



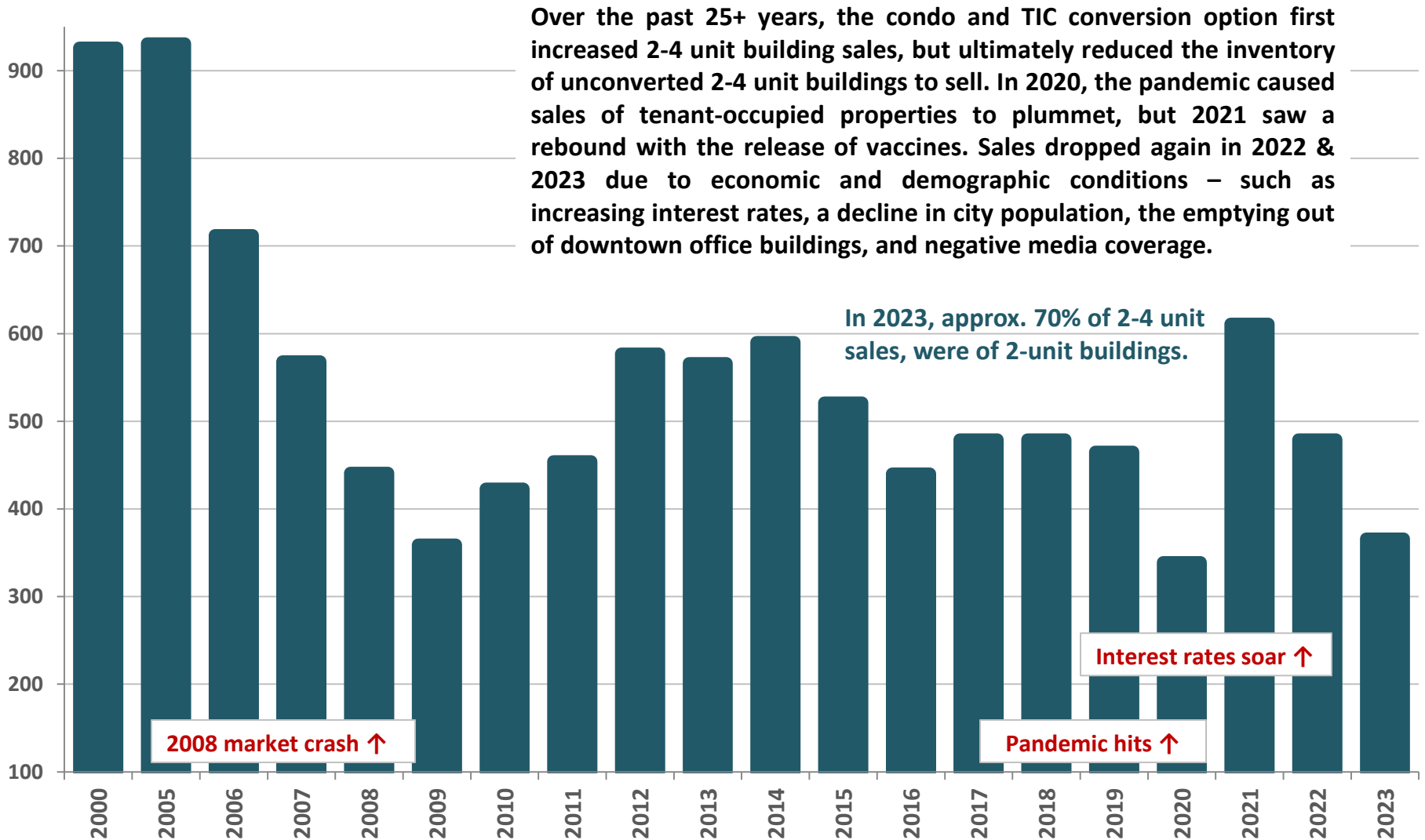
The San Francisco Smaller Apartment Building Market

**January 2024 Report
2-4 Unit Multi-Family Buildings**

COMPASS

San Francisco Residential 2-4 Unit Building Sales

Number of Buildings Sold by Year

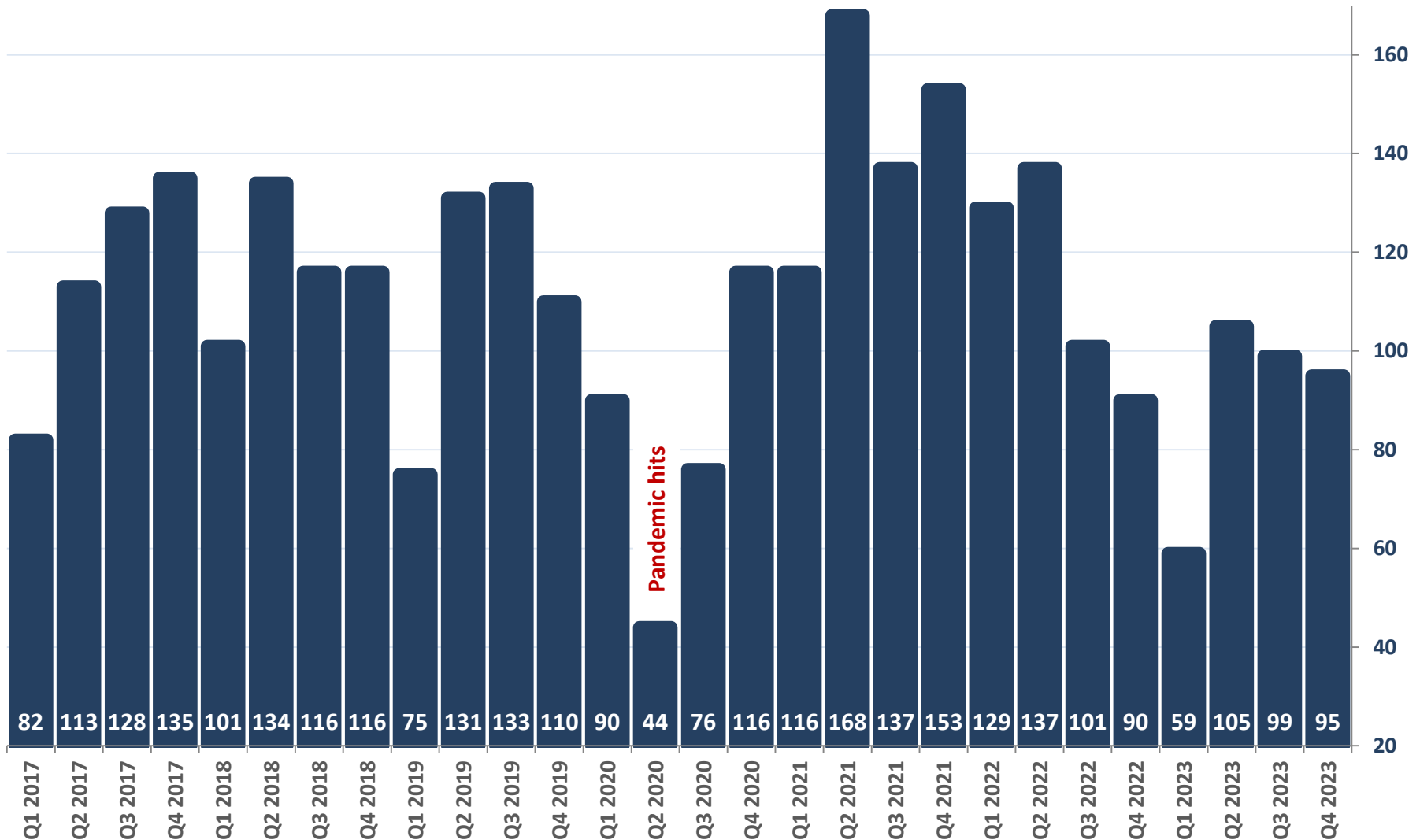


Sales reported to MLS. Years 2001-2004 omitted. Data from sources deemed reliable, but may contain errors and is subject to revision. All numbers are approximate, and may change with late reported sales.

San Francisco 2-4 Unit Building Sales

Sales Volume, 2017 – Present, by Quarter

Closed sales typically reflect offers accepted 3 to 6 weeks earlier. The market is often subject to seasonal trends in supply and demand.



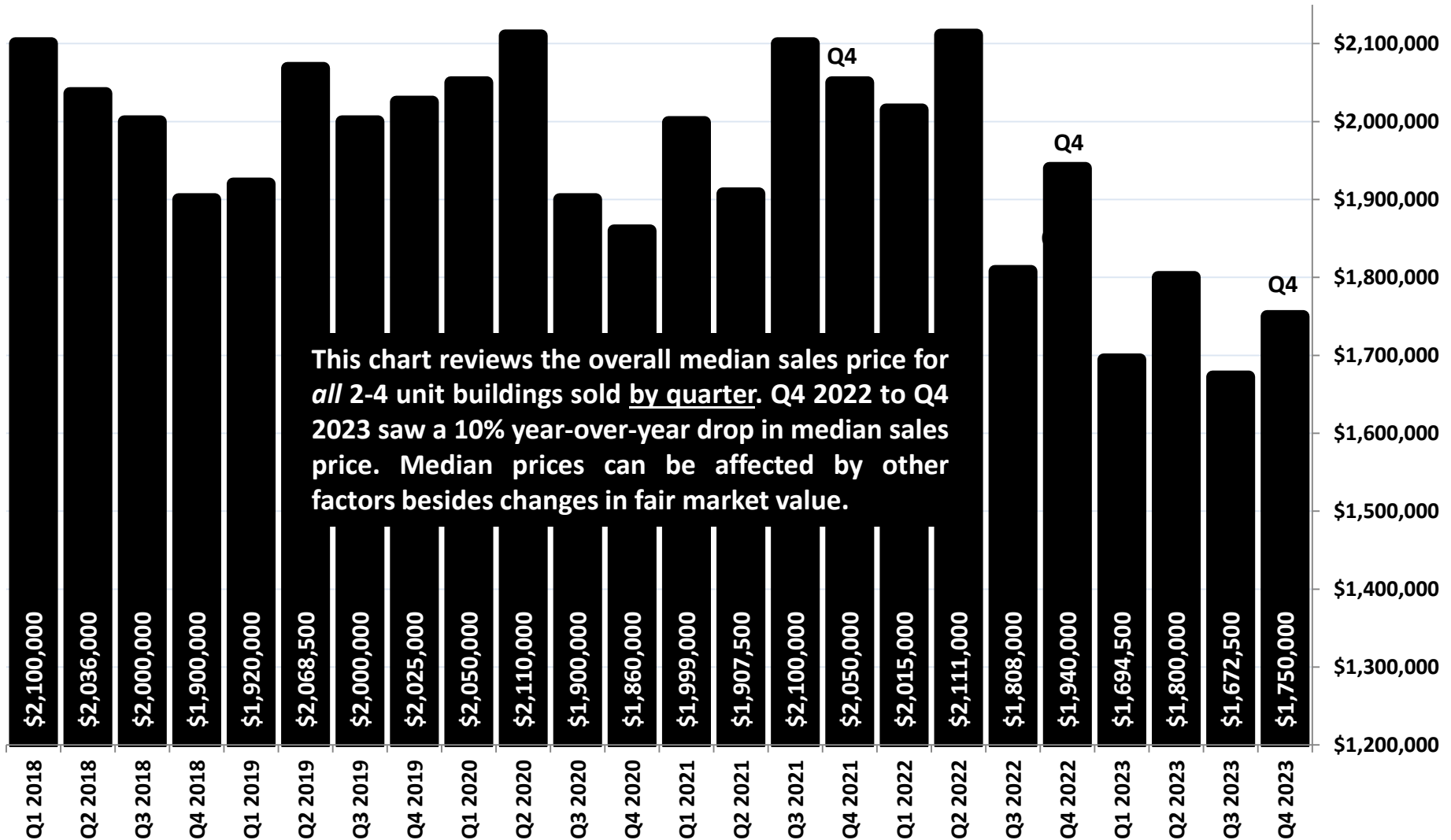
As reported NorCal MLS Alliance. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate. Last reading estimated and may change with late reported activity.



San Francisco 2-4 Unit Building Values

Median Sales Prices, by Quarter

Closed sales typically reflect offers accepted 3 to 6 weeks earlier. The market is often subject to seasonal trends in supply and demand.



As reported to NorCal MLS Alliance. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate, and may change with late reported activity.



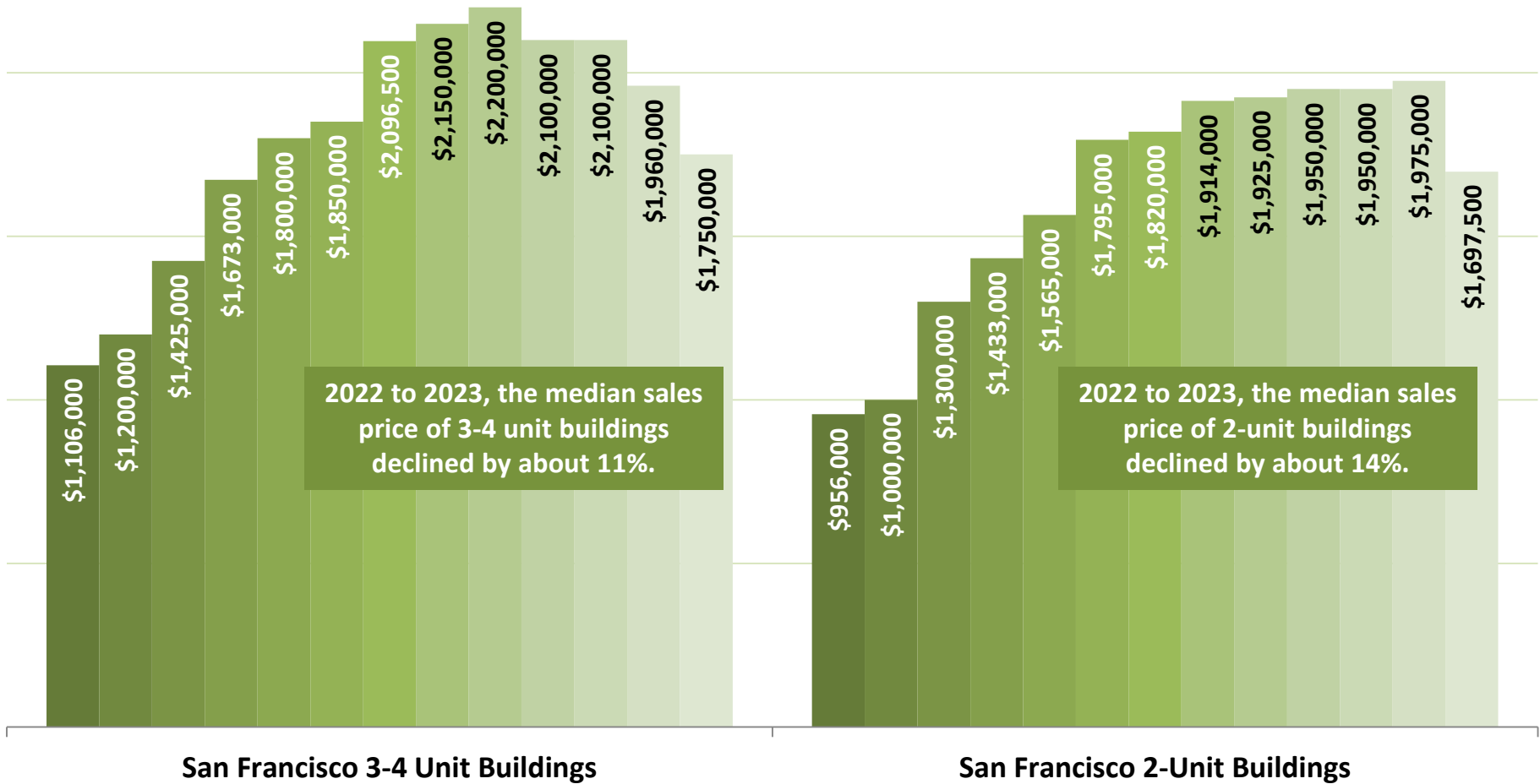
Median Sales Price Trends since 2011 by Year

San Francisco 2-4 Unit Residential Buildings

A specific comparative market analysis is required to value any particular property.

Annual Median Sales Prices

■ 2011 ■ 2012 ■ 2013 ■ 2014 ■ 2015 ■ 2016 ■ 2017 ■ 2018 ■ 2019 ■ 2020 ■ 2021 ■ 2022 ■ 2023



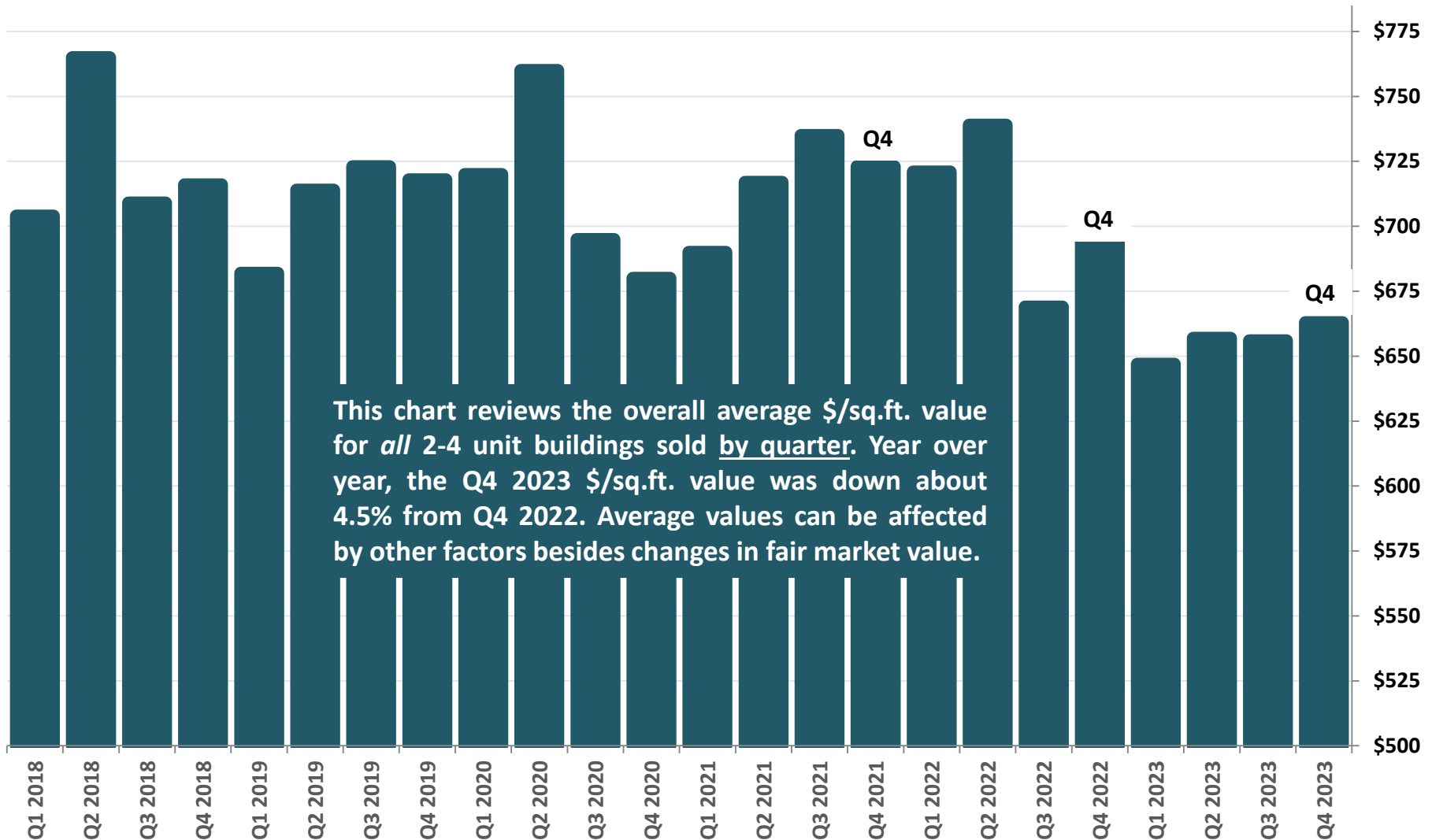
Sales reported to NorCal MLS Alliance. These prices are generalities reflecting sales of a wide variety of buildings in locations of differing values. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers should be considered approximate. Late reported sales may change data.



San Francisco 2-4 Unit Building Values

Average Dollar per Square Foot Values, by Quarter

Closed sales typically reflect offers accepted 3 to 6 weeks earlier.



As reported to NorCal MLS Alliance. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate, and may change with late reported activity.



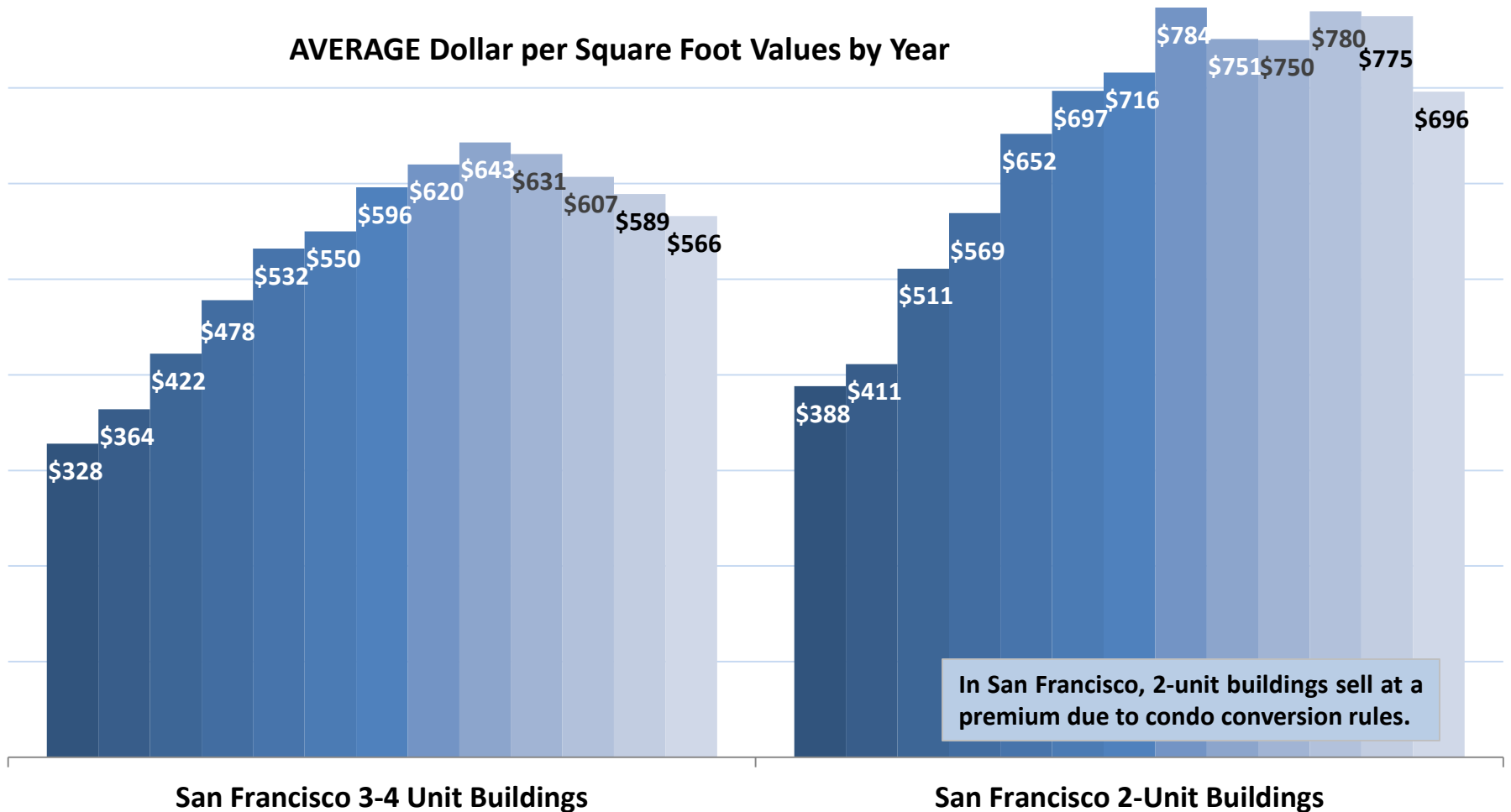
Average Dollar per Square Foot Values by Year

San Francisco 2-4 Unit Residential Building Sales since 2011

A specific comparative market analysis is required to value any particular property.

■ 2011 ■ 2012 ■ 2013 ■ 2014 ■ 2015 ■ 2016 ■ 2017 ■ 2018 ■ 2019 ■ 2020 ■ 2021 ■ 2022 ■ 2023

AVERAGE Dollar per Square Foot Values by Year

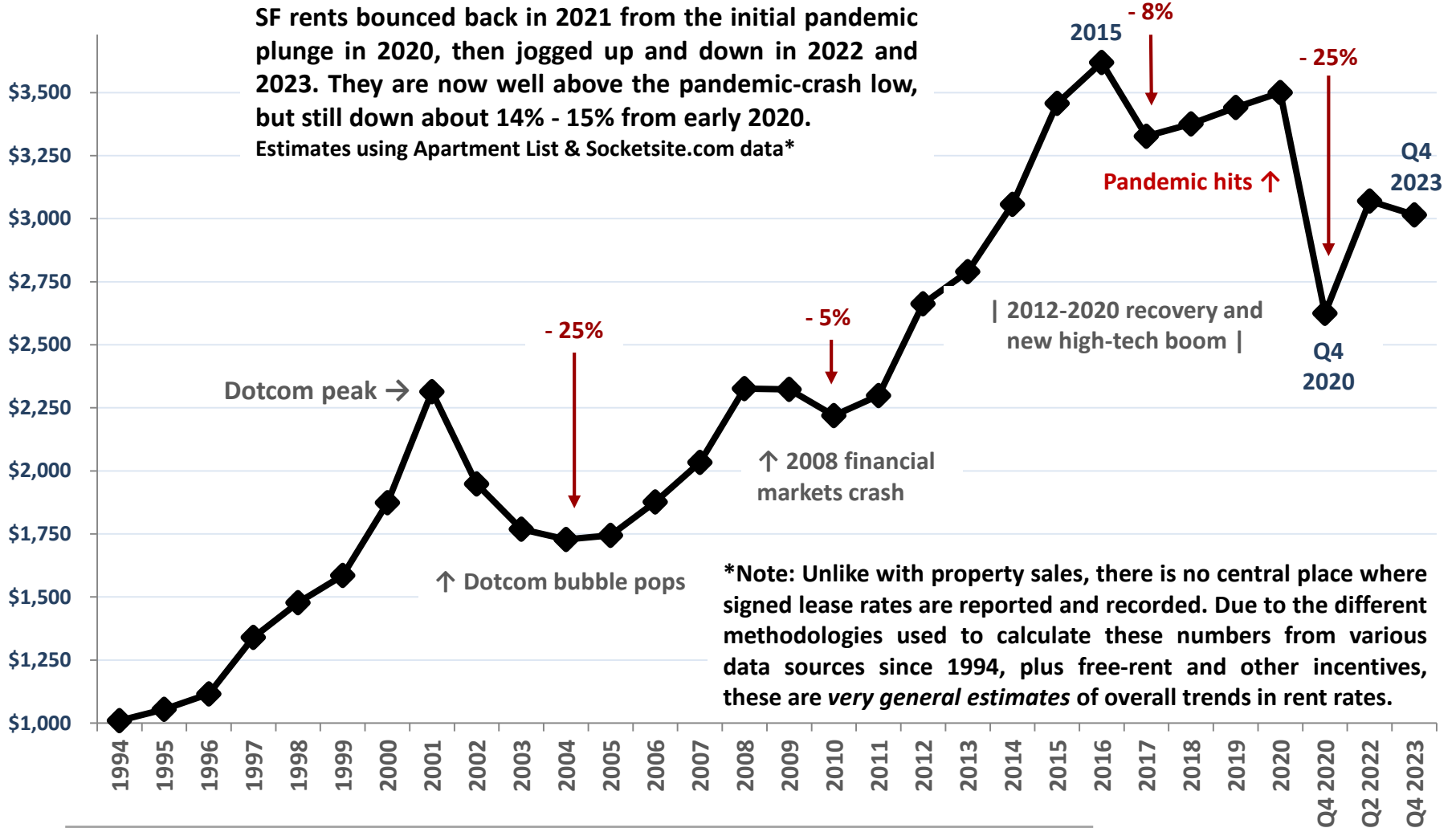


Sales reported to NorCal MLS Alliance. These values are generalities reflecting sales of a wide variety of buildings in locations of differing values. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers to be considered approximate. Late reported sales may alter these numbers.

COMPASS

San Francisco Residential Rents – Approximate, Good Faith Estimates*

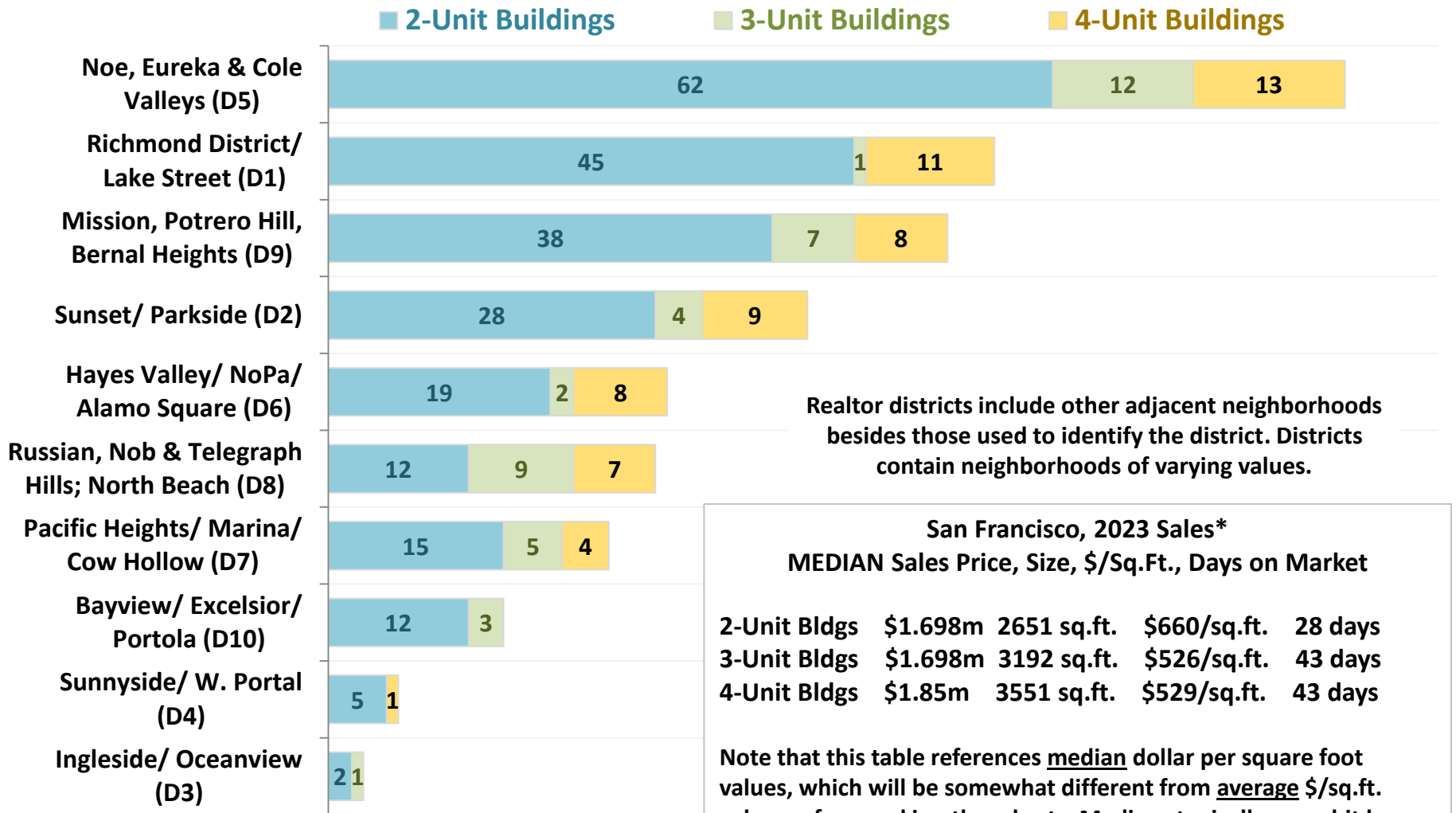
Average Asking Rent, 1994 – Present, Q1 Data Points (except as noted)



1st quarter data points except, as noted. Numbers are estimated using data from a variety of rental data sources over the past 25+ years. Data from sources deemed reasonably reliable but may contain errors and subject to revision. All numbers are good-faith estimates and very approximate.

2-4 Unit Residential Property Sales

by San Francisco Realtor District, 2023 Sales*



Realtor districts include other adjacent neighborhoods besides those used to identify the district. Districts contain neighborhoods of varying values.

San Francisco, 2023 Sales*
MEDIAN Sales Price, Size, \$/Sq.Ft., Days on Market

2-Unit Bldgs	\$1.698m	2651 sq.ft.	\$660/sq.ft.	28 days
3-Unit Bldgs	\$1.698m	3192 sq.ft.	\$526/sq.ft.	43 days
4-Unit Bldgs	\$1.85m	3551 sq.ft.	\$529/sq.ft.	43 days

Note that this table references median dollar per square foot values, which will be somewhat different from average \$/sq.ft. values referenced in other charts. Medians typically run a bit lower.

*2023 Sales reported to NorCal MLS Alliance by 12/27/23. This analysis was performed in good faith with data derived from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate, and may change with late-reported sales. Not all listings provided square footage figures.



2-4 Unit Residential Building Values by San Francisco Realtor District

Median Sales Price, Median Size & Median \$/Sq.Ft. Value – 2023 Sales*

San Francisco District	2-Unit Buildings	3-Unit Buildings	4-Unit Buildings
Pacific & Presidio Heights, Cow Hollow & Marina (District 7)	\$2,650,000 3150 sq.ft.-\$863/sq.ft.	\$2,671,000 3187 sq.ft.-\$853/sq.ft.	\$2,252,500 3149 sq.ft.-\$711/sq.ft.
Russian, Nob & Telegraph Hills; North Beach (District 8)	\$1,842,500 2590 sq.ft.-\$767/sq.ft.	\$1,800,000 3772 sq.ft.-\$588/sq.ft.	\$2,362,500 3742 sq.ft.-\$580/sq.ft.
Noe, Eureka & Cole Valleys; Ashbury & Corona Heights; Mission Dolores (D5)	\$1,960,000 2645 sq.ft.-\$771/sq.ft.	\$1,912,500 3200 sq.ft.-\$590/sq.ft.	\$1,860,000 3507 sq.ft.-\$500/sq.ft.
North of Panhandle (NoPa), Alamo Square, Hayes Valley, Lower Pacific Heights (D6)	\$1,450,000 2495 sq.ft.-\$603/sq.ft.	Not enough sales for analysis	\$1,800,000 3391 sq.ft.-\$526/sq.ft.
Lake Street, Richmond District, Lone Mountain, Jordan Park (District 1)	\$1,691,000 2836 sq.ft.-\$605/sq.ft.	Not enough sales for analysis	\$1,975,000 3800 sq.ft.-\$530/sq.ft.
Potrero Hill, Bernal Heights, Inner Mission, South of Market (District 9)	\$1,610,000 2525 sq.ft.-\$644/sq.ft.	\$1,400,000 2517 sq.ft.-\$507/sq.ft.	\$1,265,000 3004 sq.ft.-\$425/sq.ft.
Sunset, Parkside (District 2)	\$1,652,500 2652 sq.ft.-\$614/sq.ft.	Not enough sales for analysis	\$1,700,000 3181 sq.ft.-\$555/sq.ft.
Bayview-Excelsior-Visitacion Valley (District 10)	\$1,100,000 2015 sq.ft.-\$504/sq.ft.	Not enough sales for analysis	Not enough sales for statistics

*2023 sales reported to NorCal MLS Alliance by 12/27/23. This analysis was performed in good faith with data derived from sources deemed reliable, but may contain errors and subject to revision. Many factors affect multi-unit values, including income, condition, tenant profile and owner-occupancy. **How these values apply to any particular property is unknown without a specific comparative market analysis.** Houses with units and condo buildings excluded. All numbers approximate, and may change with late-reported sales. Not all listings gave sq.ft. figures.

COMPASS

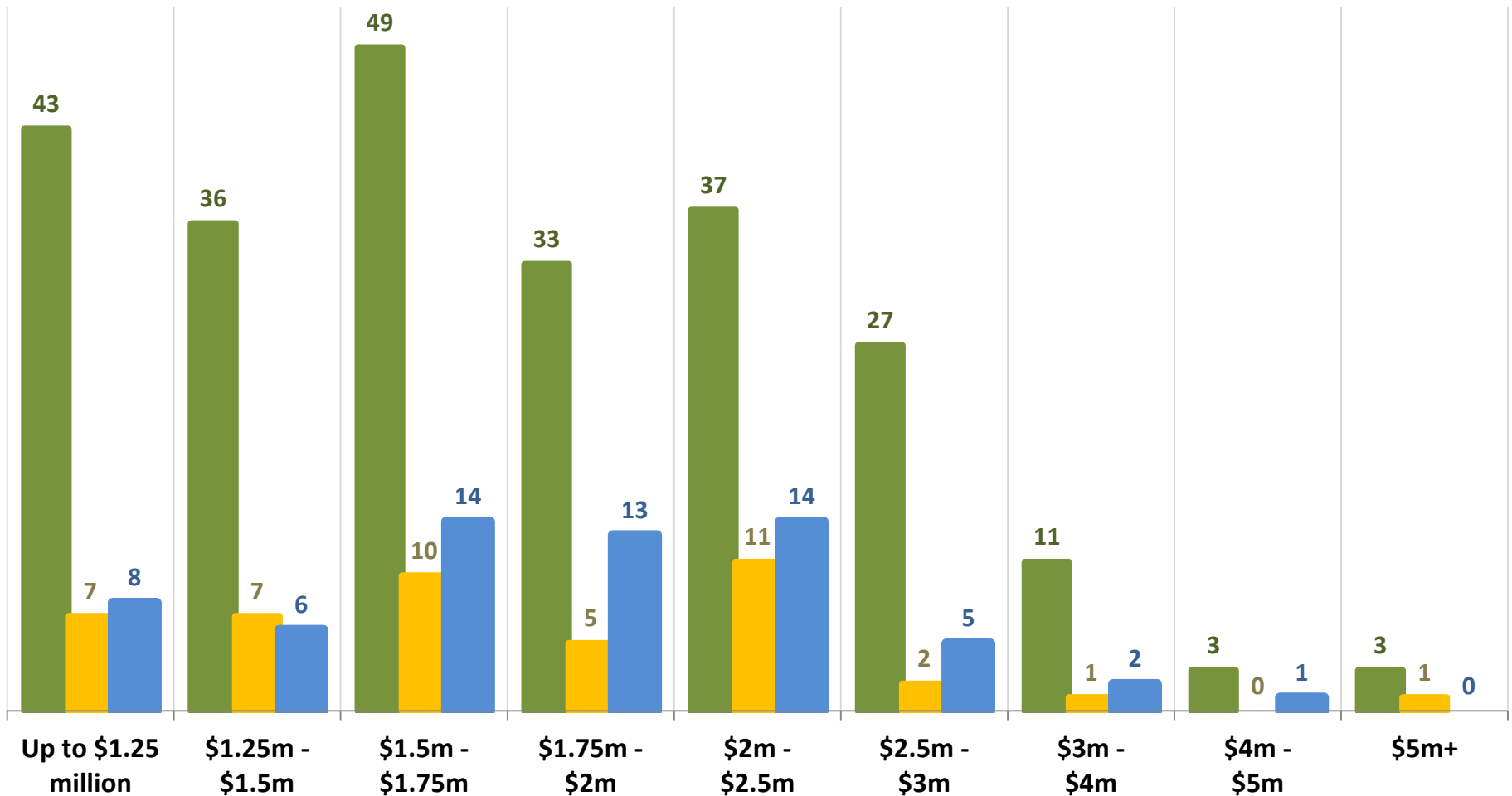
San Francisco 2-4 Unit Residential Buildings

12 Months Sales by Number of Units & Price Segment*

■ 2-Unit Building Sales

■ 3-Unit Building Sales

■ 4-Unit Building Sales

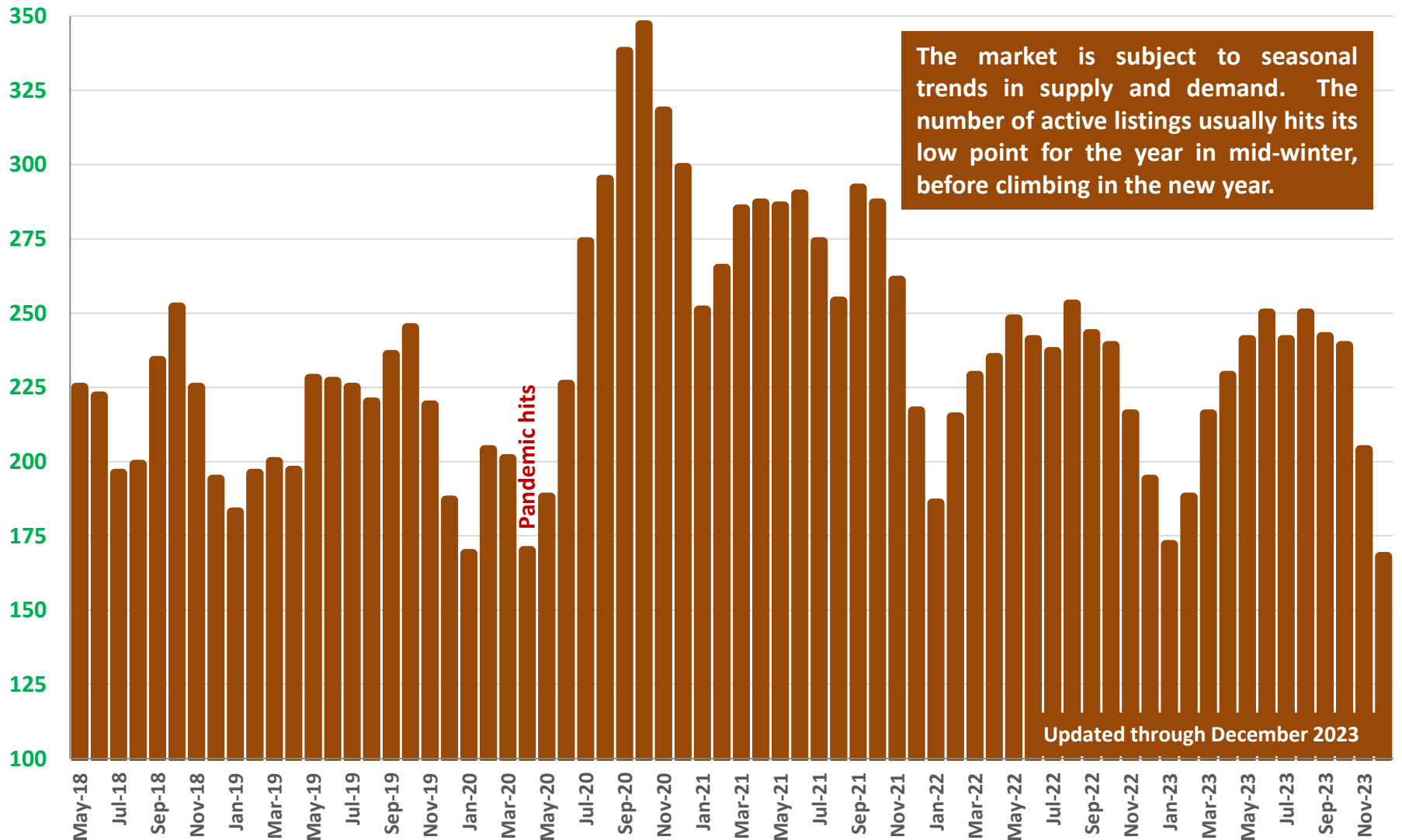


*12 months sales reported to NorCal MLS Alliance by late December 2023. Analysis performed in good faith with data derived from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate.

COMPASS

Active Listings on Market in Month

San Francisco 2-4 Multi-Family Building Market, since Spring 2018

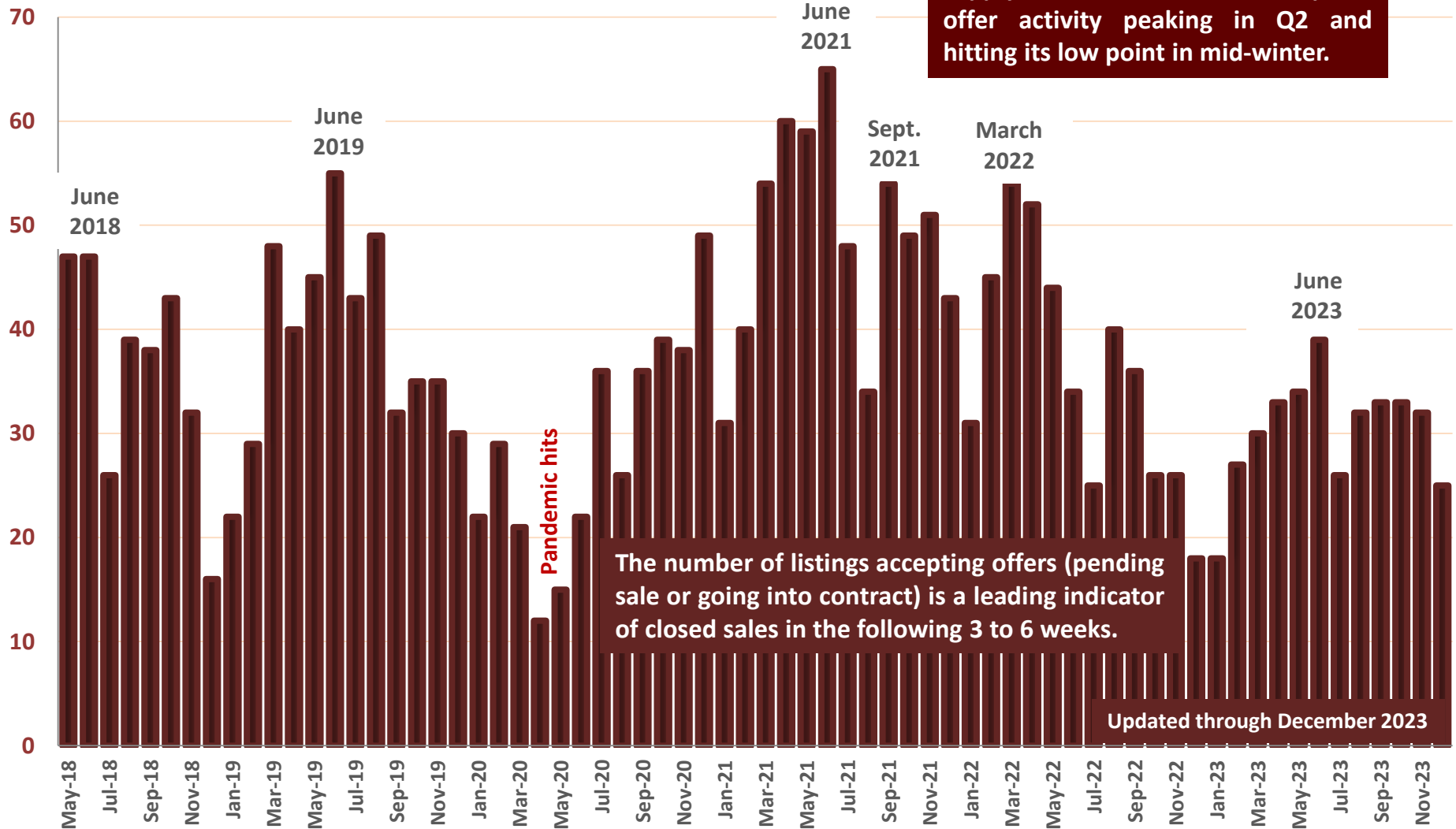


As reported to SFARMLS & MLSLISTINGS, per Broker Metrics. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate, and may change with late reported activity.



Listings Accepting Offers (Going into Contract) San Francisco 2-4 Unit Building Market by Month

Among other factors, the market is typically subject to seasonal trends in supply and demand, with accepted-offer activity peaking in Q2 and hitting its low point in mid-winter.



The number of listings accepting offers (pending sale or going into contract) is a leading indicator of closed sales in the following 3 to 6 weeks.

Updated through December 2023

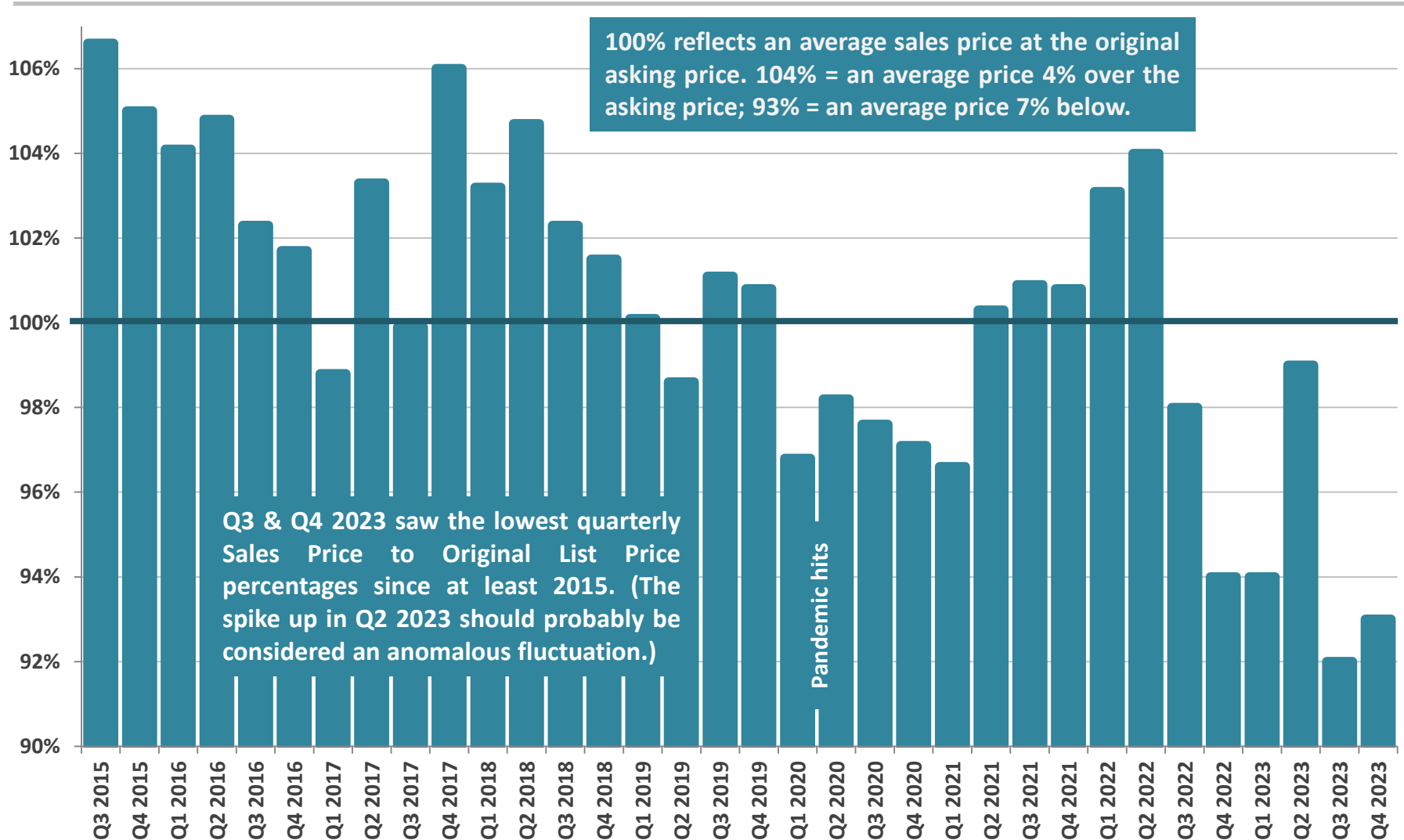
As reported to MLS, per Broker Metrics. Data from sources deemed reliable but may contain errors and subject to revision. All numbers are approximate. Last reading estimated and may change with late reported activity.



Sales Price to Original List Price Percentage

San Francisco 2-4 Unit Buildings, by Quarter

Based upon SFARMLS activity, per Broker Metrics



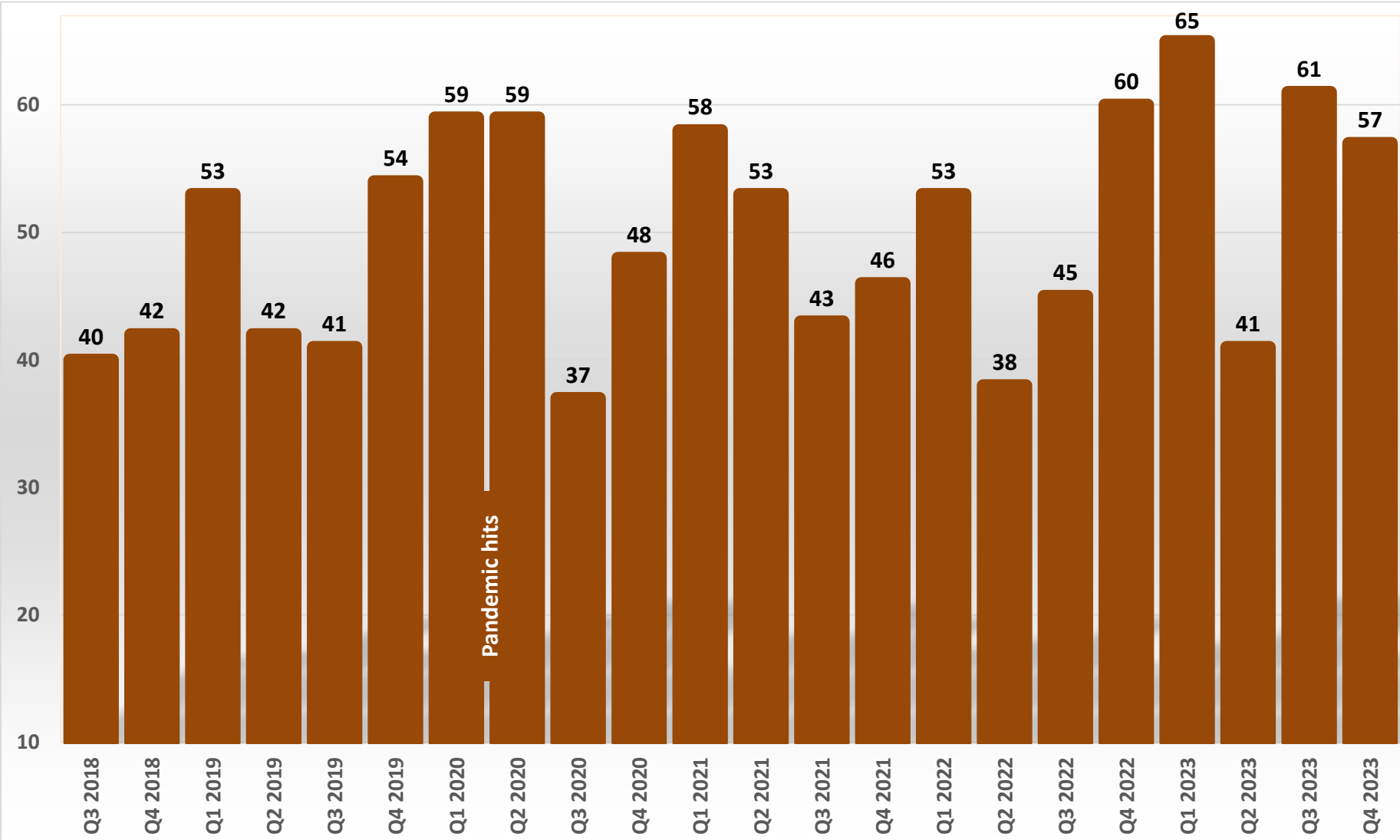
Data from sources deemed reliable, but may contain errors and subject to revision.
All numbers are approximate. Fluctuations in this metric are not unusual.



Average Days on Market by Quarter

San Francisco 2-4 Residential Unit Building Sales

2-unit buildings typically sell faster than 3-4 unit properties.



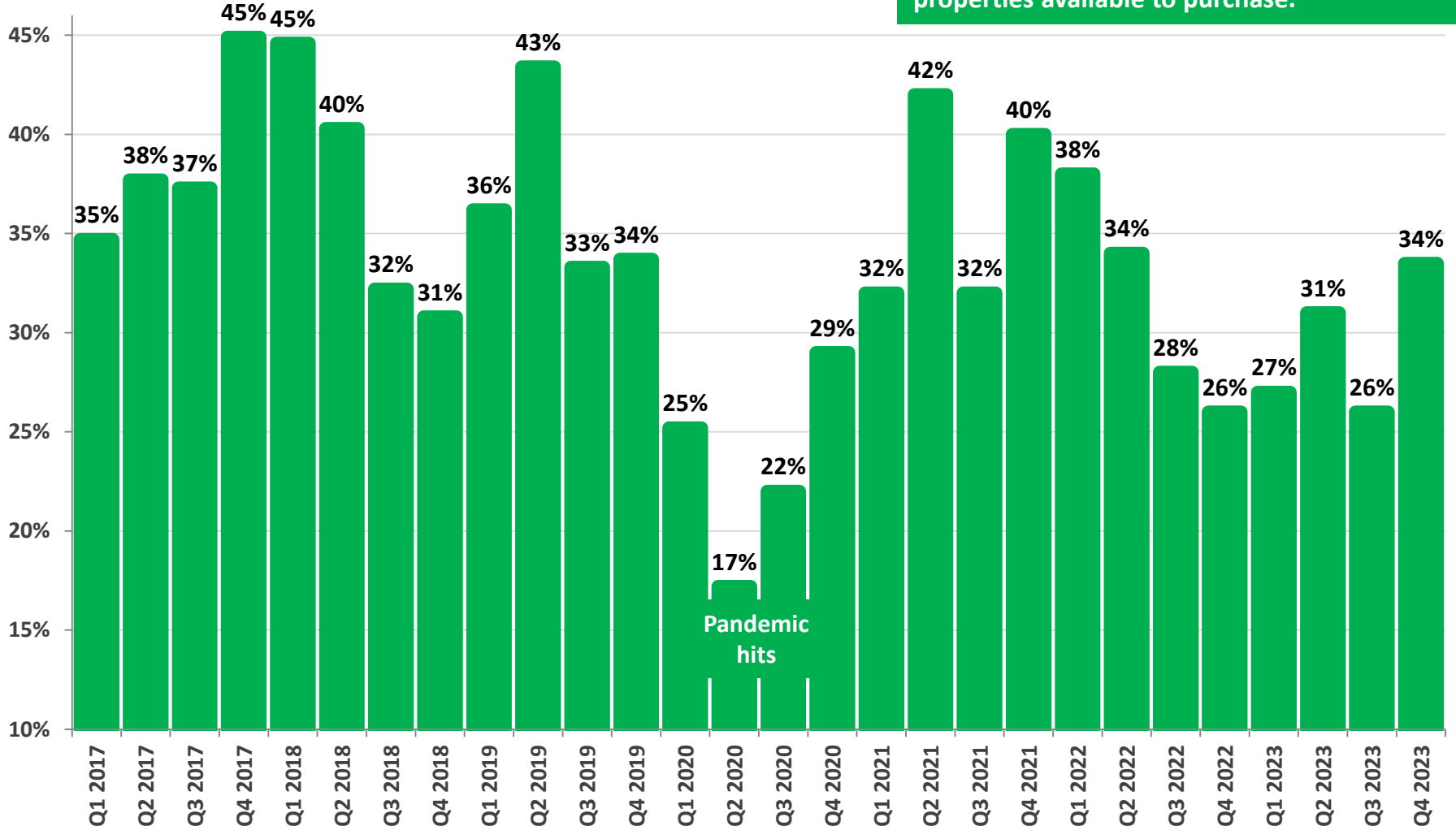
Residential market activity reported to SFARMLS, per Broker Metrics. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate. Last reading may change with late-reported activity.



Percentage of Listings Accepting Offers

San Francisco 2-4 Unit Building Market by Quarter

Absorption Rate: The higher the percentage of listings accepting offers, the stronger the buyer demand *as compared to* the supply of properties available to purchase.

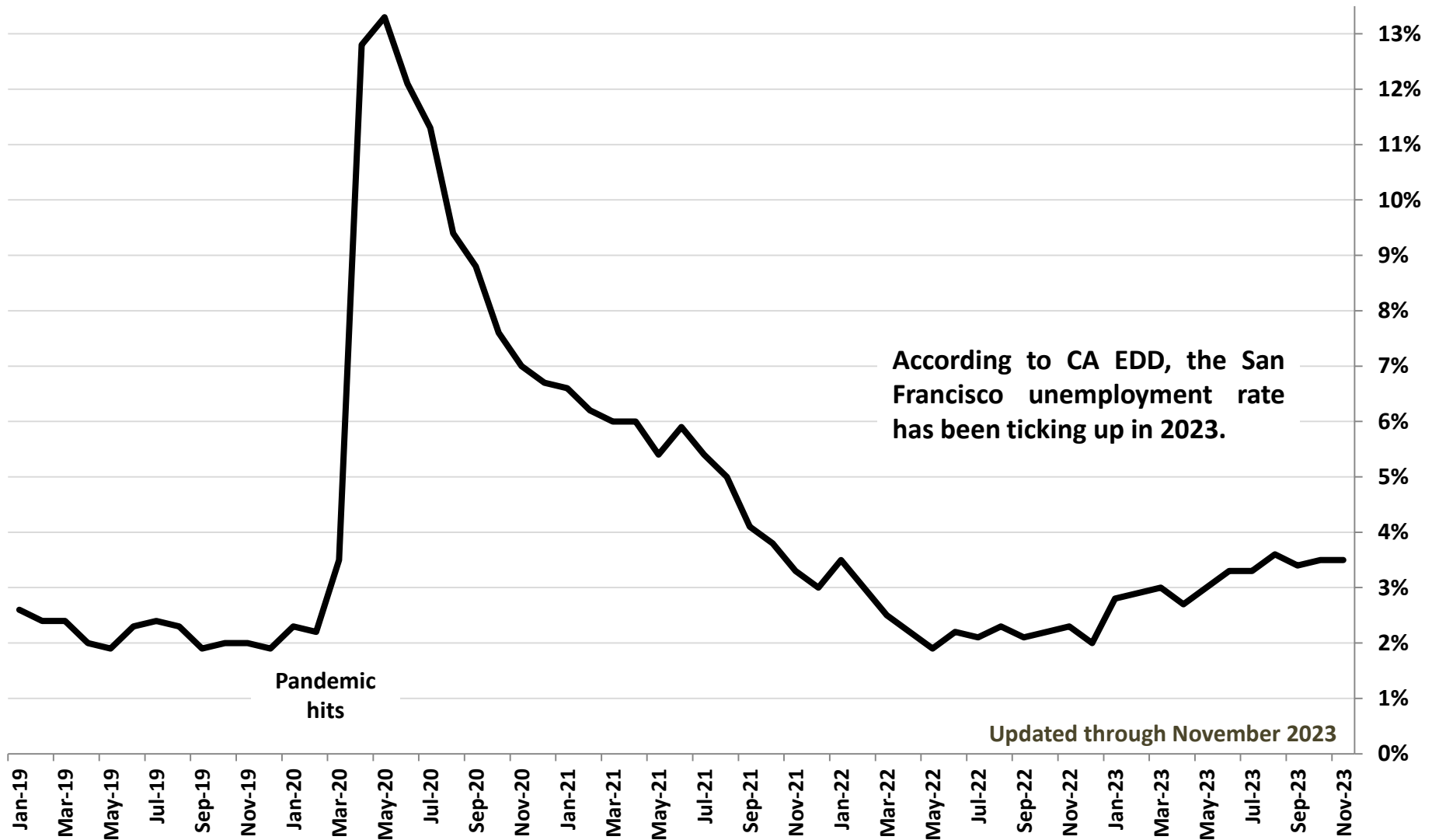


Based upon SFARMLS activity; per Broker Metrics. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate, and may change with late reported activity.



San Francisco Unemployment Rates Since 2019

CA Employment Development Department Estimates



According to CA EDD, the San Francisco unemployment rate has been ticking up in 2023.

Pandemic hits

Updated through November 2023

Estimates per CA Employment Development Dept. (EDD). Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate. EDD often revises estimates in later reports.



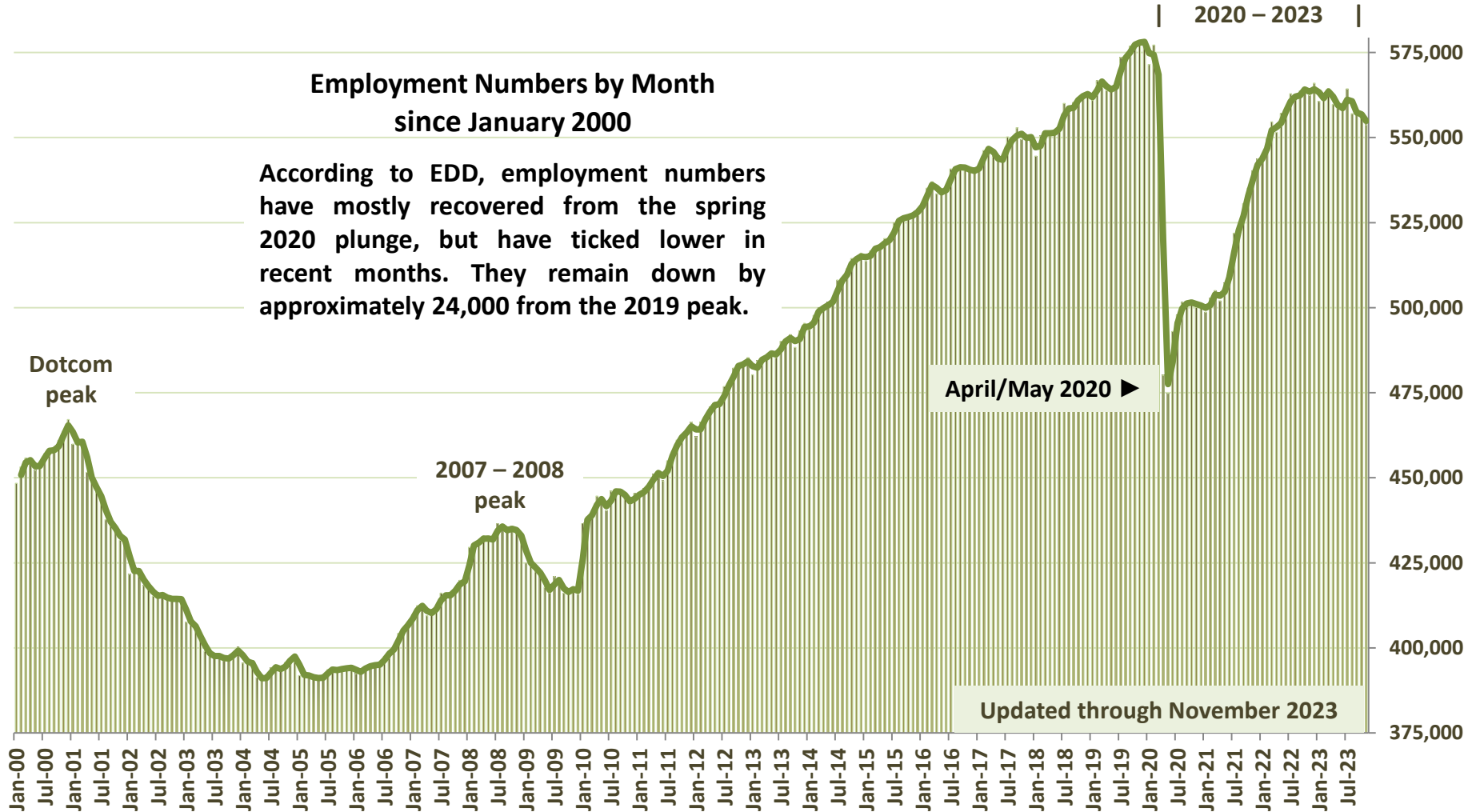
San Francisco Employment Trends

Number of Employed Residents since 2000

Per California Employment
Development Dept. (EDD)

Employment Numbers by Month since January 2000

According to EDD, employment numbers have mostly recovered from the spring 2020 plunge, but have ticked lower in recent months. They remain down by approximately 24,000 from the 2019 peak.



April/May 2020 ▶

Updated through November 2023

Per California Employment Development Dept. (EDD) . Last month's data is labeled "preliminary" by EDD. EDD often goes back to revise past data releases. Data from sources deemed reliable but may contain errors and subject to revision. All numbers should be considered approximate.



San Francisco Census Snapshots

Housing Occupancy*	
Owner-occupied	39.2%
Tenant-occupied	60.8%
Housing Units By Building Type*	
Single family	32.2%
2-9 unit buildings	29.5%
10+ unit buildings	38.0%
Other (mobile homes, etc.)	0.2%
Household Size*	
1 person	38.2%
2 persons	33%
3 persons	13.2%
4+ persons	15.6%
Housing by Era of Construction*	
1939 or earlier	45.0%
1940-1959	15.9%
1960-1979	15.6%
1980-1999	9.1%
2000-2019	13.3%
2020-2022	1.0%

Household Income	
Less than \$25,000	13.9%
\$25,000 - \$49,999	8.5%
\$50,000 - \$74,999	7.9%
\$75,000 - \$99,999	9.3%
\$100,000 - \$149,999	14.2%
\$150,000 - \$199,999	11.3%
\$200,000+	34.9%
Employment**	
Education, health, social assist.	20.8%
Professional, scientific, mgmt.	26.9%
Retail trade	7.8%
Manufacturing	4.7%
Arts, entertainment, hospitality	8.2%
Construction	3.2%
Finance, insurance, real estate	8.7%
Transport, warehousing, utilities	4.8%
Public administration	3.3%
Wholesale trade	1.4%
Information	6.0%
Agriculture, forestry, mining	0.2%

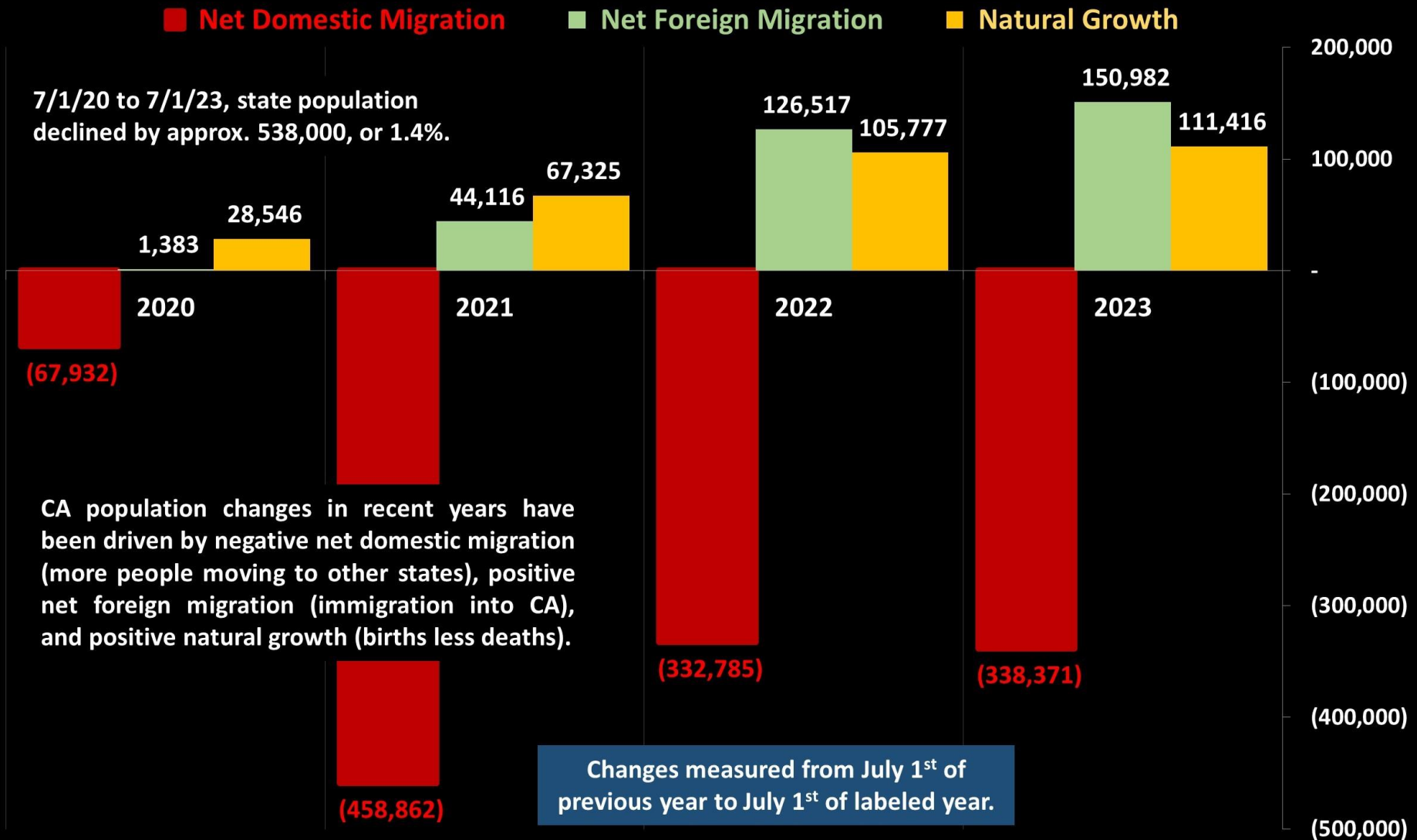
Educational Attainment***	
No high school diploma	11.1%
High school graduate	10.9%
Some college, no degree	11.2%
Associate degree	5.4%
Bachelor's degree	35.1%
Graduate/professional degree	26.2%
CA-Born Population: 41%	
Foreign-Born Population: 34%	
Source by Region	
Latin America	16.8%
Asia/Oceania	66.7%
Europe	11.8%
Africa	2.3%
North America	2.4%
Language Spoken at Home	
English only	56.7%
Spanish	10.4%
Other Indo-European	6.9%
Asian/Pacific Islander	25.0%

U.S. Census 2022, ACS 1-year estimates, published September 2023. *Occupied Housing Units, **Employment, 16+ years of age. ***25+ years of age. All numbers approximate, subject to revision.



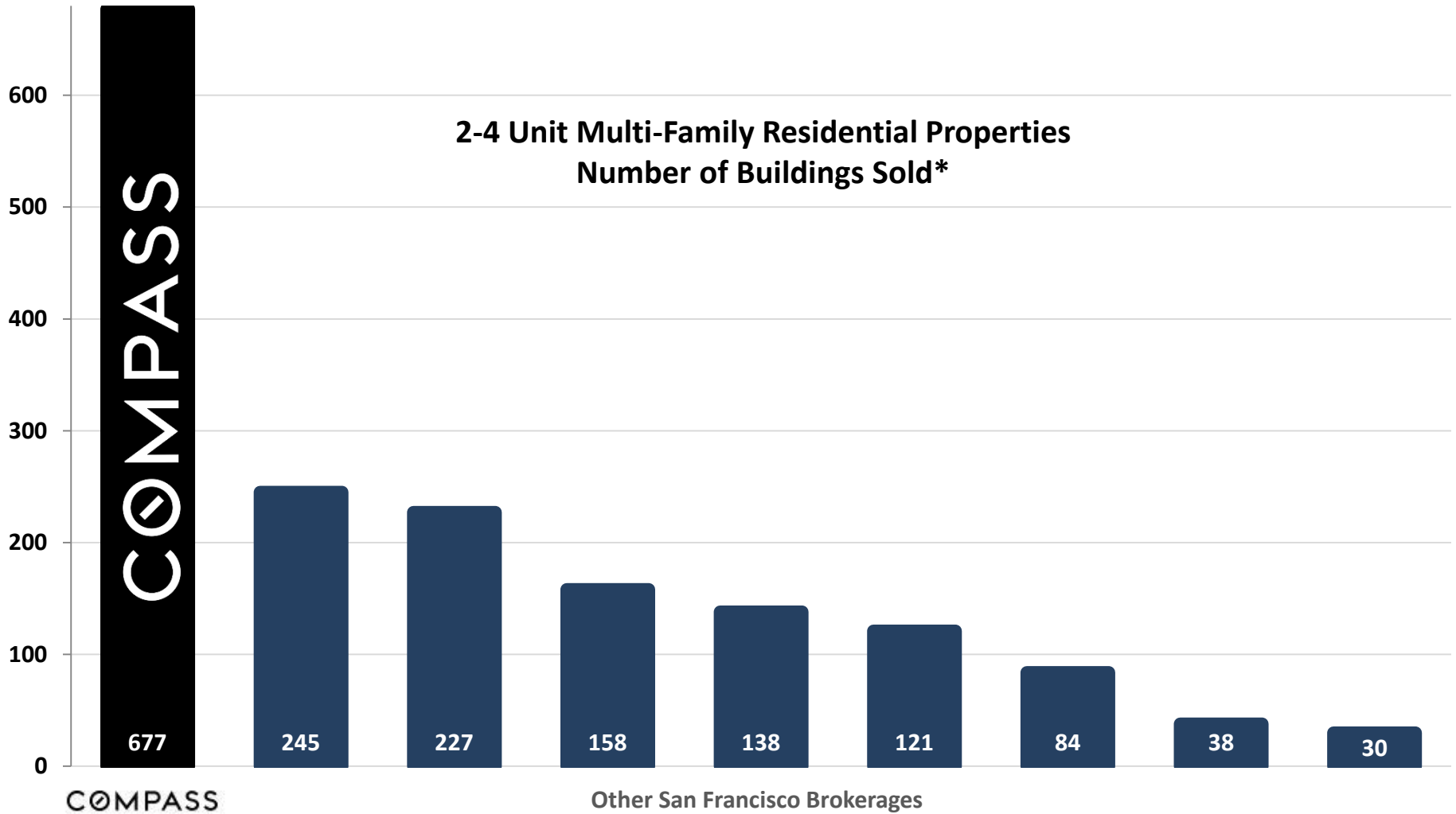
Components of California Population Change since 2020

U.S. Census Estimates, July 1st to July 1st



Estimates published 12/19/23 by U.S. Census. Data from sources deemed reliable but may contain errors. All numbers approximate and may be revised in future estimates.

San Francisco 2-4 Unit Multi-Family Building Sales By Broker, Residential Income Property Sales, 2021-2023*



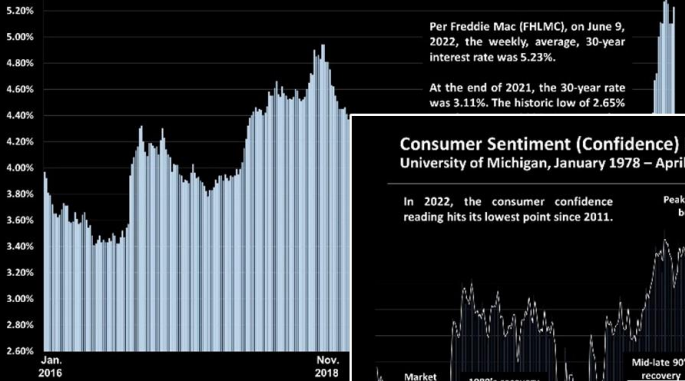
* 2021-2023 transaction-side, residential 2-4 unit sales reported to NorCal MLS Alliance through 6/21/23, per MLS Ranking Report, top 50 companies by dollar volume sales. Analysis made in good faith. By brokerage/brand.



Mortgage Interest Rate Trends, 2016 – Present

30-Year Conforming Fixed-Rate Loans, Weekly Average Readings

Rates published by the FHLMC

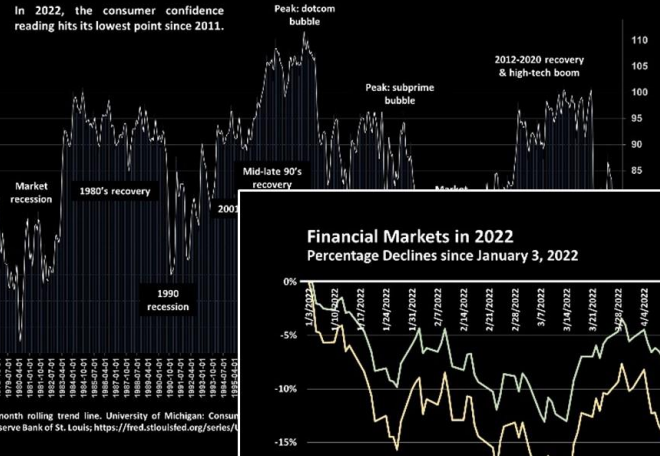


Interest rates may fluctuate suddenly and dramatically, and changes. Data from sources deemed reliable but not guaranteed. Home loans should consult with a qualified mortgage professional.

Consumer Sentiment (Confidence) Index

University of Michigan, January 1978 – April 2022

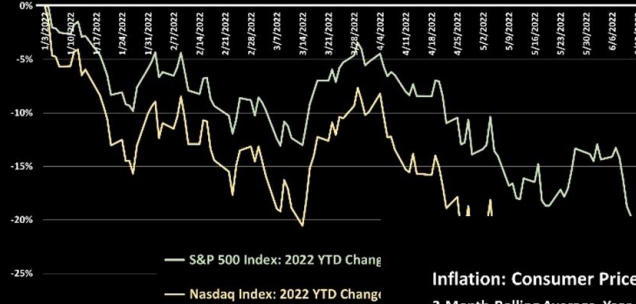
As published by the Federal Reserve Bank of St. Louis



Click Here for Review of Selected Macroeconomic Trends

Financial Markets in 2022

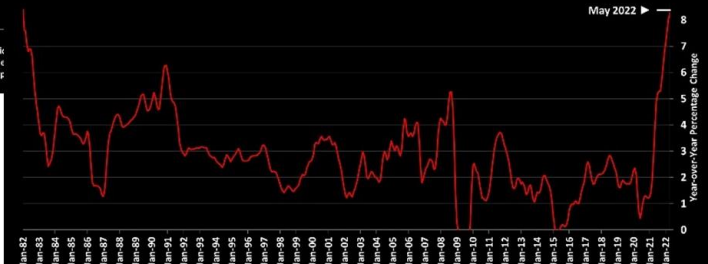
Percentage Declines since January 3, 2022



Last reading as of 6/13/22 AM. Data per MarketWatch.com, daily closing price reading. Data from source deemed reliable, but may contain errors and subject to revision. Financial markets change constantly and all numbers should be considered as approximate.

Inflation: Consumer Price Index, 1982 – 2022*

3-Month-Rolling Average, Year-over-Year % Change



*3 month rolling average of Consumer Price Index for All Urban Consumers: All Items in U.S. City Average (CPIAUCSL), retrieved from FRED, Federal Reserve Bank of St. Louis. <https://fred.stlouisfed.org/series/CPIAUCSL>, June 2022. Data from U.S. Bureau of Labor Statistics. All Items (CPIAUCSL) is a price index of a basket of goods and services paid for by urban consumers. This particular index includes roughly 88 percent of the total population. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate.

Factors in Bay Area Real Estate Markets

Many of these factors can swing both positive and negative; sometimes effects are deeply counter-intuitive (e.g. a pandemic causing a fierce housing boom). Economic, political, social and ecological dynamics constantly change and interact in difficult-to-predict ways. Market-changing developments can percolate gradually, or arise quickly and unexpectedly. The impact of specific factors can vary by market segment.

Local economic conditions: High-tech booms, employment, housing affordability & development, venture capital & foreign investment, pro/anti-business sentiment, etc.

Interest rates Stock markets Inflation Consumer confidence

Household wealth; personal, corporate, govt. debt levels Massive, governmental economic interventions (including by the Fed); post 9/11/2001, post 9/2008, post 3/2020

Natural disasters such as COVID, 1989 earthquake, 2017-21 fires, drought

Domestic & foreign migration; federal immigration policy; demographic changes

Tax law e.g. real estate tax benefits & credits, 2017 SALT-deduction limitation Rental market dynamics State income tax disparities

International economic/political events, e.g. large oil price swings, military/economic conflict, foreign economic crises, 9/11, 2015 Chinese stock market crash

Local, state & national politics Social and quality of life issues: Crime, homelessness, cost of living, economic inequality, partisan politics, etc.

Financial industry manipulation, fraud, engineering, recklessness, e.g. junk bonds, S&L collapse, predatory lending, abandonment of risk mgmt. & underwriting standards, CDOs & rating-agency deceit, insider trading, over-leveraged investing; irrational exuberance

Note that the quantity of sales in any given local submarket is usually relatively small and/or the number of sales that report the necessary financial information can be limited. Buildings of different ages, qualities and sizes selling in different periods can cause these average and median figures to fluctuate significantly. Furthermore, the reliability of some of these calculations depends upon the quality of the income and expense figures provided by the listing agents, and sometimes instead of actual numbers, much less meaningful projected or scheduled figures are used. Therefore, the above statistics should be considered very general indicators, and how they apply to any particular property without a specific comparative market analysis is unknown.

These analyses were made in good faith with data from sources deemed reliable, but they may contain errors and are subject to revision. Statistics are generalities and all numbers should be considered approximate.

Compass is a real estate broker licensed by the State of California, DRE 01527235. Equal Housing Opportunity. This report has been prepared solely for information purposes. The information herein is based on or derived from information generally available to the public and/or from sources believed to be reliable. No representation or warranty can be given with respect to the accuracy or completeness of the information. Compass disclaims any and all liability relating to this report, including without limitation any express or implied representations or warranties for statements contained in, and omissions from, the report. Nothing contained herein is intended to be or should be read as any regulatory, legal, tax, accounting or other advice and Compass does not provide such advice. All opinions are subject to change without notice. Compass makes no representation regarding the accuracy of any statements regarding any references to the laws, statutes or regulations of any state are those of the author(s). Past performance is no guarantee of future results.

© 2024 Compass

COMPASS