

COMPASS



San Francisco Real Estate Market Begins to Bounce Back - Slowly

May 2020 Crisis Update

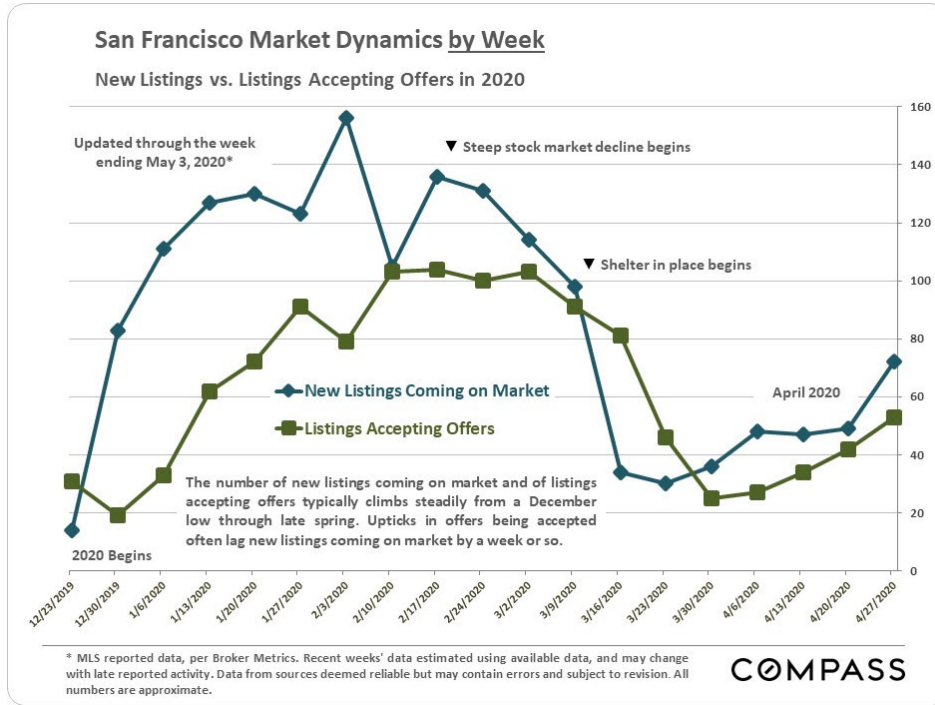
Market activity begins to tick up after severe shelter-in-place plunge.
No decline in median home prices. Interest rates hit new low.

Shelter-in-place caused steep drops in activity across the board in what is typically the busiest selling season of the year. However, though still far below normal levels, activity has been picking up since bottoming out in late March/early April, and will presumably continue to do so with the easing of both shelter-in-place and property-showing rules.

So far, home prices have seen no declines, but a fair proportion of the sales behind April median sales prices still reflects offers accepted prior to shelter in place. Interest rates hit a new historic low in the last week of April.

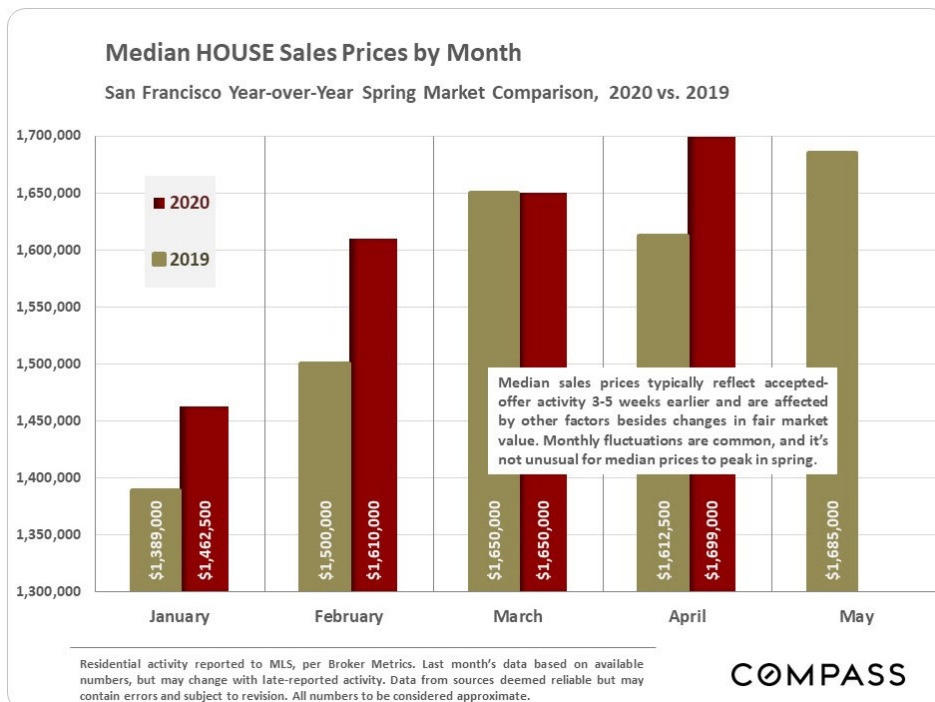
Week by Week Supply & Demand Trends

The only way to clearly perceive the recent changes in the market - sudden plunge and the beginning of recovery - is by looking at WEEKLY trends in buyer and seller activity. These are illustrated in this first chart below.



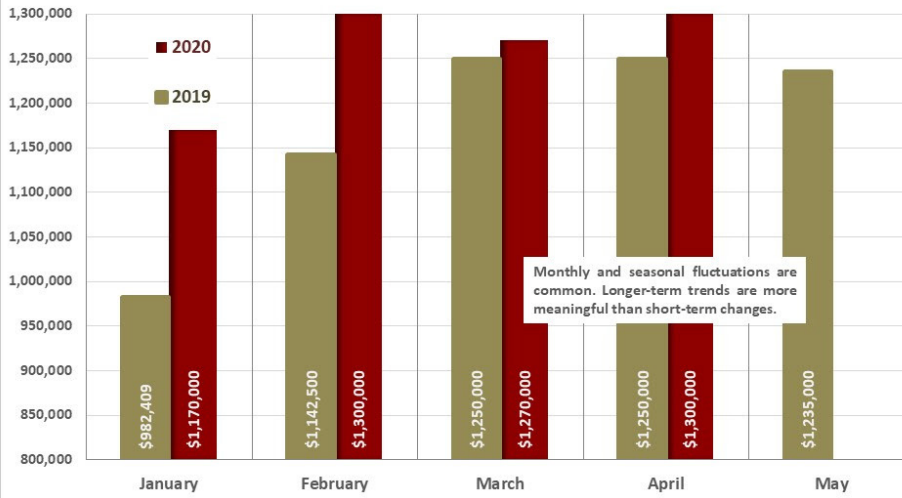
Year-over-Year Changes in Median Home Sales Prices

Generally speaking, the first months of 2020 have been characterized by year-over-year increases in median home sales prices across the Bay Area.



Median CONDO Sales Prices by Month

San Francisco Year-over-Year Spring Market Comparison, 2020 vs. 2019



Residential activity reported to MLS, per Broker Metrics. Last month's data based on available numbers, but may change with late-reported activity. Data from sources deemed reliable but may contain errors and subject to revision. All numbers to be considered approximate.

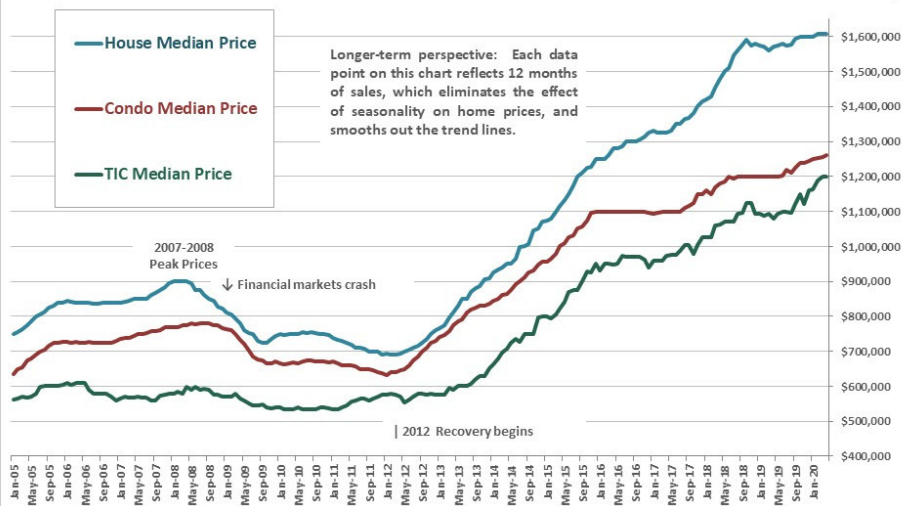
COMPASS

Long-Term Trends in Median Home Prices - 12-Month Rolling Illustration

San Francisco Median Home Sales Prices since 2005

Monthly Median Sales Prices - 12-Month Rolling Figures

Sales reported to MLS per Infosparks through 4/30/20

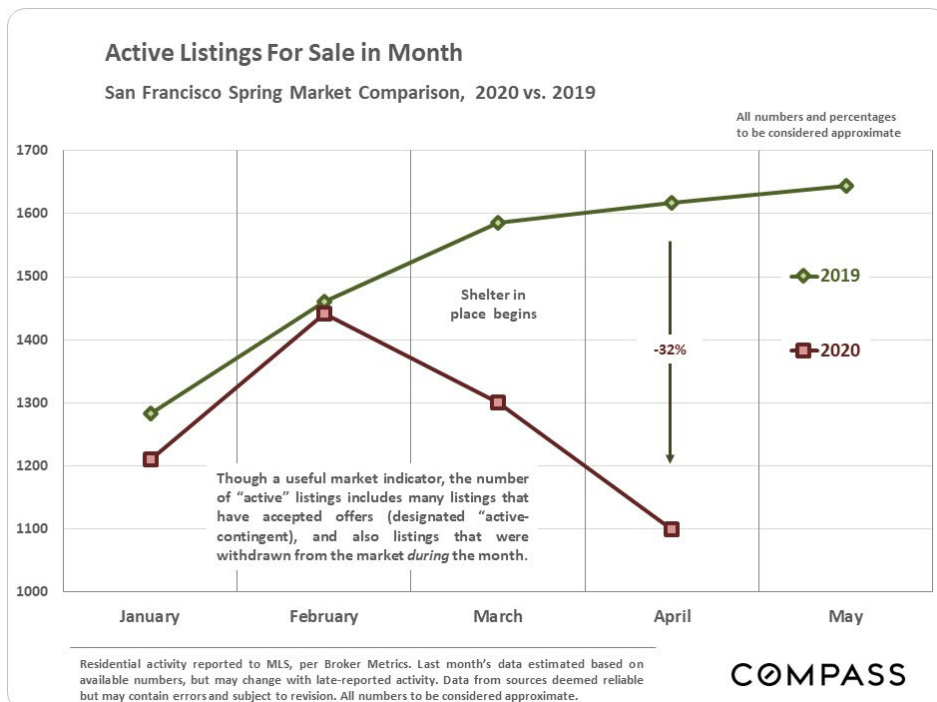
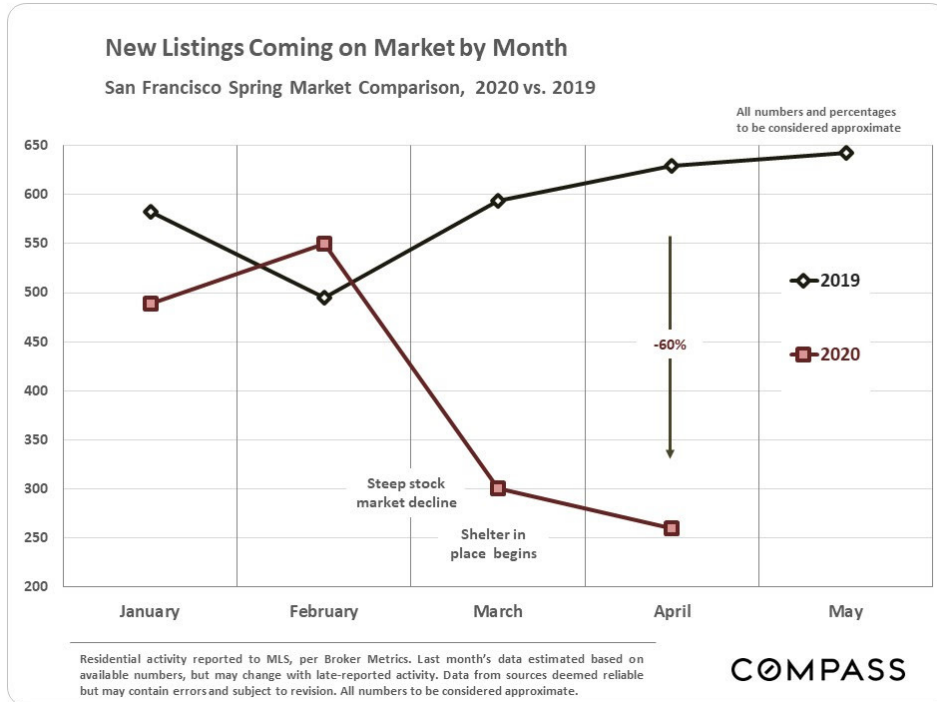


Median sales price is that price at which half the sales occurred for more and half for less. It is a very general statistic often affected by factors other than changes in fair market value. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate.

COMPASS

Year-over-Year Monthly Activity Comparisons

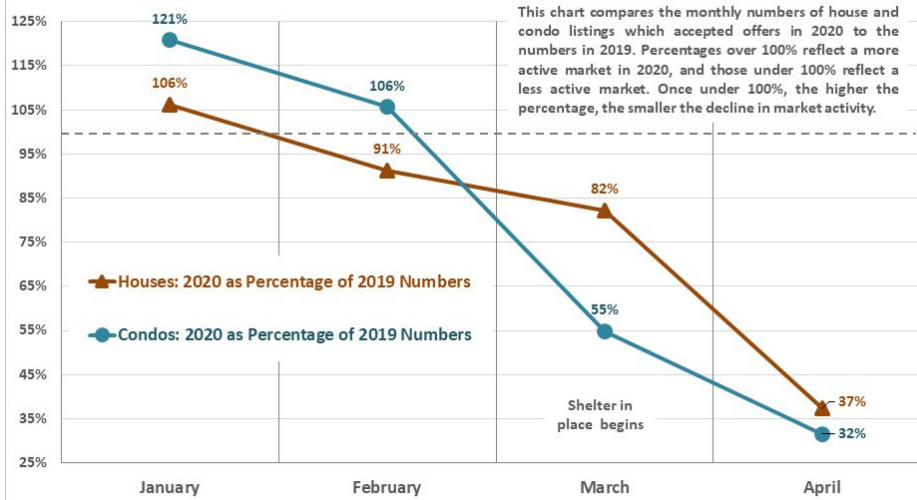
The next series of charts reflects the dramatic changes in market dynamics by MONTH as compared to spring 2019.



Listings Accepting Offers: Y-o-Y Changes, Houses vs. Condos

San Francisco Spring Market Comparison, 2020 vs. 2019

All numbers and percentages to be considered approximate



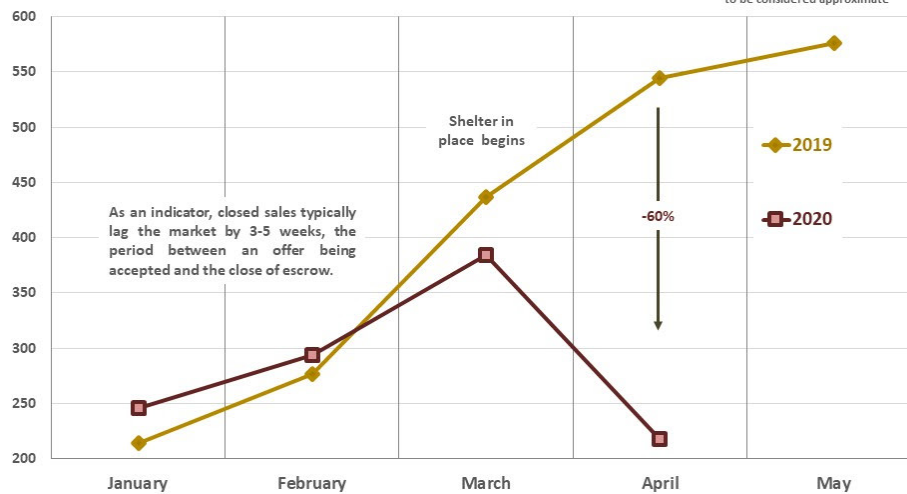
Residential activity reported to MLS, per Broker Metrics. Last month's data estimated based on available numbers, but may change with late-reported activity. Data from sources deemed reliable but may contain errors and subject to revision. All numbers to be considered approximate.

COMPASS

Listings Closing Sale in Month

San Francisco Spring Market Comparison, 2020 vs. 2019

All numbers and percentages to be considered approximate



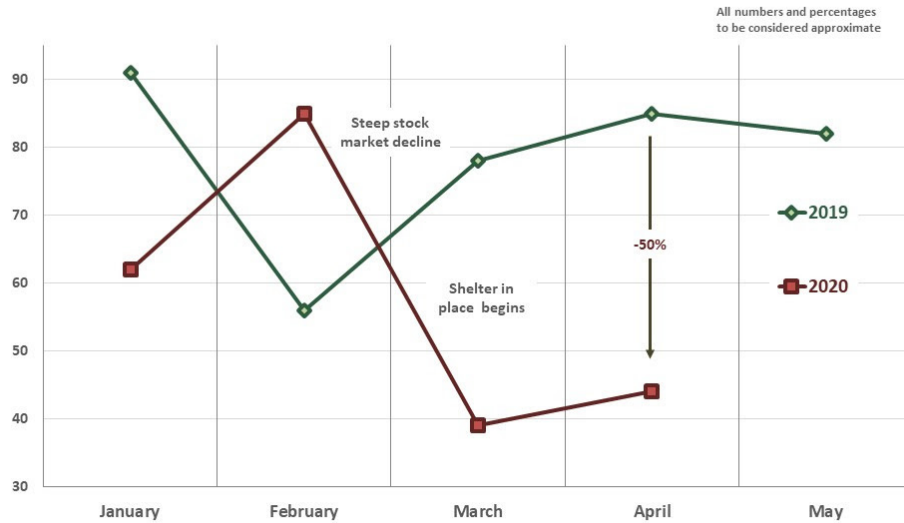
Residential activity reported to MLS, per Broker Metrics. Last month's data estimated based on available numbers, but may change with late-reported activity. Data from sources deemed reliable but may contain errors and subject to revision. All numbers to be considered approximate.

COMPASS

Year-over-Year Changes in Luxury Home Markets

New Higher-Price Listings Coming on Market, \$2.5 Million+

San Francisco Spring Market Comparison, 2020 vs. 2019

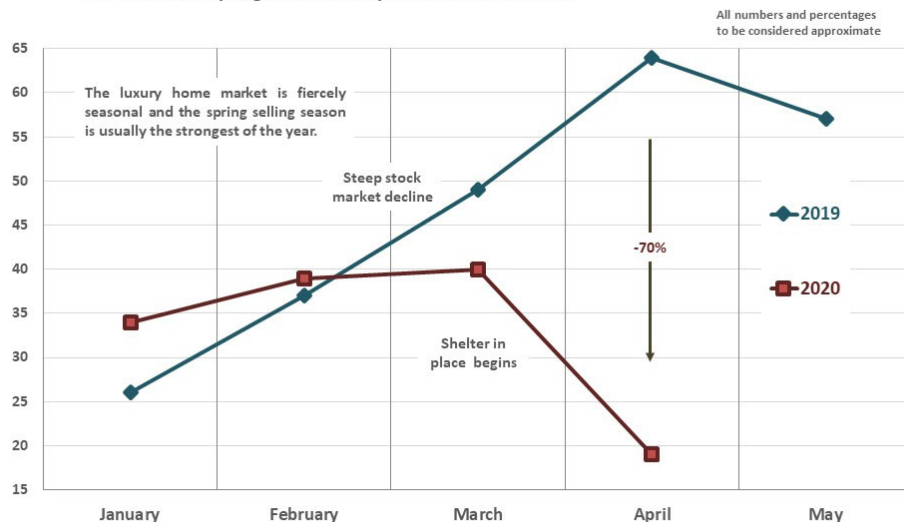


Residential activity reported to MLS, per Broker Metrics. Last month's data estimated based on available numbers, but may change with late-reported activity. Data from sources deemed reliable but may contain errors and subject to revision. All numbers to be considered approximate.

COMPASS

Higher-Price Listings Accepting Offers, \$2.5 Million+

San Francisco Spring Market Comparison, 2020 vs. 2019

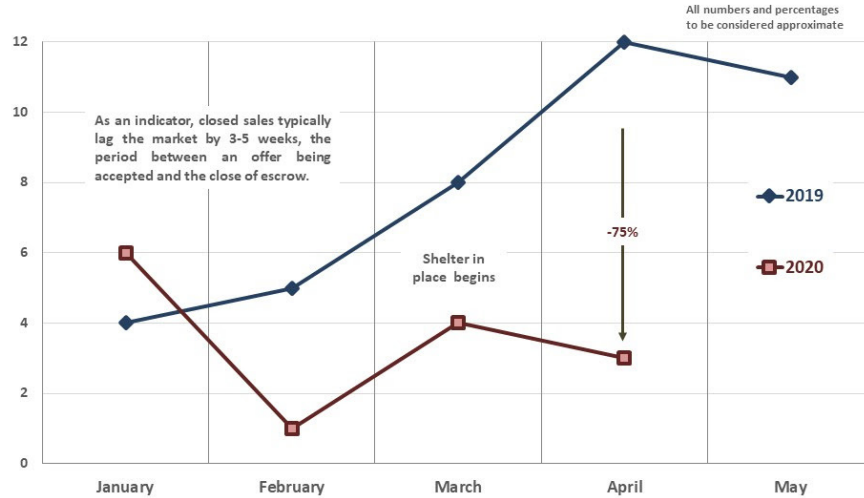


Residential activity reported to MLS, per Broker Metrics. Last month's data estimated based on available numbers, but may change with late-reported activity. Data from sources deemed reliable but may contain errors and subject to revision. All numbers to be considered approximate.

COMPASS

Ultra-Luxury Home Sales, \$5 Million+

San Francisco Spring Market Comparison, 2020 vs. 2019



Residential activity reported to MLS, per Broker Metrics. Last month's data estimated based on available numbers, but may change with late-reported activity. Data from sources deemed reliable but may contain errors and subject to revision. All numbers to be considered approximate.

COMPASS

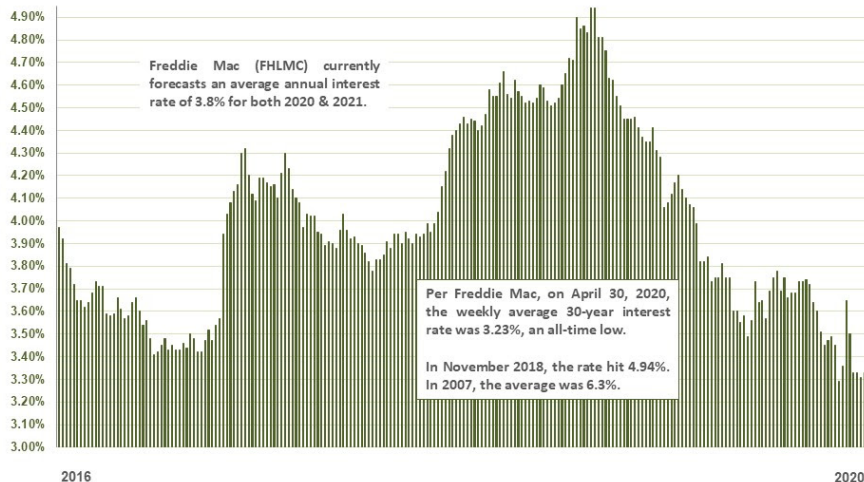
Mortgage Interest Rates

At the end of April mortgage interest rates hit a new historic low.

Mortgage Interest Rate Trends, 2016 – 2020

30-Year Conforming Loans, Weekly Average Readings

Rates published by the FHLMC, January 7, 2016 – April 30, 2020



Interest rates may fluctuate suddenly and dramatically, and it is very difficult to predict rate changes. Data from sources deemed reliable but not guaranteed. Anyone interested in residential home loans should consult with a qualified mortgage professional and their accountant.

COMPASS

Unemployment

We are not going to review the economic news already extensively covered in the media, except for this stark illustration of the unparalleled rise in unemployment. How quickly this horrifying trend can be reversed will probably be the single largest factor behind an economic recovery.

