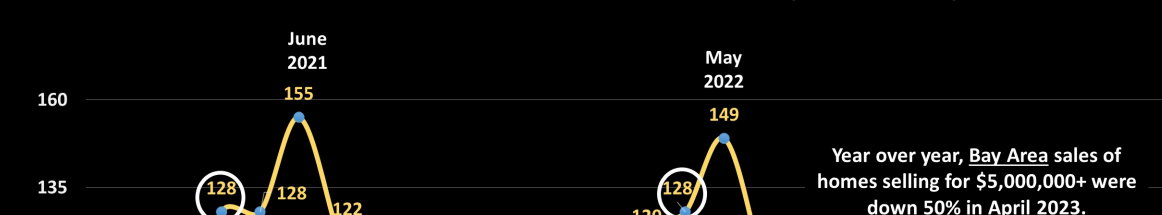
The greater Peninsula district had the highest number of house sales followed by South Beach (10), the Richmond district (10), and Mission Bay (10). \*2023 sales reported to NAR's MLS database through late April. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate, and may change with time-reported sales.



San Francisco Highest Home Sales Prices
In Selected Neighborhoods, by Property Type, 2023 YTD\*
Table with 3 columns: Neighborhood, Highest HOUSE, Highest CONDO

Table with 3 columns: Neighborhood, Highest HOUSE, Highest CONDO

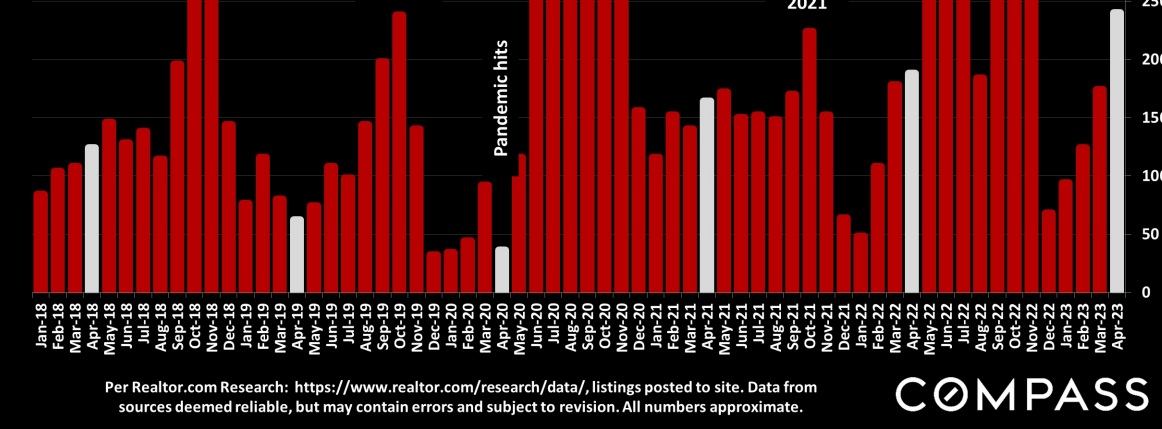
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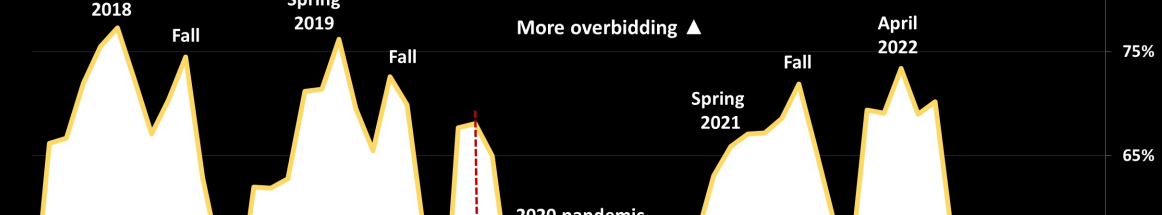
San Francisco Median Home Sales Prices
2023 YTD, A Sampling of 50+ Neighborhoods\*
Map showing median home sales prices broken out for each neighborhood.



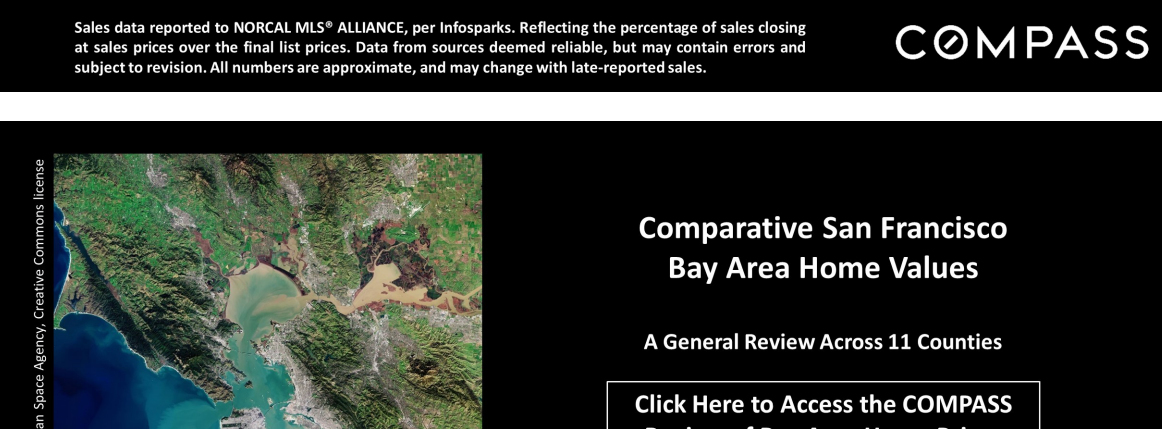
San Francisco Median House Sizes
Median House Square Footage - Selected Neighborhoods\*
Bar chart showing median house square footage for selected neighborhoods.



Active listings and 32 months sales reported to NAR's MLS database through late April. Median home sales volume and other factors vary widely within and between neighborhoods.



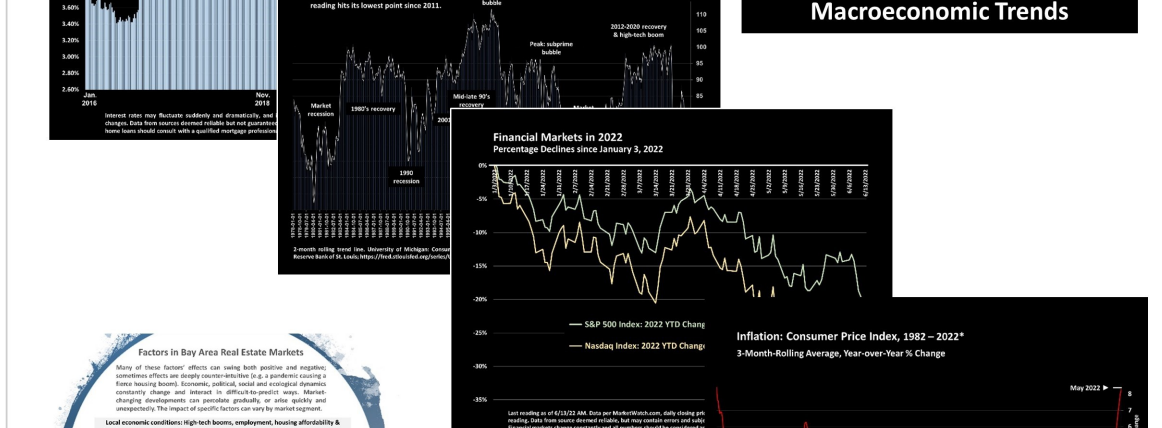
New Listings Coming on Market
San Francisco Market Dynamics & Seasonality
Bar chart showing new listings coming on market by month for 2021 and 2022.



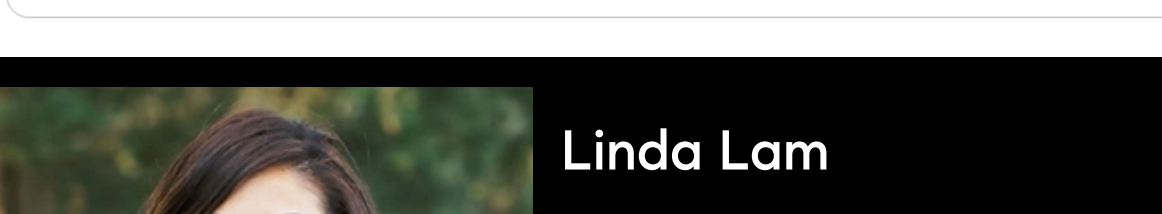
The number of new listings coming on market shows clear seasonal trends, though it can be affected by specific market dynamics.



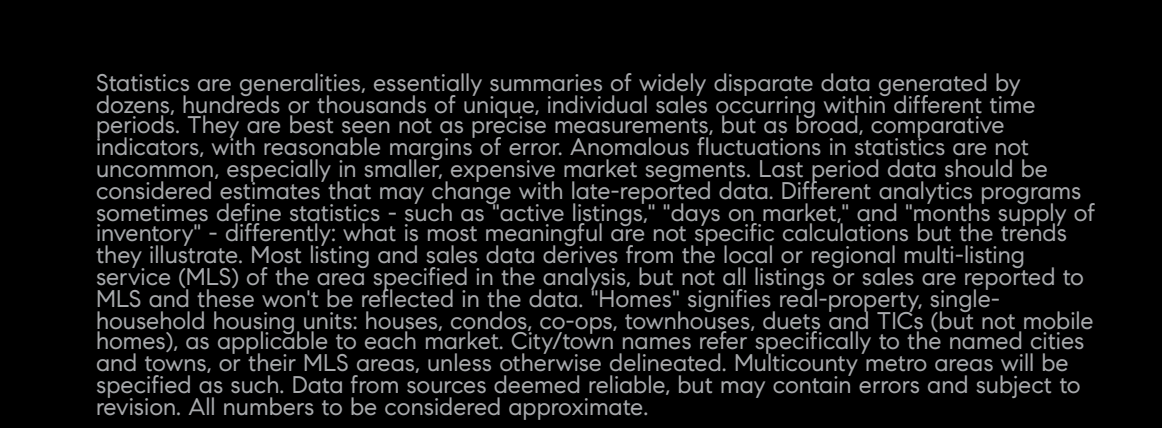
San Francisco Homes Market
Active & Coming-Soon Listings on 1st of Month\*
Bar chart showing active and coming-soon listings on the 1st of each month.



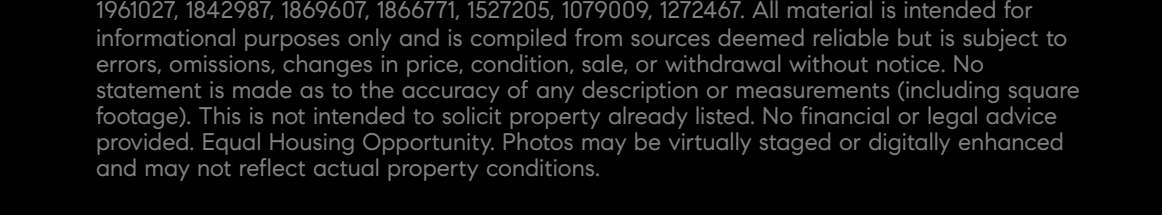
The # of active listings on a given day is affected by 1) the # of new listings coming on market, 2) how quickly buyers pick those listings up, and 3) the sustained heat of the market over time.



Listings Pending Sale (in Contract Offer Accepted)
San Francisco Market Dynamics & Seasonality
Bar chart showing listings pending sale by month for 2019, 2021, and 2022.



The # of listings going into contract measures buyer demand, but is also deeply impacted by the supply of listings available to buy.



Monthly Sales Volume
San Francisco Market Dynamics & Seasonality
Bar chart showing monthly sales volume by month for 2019, 2021, and 2022.



Sales in one month mostly reflect activity in the previous month.



San Francisco Higher-Price Home Sales
Homes, condos, co-ops, townhouses, TICs
Bar chart showing higher-price home sales by month for 2019, 2021, and 2022.



The number of higher-price sales typically ebbs and flows dramatically by season, with spring typically the biggest, summer the slowest, and winter the slowest. Sales usually follow the time of offers being accepted by 3 to 5 weeks.



Ultra-Luxury Home Sales, \$5 Millions+\*
Bar chart showing ultra-luxury home sales by month for 2021 and 2022.



Year over year, \$5m+ sales were down about 43% in April 2023.



Price Reductions on Active Listings
San Francisco Market Dynamics & Seasonality
Bar chart showing price reductions on active listings by month for 2018, 2019, 2021, and 2022.



The number of price reductions typically ebbs and flows by season, with spring typically the biggest, summer the slowest, and winter the slowest. Sales usually follow the time of offers being accepted by 3 to 5 weeks.



Overbidding List Prices in San Francisco
Percentage of Home Sales Closing over List Price, since 2018
Line chart showing percentage of home sales closing over list price from 2018 to 2022.



Sales in 1 month mostly reflect market dynamics in the previous month.



Comparative San Francisco
Bay Area Home Values
Table comparing San Francisco home values to other Bay Area counties.

Table with 2 columns: County, Median Home Value

Many factors play a role in individual home values including location, quality of construction, architectural style, condition, curb appeal, home features, amenities, lot size, view, parking, and many others.



Click Here for Review of Selected Macroeconomic Trends
Line chart showing various macroeconomic trends.



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