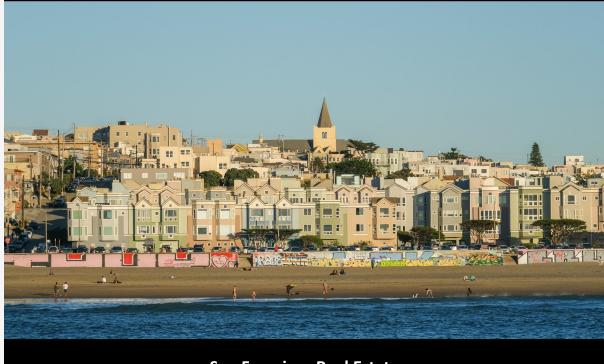
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San Francisco Real Estate September 2023 Report

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"The surprisingly quick recovery [of the housing market] suggests that the residential real-estate downturn is turning out to be shorter and shallower than many housing economists expected after mortgage rates soared last year...There still aren't enough homes for sale to meet demand." The Wall Street Journal, "The Fall in Home Prices May Already Be Over," 9/8/23

Generally speaking, the market rebounded much more strongly in 2023 than seemed possible at the end of 2022, when, after hitting historic peaks during the pandemic boom, economic and demand indicators hit their lowest points since the great recession. The decline in the number of sellers putting their homes on the market continues to be a factor in the balance between supply and demand, in the recovery in home prices, and the decline of overall sales volumes. In San Francisco, the situation is a little more complicated, with distinct differences between the house and condo markets, and between condo markets in different parts of the city (differences which are illustrated in this report). In August, the average, weekly, 30-year mortgage rate, as published by FHLMC, ticked back up over 7%, a situation which continues to impact housing affordability. Perhaps in response, the percentage of buyers paying all cash has generally been running at its highest national level in 8 years.

After the usual summer slowdown from spring, the autumn selling season began after Labor Day and runs until early-mid November, when the market typically begins its big, mid-winter holiday slowdown. By Thanksgiving, the number of new listings coming on market has plummeted, and December commonly sees by far the lowest level of monthly sales activity.

But, in the meantime, we expect to see substantial activity this fall. Historically speaking, September is often the single month of the year with the *highest* number of new listings. Luxury home listings in San Francisco commonly see a particularly large spike in autumn sales.

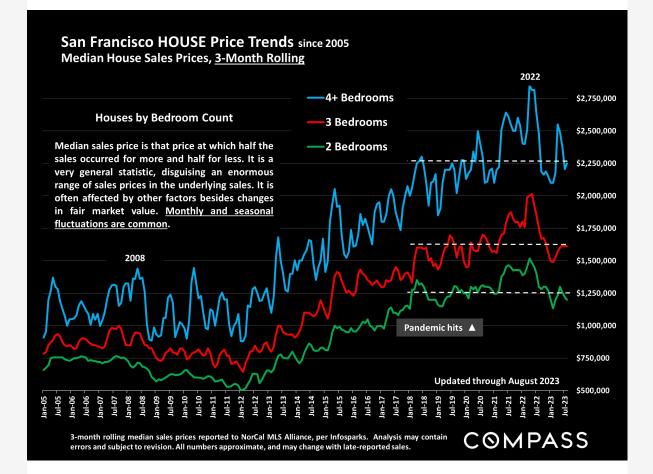
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Since before dotcom boom

478%

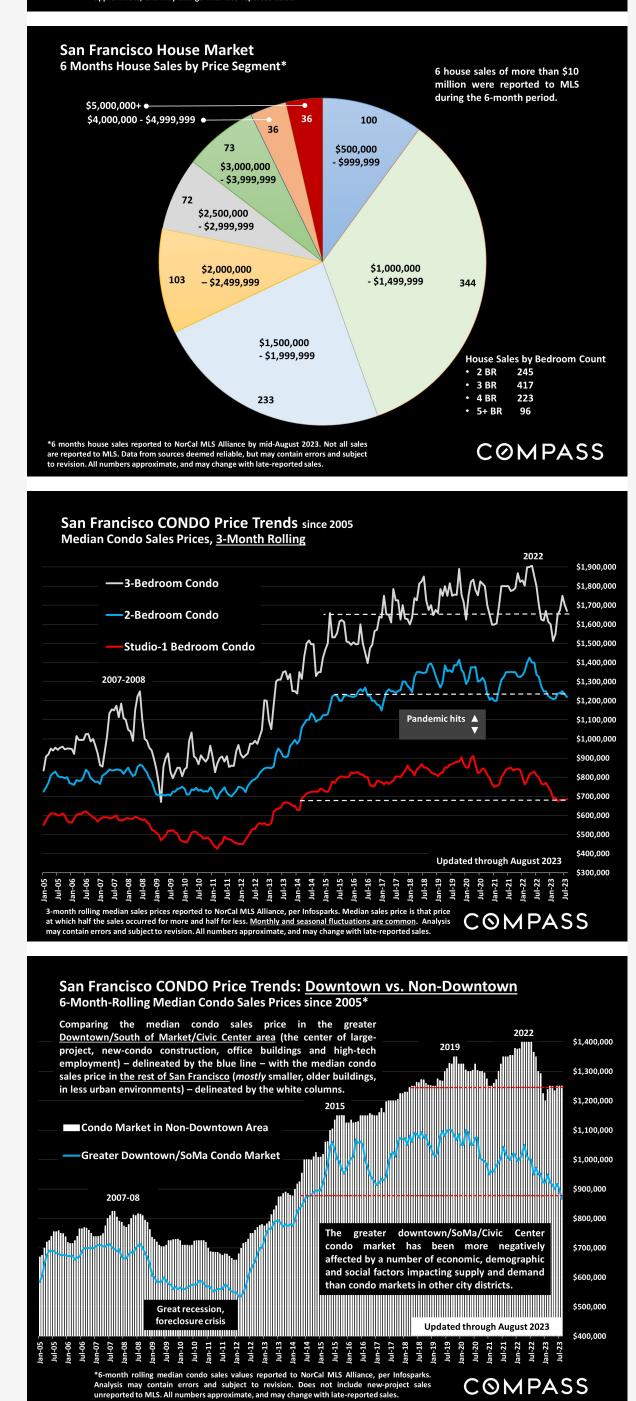
Since 1995

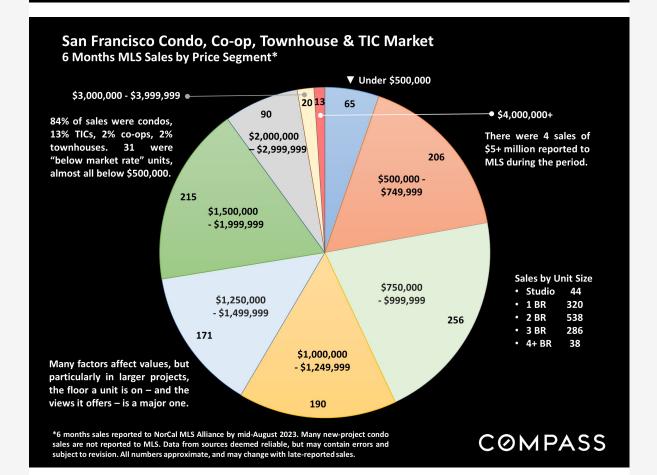
193%



San Francisco HOUSE Price Appreciation Since 1995 Percentage Change, 3-Month-Rolling, Median House Sales Price*

- 500% Comparing the summer – June-August – median house sales price with the same periods of various years since 1995 to calculate approximate short-term and longer-400% term appreciation rates.
- Median sales prices can be affected by a variety of factors other than changes in fair market value, as can year-over-year 300% appreciation rates. Appreciation rate calculations can change substantially according to the exact periods being measured. How these rates apply to any particular property is unknown without a specific comparative market analysis.
- 200% Since post-2008 recession We expect to see the year-over-year price decline continue to drop in coming months. 107%
- 100% Since 1st summer 1-Year Change 25% 2022 to 2023 of pandemic 0%
- Since 2022 Since 2020 Since 2015 Since 2010 Since 2000 -100%
 - *3-month rolling sales reported to NorCal MLS Alliance. Data from sources deemed reliable, but COMPASS may contain errors and subject to revision. Percentages rounded to nearest full point. All numbers approximate, and may change with late-reported sales.





San Francisco: Homes for Sale Active/Coming-Soon Listings*

- Active & Coming-Soon Listings Posted to MLS on September 7, 2023, by Price Segment*
- Under \$1,000,000: 57 houses; 375 condos/co-ops/TICs
- \$1,000,000 \$1.499m: 105 houses; 196 condos/co-ops/TICs
- \$1,500,000 \$1.999m: 83 houses; 106 condos/co-ops/TICs
- \$2,000,000 \$2.999m: 47 houses; 77 condos/co-ops/TICs
- **\$** \$3,000,000 \$4.999m: 45 houses; 31 condos/co-ops/TICs
- \$5,000,000 \$9.999m: 38 houses; 21 condos/co-ops/TICs
- \$10,000,000 & above: 15 houses; 6 condos/co-ops

* Active/Coming Soon listings (no offer accepted) posted to NorCal MLS Alliance. Data from sources deemed reliable, but may contain errors and subject to revision. Not all listings are posted to MLS, including many new-project condos. All numbers approximate. Numbers of listings and median list prices change constantly.

Includes 5 listings priced at \$19,900,000+

Active/Coming-Soon Listings with Median List (Asking) Prices*

- Houses 390 listings \$1,700,000 • Condos – 712 listings - \$1,096,500 TICs – 83 listings - \$1,050,000 •
- Co-ops – 17 listings - \$2,595,000 • Townhouses – 9 listings - \$1,139,000
- **Residential Income Properties:** 2-Unit Buildings – 86 listings - \$1,750,000 3-Unit Buildings – 44 listings - \$2,142,500
- 4-Unit Buildings 26 listings \$2,050,000 • Median list prices may not be representative of
- typical median sales values. Home sizes and values vary widely within and between neighborhoods.

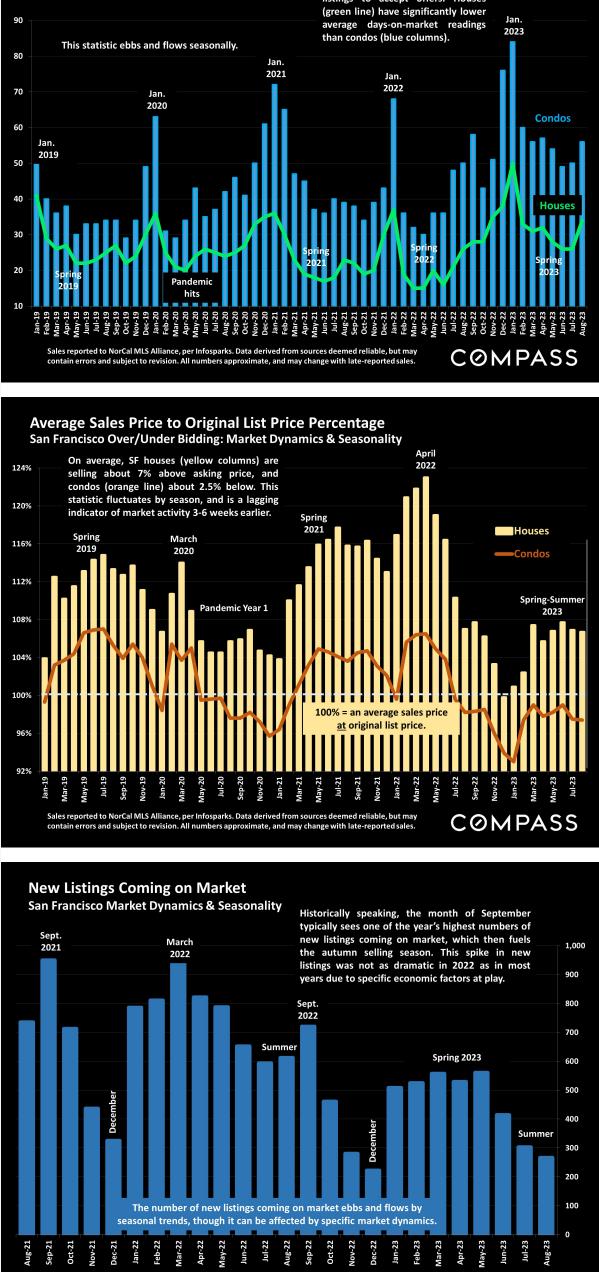
Numbers do not include new-project condo listings not posted to MLS. Data above as of 9/7/23.

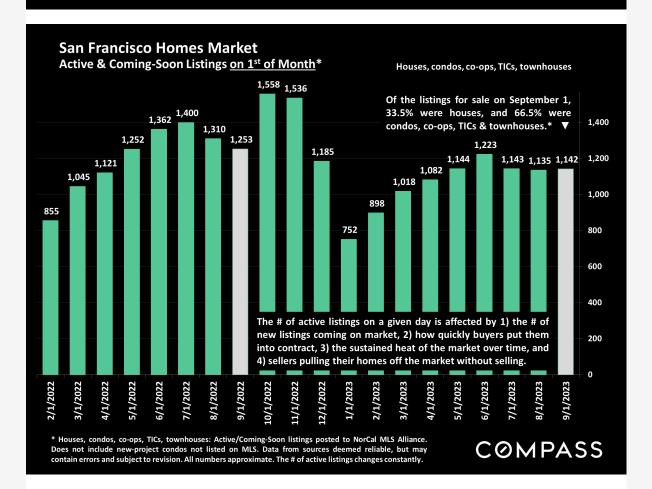
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Average Days on Market – Speed of Sale San Francisco Market Dynamics & Seasonality

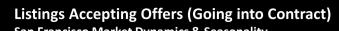
Measuring how long it takes for sold listings to accept offers. Houses

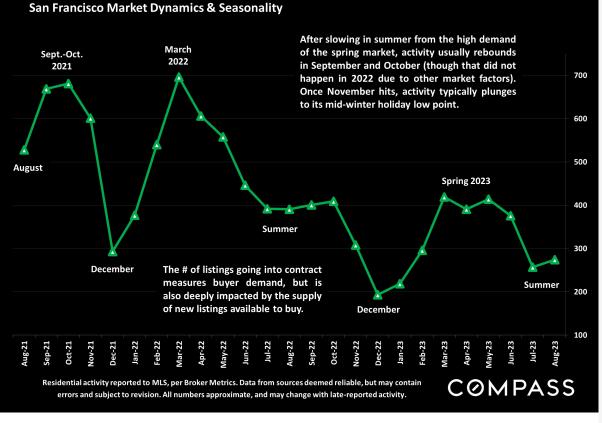


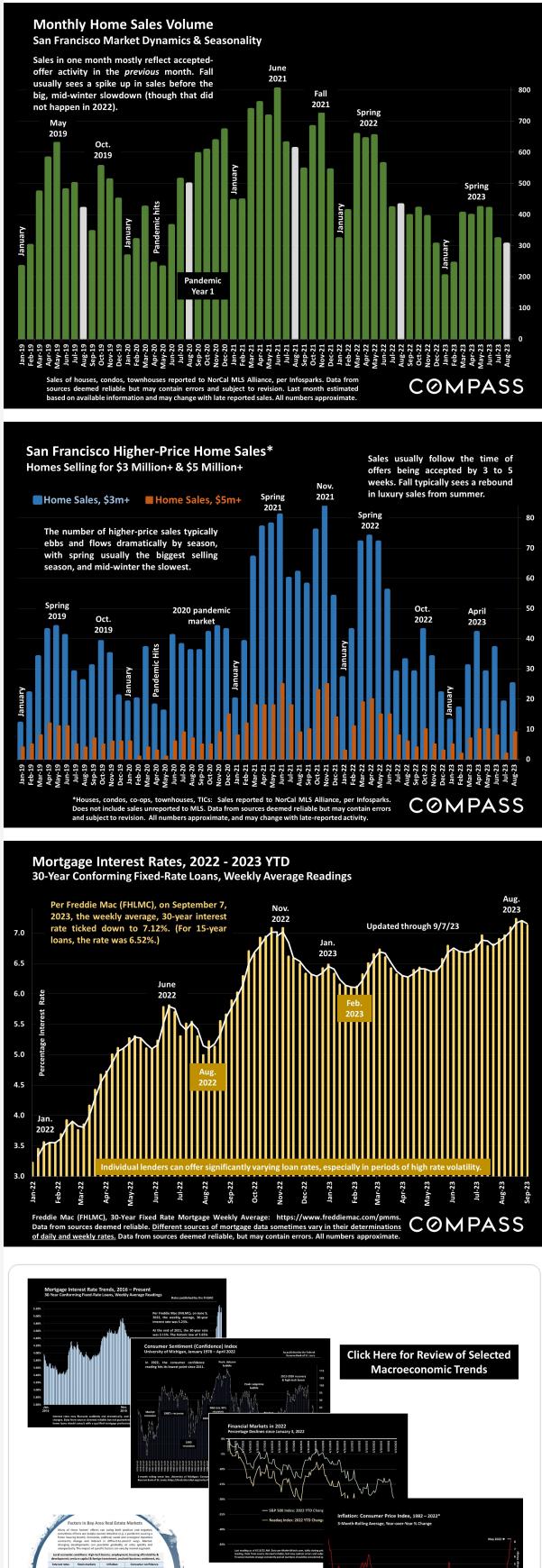


Residential activity reported to MLS, per Broker Metrics. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate, and may change with late-reported activity.

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er Price Index for All Urban Consumers: All Items in U.S. Cri from FRED, Federal Reserve Bank of St. Loui AUCSL June 2022. Data from U.S. Bureau of Labor Statistic COMPASS



Rental

Socia

Linda Lam

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Statistics are generalities, essentially summaries of widely disparate data generated by dozens, hundreds or thousands of unique, individual sales occurring within different time periods. They are best seen not as precise measurements, but as broad, comparative indicators, with reasonable margins of error. Anomalous fluctuations in statistics are not uncommon, especially in smaller, expensive market segments. Last period data should be considered estimates that may change with late-reported data. Different analytics programs sometimes define statistics - such as "active listings," "days on market," and "months supply of inventory" - differently: what is most meaningful are not specific calculations but the trends they illustrate. Most listing and sales data derives from the local or regional multi-listing service (MLS) of the area specified in the data. "Homes" signifies real-property, single-household housing units: houses, condos, co-ops, townhouses, duets and TICs (but not mobile homes), as applicable to each market. City/town names refer specifically to the named cities and towns, or their MLS areas, unless otherwise delineated. Multicounty metro areas will be specified as such. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers to be considered approximate.

Many aspects of value cannot be adequately reflected in median and average statistics: curb appeal, age, condition, amenities, views, lot size, quality of outdoor space, "bonus" rooms, additional parking, quality of location within the neighborhood, and so on. How any of these statistics apply to any particular home is unknown without a specific comparative market analysis.

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