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**San Francisco Real Estate**  
March 2023 Report

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## 2023 Market Indicators Turn Positive (But Interest Rates Climb Again)

After the acute decline in market activity occurring in the 2<sup>nd</sup> half of 2022, buyer demand rebounded dramatically and most market indicators turned positive in early 2023: Open house traffic, number of offers, and overbidding and absorption rates all saw improvement.\*

It is too early for significant effects to show up in home prices: Indeed, through February, 3-month-rolling median house sales prices saw year-over-year declines across all Bay Area counties. (These percentage declines should be regarded cautiously until substantiated over the longer term.) Even with the striking improvement in demand over late 2022, most *year-over-year* indicators remain depressed, but these comparisons are with the severely overheated conditions prevailing at the peak of a 10-year housing market upcycle. The market was still just waking up in February. March through May is typically the most active listing and sales period of the year, and should soon provide much more data on supply, demand and price trends. Over the last 3 years, spring markets were deeply affected, in very different and often surprising ways, by the onset of the pandemic (2020), the pandemic boom (2021), and soaring interest rates (2022).

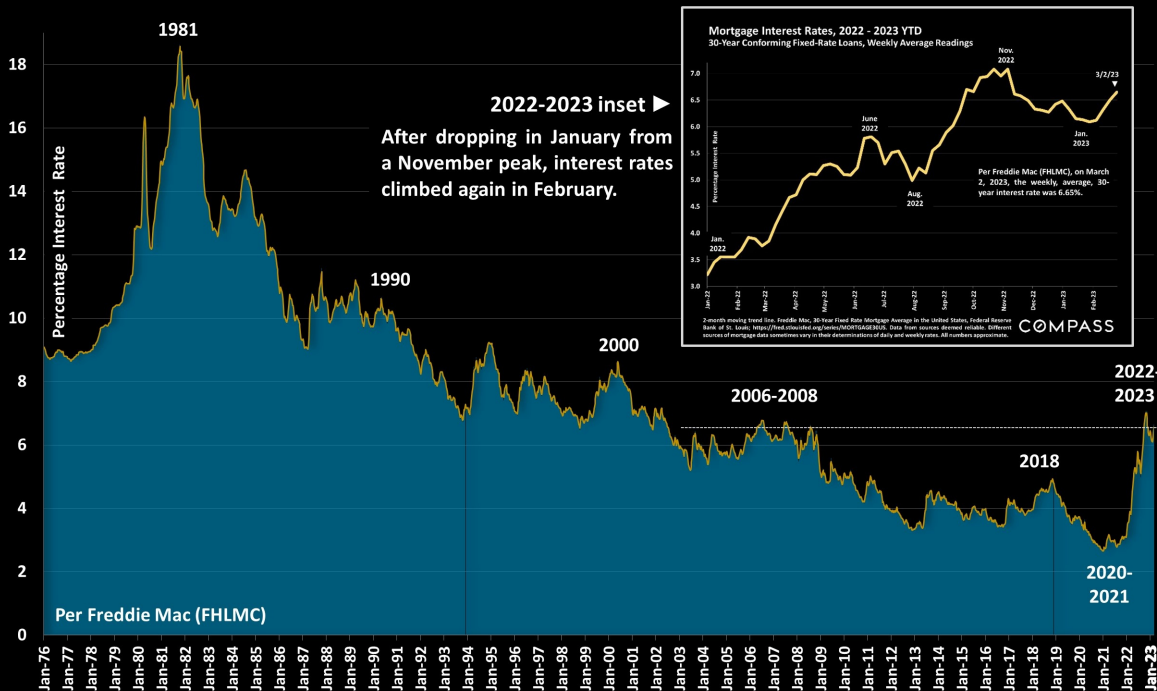
As has been the case for the last 14 months, the biggest wildcard remains interest rates: After dropping considerably in January from a November peak, they climbed again in February, with big impacts on loan application rates. It has been very challenging to predict short-term interest rate changes. Another major factor is the substantial decrease in the number of new listings coming on market, a critical issue with wide ramifications if it continues.

\*Sales in one month generally reflect *deal-making* in the previous month, and often pertain to listings that have *already been on the market* for months longer. Many real estate statistics are *lagging indicators*, and even dramatic shifts in demand may show up only very gradually in their readings.



## Mortgage Interest Rates, Long-Term Trends since 1976

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



Freddie Mac, 30-Year Fixed Rate Mortgage Average in the United States [MORTGAGE30US], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/MORTGAGE30US>. Data from sources deemed reliable but not guaranteed. All numbers approximate.



### San Francisco HOUSE Sales Statistics Late 2022/Early 2023 Market, 4 Months Sales\*

Low sales volumes and changes in median home size often lead to significant fluctuations in median values between periods measured.

A Sampling of San Francisco's 70+ Neighborhoods

Selected San Francisco Neighborhoods	Number of Sales	Median Sales Price	Median \$ per Sq. Ft.	Median Size	Avg. Days on Market	Sales within 30 Days	Highest Sale in Period
Pacific & Presidio Heights	8 sales	\$4,464,000	\$1741/sq.ft.	4920 sq.ft.	53 days	12%	\$13,500,000
Sea Cliff, Lake St., Jordan Park	16	\$3,964,000	\$1059/sq.ft.	3620 sq.ft.	31 days	56%	\$6,200,000
Marina & Cow Hollow	8	\$3,933,000	\$1427/sq.ft.	2922 sq.ft.	19 days	75%	\$11,200,000
St. Francis Wood, Forest Hill	12	\$3,600,000	\$1040/sq.ft.	3600 sq.ft.	36 days	41%	\$5,700,000
Noe & Eureka Valleys	46	\$2,322,500	\$1209/sq.ft.	1952 sq.ft.	30 days	65%	\$4,999,000
Cole Valley, Ashbury Heights	8 sales	\$2,287,500	\$1202/sq.ft.	2495 sq.ft.	24 days	62%	\$4,400,000
Inner & Central Richmond	22	\$2,125,000	\$940/sq.ft.	2372 sq.ft.	31 days	59%	\$3,675,000
Potrero Hill	14	\$1,835,000	\$1039/sq.ft.	2060 sq.ft.	28 days	71%	\$4,260,000
Inner Sunset, GG Heights	17	\$1,750,000	\$1066/sq.ft.	1621 sq.ft.	18 days	94%	\$3,100,000
Lakeside, Lake Shore	10	\$1,727,500	\$941/sq.ft.	1965 sq.ft.	27 days	60%	\$2,100,000
Glen Park	17	\$1,610,000	\$1034/sq.ft.	1625 sq.ft.	38 days	47%	\$4,700,000
Miraloma Park, Midtown Ter.	23 sales	\$1,550,000	\$985/sq.ft.	1572 sq.ft.	22 days	65%	\$2,860,000
Central Sunset & Parkside	53	\$1,500,000	\$918/sq.ft.	1724 sq.ft.	30 days	64%	\$2,772,000
Bernal Heights	34	\$1,497,500	\$958/sq.ft.	1772 sq.ft.	29 days	58%	\$2,500,000
Outer Sunset & Parkside	30	\$1,405,000	\$974/sq.ft.	1432 sq.ft.	30 days	60%	\$2,350,000
Excelsior & Portola	43	\$1,177,000	\$800/sq.ft.	1404 sq.ft.	30 days	62%	\$1,620,000
Ingleside & Oceanview	17 sales	\$1,050,000	\$810/sq.ft.	1426 sq.ft.	45 days	35%	\$1,685,000
Bayview & Silver Terrace	20	\$1,025,000	\$656/sq.ft.	1516 sq.ft.	68 days	30%	\$1,350,000

\* 4 months sales reported to NorCal MLS Alliance, through late February 2023. "Sales within 30 days" refers to % of home sales into contract within 30 days. Data derived from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate. Outlier data adjusted when identified. Not all sales are reported to MLS.



### San Francisco 2-BR/2-BA CONDO Sales Late 2022/Early 2023, 4 Months Sales\*

Low sales volumes often lead to significant fluctuations in median values between periods measured.

A Sampling of San Francisco 70+ Neighborhoods

Selected San Francisco Neighborhoods	Number of 2/2 Sales	Median Sales Price	Median \$ per Sq.Ft.	Median Size	Avg. Days on Market	Sales within 30 Days	Highest 2/2 Condo Sale
Cow Hollow & Marina	6 sales	\$1,812,500	\$1415	1257 sq.ft.	N/A	66%	\$2,595,000
Pacific & Presidio Heights	9	\$1,600,000	\$1191	1395 sq.ft.	26 days	55%	\$4,980,000
South Beach	21	\$1,430,000	\$1036	1330 sq.ft.	57 days	28%	\$2,403,000
Inner Richmond, Lake Street, Lone Mountain	5	\$1,420,000	\$999	1425 sq.ft.	22 days	80%	\$1,565,000
Noe, Eureka & Cole Valleys (Realtor District 5)	18	\$1,337,500	\$1177	1226 sq.ft.	33 days	55%	\$2,050,000
Yerba Buena	6	\$1,282,500	\$993	1383 sq.ft.	57 days	16%	\$1,732,500
Mission Bay	8 sales	\$1,269,500	\$1088	1276 sq.ft.	80 days	37%	\$3,100,000
Hayes Valley, NoPa, Lower Pacific Heights	18	\$1,245,000	\$1024	1107 sq.ft.	22 days	72%	\$1,675,000
Potrero Hill	7	\$1,215,000	\$1200	1125 sq.ft.	39 days	71%	\$1,535,000
Russian, Nob & Tel Hills; North Beach, Financial Dist.	14	\$1,100,000	\$1076	1060 sq.ft.	53 days	28%	\$2,250,000
Van Ness/Civic Center	12	\$1,075,000	\$865	1173 sq.ft.	60 days	25%	\$1,500,000
Inner Mission, Dogpatch	12 sales	\$1,042,500	\$863	1128 sq.ft.	65 days	25%	\$1,475,000
South of Market (SoMa)	8	\$997,500	\$905	1000 sq.ft.	58 days	12%	\$2,300,000
Hunter's & Candlestick Points, Crocker Amazon	5	\$699,000	\$668	1063 sq.ft.	N/A	20%	\$790,000

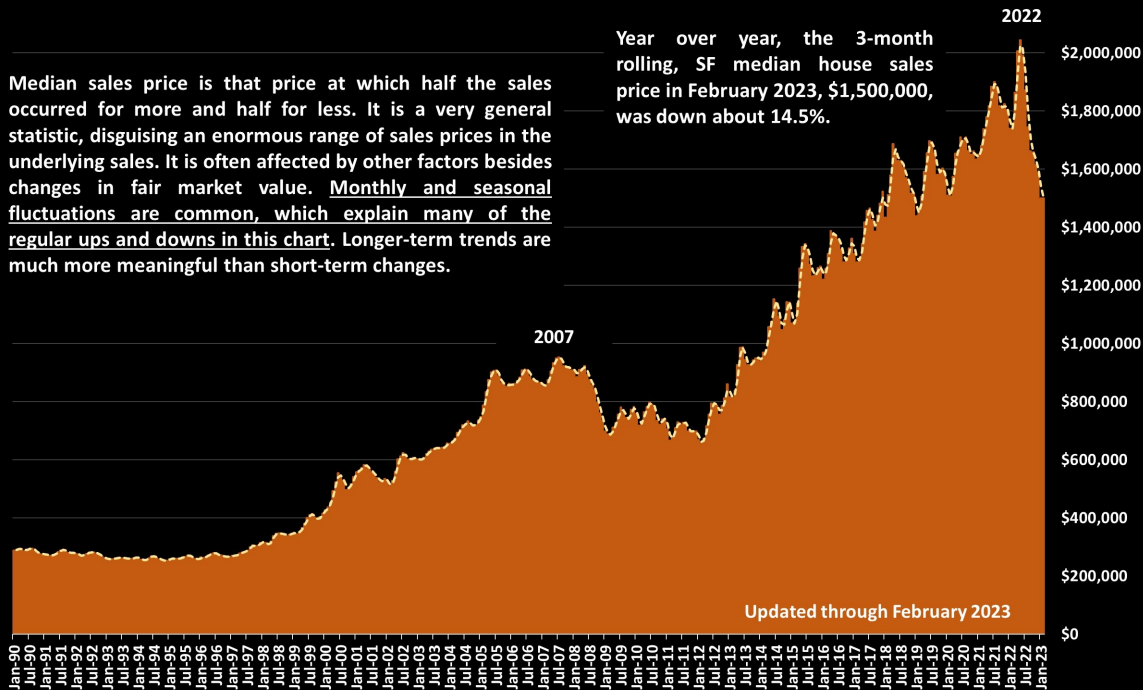
\* 4 months sales of 2-bedroom/2-bath condos reported to NorCal MLS Alliance, through late February 2023. Data derived from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate. Many new-project condo sales are not reported to MLS, and not included in this analysis. Outlier data adjusted when identified. The floor a condo is on can have a large impact on values.



### San Francisco House Price Trends since 1990 Monthly Median House Sales Prices, 3-Month Rolling

Median sales price is that price at which half the sales occurred for more and half for less. It is a very general statistic, disguising an enormous range of sales prices in the underlying sales. It is often affected by other factors besides changes in fair market value. Monthly and seasonal fluctuations are common, which explain many of the regular ups and downs in this chart. Longer-term trends are much more meaningful than short-term changes.

Year over year, the 3-month rolling, SF median house sales price in February 2023, \$1,500,000, was down about 14.5%.

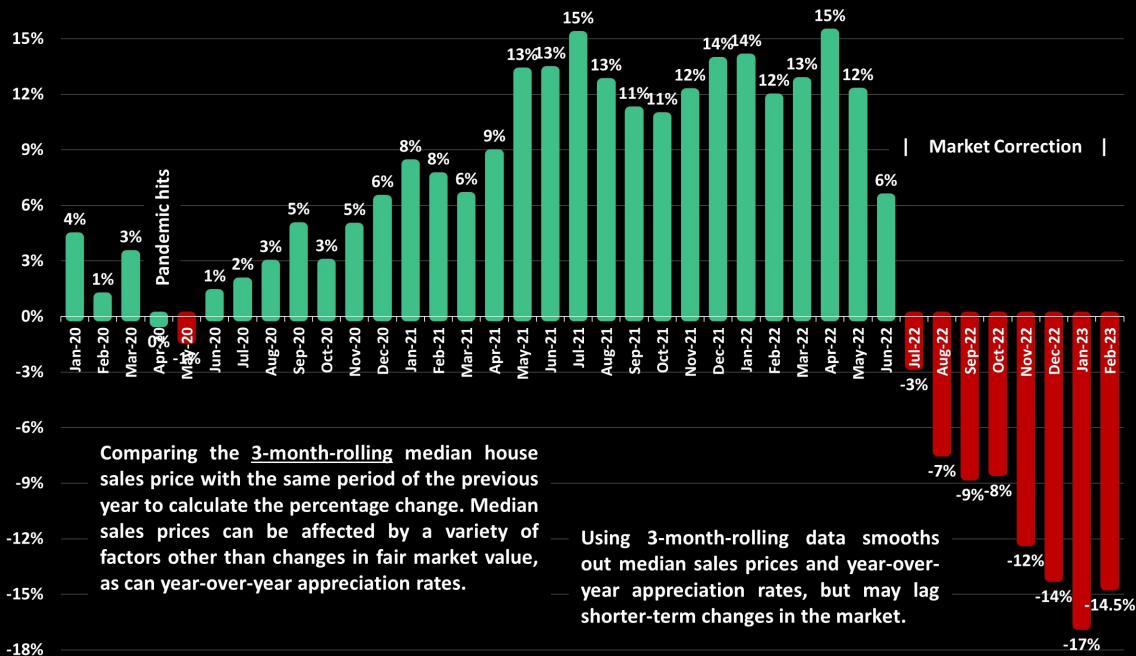


Updated through February 2023

3-month rolling average of monthly median sales prices for "existing" houses, per CA Association of Realtors or 3-month rolling median per NorCal MLS Alliance. 2-period moving trend line. Analysis may contain errors and subject to revision. All numbers approximate, and may change with late-reported sales.



### San Francisco Year-over-Year HOUSE Appreciation Rates since 2020 Percentage Change in Year-over-Year, 3-Month-Rolling Median House Sales Price\*



Comparing the 3-month-rolling median house sales price with the same period of the previous year to calculate the percentage change. Median sales prices can be affected by a variety of factors other than changes in fair market value, as can year-over-year appreciation rates.

Using 3-month-rolling data smooths out median sales prices and year-over-year appreciation rates, but may lag shorter-term changes in the market.

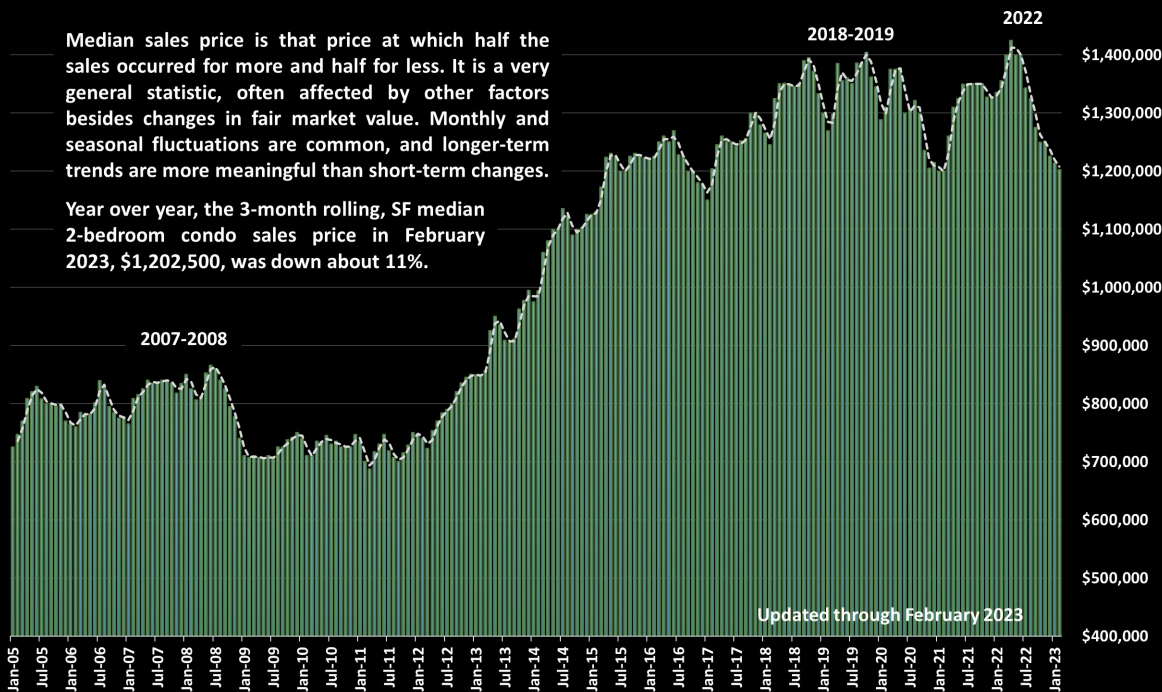
\*3-month rolling sales reported to NorCal MLS Alliance, per Infosparks. Data from sources deemed reliable, but may contain errors and subject to revision. Percentages rounded to near full percentage point. All numbers approximate.



### San Francisco Condo Price Trends since 2005 3-Month Rolling, Median 2-BR Condo Sales Prices

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 other factors besides changes in fair market value. Monthly and seasonal fluctuations are common, and longer-term trends are more meaningful than short-term changes.

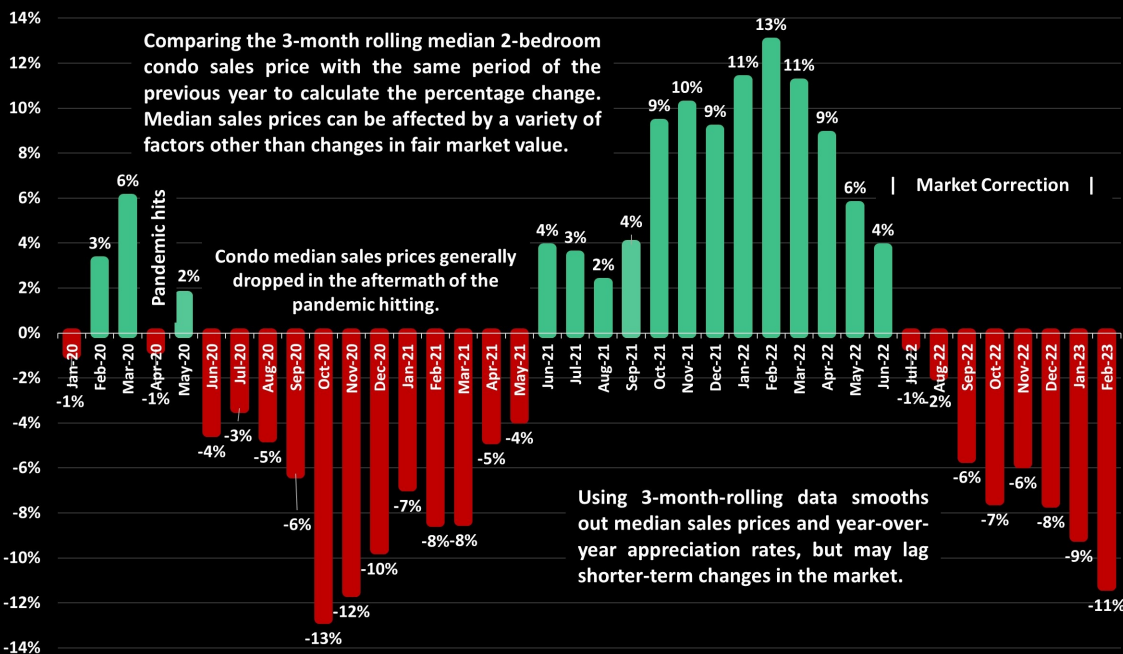
Year over year, the 3-month rolling, SF median 2-bedroom condo sales price in February 2023, \$1,202,500, was down about 11%.



3-month rolling median 2-bedroom condo sales prices reported to NorCal MLS Alliance, per Infosparks. 2-period moving trend line. Analysis may contain errors and subject to revision. All numbers approximate, and may change with late-reported sales.

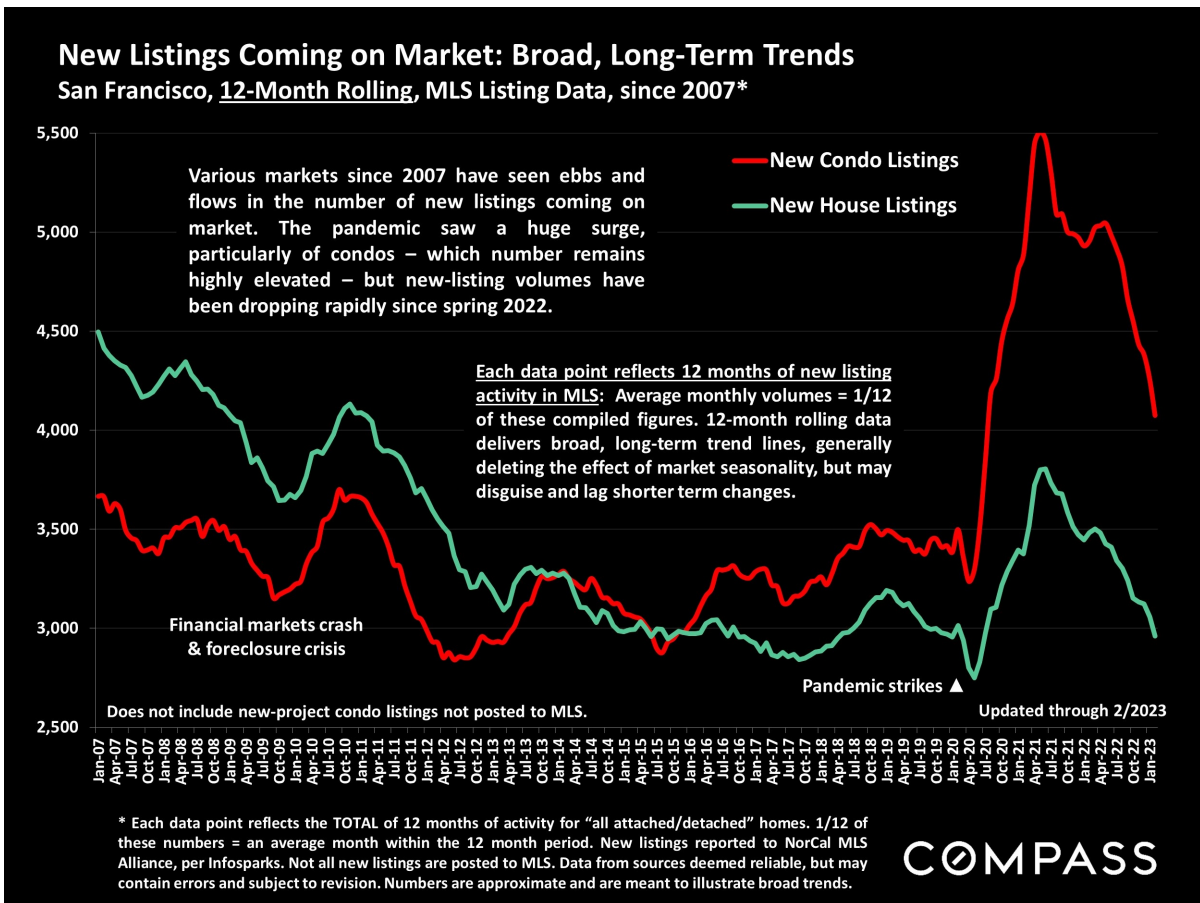
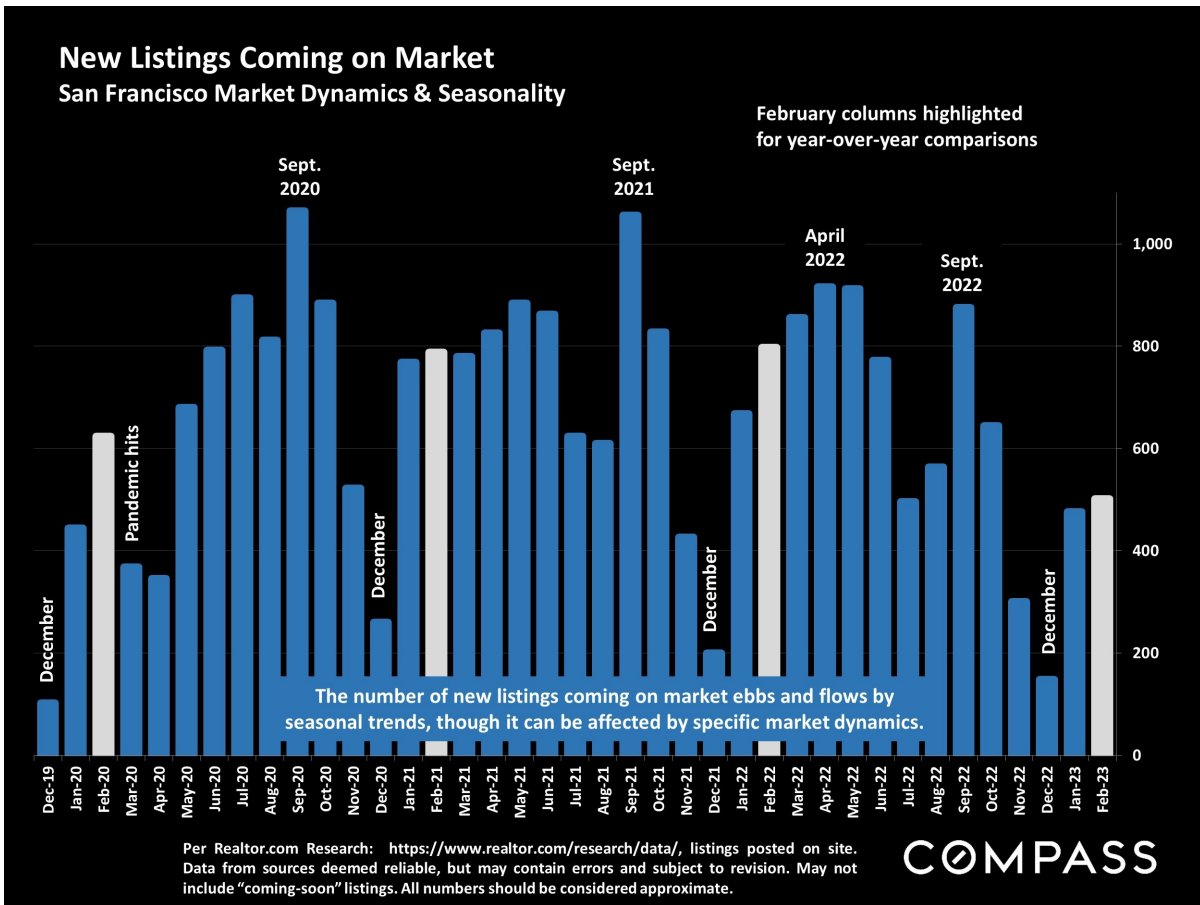


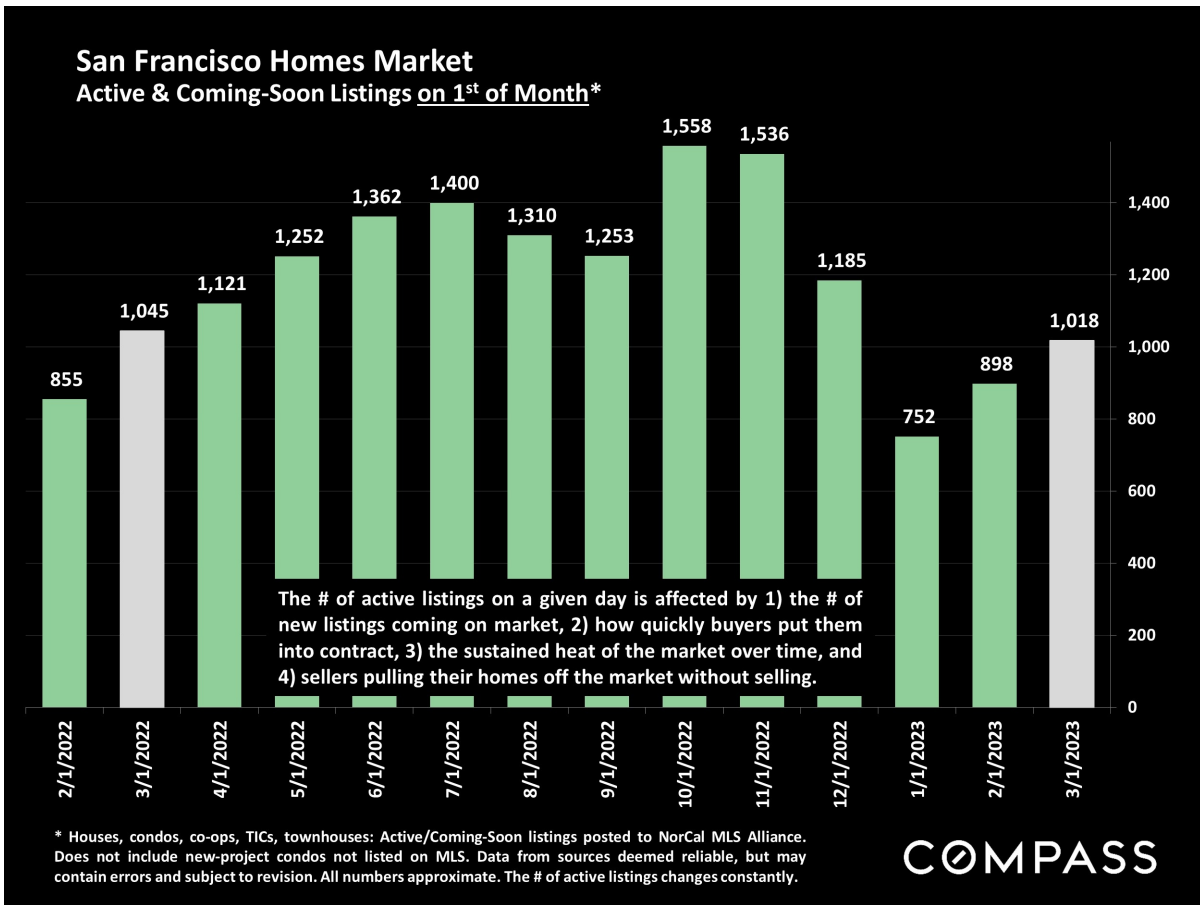
### San Francisco Year-over-Year 2-BR CONDO Appreciation Rates since 2020 % Change in Year-over-Year, 3-Month-Rolling Median 2-Bedroom CONDO Sales Price\*



\*3-month rolling sales reported to NorCal MLS Alliance, per Infosparks. Data from sources deemed reliable, but may contain errors and subject to revision. Percentages rounded. All numbers approximate.







### San Francisco: Supply of Inventory

#### Active/Coming-Soon Listings\*

**Active & Coming-Soon House, Condo, Co-op, TIC & Townhouse Listings Posted to MLS on March 1, 2023, by Price Segment\***

- ❖ Under \$1,000,000: 345 listings
- ❖ \$1,000,000 - \$1,999,999: 389 listings
- ❖ \$2,000,000 - \$2,999,999: 124 listings
- ❖ \$3,000,000 - \$4,999,999: 82 listings
- ❖ \$5,000,000 - \$9,999,999: 54 listings
- ❖ \$10,000,000 & above: 24 listings

Includes 5 listings priced at \$20,000,000+

87% of listings under \$1,000,000 were condos, co-ops, townhouses or TICs

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

- Houses – 298 listings - \$1,915,000
- Condos – 613 listings - \$1,198,000
- TICs – 91 listings - \$1,150,000
- Co-ops – 19 listings - \$2,750,000
- Townhouses – 11 listings - \$1,299,000

**Residential Income Properties:**

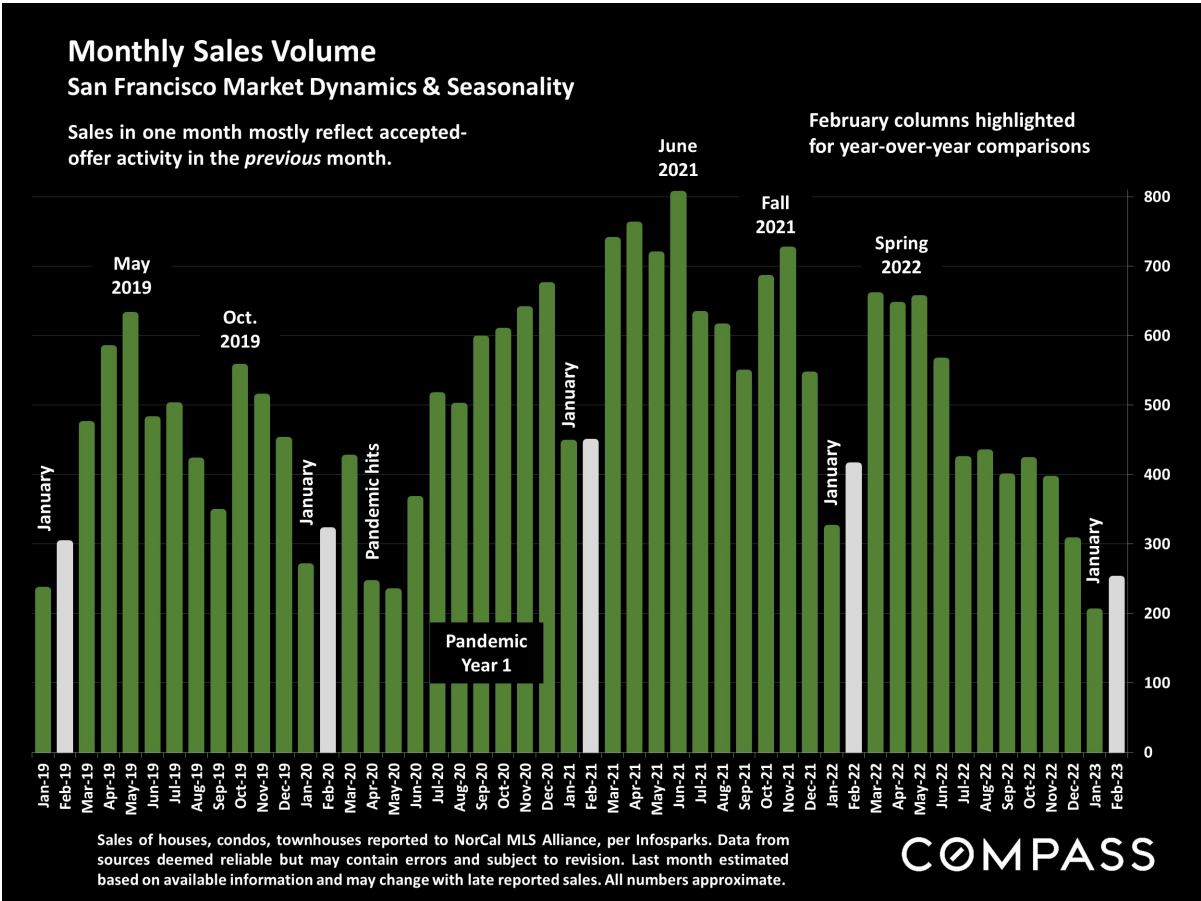
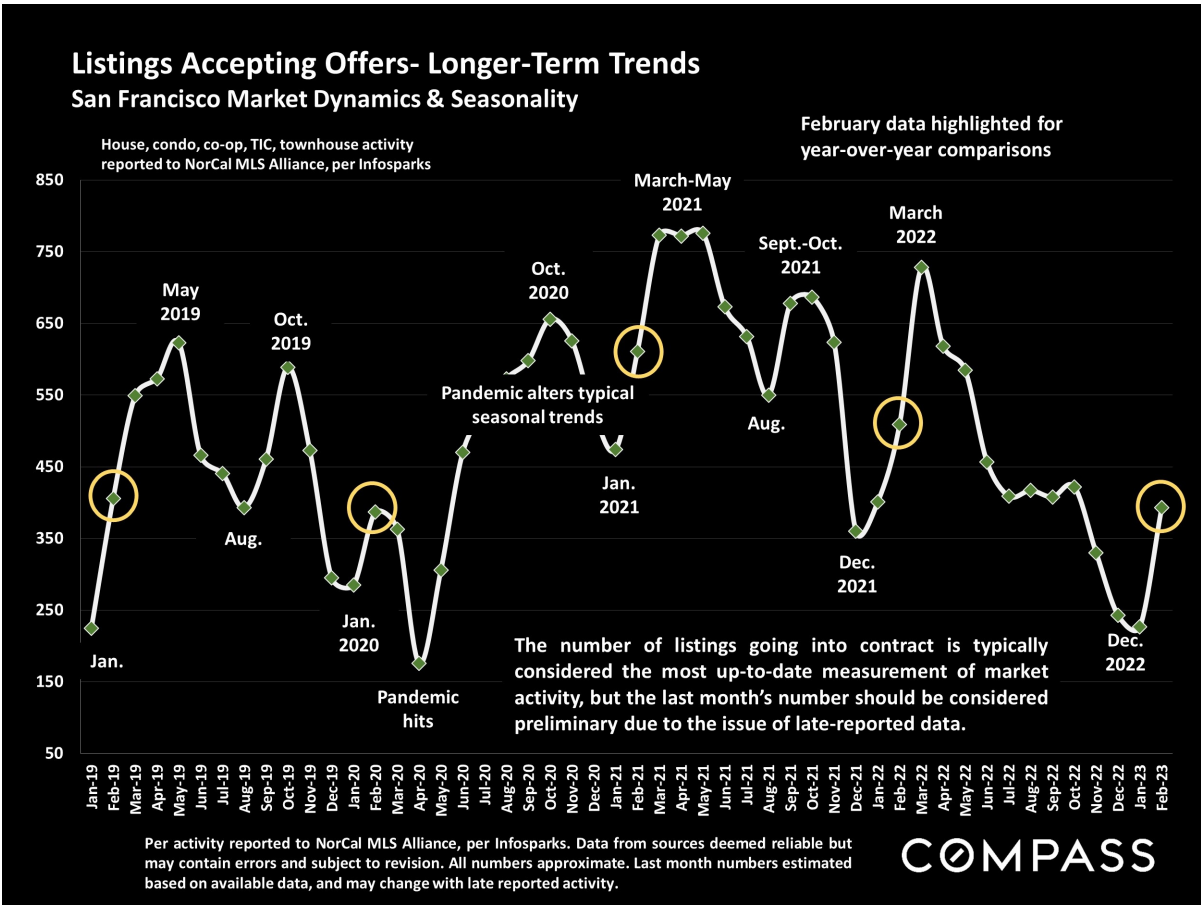
- 2-Unit Buildings – 76 listings - \$1,999,500
- 3-Unit Buildings – 33 listings - \$2,125,000
- 4-Unit Buildings – 17 listings - \$2,300,000

Median list prices may not be representative of typical median sales values. Home sizes and values vary widely within and between neighborhoods.

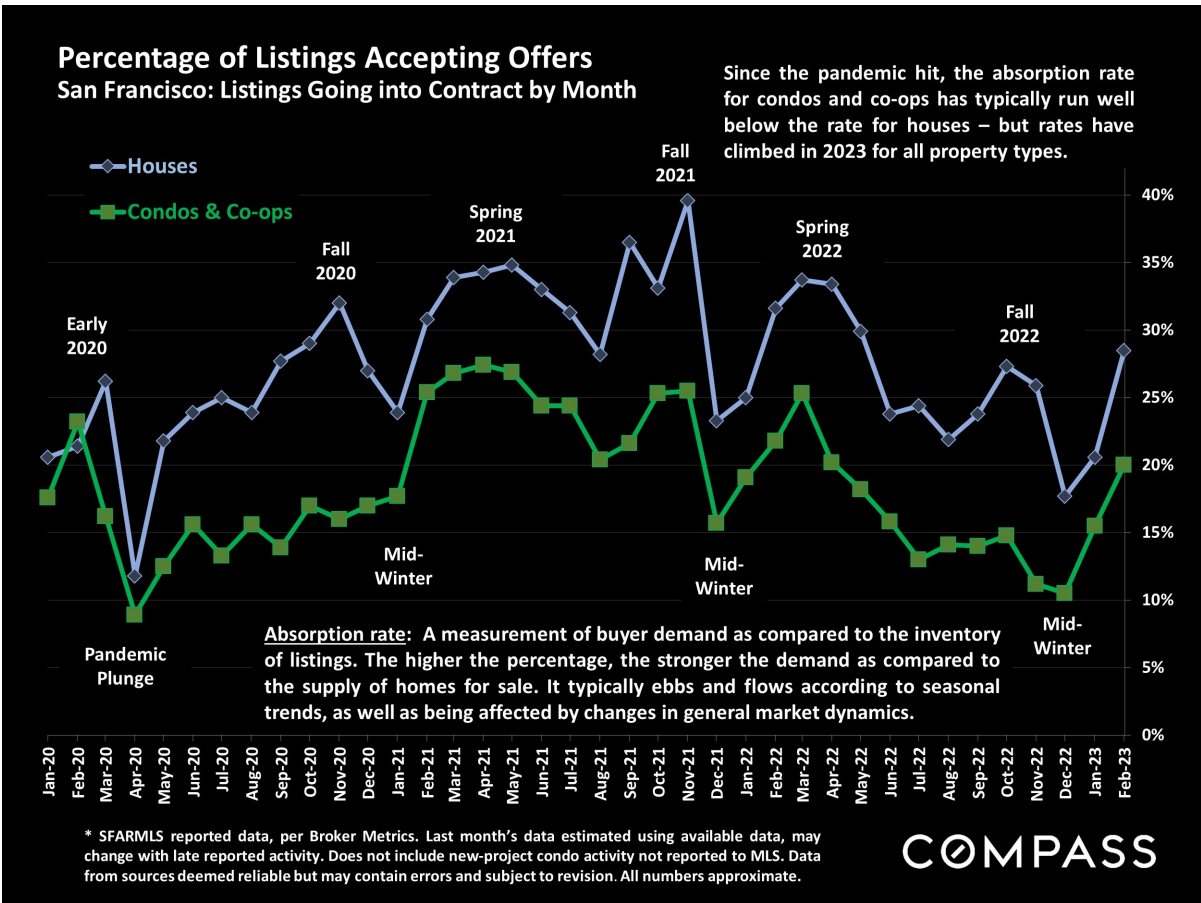
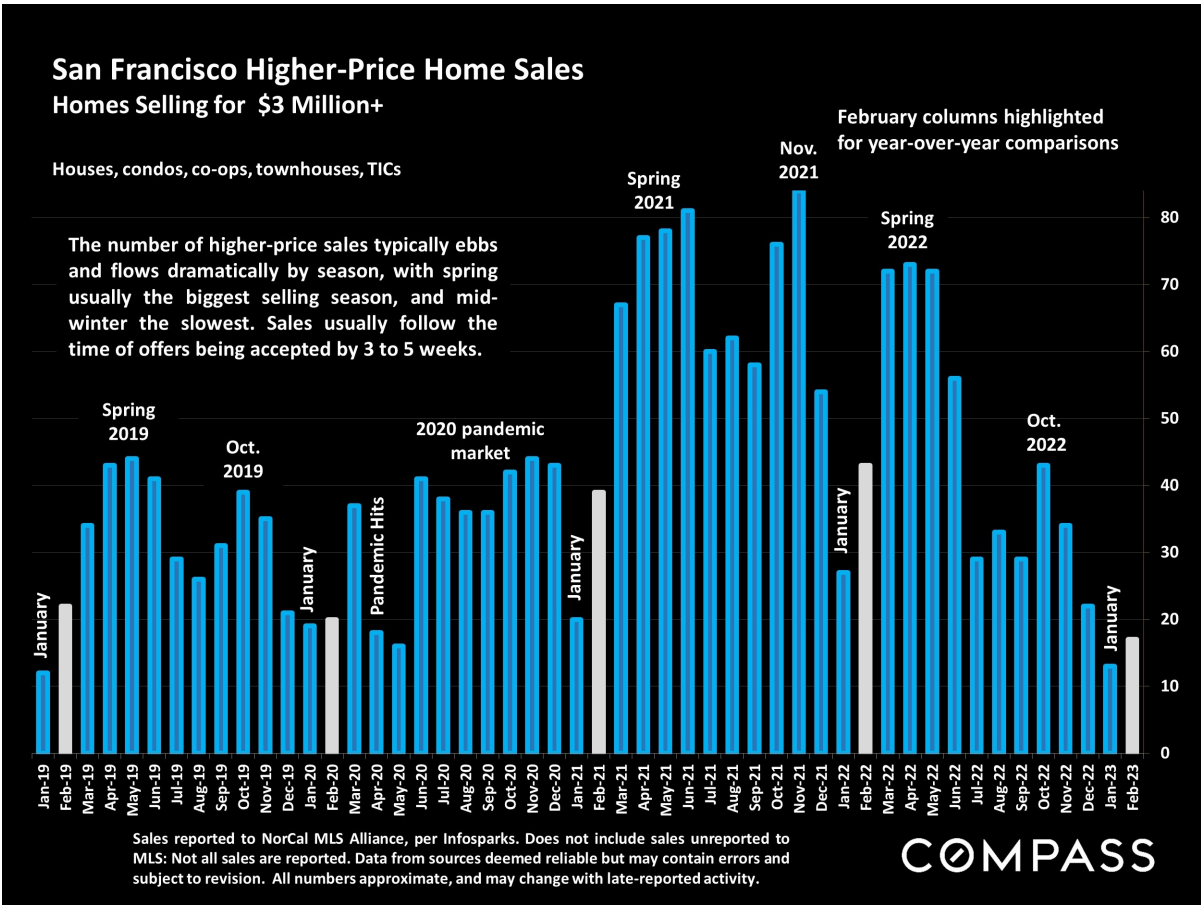
Numbers do not include new-project condo listings not posted to MLS. Data above as of 2/28/23.

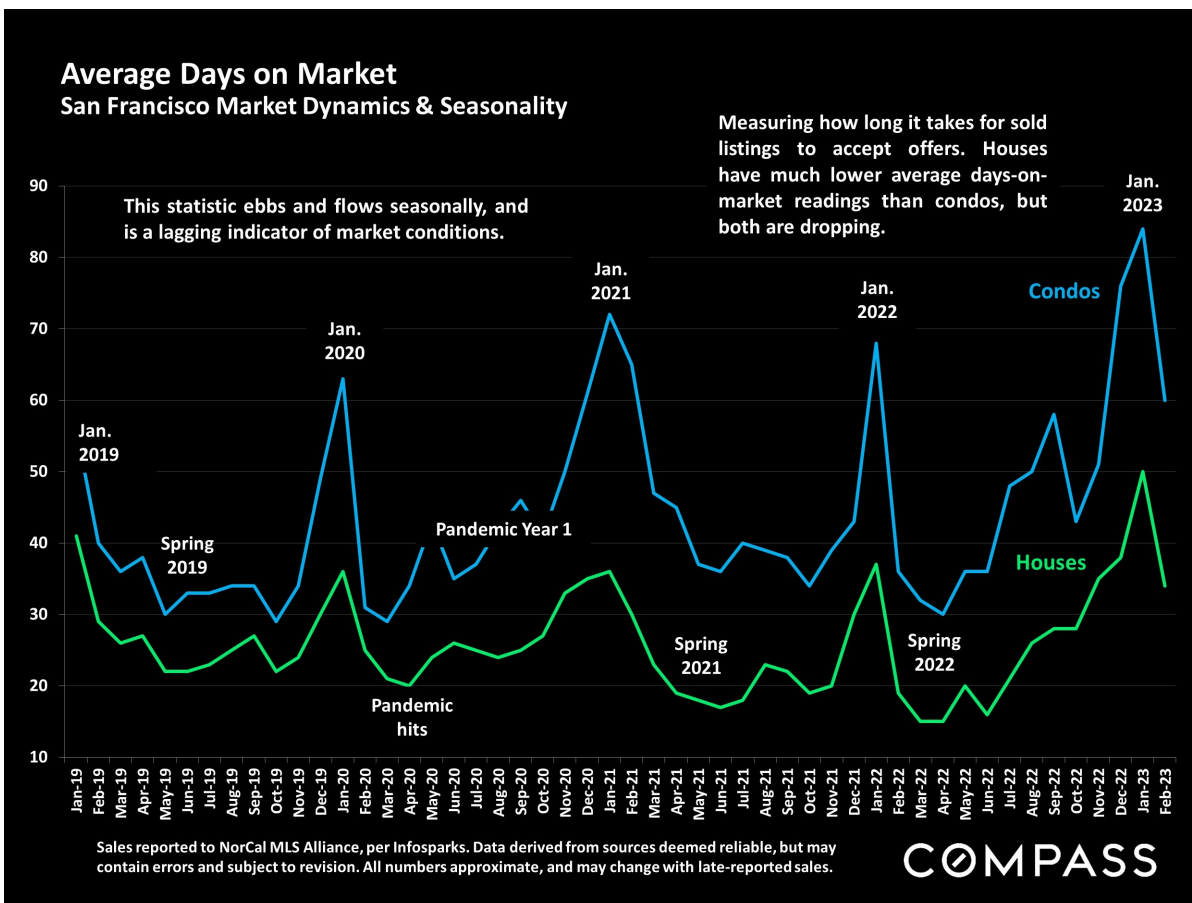
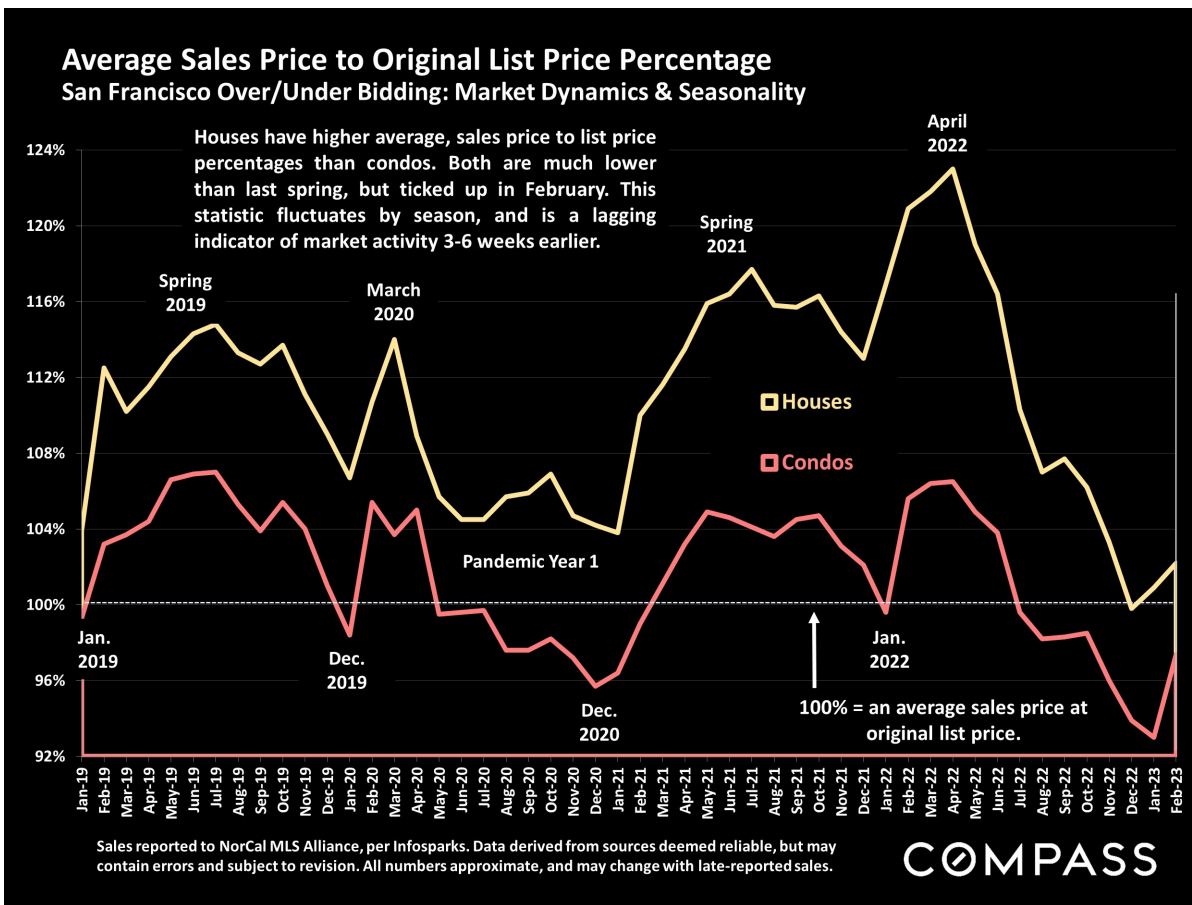
\* Active/Coming Soon listings (no offer accepted) posted to NorCal MLS Alliance. Data from sources deemed reliable, but may contain errors and subject to revision. Not all listings are posted to MLS. All numbers approximate. Numbers of listings and median list prices change constantly.

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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 analysis, but not all listings or sales are reported to MLS and these won't be reflected 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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