



# **The San Francisco Smaller Apartment Building Market**

## **October 2021 Report 2-4 Unit Multi-Family Buildings**

Sales activity has picked up significantly since the plunge in sales occurring in 2020 after the pandemic first hit. Rents continue to rebound from the large decline, but still remain well below pre-pandemic rates. Office occupancy remains very low, with SF probably having the lowest rate of any major metro area in the nation. The state-wide eviction moratorium has expired, but certain protections continue: As with anything to do with our extremely complex and constantly changing tenant-landlord law in San Francisco, one is strongly advised to consult a local attorney specializing in the field before taking any action.

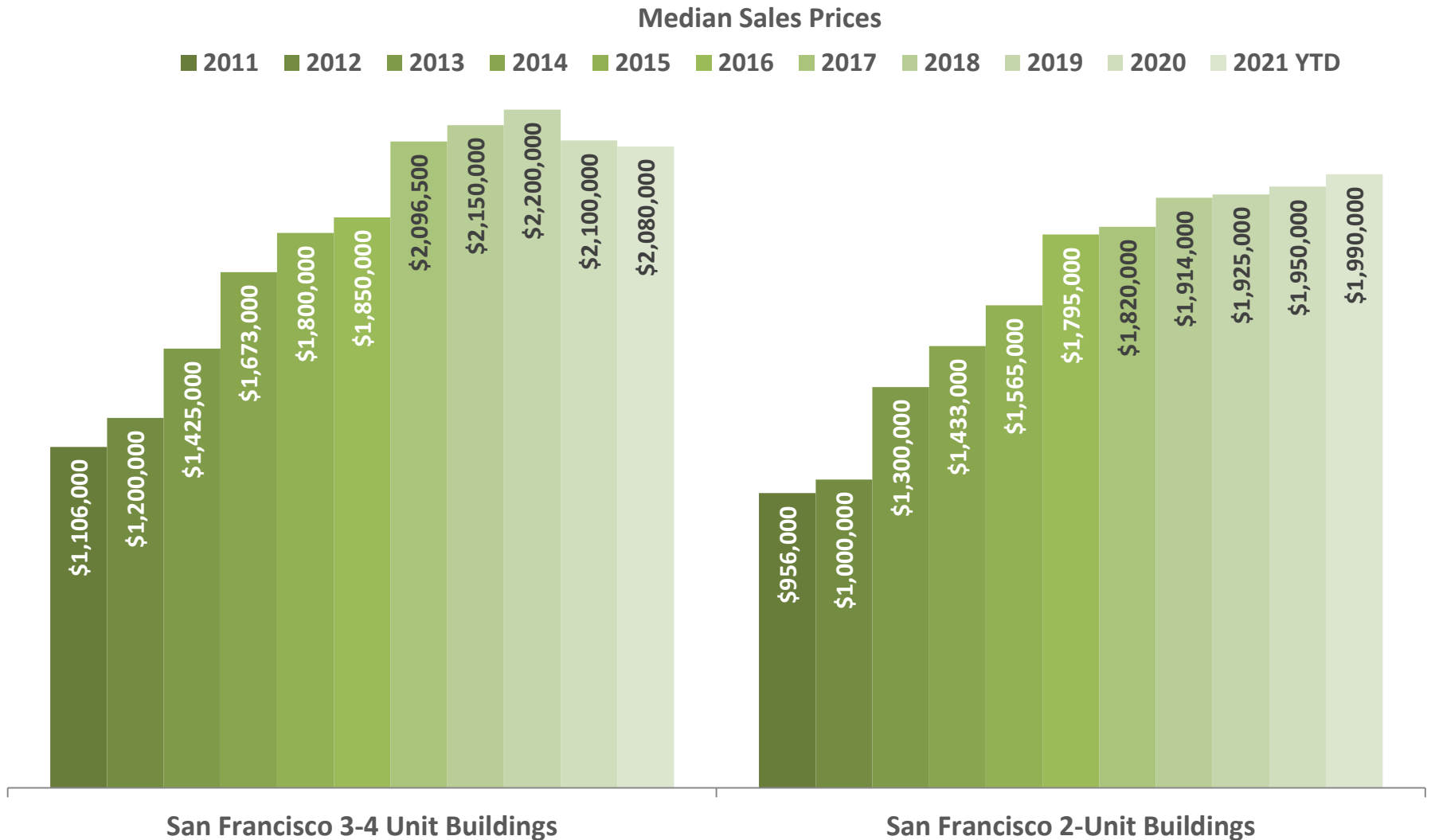
Data reported to regional MLS associations. Q3 2021 numbers are estimates using data available in early October: Late reported sales may alter these numbers. Statistics are generalities, essentially summaries of disparate data generated by dozens, hundreds or thousands of unique, individual sales. They 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 market segments with fewer sales. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate.

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# Median Sales Price Trends since 2011

## San Francisco 2-4 Unit Residential Buildings

Sales reported to MLS



Sales reported to NorCal Regional MLS through 9/27/21. 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.

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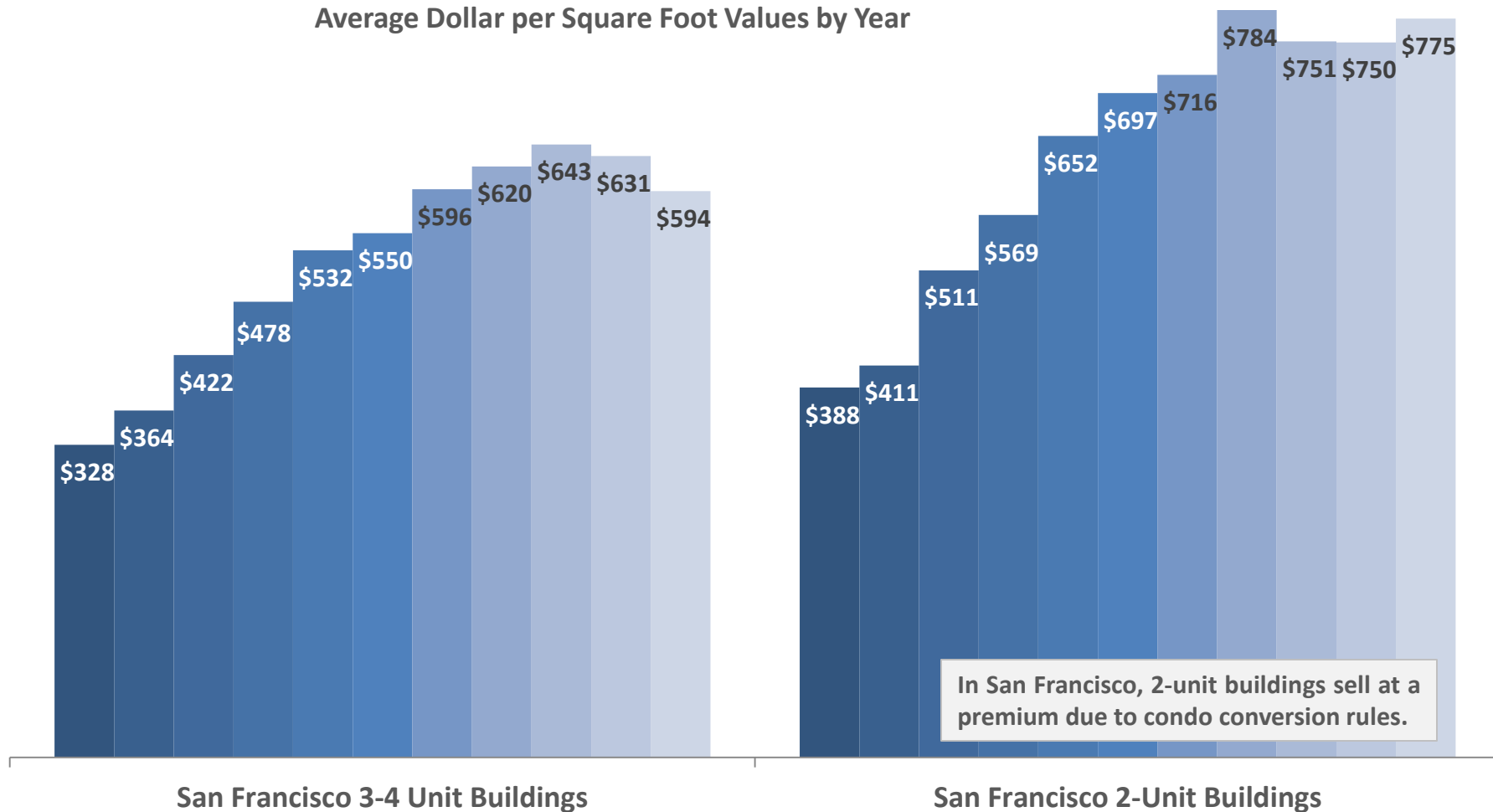
# Average Dollar per Square Foot Values since 2011

## San Francisco 3-4 Unit Residential Buildings

Sales reported to MLS

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

### Average Dollar per Square Foot Values by Year



Sales reported to NorCal Regional MLS by 9/27/21. 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.

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

Median Sales Prices, Building Square Footage, \$/Sq.Ft. Values – 12 Months Sales\*

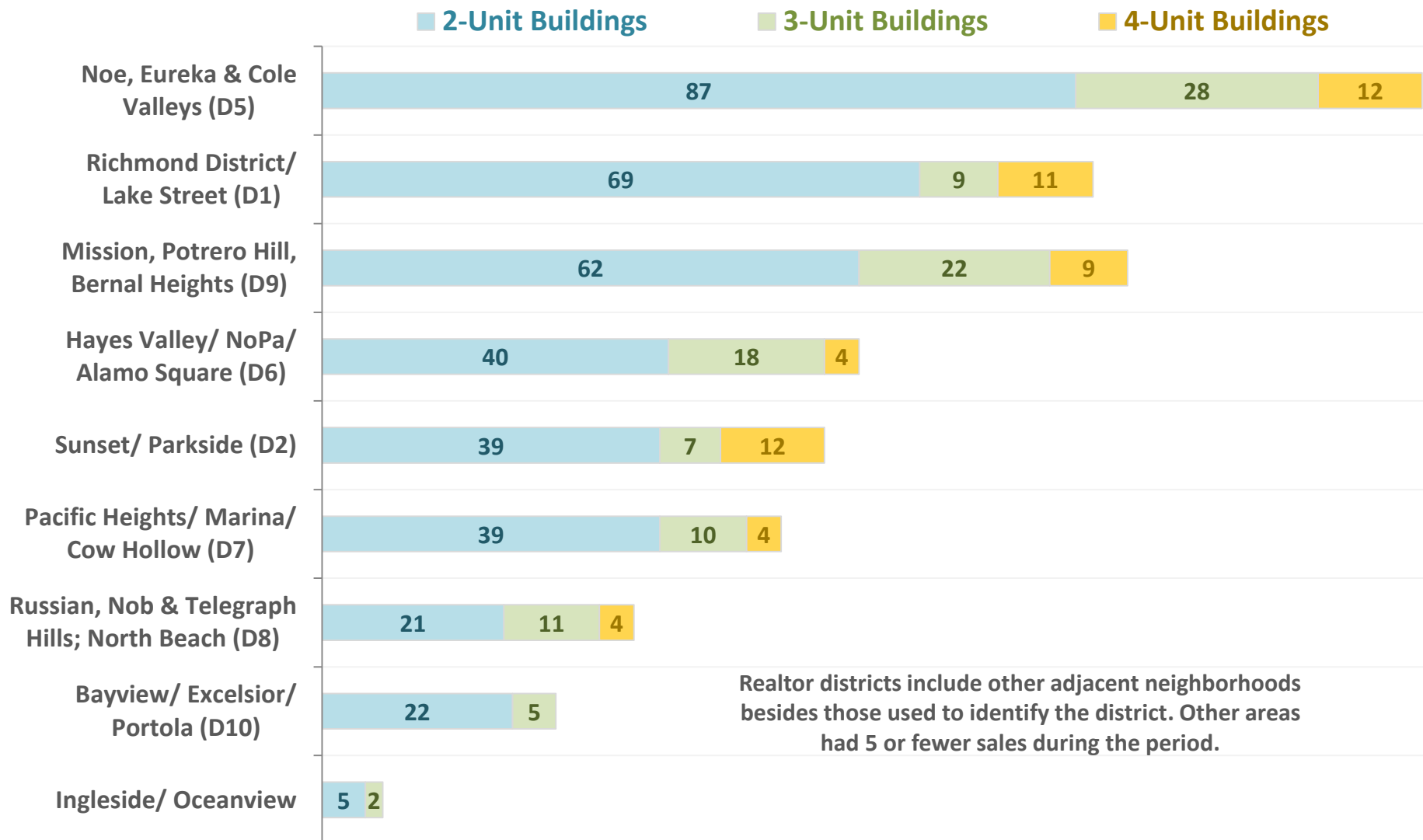
San Francisco District	2-Unit Buildings	3-Unit Buildings	4-Unit Buildings
Pacific & Presidio Heights, Cow Hollow & Marina (District 7)	\$3,000,000 3156 sq.ft., \$913/sq.ft.	\$3,325,000 4893 sq.ft., \$852/sq.ft.	\$2,850,000 3824 sq.ft., \$709/sq.ft.
Russian, Nob & Telegraph Hills; North Beach (District 8)	\$2,280,000 2312 sq.ft., \$993/sq.ft.	\$2,250,000 3395 sq.ft., \$616/sq.ft.	Not enough sales for analysis
Noe, Eureka & Cole Valleys; Ashbury & Corona Heights; Mission Dolores (D5)	\$2,150,000 2800 sq.ft., \$798/sq.ft.	\$2,090,000 3180 sq.ft., \$698/sq.ft.	\$2,177,500 3466 sq.ft., \$662/sq.ft.
North of Panhandle (NoPa), Alamo Square, Hayes Valley, Lower Pacific Heights (D6)	\$2,200,000 2690 sq.ft., \$765/sq.ft.	\$2,326,500 4264 sq.ft., \$552/sq.ft.	\$2,186,000 3645 sq.ft., \$488/sq.ft.
Lake Street, Richmond District, Lone Mountain, Jordan Park (District 1)	\$1,950,000 2902 sq.ft., \$692/sq.ft.	\$2,000,000 3440 sq.ft., \$588/sq.ft.	\$2,180,000 3800 sq.ft., \$574/sq.ft.
Potrero Hill, Bernal Heights, Inner Mission, South of Market (District 9)	\$1,700,000 2384 sq.ft., \$756/sq.ft.	\$1,722,500 3558 sq.ft., \$528/sq.ft.	\$1,650,000 3399 sq.ft., \$495/sq.ft.
Sunset, Parkside (District 2)	\$1,675,000 2503 sq.ft., \$704/sq.ft.	\$1,800,000 2773 sq.ft., \$627/sq.ft.	\$1,850,000 3858 sq.ft., \$528/sq.ft.
Bayview-Excelsior-Visitation Valley (District 10)	\$1,250,000 2517 sq.ft., \$520/sq.ft.	\$1,600,000 square footage N/A	Not enough sales for analysis
Ingleside, Oceanview (District 3)	\$1,190,000 1950 sq.ft., \$636/sq.ft.	Not enough sales for analysis	Not enough sales for analysis

\*Data from 12 months sales as reported to NorCal Regional MLS through 9/17/21. This analysis was performed in good faith with data derived from sources deemed reliable, but may contain errors and subject to revision. How these values apply to any particular property is unknown without a specific comparative market analysis. Due to the large variety of buildings, these numbers should be considered very approximate. Not all listings gave square footage figures.

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# 2-4 Unit Residential Property Sales

by San Francisco Realtor District, 12 Months Sales



12 months sales reported to NorCal Regional MLS through 9/17/21. Not all sales are reported. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate.

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# San Francisco 2-4 Unit Residential Buildings

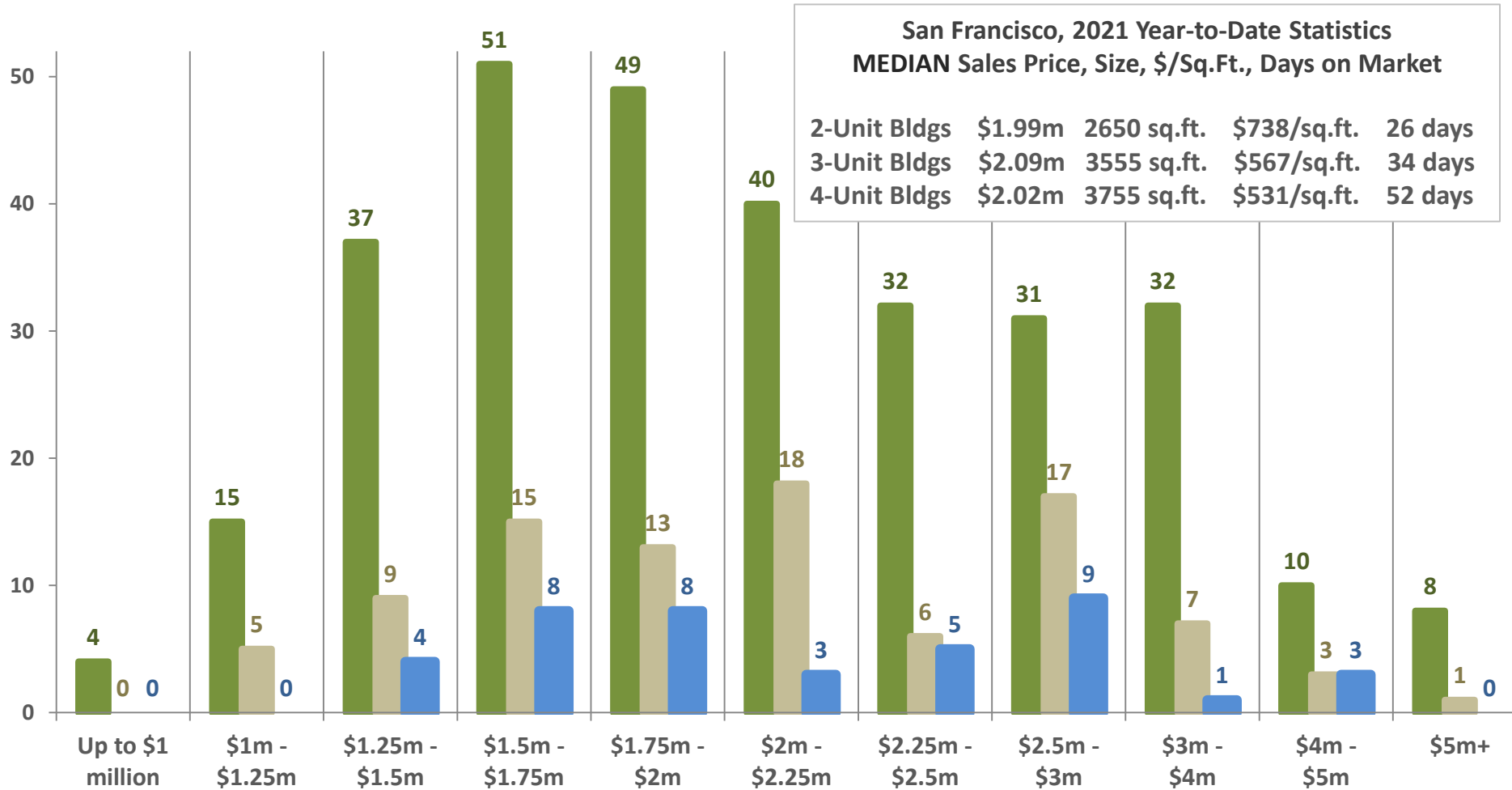
## Sales by Unit Number & Price Segment

Year to date sales reported  
to NorCal MLS by 9/27/21

■ 2-Unit Building Sales

■ 3-Unit Building Sales

■ 4-Unit Building Sales



### San Francisco, 2021 Year-to-Date Statistics MEDIAN Sales Price, Size, \$/Sq.Ft., Days on Market

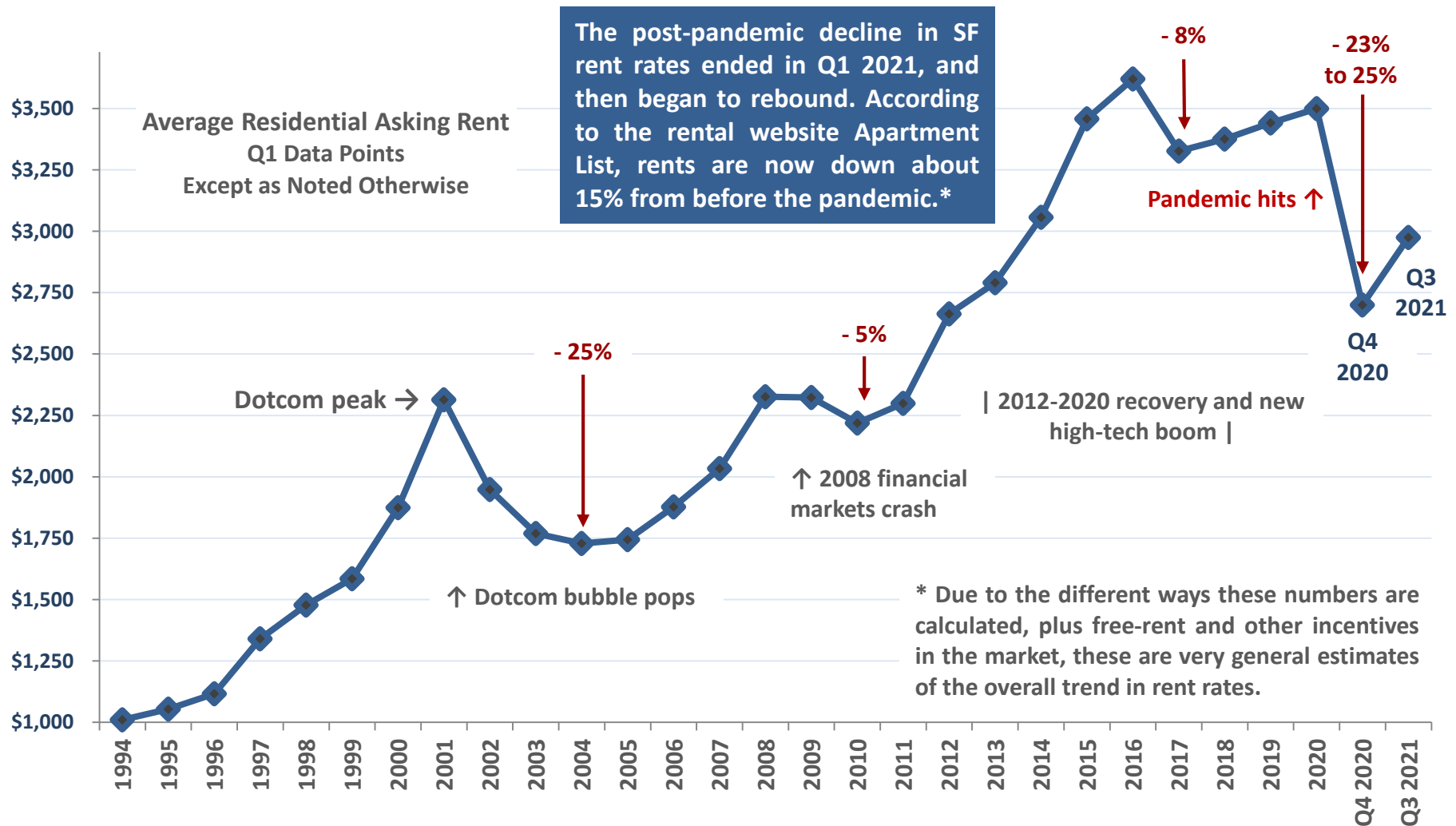
2-Unit Bldgs	\$1.99m	2650 sq.ft.	\$738/sq.ft.	26 days
3-Unit Bldgs	\$2.09m	3555 sq.ft.	\$567/sq.ft.	34 days
4-Unit Bldgs	\$2.02m	3755 sq.ft.	\$531/sq.ft.	52 days

"M" signifies millions of dollars. Sales reported to NorCal Regional MLS. Late reported sales may alter these numbers. Data from sources deemed reliable, but subject to error and revision. All numbers approximate.

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# San Francisco Residential Rents – Good Faith Estimates\*

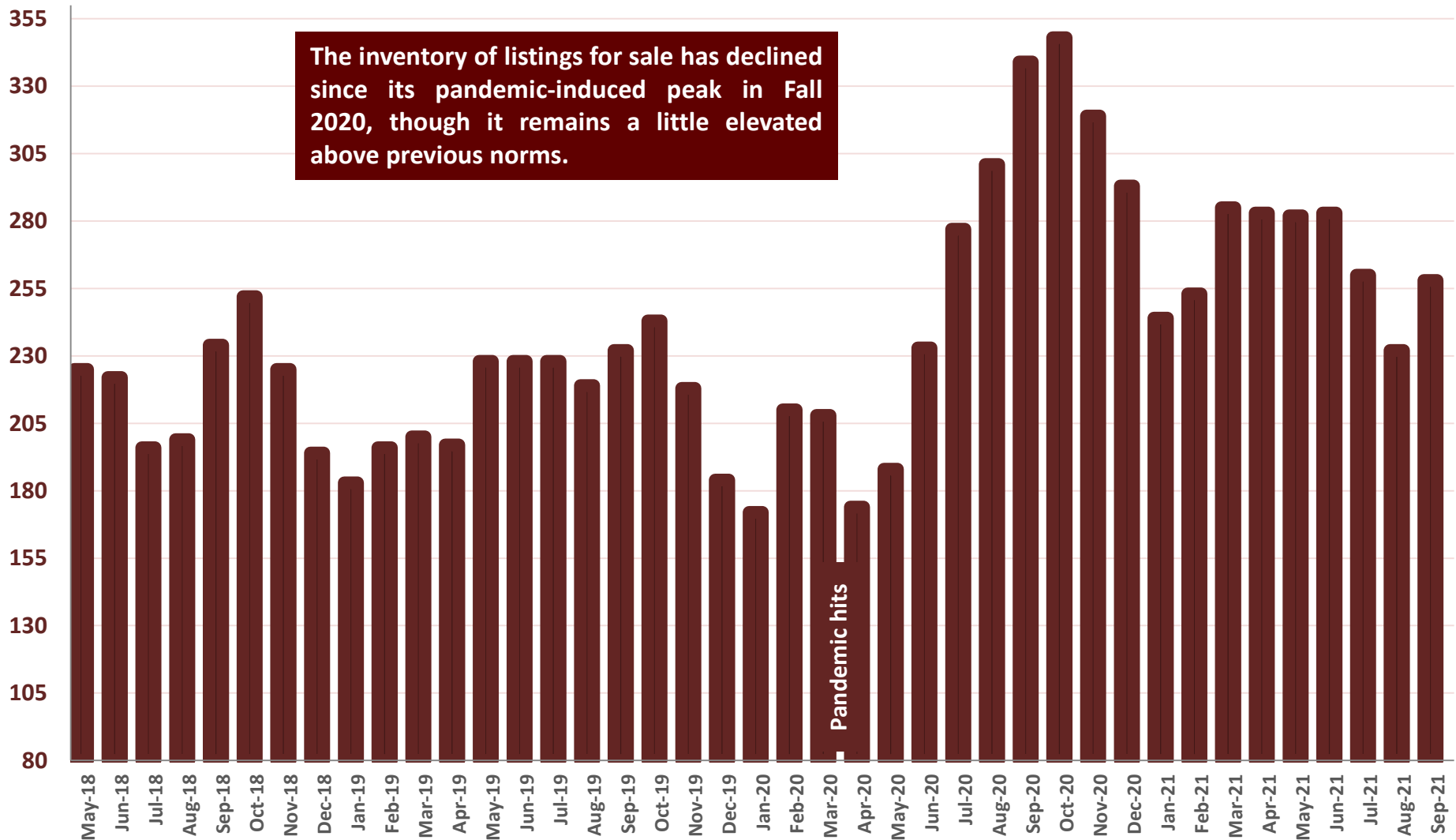
## Average Asking Rent, 1994 - Present



1<sup>st</sup> quarter data points except, as noted for Q4 2020 and Q3 2021. Numbers are estimated using data from a number of rental data sources. Data from sources deemed reliable but may contain errors and subject to revision. All numbers are good-faith estimates and very approximate.

# Active Listings on Market in Month

## San Francisco 2-4 Unit Building Market Dynamics



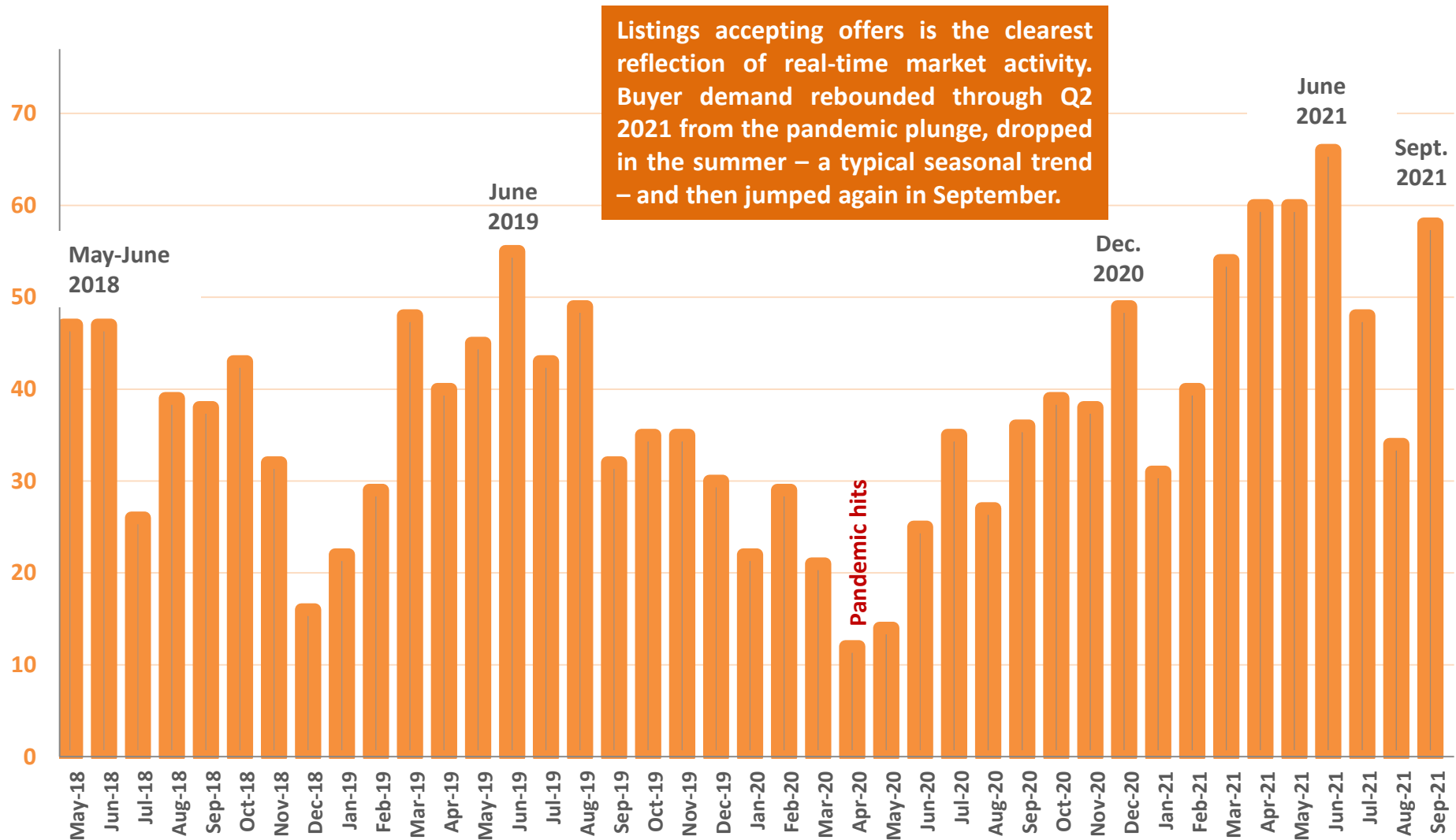
As reported to SFARMLS, MLSLISTINGS & East Bay MLS, per Broker Metrics. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate. Last reading estimated and may change with late reported activity.

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# Listings Accepting Offers (Going into Contract)

## San Francisco 2-4 Unit Building Market by Month



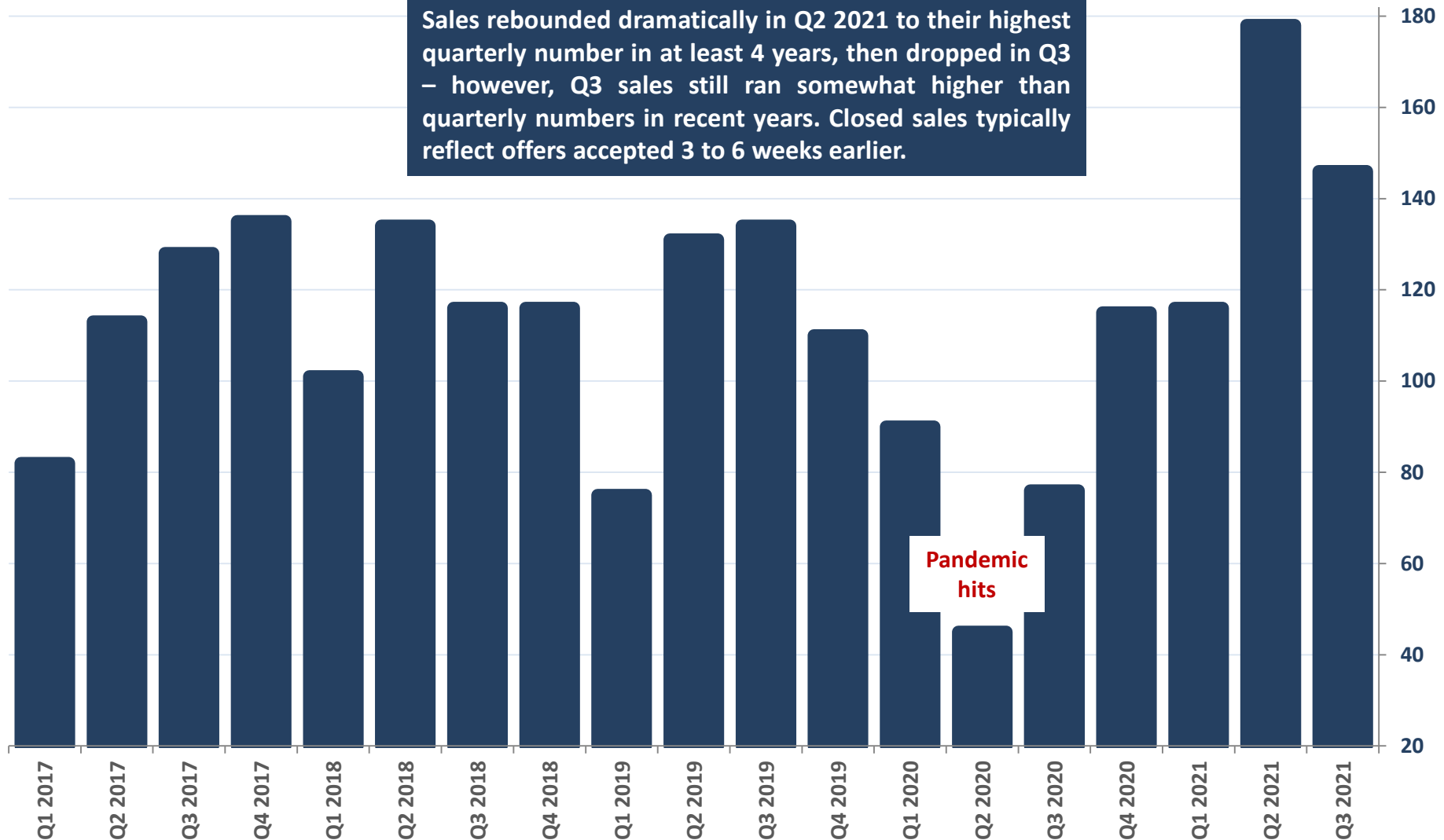
As reported to MLS, per Broker Metrics. Data from sources deemed reliable but may contain errors and subject to revision. All numbers are approximate. Last reading estimated and may change with late reported activity.

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# San Francisco 2-4 Unit Building Market

Unit Sales, 2017 – Present, by Quarter

Sales rebounded dramatically in Q2 2021 to their highest quarterly number in at least 4 years, then dropped in Q3 – however, Q3 sales still ran somewhat higher than quarterly numbers in recent years. Closed sales typically reflect offers accepted 3 to 6 weeks earlier.

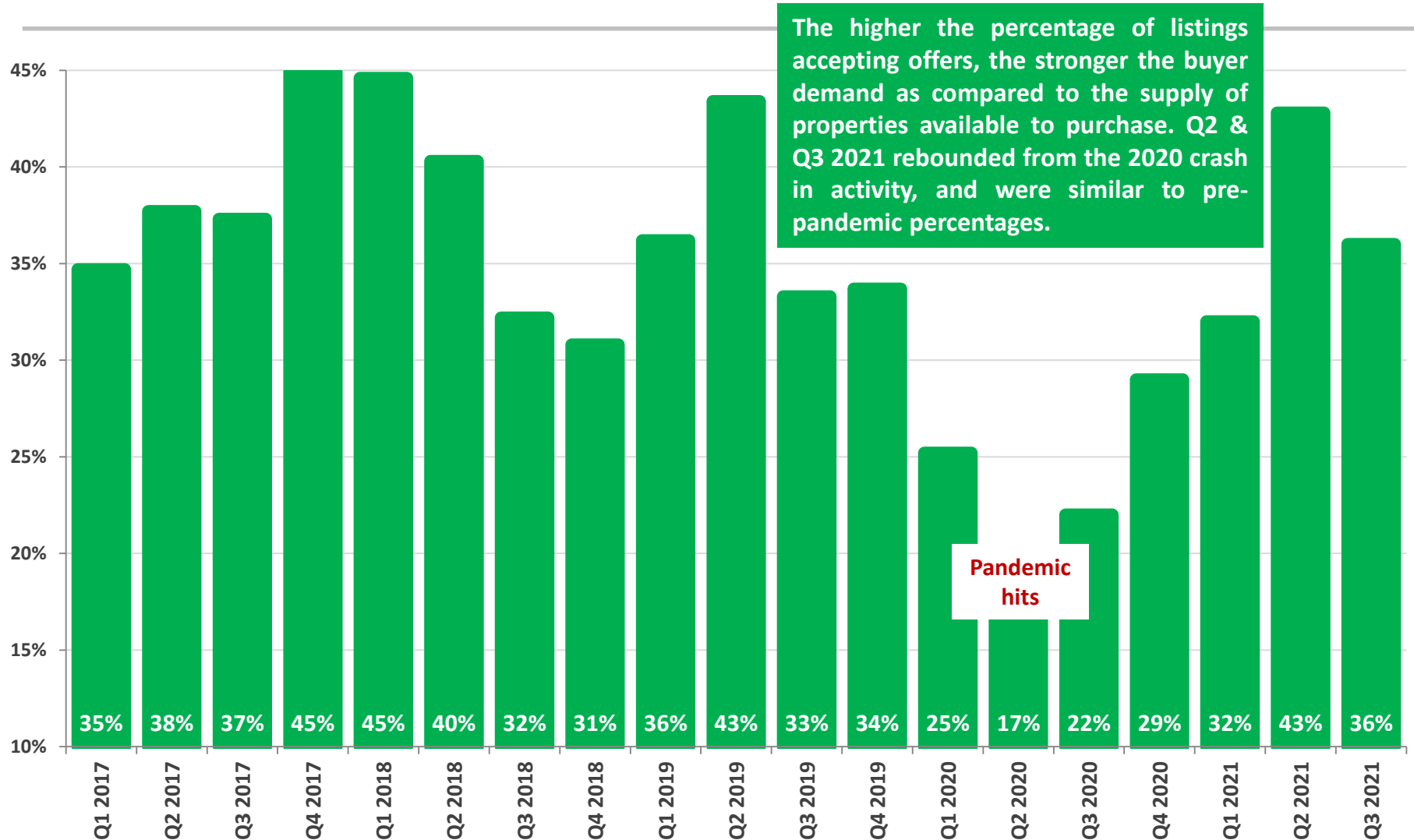


As reported to SFARMLS, MLSLISTINGS & East Bay MLS, per Broker Metrics. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate. Last reading estimated and may change with late reported activity.

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# Percentage of Listings Accepting Offers

## San Francisco 2-4 Unit Building Market by Quarter



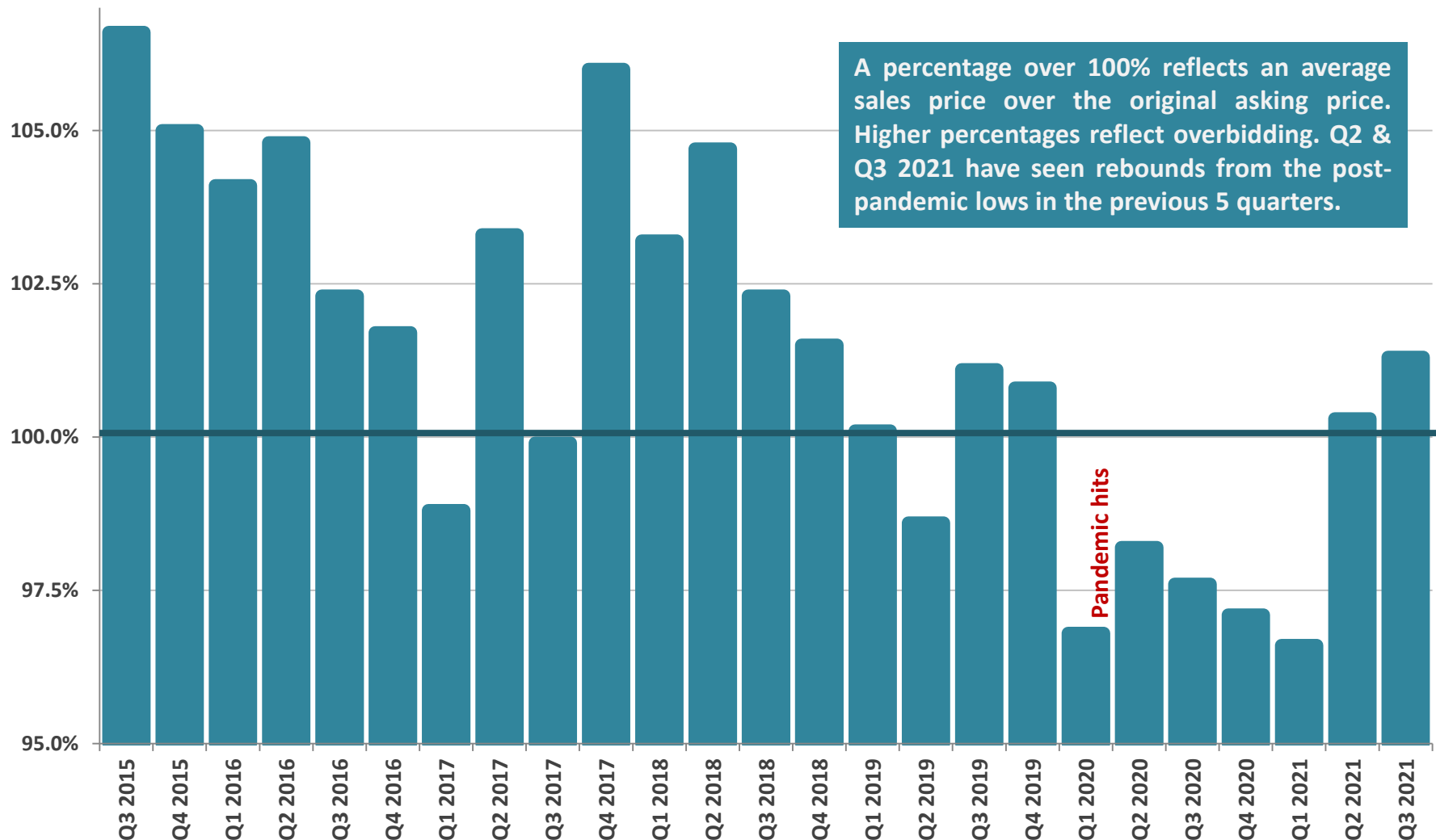
Based upon SFARMLS activity; per Broker Metrics. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate.

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# Sales Price to Original List Price Percentage

## San Francisco 2-4 Unit Buildings, by Quarter

Based upon MLS activity,  
per Broker Metrics



Data from sources deemed reliable, but may contain errors and subject to revision.

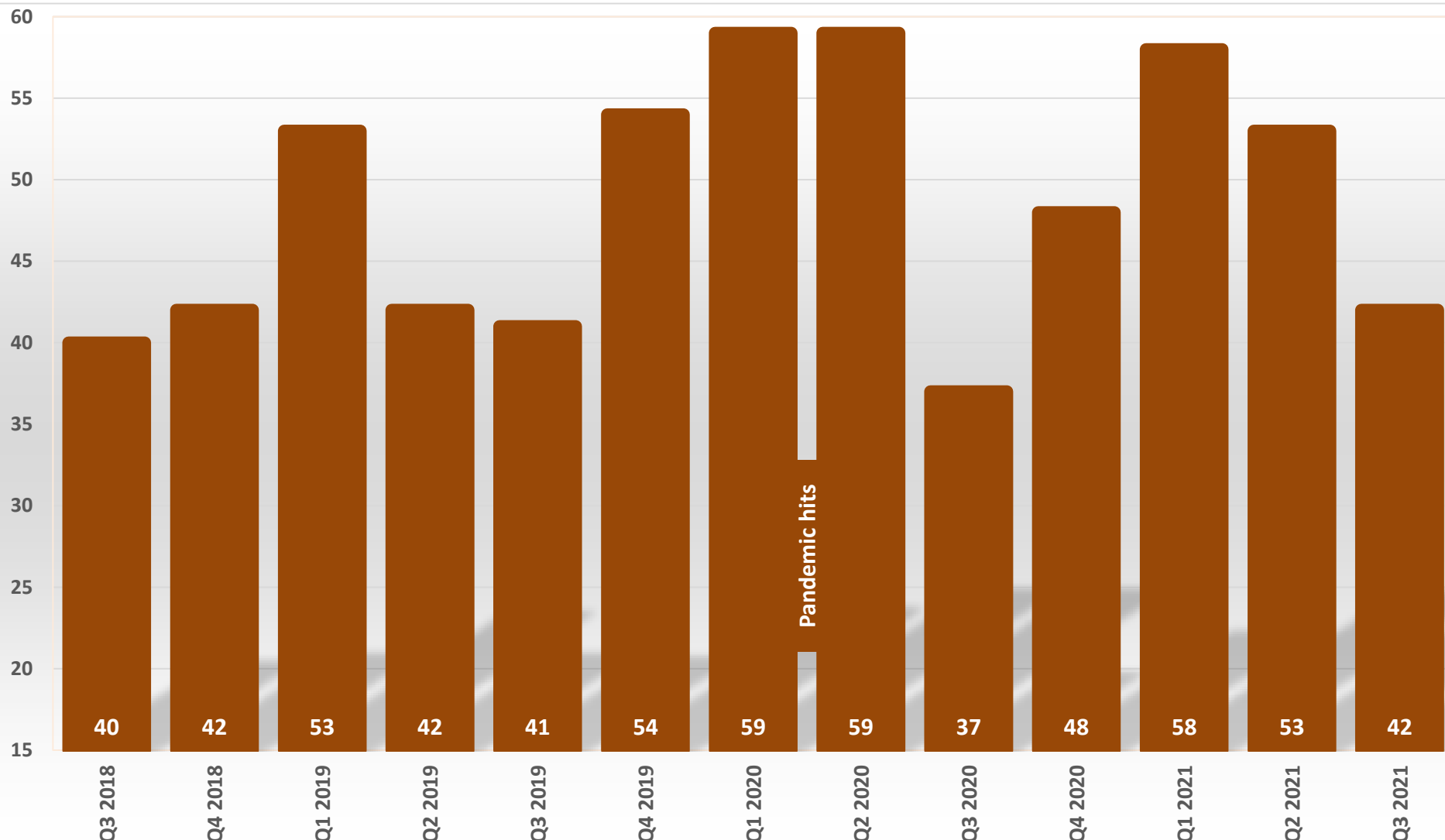
All numbers are approximate. Fluctuations in this metric are not unusual.

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## Average Days on Market by Quarter

### San Francisco 2-4 Residential Unit Building Sales

Average days on market typically run higher than the *median* calculation, but what is most meaningful is the trend line. All statistics are generalities.



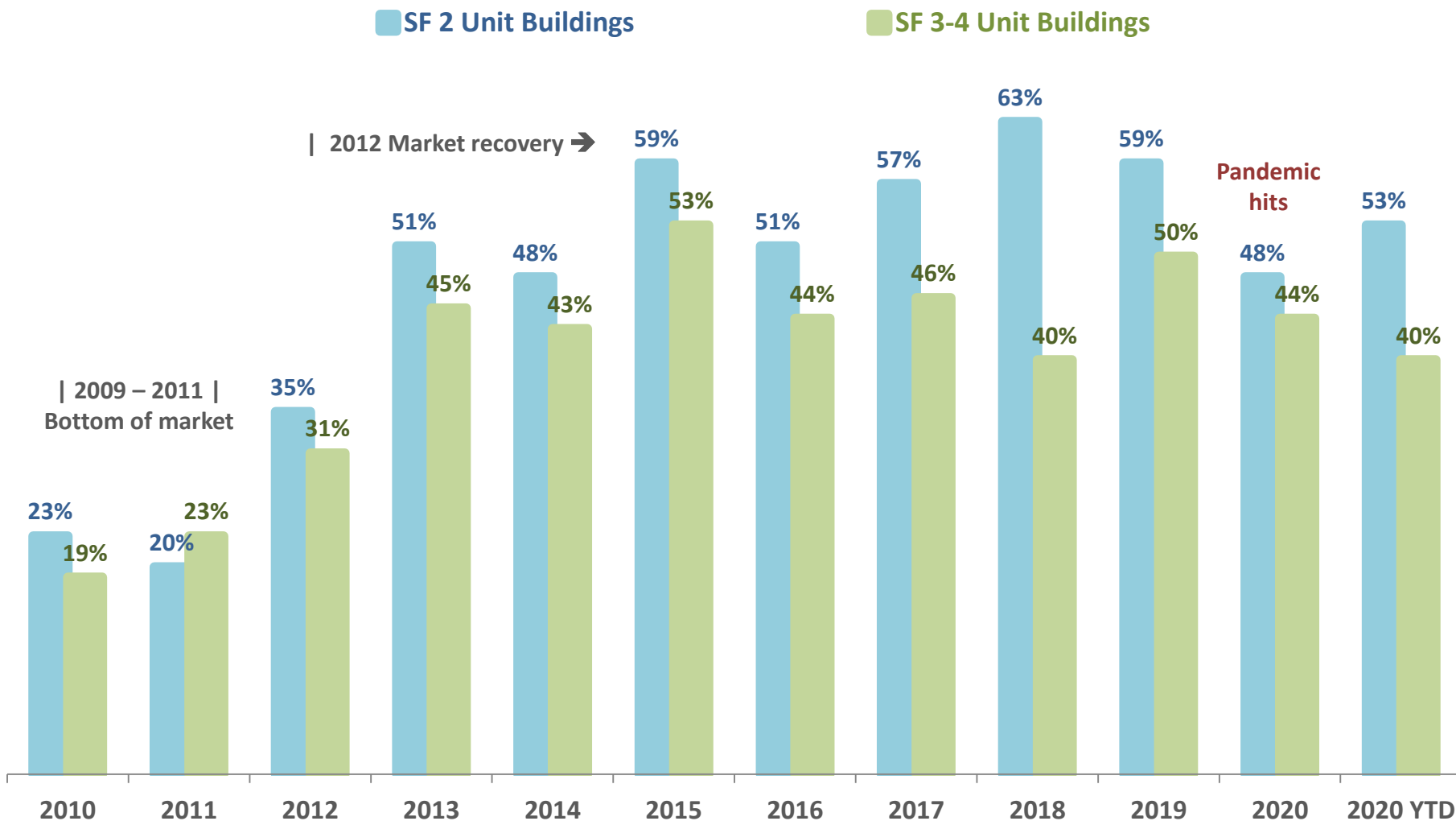
Residential market activity reported to SFARMLS, per Broker Metrics. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate. Last reading may change with late-reported activity.

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# % of Sales Selling Within 30 Days of Coming on Market

## San Francisco Multi-Unit Residential Sales since 2010

Per MLS sales data  
reported by 9/30/21



Sales reported to NorCal Regional MLS. The selling period refers to the time between a listing coming on market and accepting an offer. These analyses were performed in good faith with data derived from sources deemed reliable, but may contain errors and are subject to revision. All numbers are approximate.

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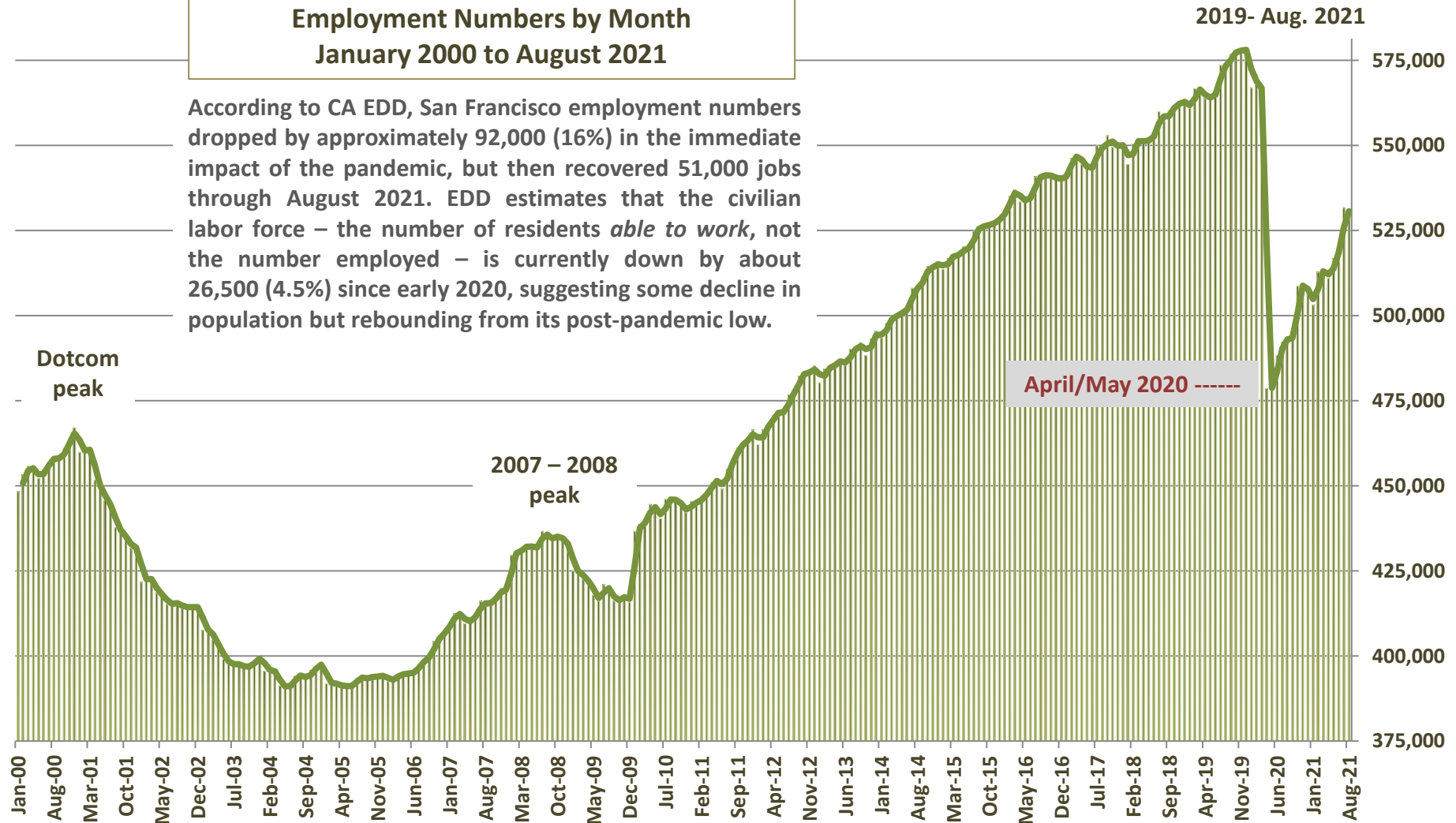
# San Francisco Employment Trends

## Number of Employed Residents since 2000

Per California Employment  
Development Dept. (EDD)

### Employment Numbers by Month January 2000 to August 2021

According to CA EDD, San Francisco employment numbers dropped by approximately 92,000 (16%) in the immediate impact of the pandemic, but then recovered 51,000 jobs through August 2021. EDD estimates that the civilian labor force – the number of residents *able to work*, not the number employed – is currently down by about 26,500 (4.5%) since early 2020, suggesting some decline in population but rebounding from its post-pandemic low.



EDD data. 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.

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# San Francisco Multi-Family Building Sales

## Top 7 Brokers, Multi-Unit Residential Sales, 2019-2021\*



\* Dollar-volume, transaction-side sales, multi-unit “residential income” buildings, reported to SFARMLS, 1/1/19 – 9/15/21, per Broker Metrics as of 9/17/21. Sales reported to MLS: Not all sales are reported.

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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. If you would like such a specific analysis, please contact me.

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.

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