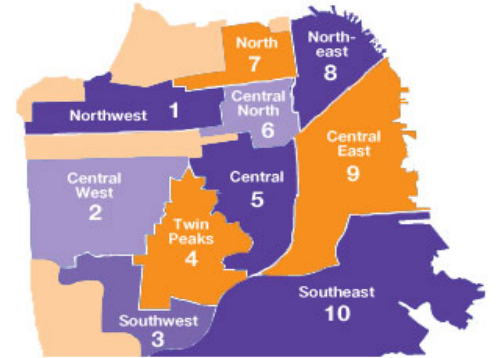


Annual Report on the San Francisco County Housing Market

Residential real estate activity in San Francisco County (Districts 1-10), comprised of single-family properties, townhomes and condominiums.



2017

Annual Report on the San Francisco County Housing Market

Residential real estate activity in San Francisco County (Districts 1-10), comprised of single-family properties, townhomes and condominiums.

There is an ongoing and undeniable national housing shortage. Year-over-year inventory levels have been down in most markets for several years now, and that trend is expected to persist in 2018. Consumers are still purchasing for the first time and relocating to other, presumably more ideal homes.

Having the financial ability to make a move clearly seems feasible to many eager buyers amidst a healthy economy, whether life events such as marriage, children, employment change or desirable downsizing is the reason for moving.

There are further positive signs on the horizon, as builder confidence has improved and construction job gains are measurably higher. It will still take more effort than a lone year can provide for building activity to reach a needed level for inventory balance, but a step in the right direction is welcome.

More sellers should feel ready and willing to list in 2018. Economic indicators such as unemployment rates and consumer confidence are in an improved state, and sellers currently hold the keys in the buyer-seller relationship. This does not mean that sellers can set their price and watch the offers roll in. On the contrary, buyers will be poised to test prevailing price points, particularly in markets where home price increases are outpacing wage growth and in light of the fact that mortgage rates are expected to increase further in 2018.

Sales: Pending sales increased 3.2 percent, landing at 5,164 to close out the year. Sold listings were up 2.6 percent to finish 2017 at 5,150.

Listings: Year-over-year, the number of homes for sale was lower by 19.9 percent. There were 540 active listings at the end of 2017. New listings decreased by 4.3 percent to finish the year at 6,139. Home supply was once again lower than desired in 2017.

Prices: Home prices were up compared to last year. The overall median sales price increased 4.6 percent to \$1,250,000 for the year. Prices are expected to continue to rise at a slow rate in 2018. Single-Family home prices were up 7.0 percent compared to last year, and Condo/TIC/Coop home prices were up 6.0 percent.

List Price Received: Sellers received, on average, 109.4 percent of their original list price at sale, a year-over-year increase of 1.6 percent. As sales prices are expected to increase further in 2018, this could bring original list price received at sale up as well.

The historic tax reforms due to make their mark in 2018 will have varying effects across the nation. High-priced coastal markets may feel the changes stronger than the middle of the country. And some potential buyers may see the changes as providing less of an investment benefit for homeowners.

Some observers warn that there might be enough lack of incentives to stifle homeownership, which is already near 50-year lows. Policymakers claim that the reforms will help boost economic activity and profitability. Whichever direction we ultimately turn, the next year appears to offer a dalliance with balance intended to intrigue both sides of the transaction toward a common middle ground.

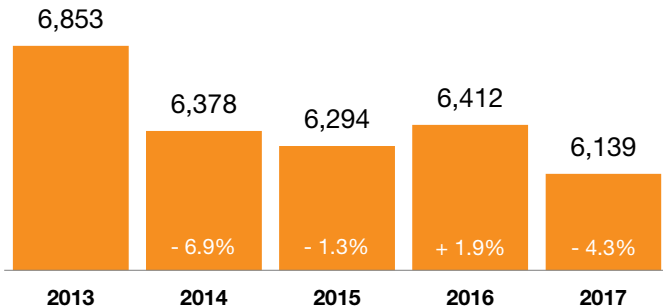
For those who have their minds made up to buy a home in 2018, it will likely be a competitive ride. The trend has widely been toward fewer days on market and fewer months of supply, indicating strong demand despite higher prices and low inventory. This could prove tricky for first-time home buyers, especially for those who are impacted by student loan debt, content to rent or among the more than 15 percent of adult children still living at home. In a landscape rife with new variables, residential real estate is certainly poised to offer an interesting and active year ahead.

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Quick Facts

New Listings



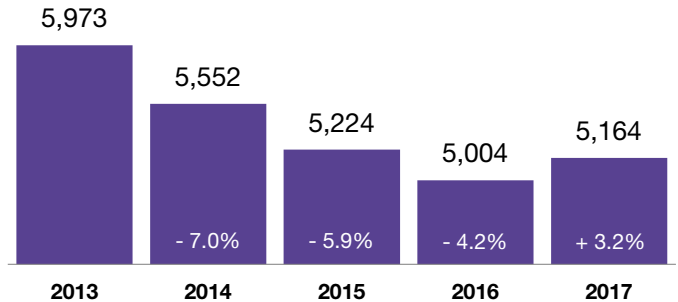
Top 5 Areas: Change in New Listings from 2016

SF District 10	+ 14.9%
SF District 9	- 0.4%
SF District 4	- 3.9%
SF District 7	- 3.9%
SF District 8	- 4.0%

Bottom 5 Areas: Change in New Listings from 2016

SF District 2	- 4.3%
SF District 5	- 7.3%
SF District 6	- 13.3%
SF District 1	- 20.1%
SF District 3	- 21.8%

Pending Sales



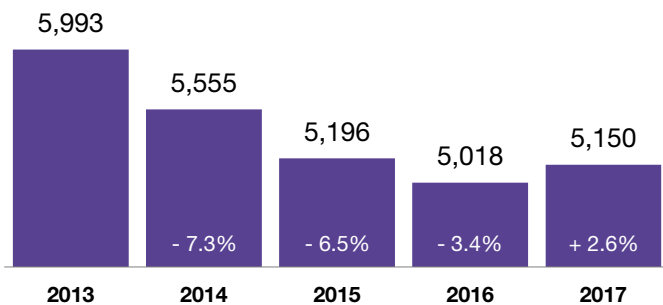
Top 5 Areas: Change in Pending Sales from 2016

SF District 10	+ 21.5%
SF District 9	+ 8.5%
SF District 8	+ 5.8%
SF District 5	+ 4.8%
SF District 7	+ 3.3%

Bottom 5 Areas: Change in Pending Sales from 2016

SF District 4	- 0.6%
SF District 2	- 1.1%
SF District 6	- 5.6%
SF District 1	- 14.9%
SF District 3	- 20.1%

Sold Listings



Top 5 Areas: Change in Sold Listings from 2016

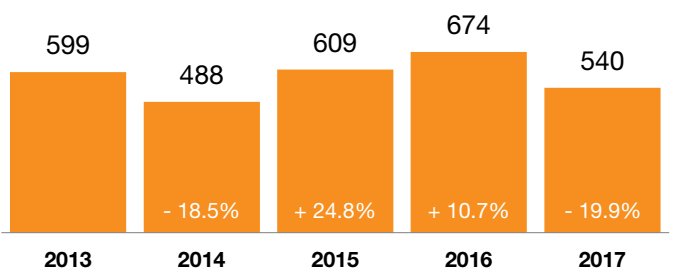
SF District 10	+ 16.9%
SF District 9	+ 7.6%
SF District 8	+ 7.1%
SF District 5	+ 4.2%
SF District 7	+ 3.2%

Bottom 5 Areas: Change in Sold Listings from 2016

SF District 4	+ 1.8%
SF District 2	- 4.0%
SF District 6	- 5.3%
SF District 1	- 14.4%
SF District 3	- 17.3%

Active Listings

At the end of the year.



Top 5 Areas: Change in Active Listings from 2016

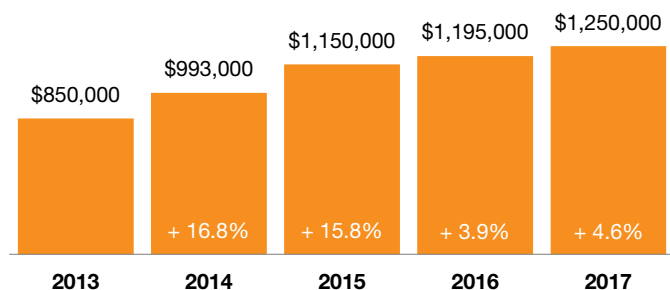
SF District 6	+ 1.7%
SF District 10	- 9.2%
SF District 1	- 9.7%
SF District 8	- 14.1%
SF District 4	- 18.8%

Bottom 5 Areas: Change in Active Listings from 2016

SF District 9	- 19.0%
SF District 5	- 29.9%
SF District 7	- 36.4%
SF District 2	- 38.7%
SF District 3	- 39.1%

Quick Facts

Median Sales Price



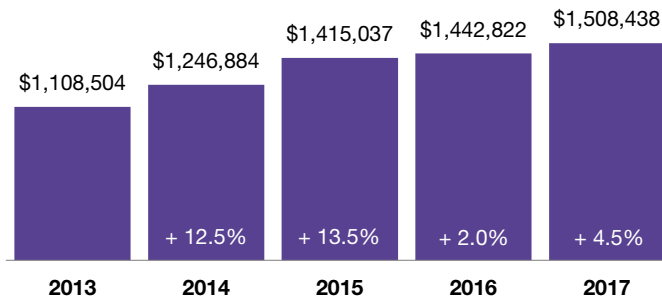
Top 5 Areas: Change in Median Sales Price from 2016

SF District 3	+15.8%
SF District 8	+11.2%
SF District 10	+9.6%
SF District 2	+8.3%
SF District 4	+8.1%

Bottom 5 Areas: Change in Median Sales Price from 2016

SF District 1	+7.8%
SF District 6	+7.4%
SF District 5	+6.3%
SF District 9	+5.5%
SF District 7	-0.3%

Average Sales Price



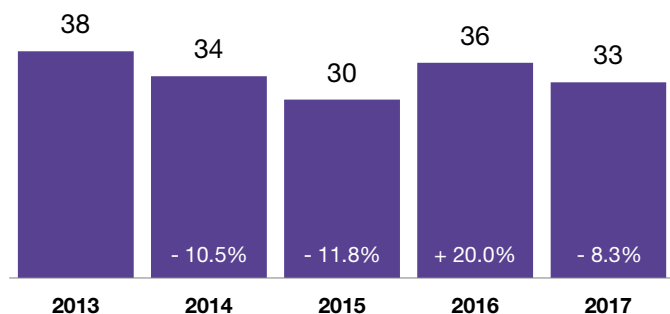
Top 5 Areas: Change in Avg. Sales Price from 2016

SF District 6	+11.3%
SF District 10	+10.4%
SF District 2	+9.8%
SF District 3	+8.8%
SF District 5	+6.7%

Bottom 5 Areas: Change in Avg. Sales Price from 2016

SF District 8	+6.5%
SF District 4	+6.0%
SF District 1	+3.7%
SF District 9	+3.3%
SF District 7	-2.9%

Days on Market Until Sale



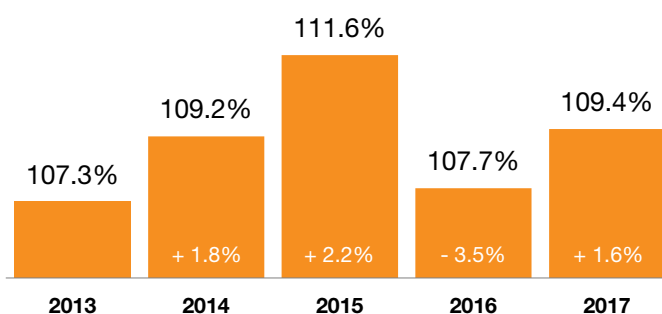
Top 5 Areas: Change in Days on Market from 2016

SF District 8	+22.2%
SF District 3	0.0%
SF District 9	-9.5%
SF District 10	-10.0%
SF District 6	-10.8%

Bottom 5 Areas: Change in Days on Market from 2016

SF District 5	-12.9%
SF District 1	-15.2%
SF District 7	-16.2%
SF District 2	-20.7%
SF District 4	-29.0%

Percent of List Price Received



Top 5 Areas: Change in Pct. of List Price Received from 2016

SF District 4	+4.8%
SF District 2	+4.1%
SF District 10	+3.2%
SF District 1	+2.4%
SF District 3	+2.2%

Bottom 5 Areas: Change in Pct. of List Price Received from 2016

SF District 6	+2.0%
SF District 5	+1.7%
SF District 7	+1.5%
SF District 9	+0.2%
SF District 8	-0.8%

Property Type Review

27

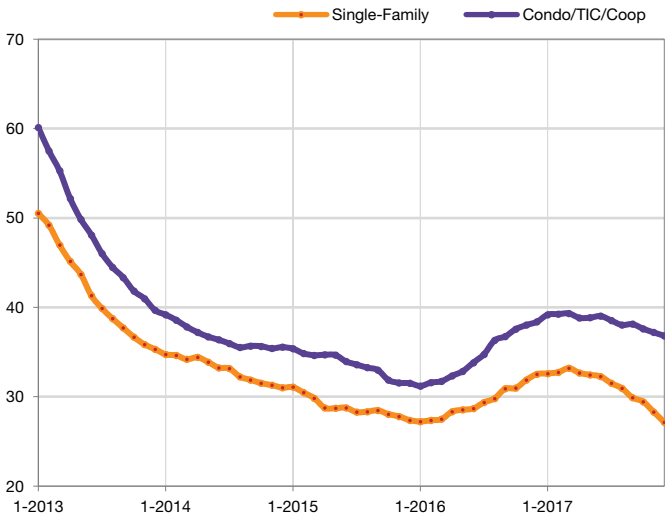
Average Days on Market
Single-Family

37

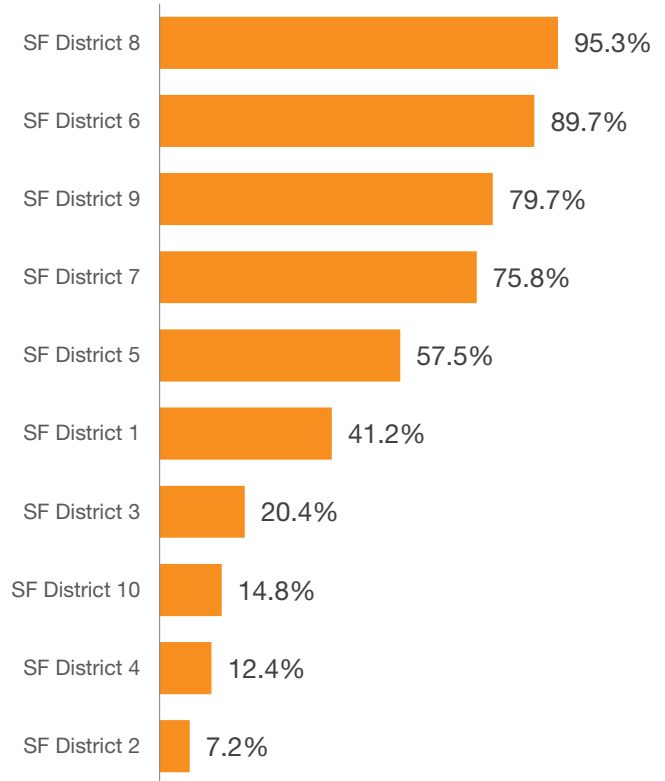
Average Days on Market
Condo/TIC/Coop

Days on Market Until Sale

This chart uses a rolling 12-month average for each data point.



Top Areas: Condo/TIC/Coop Market Share in 2017



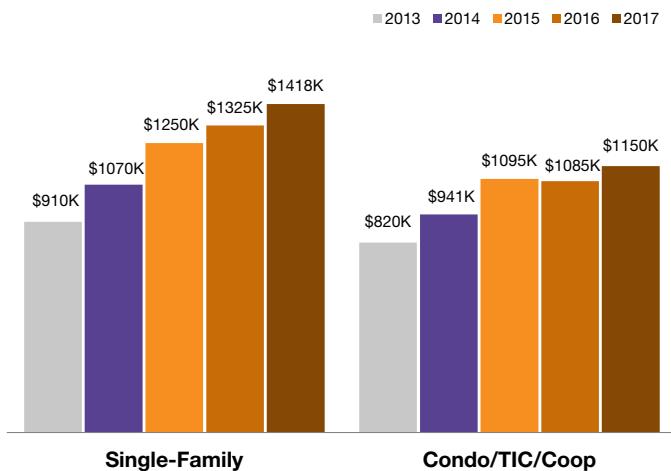
+ 7.0%

One-Year Change in Price
Single-Family

+ 6.0%

One-Year Change in Price
Condo/TIC/Coop

Median Sales Price



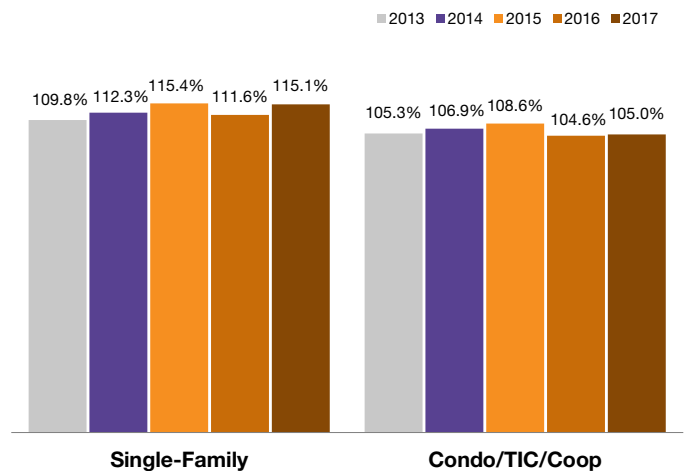
115.1%

Pct. of List Price Received
Single-Family

105.0%

Pct. of List Price Received
Condo/TIC/Coop

Percent of List Price Received



Bedroom Count Review

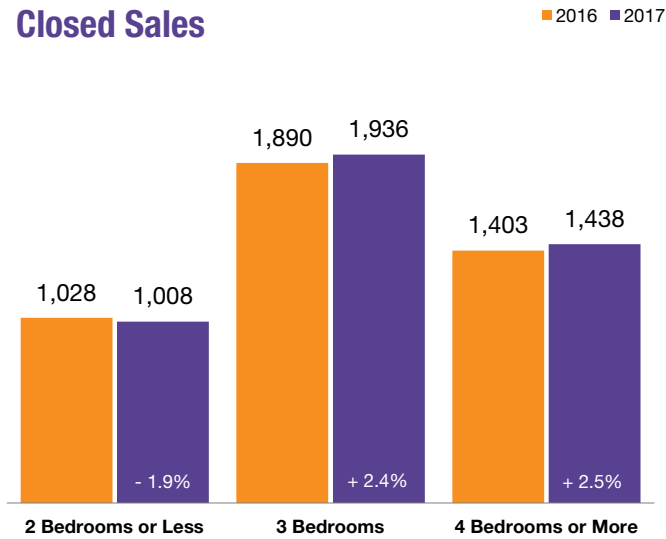
- 1.9%

Reduction in Closed Sales
2 Bedrooms or Less

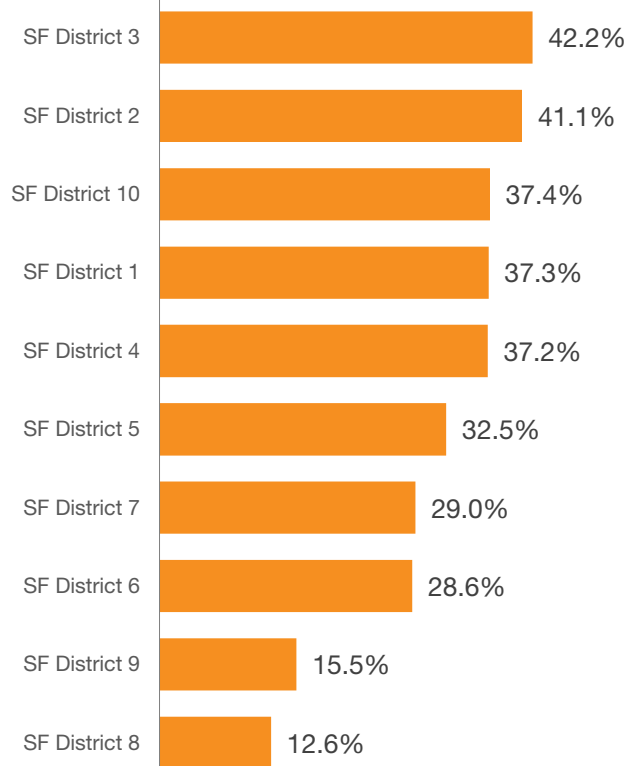
+ 2.5%

Growth in Closed Sales
4 Bedrooms or More

Closed Sales



Top Areas: 4 Bedrooms or More Market Share in 2017



108.8%

Percent of Original List Price
Received in 2017 for
All Properties

103.7%

Percent of Original List Price
Received in 2017 for
2 Bedrooms or Less

109.0%

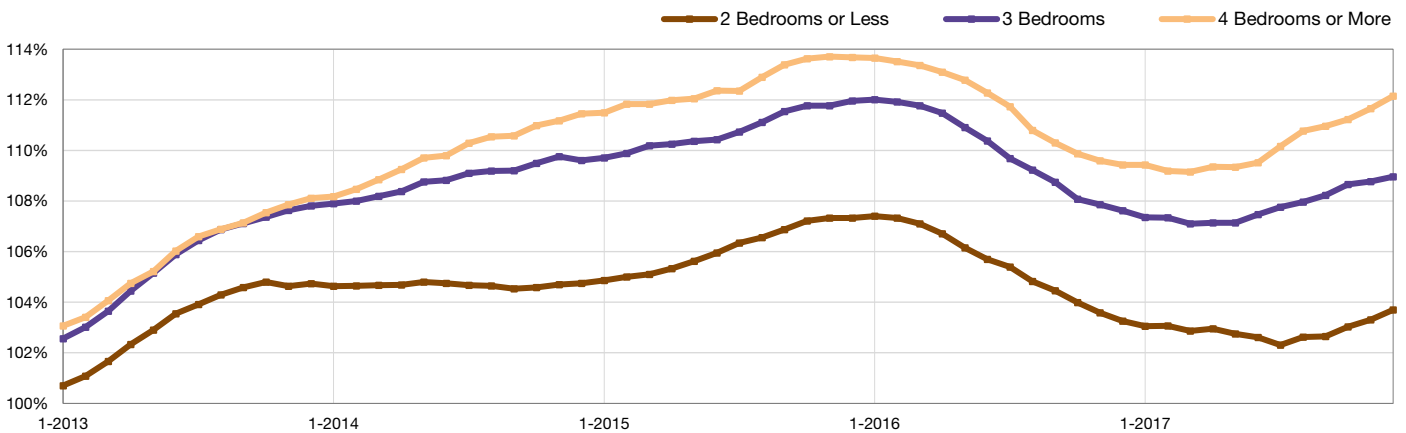
Percent of Original List Price
Received in 2017 for
3 Bedrooms

112.1%

Percent of Original List Price
Received in 2017 for
4 Bedrooms or More

Percent of Original List Price Received

This chart uses a rolling 12-month average for each data point.



Square Foot Range Review

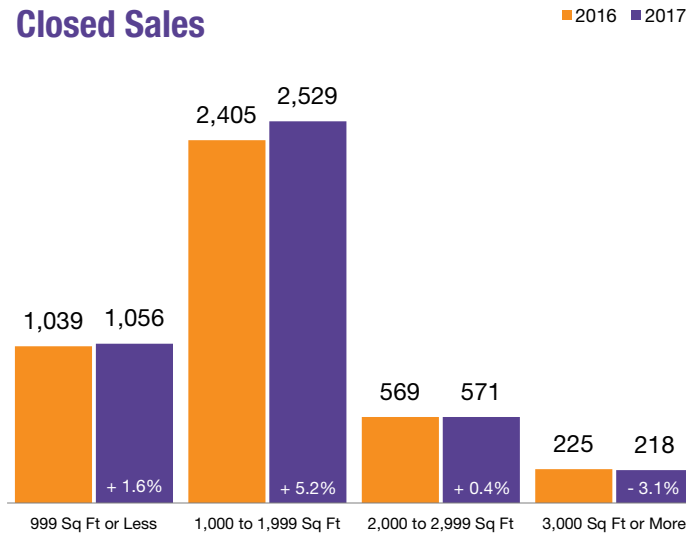
+ 1.6%

Growth in Closed Sales
999 Sq Ft or Less

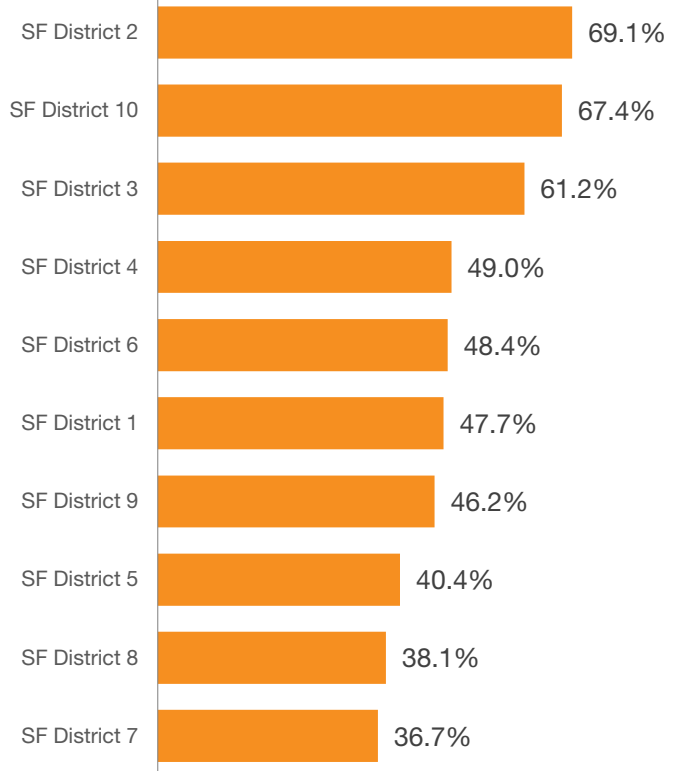
+ 5.2%

Growth in Closed Sales
1,000 to 1,999 Sq Ft

Closed Sales



Top Areas: 1,000 to 1,999 Sq Ft Market Share in 2017



105.3%

Percent of Original List Price
Received in 2017 for
999 Sq Ft or Less

111.2%

Percent of Original List Price
Received in 2017 for
1,000 to 1,999 Sq Ft

109.5%

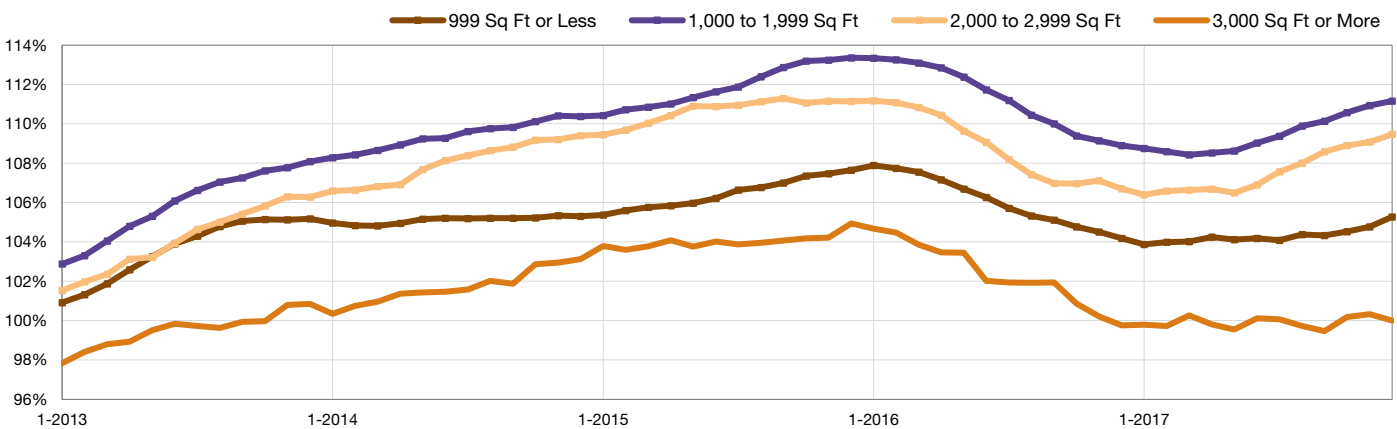
Percent of Original List Price
Received in 2017 for
2,000 to 2,999 Sq Ft

100.0%

Percent of Original List Price
Received in 2017 for
3,000 Sq Ft or More

Percent of Original List Price Received

This chart uses a rolling 12-month average for each data point.



Price Range Review

\$1,098,000 or More

Price Range with Shortest Average Market Time

\$564,999 or Less

Price Range with Longest Average Market Time

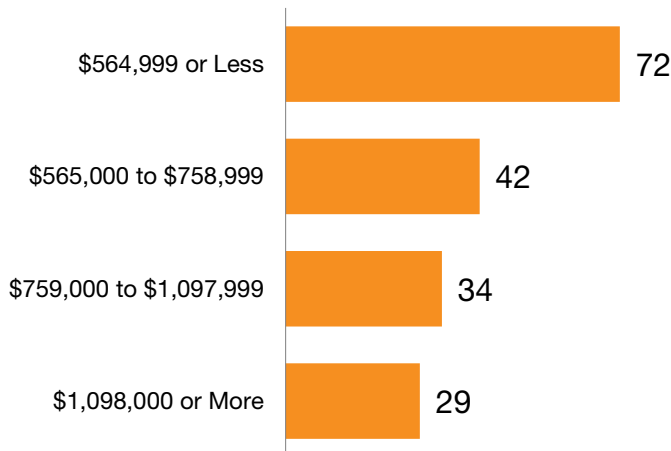
8.5%

of Homes for Sale at Year End Priced \$564,999 or Less

- 13.2%

One-Year Change in Homes for Sale Priced \$564,999 or Less

Days on Market Until Sale by Price Range



Share of Homes for Sale \$564,999 or Less



\$1,098,000 or More

Price Range with the Most Closed Sales

+ 12.2%

Price Range with Strongest One-Year Change in Sales: \$1,098,000 or More

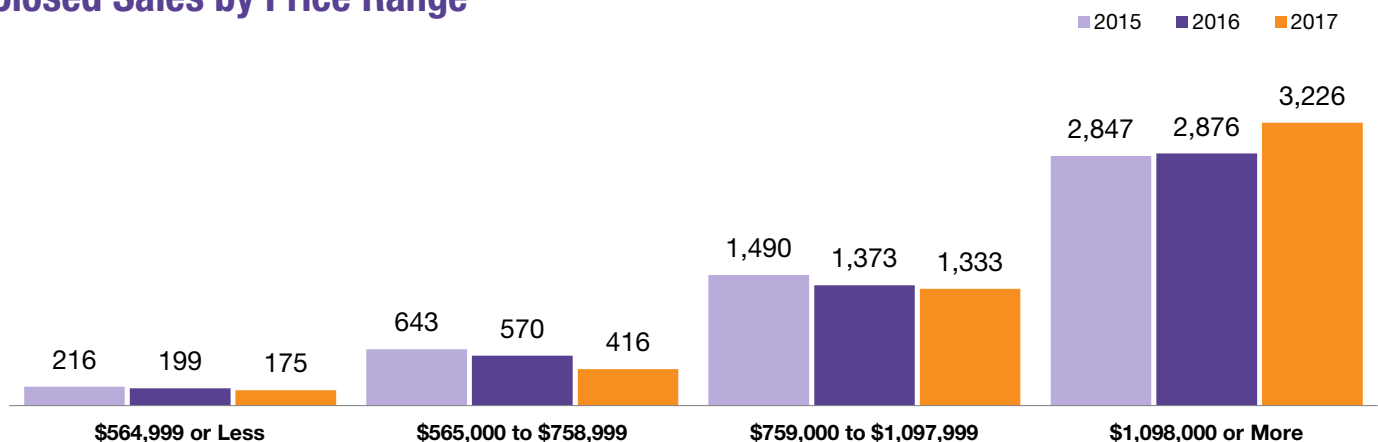
\$564,999 or Less

Price Range with the Fewest Closed Sales

- 27.0%

Price Range with Weakest One-Year Change in Sales: \$565,000 to \$758,999

Closed Sales by Price Range



Area Overviews

	Total Closed Sales	Change from 2016	Percent Single-Family	Percent Condo/TIC/Coop	Months Supply of Inventory	Days on Market	Pct. of Orig. Price Received
SF District 1	279	- 14.4%	58.8%	41.2%	1.2	28	111.4%
SF District 2	431	- 4.0%	92.8%	7.2%	0.5	23	122.2%
SF District 3	206	- 17.3%	79.6%	20.4%	0.9	30	112.9%
SF District 4	347	+ 1.8%	87.6%	12.4%	0.9	22	116.1%
SF District 5	742	+ 4.2%	42.5%	57.5%	1.0	27	109.8%
SF District 6	339	- 5.3%	10.3%	89.7%	2.1	33	106.8%
SF District 7	414	+ 3.2%	24.2%	75.8%	1.2	31	103.9%
SF District 8	515	+ 7.1%	4.7%	95.3%	1.7	44	100.6%
SF District 9	1,297	+ 7.6%	20.3%	79.7%	1.4	38	104.6%
SF District 10	580	+ 16.9%	85.2%	14.8%	1.2	36	112.2%

Area Historical Median Prices

	2013	2014	2015	2016	2017	Change From 2016	Change From 2013
SF District 1	\$1,000,000	\$1,219,000	\$1,372,500	\$1,415,250	\$1,525,000	+ 7.8%	+ 52.5%
SF District 2	\$835,000	\$950,000	\$1,150,000	\$1,200,000	\$1,300,000	+ 8.3%	+ 55.7%
SF District 3	\$657,500	\$715,000	\$863,000	\$950,000	\$1,100,000	+ 15.8%	+ 67.3%
SF District 4	\$985,000	\$1,115,000	\$1,350,000	\$1,388,000	\$1,501,000	+ 8.1%	+ 52.4%
SF District 5	\$1,188,500	\$1,350,000	\$1,458,500	\$1,505,000	\$1,600,000	+ 6.3%	+ 34.6%
SF District 6	\$805,000	\$947,000	\$1,170,000	\$1,150,000	\$1,235,000	+ 7.4%	+ 53.4%
SF District 7	\$1,450,500	\$1,732,500	\$1,808,500	\$1,860,000	\$1,855,000	- 0.3%	+ 27.9%
SF District 8	\$820,000	\$910,000	\$1,095,000	\$1,025,000	\$1,140,000	+ 11.2%	+ 39.0%
SF District 9	\$825,000	\$952,444	\$1,138,000	\$1,100,000	\$1,160,000	+ 5.5%	+ 40.6%
SF District 10	\$575,000	\$676,500	\$775,000	\$810,000	\$887,875	+ 9.6%	+ 54.4%