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San Francisco Real Estate
April 2023 Report



The Market Continues to Recover, But with Many Dynamics at Play

Buyer demand continued to rebound from the depths of the mid-winter slowdown: The number and percentage of listings going into contract, and overbidding percentages continued to climb, and days-on-market to drop as the spring selling season gained traction. Buyers generally shrugged off the local banking crisis, the main effect of which, so far, has been a significant drop in interest rates in the 4 weeks after SVB collapsed and First Republic first came under pressure.

But though conditions have improved considerably, the market remains significantly weaker on a year-over-year basis, and across the Bay Area, median home sales prices have declined. However, it's worth remembering that the market in Q1 2022 was *severely overheated*, and approaching the peak of a historic, 10-year boom. This will distort many year-over-year comparisons.

The number of new listings coming on market continues to be extremely low, as many potential sellers hold off from listing their homes due to the doubling of interest rates since early 2022: This constitutes a huge factor in market dynamics and is undoubtedly holding back sales activity.

Across the Bay Area, year-over-year sales declines in the highest price segments have outpaced drops for less expensive homes, and their demand-to-supply ratio – the number of sales compared to the number of listings for sale – is much weaker. Luxury home sales have been hit harder since the market correction began in mid-2022, though they too have been rebounding in 2023.

April, May & June sales volumes are commonly among the highest of the year, and this is especially true for luxury home sales.

Report created in good faith with data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate, and may change with late-reported activity.



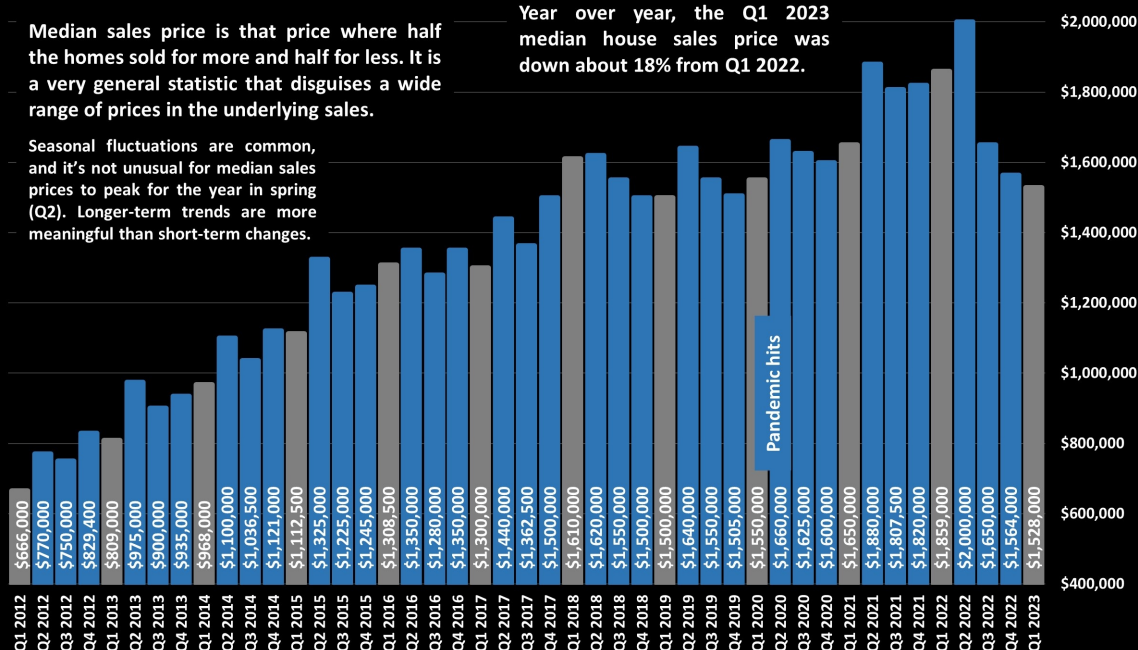
San Francisco House Price Trends Median House Sales Prices, 2012 – Present, by Quarter

Q1 columns highlighted for year-over-year comparisons

Median sales price is that price where half the homes sold for more and half for less. It is a very general statistic that disguises a wide range of prices in the underlying sales.

Seasonal fluctuations are common, and it's not unusual for median sales prices to peak for the year in spring (Q2). Longer-term trends are more meaningful than short-term changes.

Year over year, the Q1 2023 median house sales price was down about 18% from Q1 2022.



As reported to NORCAL MLS® ALLIANCE, per Broker Metrics/Infosparks. All numbers are approximate and subject to revision. Last quarter may change with late reported sales.

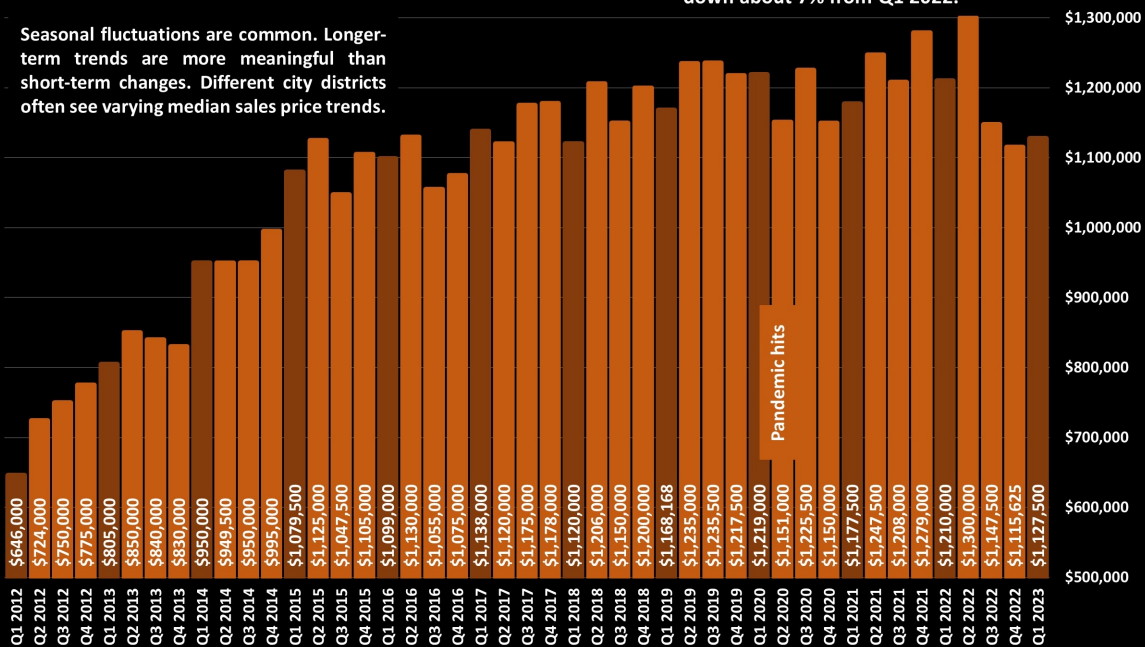


San Francisco Condo Price Appreciation Median Condo Sales Prices, 2012 – Present, by Quarter

Q1 columns highlighted for year-over-year comparisons

Year over year, the Q1 2023 median condo sales price was down about 7% from Q1 2022.

Seasonal fluctuations are common. Longer-term trends are more meaningful than short-term changes. Different city districts often see varying median sales price trends.



As reported to NORCAL MLS® ALLIANCE, per Broker Metrics/Infosparks. All numbers are approximate and subject to revision. Last quarter may change with late reported activity. Does not include new-project condo sales unreported to MLS.



Bay Area Median Large House Values by County Early Spring 2023 Update: 5+ Bedroom/4+ Bath Count**

Generally speaking, the largest homes are more likely to be found in more expensive neighborhoods.

5+ Bedroom, 4+ Bath Houses, 3000+ sq.ft.**						
County*	Median Sales Price	Median Square Footage	Median Dollar per Square Foot	Median Lot Size (Acres)	Median Year Built	Highest Sale in Period*
Monterey County*	\$6,350,000	4003 sq.ft.	N/A	1.4 acres	1989	\$33,500,000
San Mateo County	\$6,250,000	4769 sq.ft.	\$1418/sq.ft.	.54 acre	1990	\$44,500,000
Marin County	\$4,052,000	4110 sq.ft.	\$972/sq.ft.	.53 acre	1972	\$12,435,000
Santa Clara County	\$3,800,000	4268 sq.ft.	\$859/sq.ft.	.47 acre	2000	\$13,000,000
San Francisco	\$3,750,000	3900 sq.ft.	\$997/sq.ft.	.10 acre	1926	\$34,500,000
Alameda County	\$2,400,000	3877 sq.ft.	\$620/sq.ft.	.23 acre	1999	\$4,925,000
Santa Cruz County*	\$2,337,500	3819 sq.ft.	\$587/sq.ft.	.82 acre	2003	\$15,400,000
Sonoma County	\$1,800,000	3825 sq.ft.	\$490/sq.ft.	.60 acre	2004	\$11,750,000
Contra Costa	\$1,765,000	3871 sq.ft.	\$432/sq.ft.	.24 acre	2002	\$9,250,000
Solano County	\$864,000	3415 sq.ft.	\$250/sq.ft.	.18 acre	2008	\$1,770,000

*Monterey and Santa Cruz Counties only had 8 sales each in this category. Napa County had too few sales for analysis.

**Sales reported to NorCal MLS Alliance during the 4 months through mid-late March 2023. Excluding "fixer uppers." Counties contain submarkets of widely varying values. Median values fluctuate for reasons besides changes in fair market value. Data from sources deemed reliable, but may contain errors and subject to revision. Numbers approximate, and may change with late reported sales. Not all sales are reported to MLS.



Bay Area Median House Values by County

Early Spring 2023 Update: By Bedroom/Bath Count*

County	3 Bedroom, 2 Bath Houses			4 Bedroom, 3 Bath Houses		
	Median Sales Price	Median Square Footage	Median Dollar per Square Foot	Median Sales Price	Median Square Footage	Median Dollar per Square Foot
San Mateo County	\$1,550,000	1480 sq.ft.	\$1045/sq.ft.	\$2,125,000	2205 sq.ft.	\$934/sq.ft.
San Francisco	\$1,400,000	1580 sq.ft.	\$940/sq.ft.	\$1,850,000	2058 sq.ft.	\$987/sq.ft.
Santa Clara County	\$1,393,000	1402 sq.ft.	\$984/sq.ft.	\$1,750,000	2146 sq.ft.	\$815/sq.ft.
Marin County	\$1,248,500	1581 sq.ft.	\$796/sq.ft.	\$1,750,000	2543 sq.ft.	\$668/sq.ft.
Santa Cruz County	\$1,150,000	1534 sq.ft.	\$731/sq.ft.	\$1,600,000	2300 sq.ft.	\$653/sq.ft.
Alameda County	\$968,000	1410 sq.ft.	\$692/sq.ft.	\$1,450,000	2170 sq.ft.	\$646/sq.ft.
Napa County	\$835,000	1443 sq.ft.	\$564/sq.ft.	\$1,100,000	2396 sq.ft.	\$473/sq.ft.
Sonoma County	\$750,000	1501 sq.ft.	\$507/sq.ft.	\$910,000	2158 sq.ft.	\$418/sq.ft.
Monterey County	\$702,500	1436 sq.ft.	\$478/sq.ft.	\$905,000	2202 sq.ft.	\$408/sq.ft.
Contra Costa	\$670,000	1430 sq.ft.	\$487/sq.ft.	\$842,500	2264 sq.ft.	\$381/sq.ft.
Solano County	\$538,000	1502 sq.ft.	\$364/sq.ft.	\$660,000	2171 sq.ft.	\$298/sq.ft.

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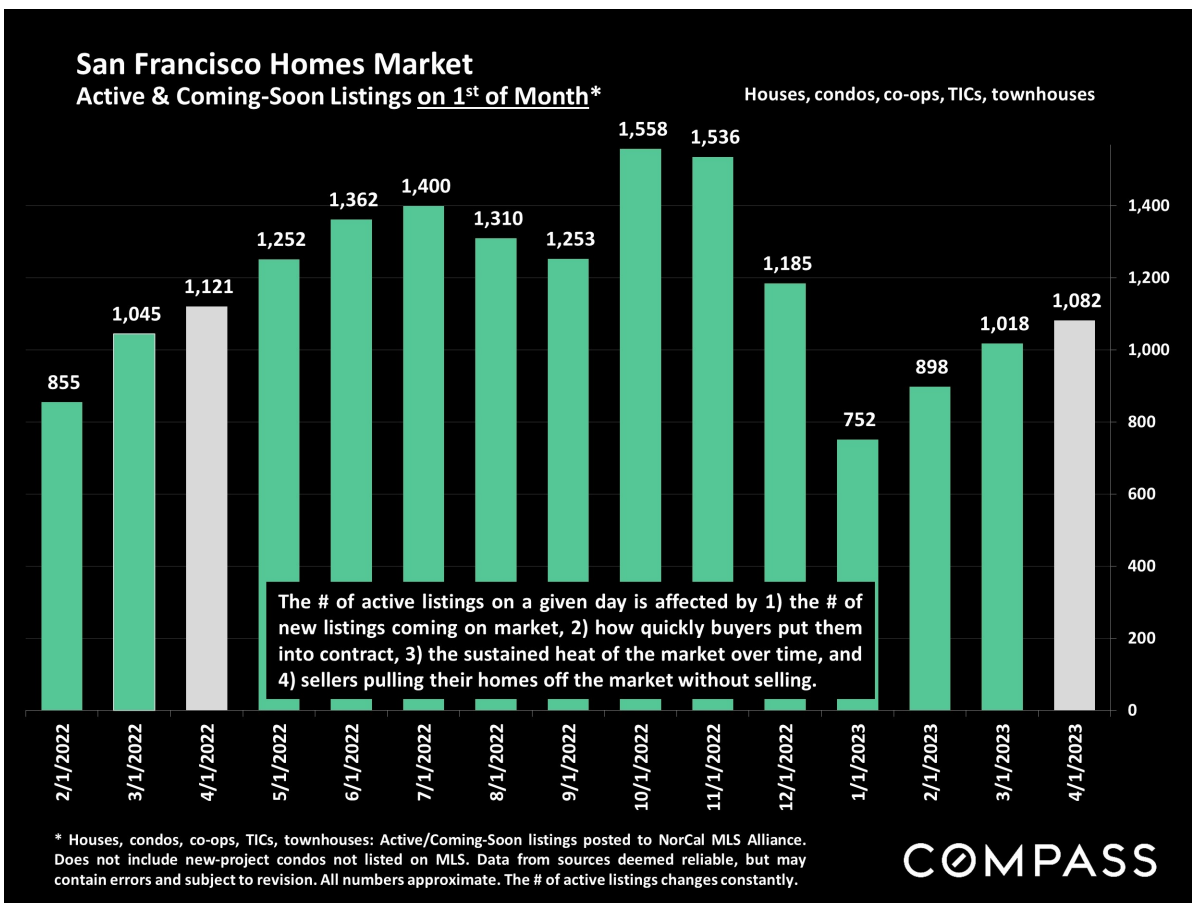
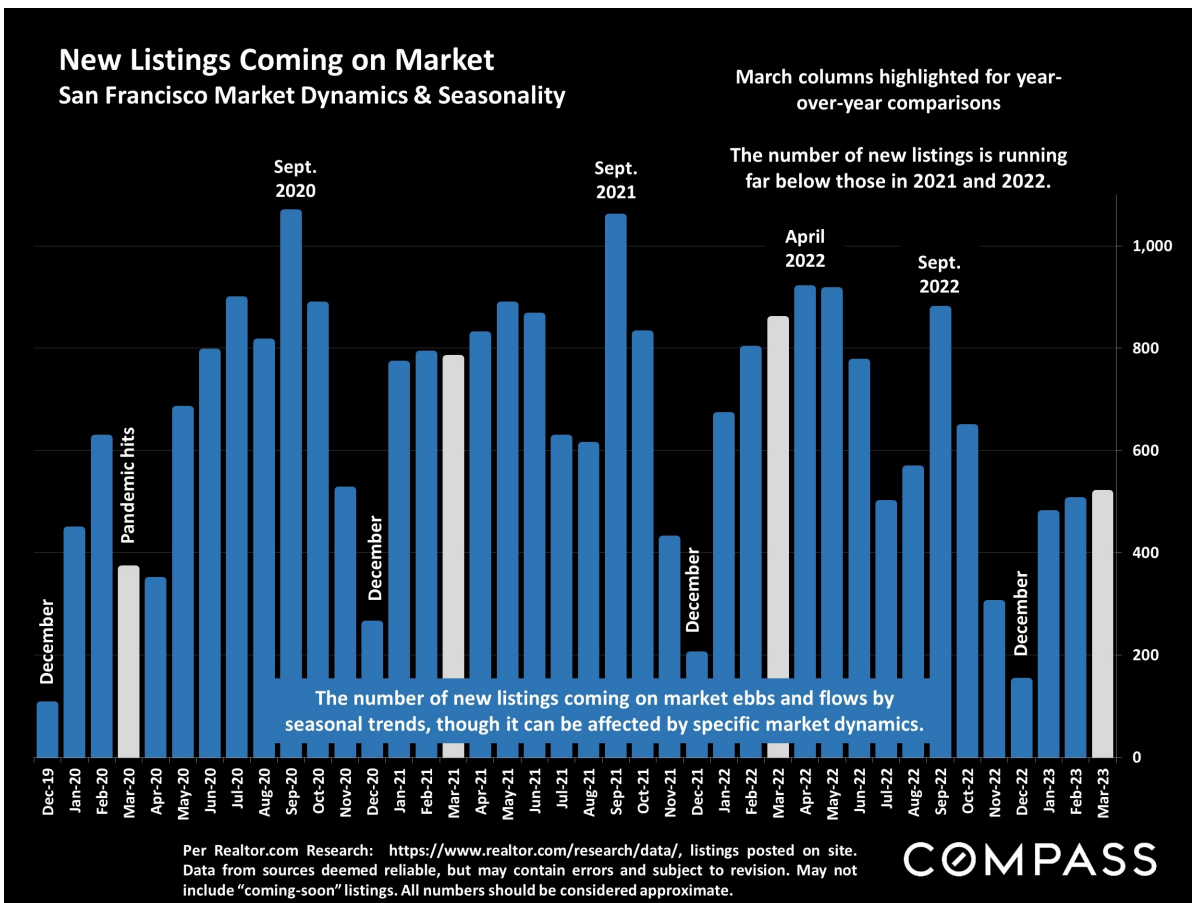
Bay Area Median Home Values by County

Early Spring 2023 Update: By Bedroom/Bath Count*

San Francisco has by far the largest luxury condo market in the Bay Area, one factor behind its much higher median condo values.

County	2 Bedroom, 2 Bath Condos			3 Bedroom, 2-3 Bath Townhouses		
	Median Sales Price	Median Square Footage	Median Dollar per Square Foot	Median Sales Price	Median Square Footage	Median Dollar per Square Foot
San Francisco	\$1,250,000	1182 sq.ft.	\$1032/sq.ft.	Too few sales		
San Mateo County	\$850,000	1090 sq.ft.	\$756/sq.ft.	\$1,389,000	1619 sq.ft.	\$888/sq.ft.
Marin County	\$730,000	1215 sq.ft.	\$672/sq.ft.	\$846,000	1681 sq.ft.	\$476/sq.ft.
Santa Clara County	\$727,500	1115 sq.ft.	\$662/sq.ft.	\$1,200,000	1520 sq.ft.	\$757/sq.ft.
Santa Cruz County	\$806,000	1181 sq.ft.	\$665/sq.ft.	\$987,500	1517 sq.ft.	\$598/sq.ft.
Monterey County	\$645,000	1152 sq.ft.	\$623/sq.ft.	Too few sales		
Alameda County	\$625,000	1088 sq.ft.	\$572/sq.ft.	\$835,000	1519 sq.ft.	\$570/sq.ft.
Contra Costa	\$555,000	1122 sq.ft.	\$496/sq.ft.	\$732,000	1546 sq.ft.	\$487/sq.ft.
Sonoma County	\$432,500	1069 sq.ft.	\$385/sq.ft.	\$575,000	1322 sq.ft.	\$384/sq.ft.
Solano County	\$301,500	989 sq.ft.	\$328/sq.ft.	Too few sales		

*Sales reported to NorCal MLS Alliance during the 4 months through mid-late March 2023. Excluding "fixer uppers." and "below market rate" sales. Counties contain submarkets of widely varying values. Median values fluctuate for reasons besides changes in fair market value. Data from sources deemed reliable, but may contain errors and subject to revision. Numbers approximate, and may change with late reported sales. Some categories within counties saw relatively few sales. Not all sales are reported to MLS.



San Francisco: Supply & Demand by Price Segment, Property Type

Active Listings, Avg. Monthly Sales, Months Supply of Inventory

Price Segment Property Type	Active & Coming Soon Listings, 4/1/23*	Average Monthly Sales Volume**	Months Supply of Inventory (MSI)***
Under \$1,000,000	363 listings	91 sales	4 months
\$1m - \$1,999,999	474	186	2.5 months
\$2m - \$2,999,999	189	46	4.1 months
\$3m - \$4,999,999	99	23	4.3 months
\$5m - \$9,999,999	64	5	12.8 months
\$10,000,000+	35	1	35 months
The lower the MSI reading, the higher the buyer demand as compared to the supply of homes for sale. In the highest price segments, small changes in sales can dramatically affect the MSI calculation.			
Houses	338 listings	150 sales	2.25 months
Condos	628	149	4.2 months
Co-ops	22	4	5.5 months
TICs	93	23	4 months
2-4 Unit Buildings	142	26	5.5 months

*Active and coming-soon listings (no offer accepted) posted to MLS on 4/1/23. **Average monthly sales volume over previous 6 months. ***How long it would take to sell the current inventory at the average monthly sales rate over the past 6 months.

As reported to NorCal MLS Alliance. Will not include new-project condo activity unreported to MLS. Data from sources deemed reliable, but may contain errors and subject to revision. Not all listings and sales are posted to MLS. Numbers are approximate, and change constantly.



Active Listings on Market – Longer-Term Trends

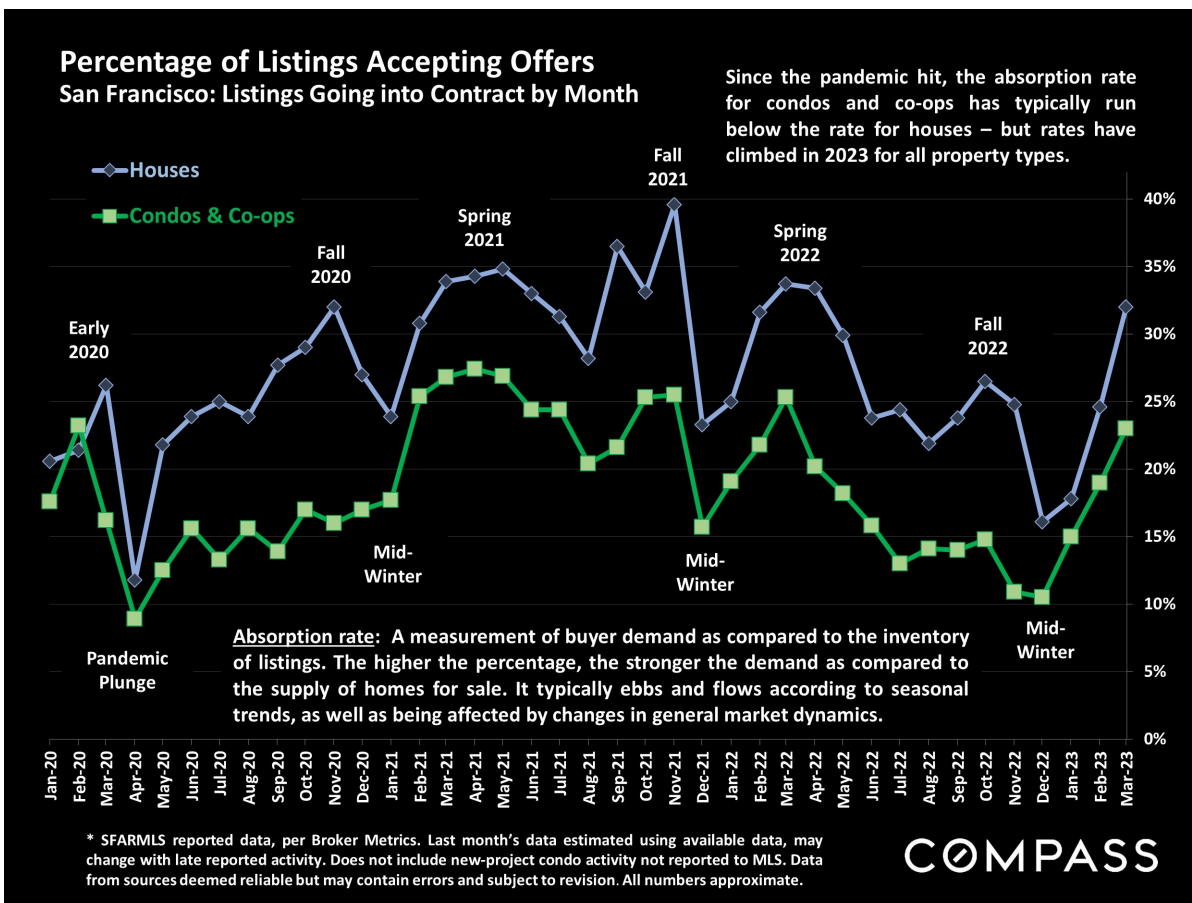
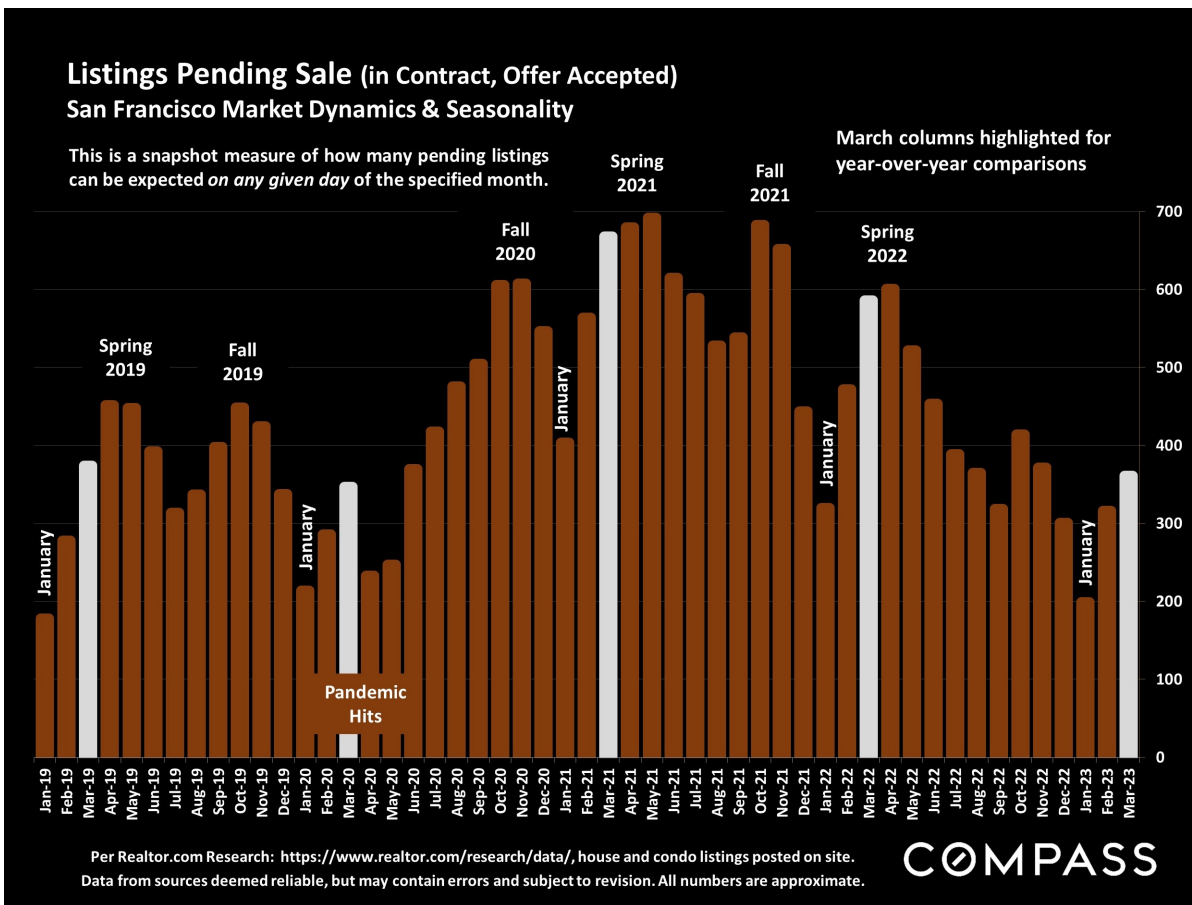
San Francisco Market Dynamics & Seasonality

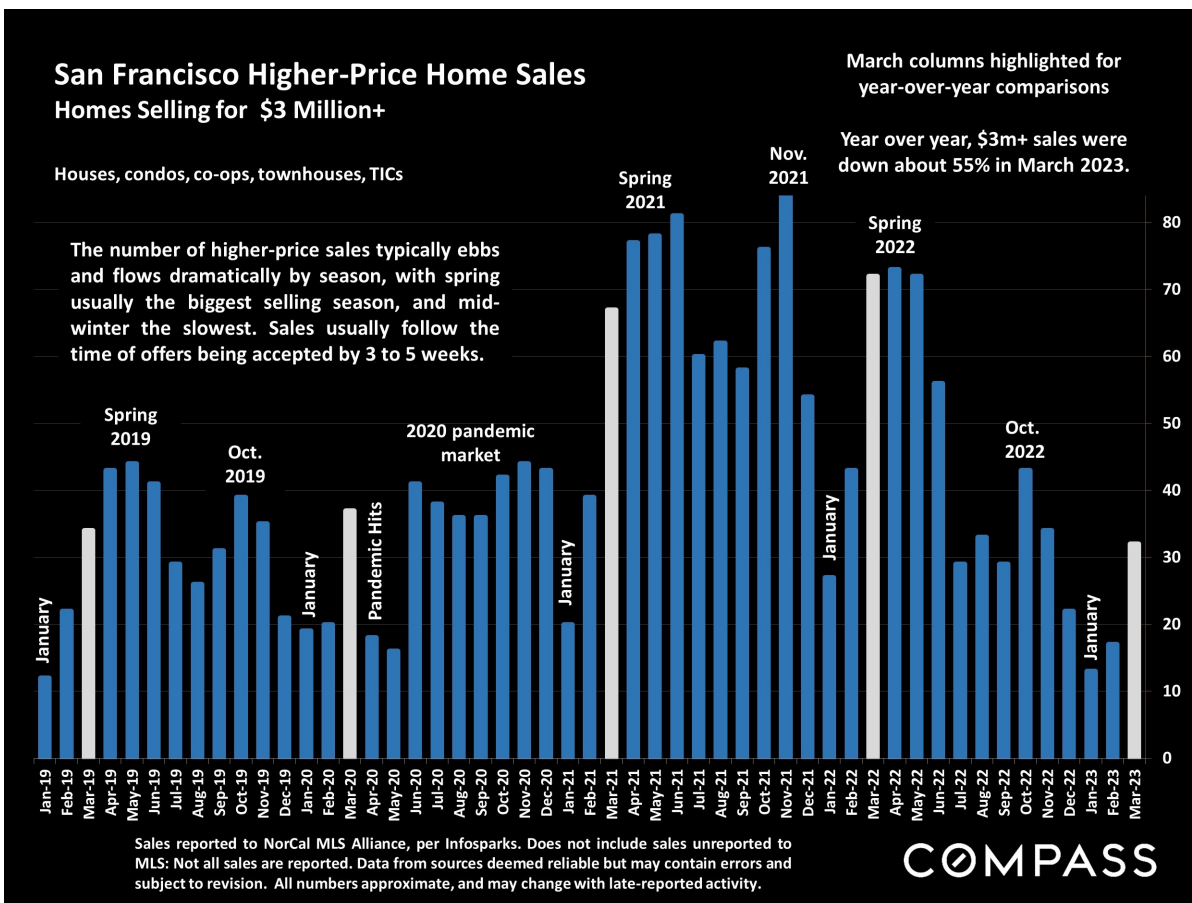
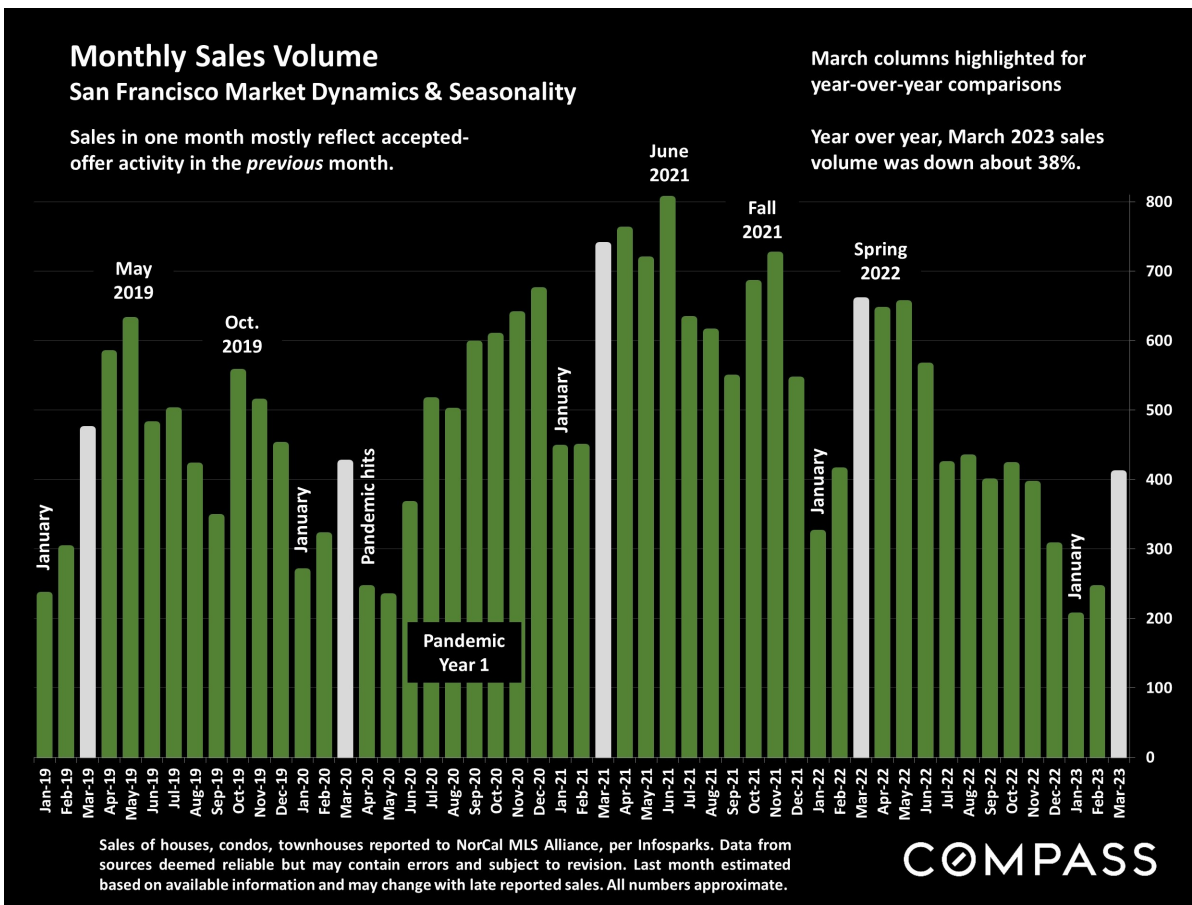
March columns highlighted for year-over-year comparisons

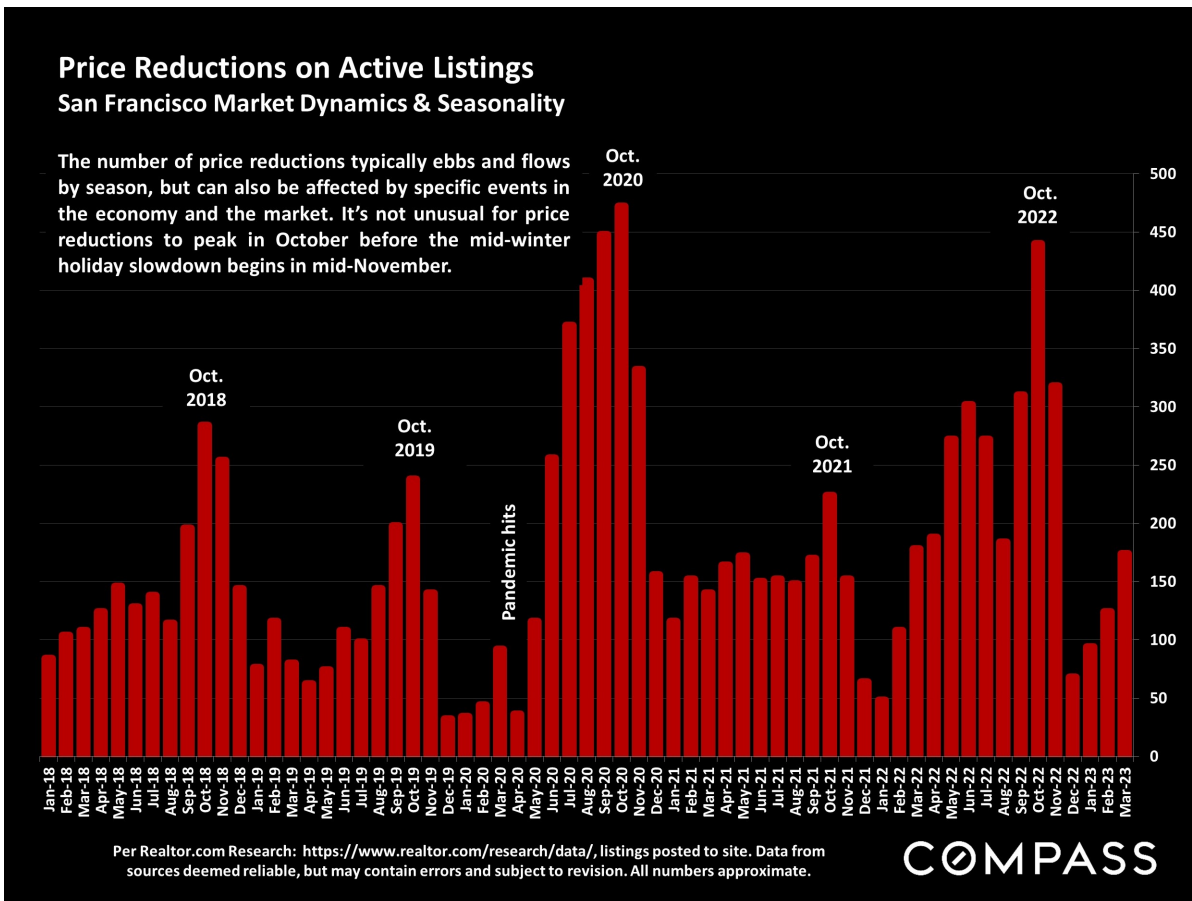
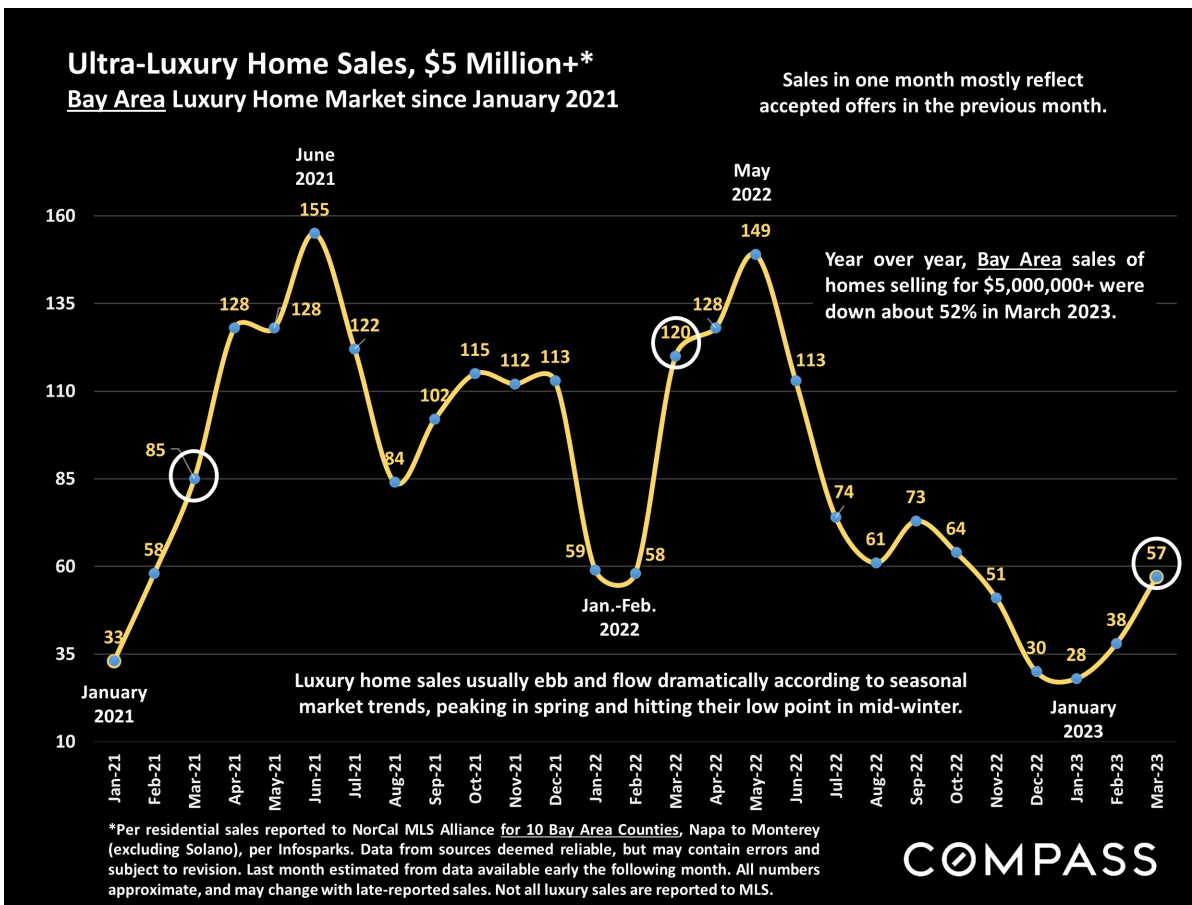


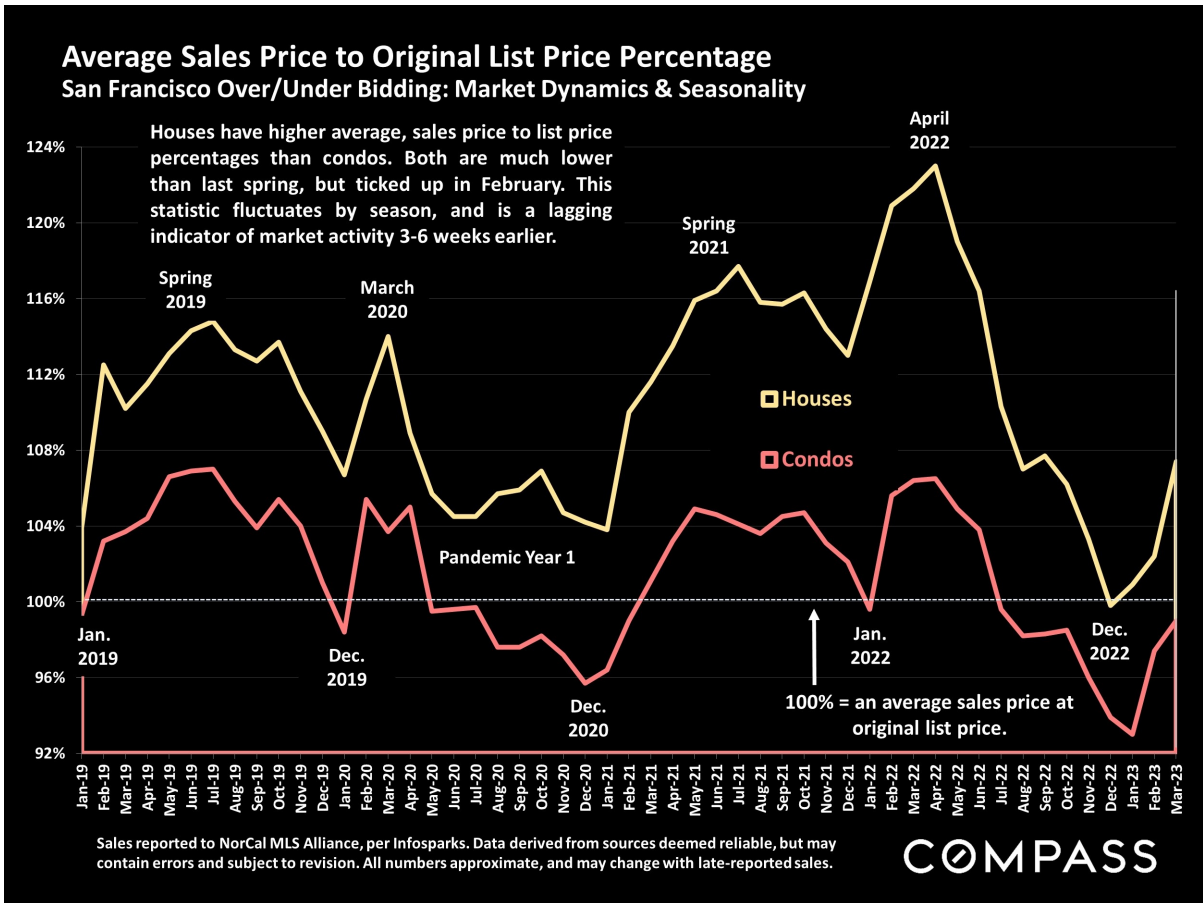
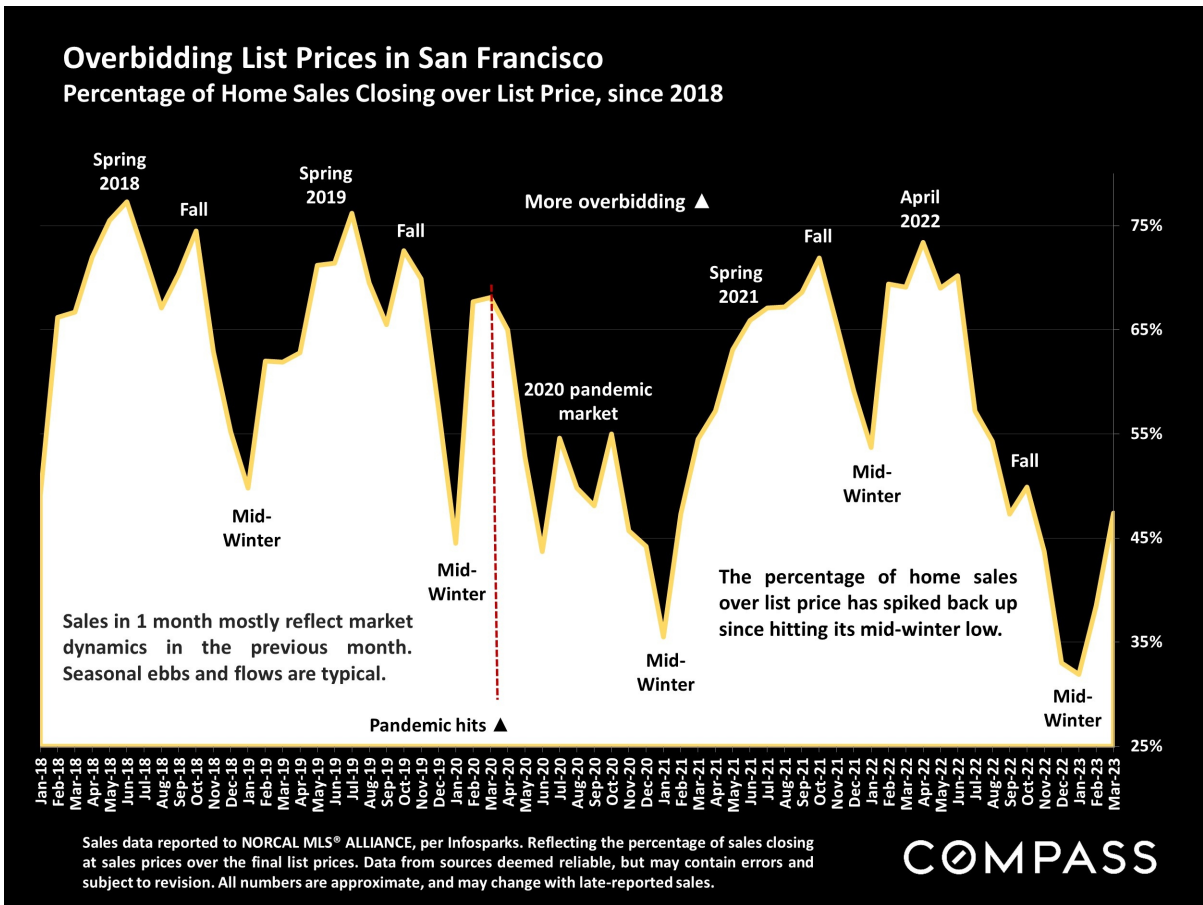
Per Realtor.com Research: <https://www.realtor.com/research/data/>, house and condo listings posted on site. May not include coming-soon listings. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate.

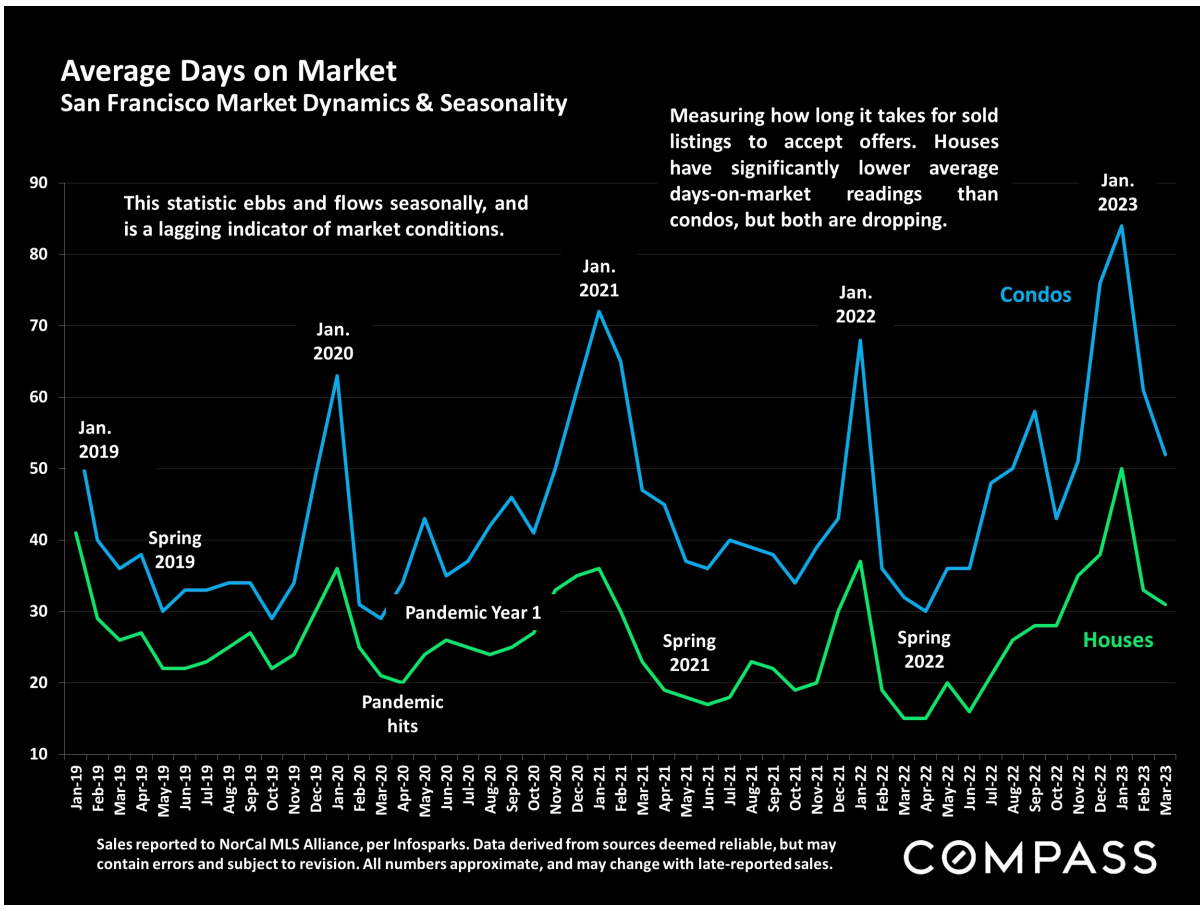












Mortgage Interest Rate Trends, 2016 – Present

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

Rates published by the FHLMC

Per Freddie Mac (FHLMC), on June 5, 2022, the weekly average, 30-year interest rate was 5.25%.

At the end of 2022, the 30-year rate was 3.11%. The historic low of 2.65%.

[Click Here for Review of Selected Macroeconomic Trends](#)

Consumer Sentiment (Confidence) Index

University of Michigan, January 1978 – April 2022

In 2022, the consumer confidence reading hit its lowest point since 2011.

Peak: oil boom
Peak: subprime bubble
2015-2019 recovery & high-tech boom

Financial Markets in 2022

Percentage Declines since January 3, 2022

— S&P 500 Index: 2022 YTD Change
— Nasdaq Index: 2022 YTD Change

Inflation: Consumer Price Index, 1982 – 2022*

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

Last reading as of 4/23/22 AM. Data per MarketWatch.com, daily closing price. *Data may include revised estimates, but they represent current and valid financial markets change consistently and all numbers should be considered as approximate.

Factors in Bay Area Real Estate Markets

Many of these factors' effects can swing both positive and negative, sometimes effects are simply counter-indicators (e.g. a pandemic causing a fence housing boom). Economic, political, social and ecological dynamics constantly change and interact to affect the overall market. Market-changing developments can permeate gradually, or arise quickly and unexpectedly. The impact of specific factors can vary by market segment.

- Local economic conditions: High-tech boom, employment, housing affordability & development, venture capital & foreign investment, profit/anti-business sentiment, etc.
- Interest rates: Stocks markets, Inflation, Consumer confidence
- Regional/mid-western, national, & international economic, international (including corporate, govt. debt levels)
- Natural disasters such as COVID, 1989 earthquake, 2017-21 fires, drought
- Demographic & foreign migration: Federal immigration policy; demographic changes
- Tax law (e.g. real estate tax benefits), Rental market dynamics, State income tax credits, 2017 S&P deduction limitation, disabilities
- International economic/political events, e.g. large oil price swings, military/economic conflicts, 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, malfeasance, e.g. job losses, S&P collapse, predatory lending, abandonment of risk mgmt. & underwriting standards, CDOs & rating-agency deceit, insider trading, over-leveraged investing, irrational exuberance

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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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