

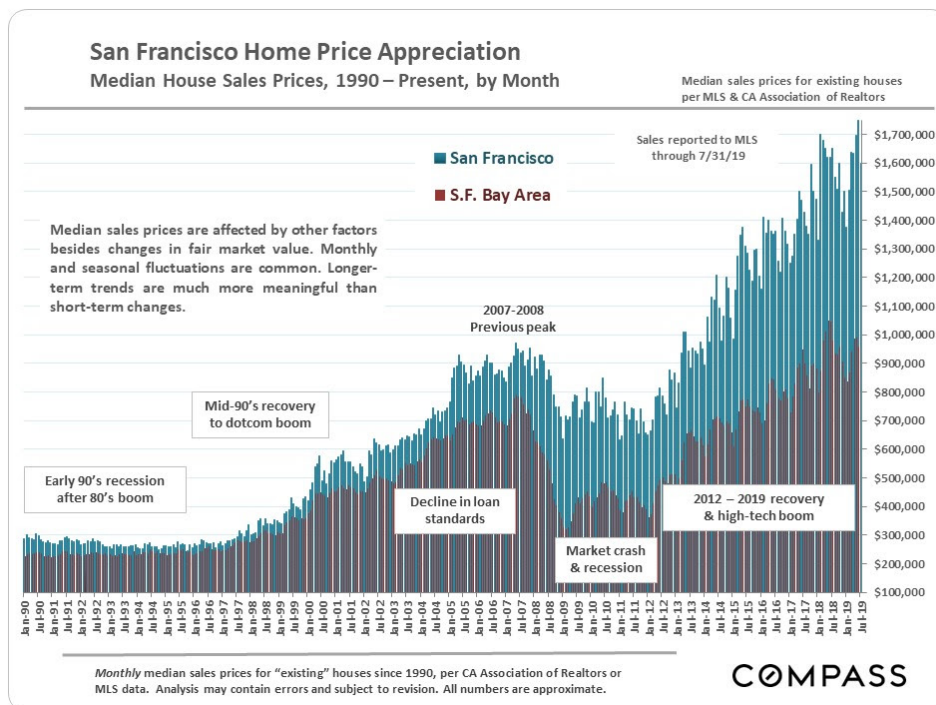
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San Francisco Real Estate

Sales & Values by District and Price Segment,
Special Circumstance Sales, Market Seasonality,
the Luxury Home Market & Foreign Buyers

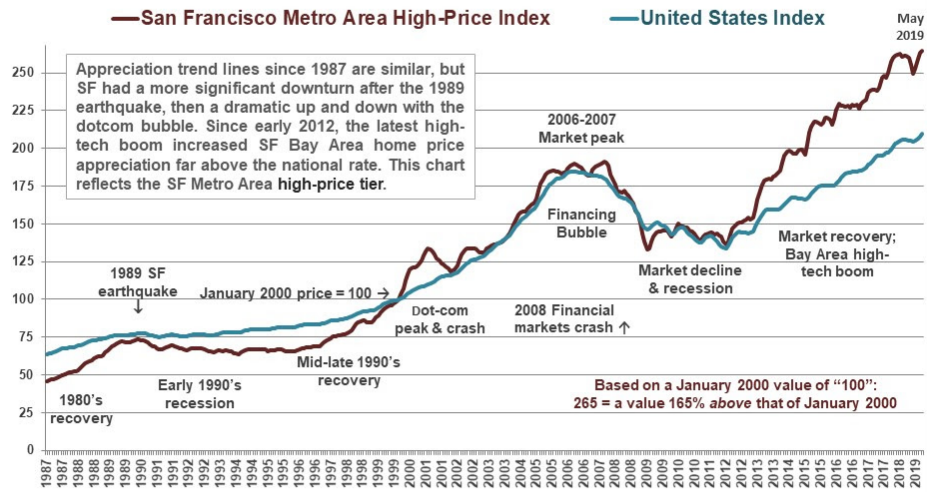
August 2019 Report



The May Case-Shiller Home Price Index was released in late July for the 5-county SF metro area. This chart illustrates the difference in appreciation rates between the Bay Area (higher price markets) and the entire country. Case-Shiller does not use median sales prices but its own algorithm to calculate appreciation. January 2000 home price = 100; 250 = a home price 150% above that of Jan. 2000.

CoreLogic S&P Case-Shiller Home Price Index: Appreciation since 1987 United States vs. San Francisco Metro-Area High-Price-Tier Index

Not seasonally adjusted



*The C-S Index 5-county San Francisco Metro Statistical Area includes San Francisco, Marin, San Mateo, Alameda and Contra Costa counties. The Index is published 2 months after the month specified and reflects a 3-month rolling average. The high-price tier reflects the top third of home sales in the SF metro area, which applies to the city of San Francisco better than other tiers. <https://my.spindices.com/index-family/real-estate/sp-corelogic-case-shiller>

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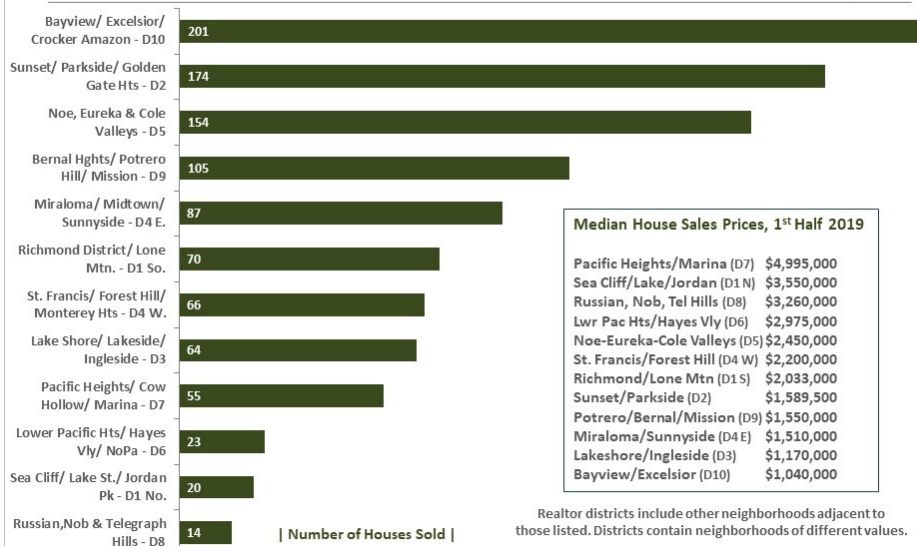
Needless to say, there are many factors behind home sales and values in different communities. Home size is one of them, and median sales prices are not apples to apples comparisons: For example, in Pacific Heights, the average house size is over 4000 square feet, while in Sunnyside, it runs about 1500 square feet.

Note that it is not uncommon for median sales prices to peak for the year in Q2.

San Francisco Real Estate Market Breakdown

HOUSE Sales by Realtor District, 1st Half 2019

6 months sales reported to MLS through 6/30/19



*Analysis by Realtor district. Does not include sales unreported to MLS. Data derived from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate.

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Market Dynamics by Realtor District

Q2 is commonly the hottest market of the calendar year - characterized by strong demand and an inadequate supply of inventory - and the statistics below generally reflect a very strong spring 2019 market.

Market Statistics by San Francisco Realtor District

Q2 2019 House & Condo Sales

Sorted by \$/sq.ft. value

Realtor District/Neighborhoods	Average Days on Market	Avg. Sales Price to Orig. List Price %	Average Dollar/Sq.Ft.
Bayview, Excelsior, Portola, Crocker Amazon, Visitacion Valley, Mission Terrace, Outer Mission (D10)	31 days	113% (Average 13% over LP)	\$740/sq.ft.
Lakeside, Lake Shore, Merced Manor & Heights, Ingleside & Ingleside Heights, Oceanview (D3)	34 days	110%	\$816/sq.ft.
St. Francis Wood, Forest Hill, Monterey Heights, Sherwood Forest, W. Portal, Balboa Ter. (D4 West)	26 days	111%	\$894/sq.ft.
Sunset, Parkside, Golden Gate Heights (D2)	21 days	117%	\$921/sq.ft.
Richmond District & Lone Mountain (D1 South)	29 days	106%	\$935/sq.ft.
Miraloma Park, Midtown Terrace, Sunnyside, Forest Knolls, Diamond Heights, Westwood Park (D4 East)	25 days	116%	\$985/sq.ft.
Hayes Valley, Alamo Square, North Panhandle, Lower Pacific Heights, Anza Vista, West. Addition (D6)	24 days	109%	\$1074/sq.ft.
Potrero Hill, Bernal Heights, Inner Mission (D9 South)	22 days	111%	\$1146/sq.ft.
Lake Street, Jordan Park, Sea Cliff (D1 North)	27 days	109%	\$1194/sq.ft.
Noe, Eureka & Cole Valleys; Ashbury, Corona, Parnassus & Clarendon Heights; Glen Park (D5)	19 days	111%	\$1211/sq.ft.
South Beach, SoMa, Mission Bay, Yerba Buena, Dogpatch/Central Waterfront - condo sales only	36 days	100% (Average sale at LP)	\$1219/sq.ft.
Russian, Nob & Telegraph Hills; Financial District, North Beach, North Waterfront (D8 North)	40 days	99% (Average 1% below LP)	\$1400/sq.ft.
Pacific & Presidio Heights, Cow Hollow & Marina (D7)	39 days	98%	\$1472/sq.ft.

Q2 2019 sales statistics as reported to MLS, per Broker Metrics. Data from sources deemed reliable, but may contain errors and subject to revision. Outlier sales deleted when identified. All numbers are approximate. Districts sometimes contain additional adjacent neighborhoods to those listed, and values often vary between neighborhoods in the same district.

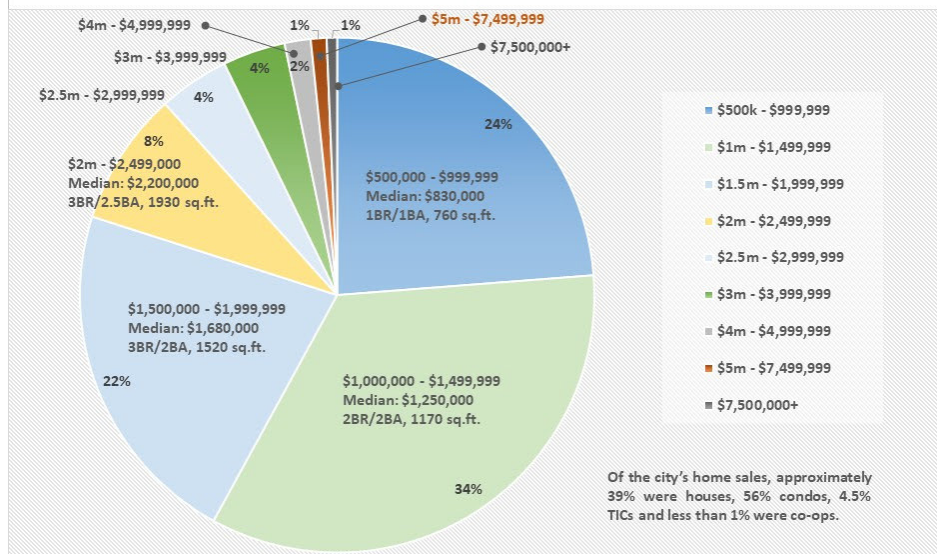
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Home Sales by Price Range

Of homes selling for under \$1,000,000, over 80% were condos, co-ops and TICs, and most of those were smaller units.

San Francisco Home Sales by Price Segment

12 Months Sales: Houses, Condos, Co-ops & TICs [7/20/19]



Sales reported to MLS through 7/20/19. Not all sales reported, especially in the highest price segments. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate.

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Tenants, Fixer-Uppers, Homes without Parking, Homes with Golden Gate Bridge Views

Special Circumstance Sales in San Francisco

Effect on Values: No Parking, Fixer-Uppers, Tenants & Golden Gate Bridge Views

These analyses looked at sales of houses of similar sizes in a variety of neighborhoods in which the circumstances described were most common, while trying to control for factors which might skew calculations. But unidentified factors may be at play in these effects and these numbers are only very approximate, good-faith estimates.

Houses sold without parking as compared to those with 1-car parking

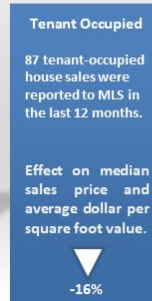


▲ Houses without parking are almost always of pre-1916 construction.

Houses described as "fixer-uppers" in MLS



Tenant-occupied houses (subject to SF eviction restrictions)



Houses described as having Golden Gate Bridge views

◀ Why the effect on values?
Time & cost of eviction (esp. if contested), tenant relocation fees, difficulty in showing listing, inability to stage home for sale, restrictions on future use, often deferred maintenance issues.

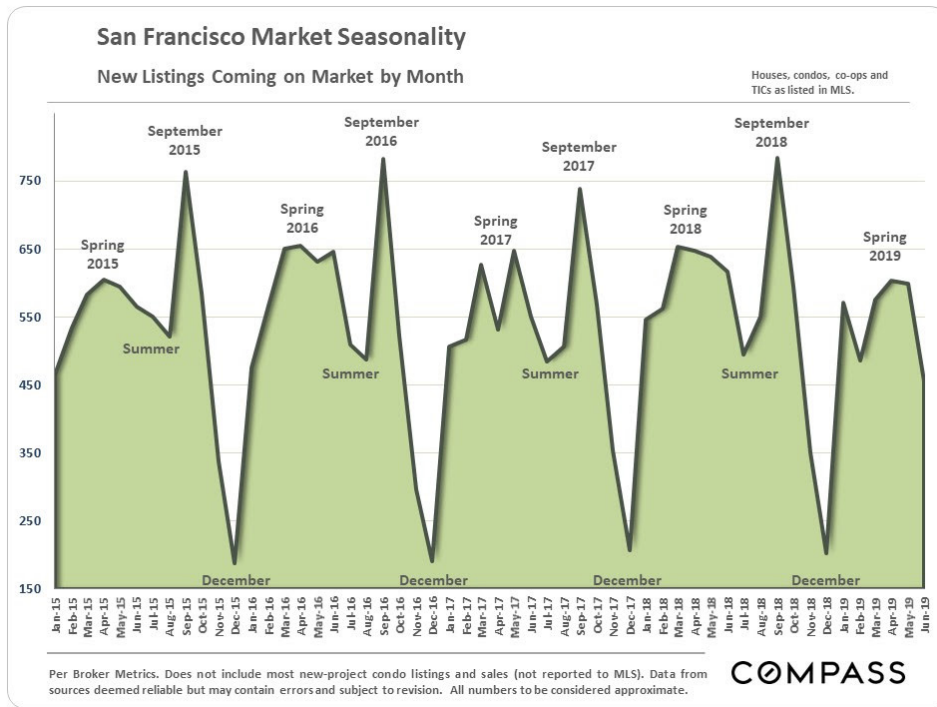
Per analyses made in good faith in mid-July 2019 using MLS sales data over periods of 12 to 24 months. Data from sources deemed reliable, but analyses may contain errors and are subject to revision. All numbers should be considered very approximate estimates, and not to be relied upon in valuing any particular property.

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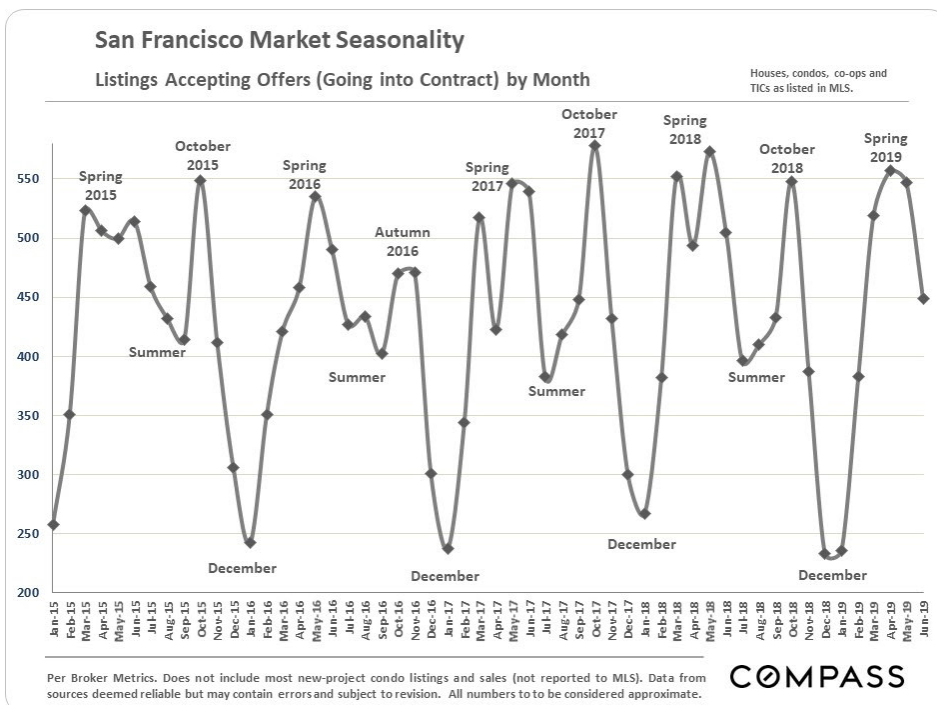
Market Seasonality: The Autumn Spike, Then the Winter Doldrums

Though spring is the biggest overall selling season in San Francisco, the single month with the highest number of new listings is typically September. This big surge fuels the relatively short autumn selling season - highlighted by the dramatic spike in sales in October. In November, activity begins to plunge for the mid-winter holidays - though homes continue to sell in every season.

Seasonality: New Listings by Month

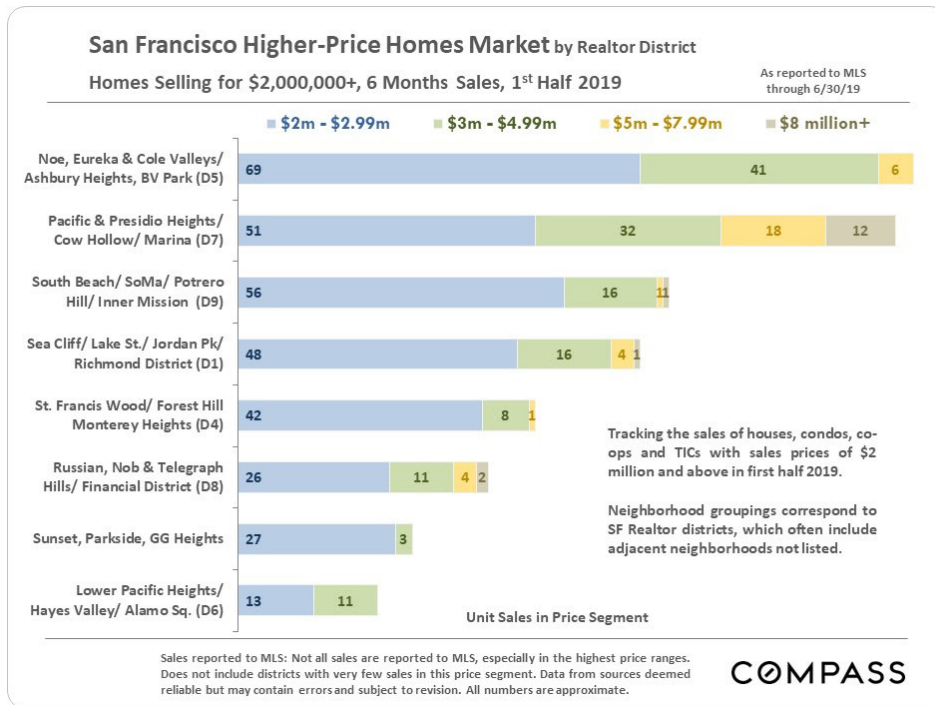


Seasonality: Listings Going into Contract by Month

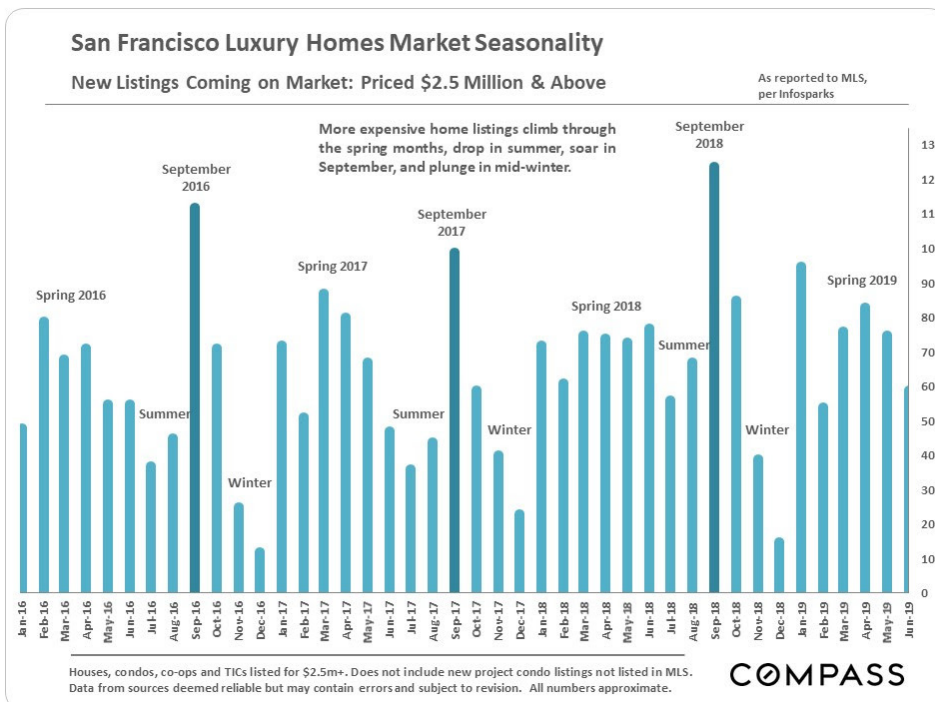


Higher-Price Home Sales

The central greater Noe-Eureka-Cole Valleys district now has the highest number of home sales over \$2 million, but the northern Pacific Heights-Cow Hollow district dominates sales of \$5 million and above.

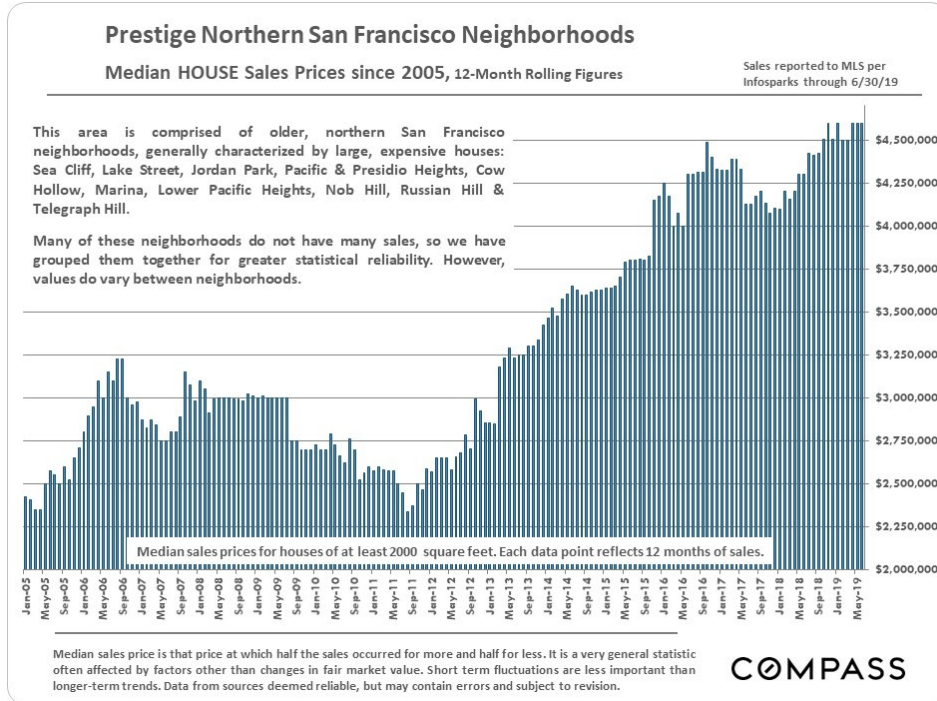


The SF luxury home market is even more dramatically driven by seasonality than the general market. September often sees a tremendous burst of new listings. October is sometimes the single month with the most luxury house sales.



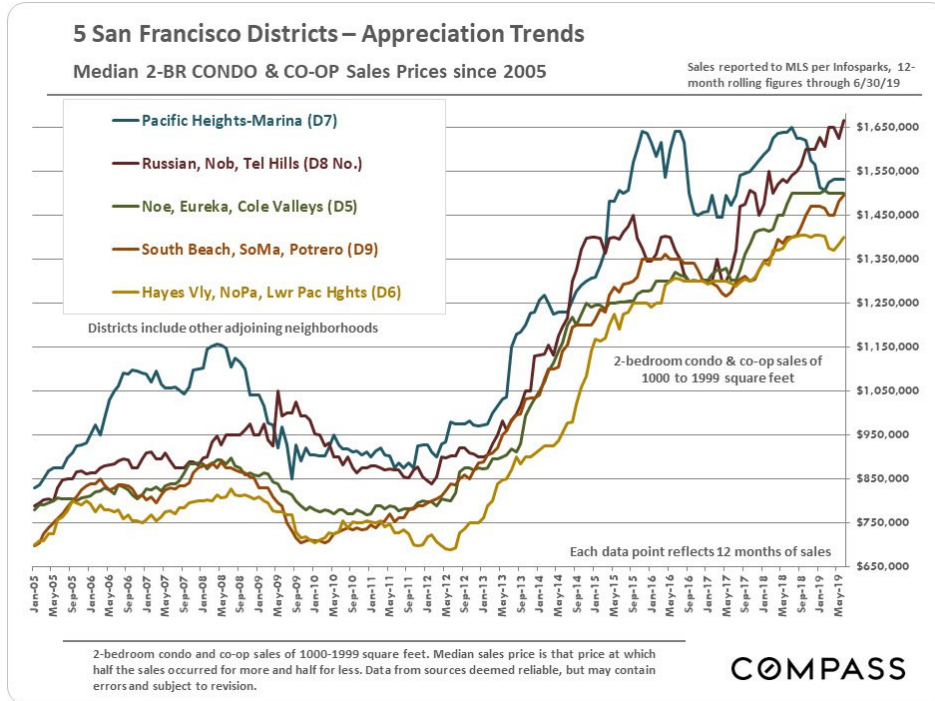
Median Home Price Appreciation in the City's Northern, Old-Prestige Neighborhoods

In the next chart, we combine house sales across the swathe of older, prestige neighborhoods that run across the north of the city - generally speaking, a region of larger houses and higher prices. None of these neighborhoods have that many sales - and some have very, very few - so we combine them to increase statistical reliability. Though they are all high-price, prices do vary considerably between them.

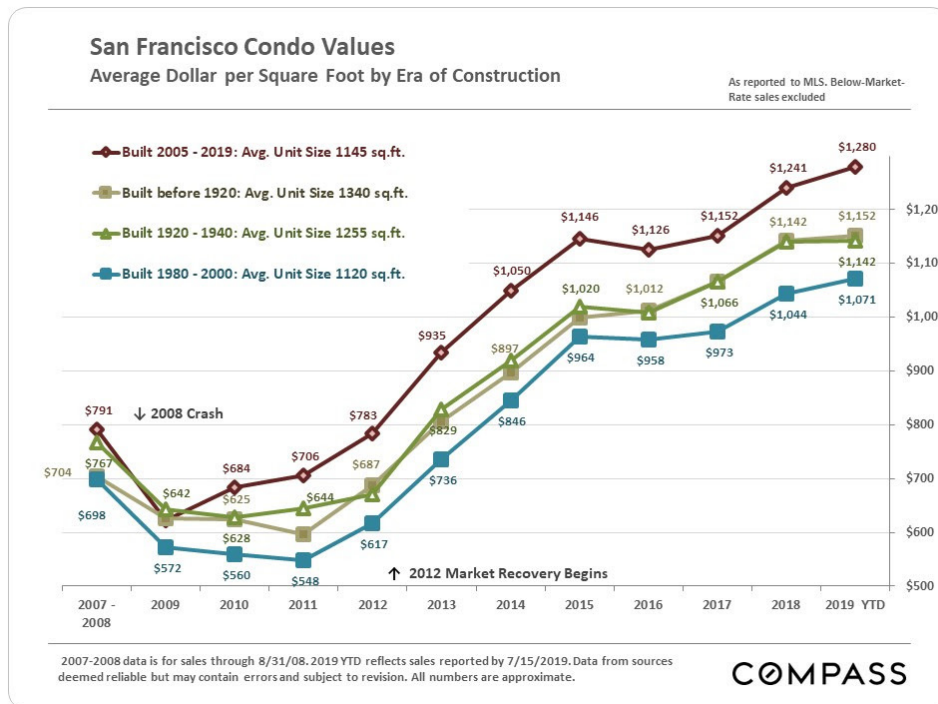


Median Two-Bedroom Condo Prices by Realtor District

There is significantly less variation in condo prices in most of the neighborhoods of SF than there is with houses. Much of this has to do with all the new construction that has occurred in the last 20 years. Probably the greatest differences in condo values are between those on lower floors and those on higher floors of new luxury high-rises.

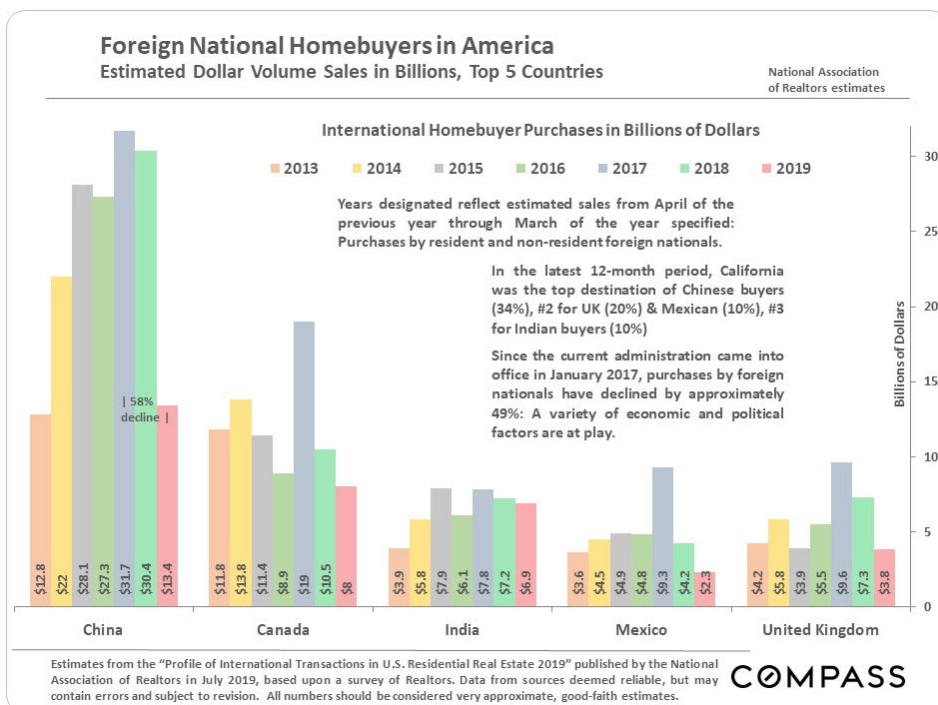


Condo Average Dollar per Square Foot Values by Era of Construction



Foreign National Home Buying Tumbles

According to a new report by the National Association of Realtors - based on a survey of its member agents - the purchase of U.S. homes by foreign nationals plunged in the 12 months through March 2019. The drop was particularly steep for Chinese nationals, for whom California (and the Bay Area, in particular) has been the top destination.



Stock Market Hits New High

The last 12 months have been an extremely dramatic time for financial markets as illustrated below. The alternating confidence and fear generated by its swings have been considerable factors in Bay Area real estate markets. A parallel dynamic has occurred with the swings in interest rates.

The spring burst in high-tech IPOs in San Francisco also played a role in the heat of the Q2 market.

