

SAN FRANCISCO MARKET UPDATE | Q2 2024

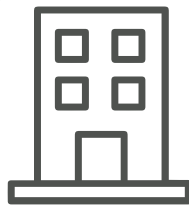
SNAPSHOT

Appreciation metrics for multifamily buildings have shown significant declines since interest rates surged in 2022. While each property is unique, there's a noticeable split in the market: vacant multifamily buildings tend to sell quickly, while tenant-occupied properties often remain on the market longer, especially if rental rates are below current market levels.

It is important to note that this market comprises a limited number of sales, encompassing buildings with highly diverse sizes, qualities, and financial profiles, spanning across a wide array of locations. Consequently, conducting meaningful statistical analysis becomes more challenging.

According to Zillow, rental rates have been rising since June, but they are still 7.5 percent lower than at the same time last year. As of July 2024, the median rent is \$3,350 per month.

2-4 UNIT BUILDINGS



5+ UNIT BUILDINGS



Q2 2024

MEDIAN SALES PRICE	\$1,740,000 ↓
DAYS ON MARKET	24 ↓
\$/SQ. FT.	\$589 ↓
\$/UNIT	\$712,917 ↓
# FOR SALE LAST DAY OF JUNE	136 ↓
WENT INTO CONTRACT	100 ↓
PROPERTIES SOLD	100 ↓

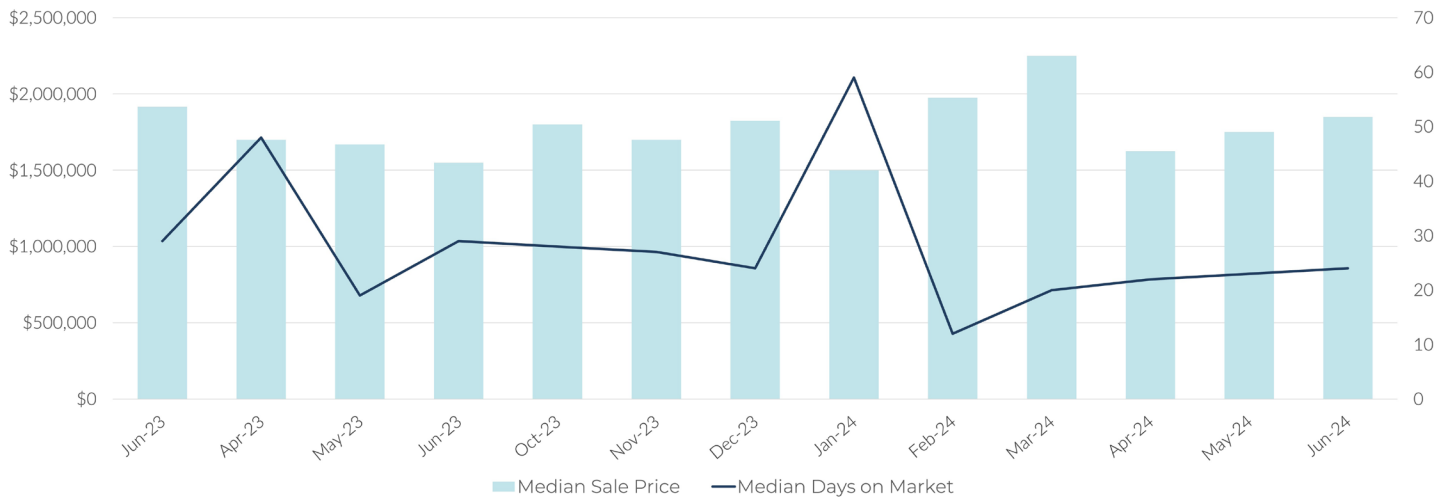
Q2 2024

MEDIAN SALES PRICE	\$2,170,000 ↓
DAYS ON MARKET	43 ↓
\$/SQ. FT.	\$391 ↓
\$/UNIT	\$312,167 ↓
# FOR SALE LAST DAY OF JUNE	69 ↓
WENT INTO CONTRACT	52 ↑
PROPERTIES SOLD	46 ↑

SAN FRANCISCO MARKET UPDATE | Q2 2024

2-4 UNIT BUILDINGS

MONTH-OVER-MONTH COMPARISON



CHANGE IN PAST MONTH:

SALE PRICE: **+5.7%**

DAYS ON MARKET: **+1 day**

YEAR-OVER-YEAR COMPARISON

	MEDIAN			
	Q2-2024	Q2-2023	%Δ	2022
SALES PRICE	\$1,740,000	\$1,897,500	-8.3%	\$1,981,500
DAYS ON MARKET	24	30	-20.0%	30
\$/SQ. FT.	\$589	\$629	-6.4%	\$695
PRICE PER UNIT.	\$712,917	\$750,000	-4.9%	\$800,000

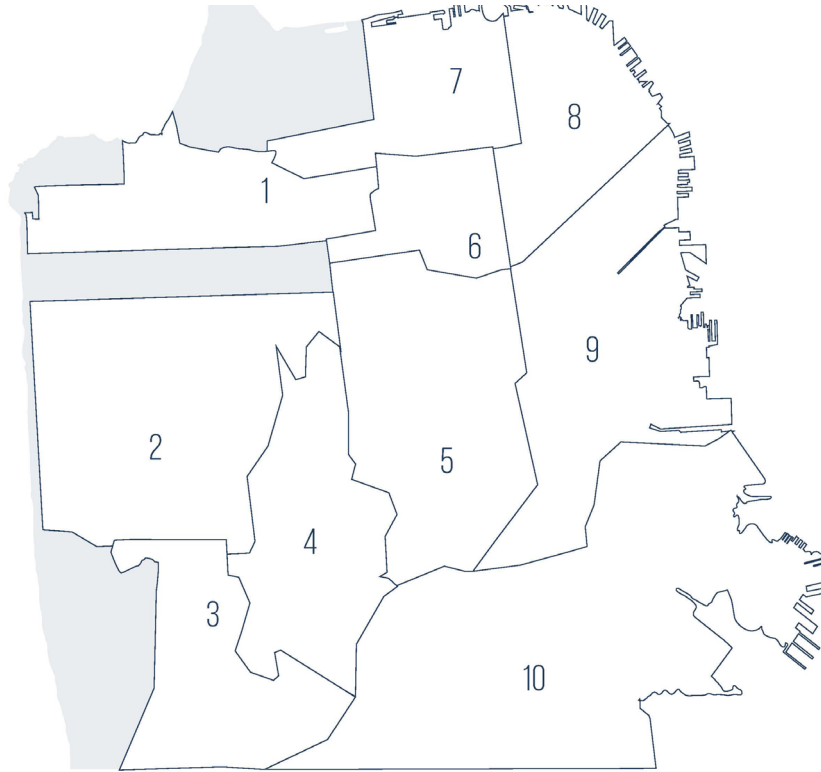


Appreciation metrics for multifamily buildings have shown significant declines since interest rates surged in 2022.

TOTAL

	Q2-2024	Q2-2023	%Δ	2022
WENT INTO CONTRACT	100	112	-10.7%	446
PROPERTIES SOLD	100	108	-7.4%	475
# FOR SALE LAST DAY OF JUNE	136	145	-6.2%	152
% OF PROPERTIES SOLD OVER LIST PRICE	53.0%	43.5%	+21.8%	45.7%
% OF LIST PRICE RECEIVED (AVERAGE)	104.1%	101.3%	+2.8%	103.4%

MEDIAN AREA VALUES (Q2 2024)



DISTRICT	2-4 UNIT BUILDINGS	\$/SQ. FT.	% OF LIST PRICE RECEIVED (AVERAGE)	BUILDINGS SOLD
District 1	\$1,910,000	\$585	109.2%	14*
District 2	\$1,725,000	\$610	99.0%	6*
District 3	\$956,125	\$454	106.3%	2*
District 4	\$1,674,500	\$558	98.6%	2*
District 5	\$1,825,000	\$660	102.4%	27*
District 6	\$2,140,000	\$500	125.1%	7*
District 7	\$2,800,000	\$683	101.4%	11*
District 8	\$1,800,000	\$689	99.3%	9*
District 9	\$1,290,000	\$495	99.9%	17*
District 10	\$1,150,000	\$523	105.2%	5*

* Small sample size; use caution when interpreting statistics. Sources: SFAR MLS & BrokerMetrics; Property types covered: 2-4 unit buildings. Only property data posted on the MLS is covered. All information is deemed reliable, but not guaranteed for accuracy. All data is subject to errors, omissions, revisions, and is not warranted. ©2024 Vanguard Properties. All rights reserved. Equal Housing Opportunity. DRE No. 01486075

SAN FRANCISCO MARKET UPDATE | Q2 2024

5+ UNIT BUILDINGS

YEAR-OVER-YEAR COMPARISON

	Q2-2024	Q2-2023	%Δ	2022	
MEDIAN	SALES PRICE	\$2,170,000	\$2,400,000	-9.6%	\$3,050,000
	DAYS ON MARKET	43	62	-30.6%	54
	\$/SQ. FT.	\$391	\$397	-1.5%	\$505
	PRICE PER UNIT.	\$312,167	\$313,333	-0.4%	\$399,167
	CAP RATE.	5.83%	5.40%	+8.0%	4.70%
	GROSS RENT MULTIPLIER.	11.6	12.3	-5.7%	14.7
TOTAL	WENT INTO CONTRACT	52	28	+85.7%	130
	PROPERTIES SOLD	46*	27*	+70.4%	137
	# FOR SALE LAST DAY OF JUNE.	69	99	-30.3%	81
	% OF PROPERTIES SOLD OVER LIST PRICE.	19.6%	3.7%	+429.7%	22.6%
	% OF LIST PRICE RECEIVED (AVERAGE)	95.3%	94.1%	+1.3%	95.7%

“It is important to note that this market comprises a limited number of sales, encompassing buildings with highly diverse sizes, qualities, and financial profiles, spanning across a wide array of locations. Consequently, conducting meaningful statistical analysis becomes more challenging.”

MEDIAN AREA VALUES (Q2 2024)

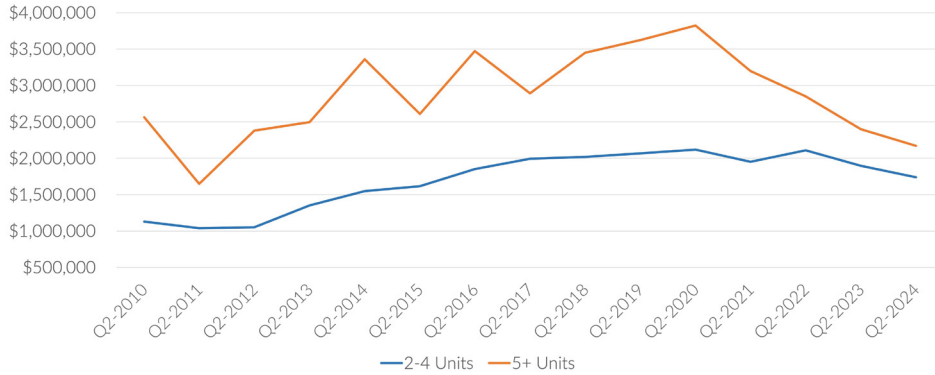
DISTRICT	5+ UNIT BUILDINGS	\$/SQ. FT.	PRICE PER UNIT	CAP RATE.	GROSS RENT MULTIPLIER	BUILDINGS SOLD
District 1	\$2,047,500	\$460	\$312,500	5.54%	14.0	4*
District 2	\$1,876,000	\$395	\$312,667	5.62%	12	3*
District 3	-	-	-	-	-	0
District 4	-	-	-	-	-	0
District 5	\$2,130,000	\$398	\$395,000	5.29%	13.1	7*
District 6	\$2,350,000	\$367	\$350,000	5.83%	11.8	7*
District 7	\$5,256,500	\$434	\$369,096	5.63%	11.7	4*
District 8	\$2,125,000	\$335	\$237,500	6.58%	10.4	14*
District 9	\$1,980,000	\$400	\$305,119	6.34%	10.5	6*
District 10	\$2,210,000	\$288	\$442,000	5.10%	16.2	1*

* Small sample size: use caution when interpreting statistics. Sources: SFAR MLS & BrokerMetrics; Property types covered: 5+ unit buildings. Only property data posted on the MLS is covered. All information is deemed reliable, but not guaranteed for accuracy. All data is subject to errors, omissions, revisions, and is not warranted. ©2024 Vanguard Properties. All rights reserved. Equal Housing Opportunity. DRE No. 01486075

SAN FRANCISCO MARKET UPDATE | Q2 2024

YEAR-OVER-YEAR COMPARISONS

MEDIAN SALE PRICE



2-4 UNIT BUILDINGS
\$1,740,000

-8.3% year-over-year

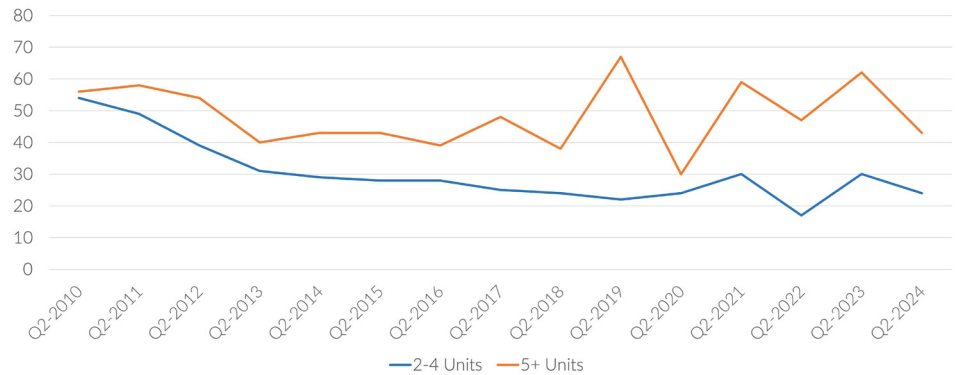
5+ UNIT BUILDINGS
\$2,170,000

-9.6% year-over-year

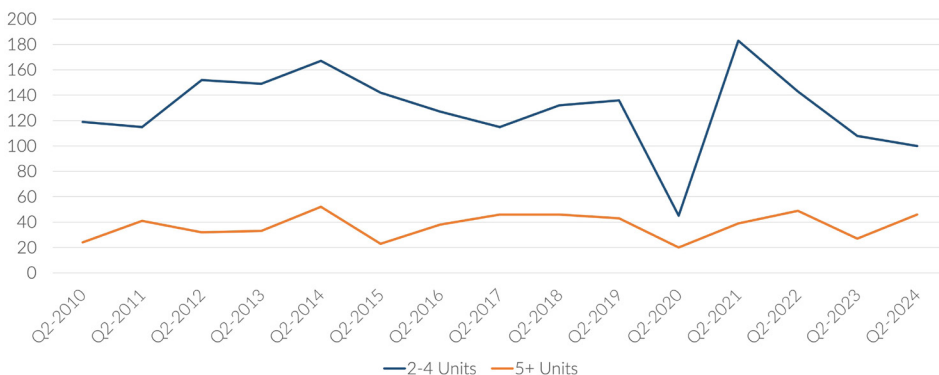
MEDIAN MARKET TIME

2-4 UNIT BUILDINGS
24 days
-6 day change year-over-year

5+ UNIT BUILDINGS
43 days
-19 day change year-over-year



NUMBER OF SALES



2-4 UNIT BUILDINGS
100

-7.4% year-over-year

5+ UNIT BUILDINGS*
46

+70.4% year-over-year

* Small sample size: use caution when interpreting statistics. Sources: SFAR MLS & BrokerMetrics. Property types covered: 2-4 & 5+ unit buildings. Only property data posted on the MLS is covered. All information is deemed reliable, but not guaranteed for accuracy. All data is subject to errors, omissions, revisions, and is not warranted. ©2024 Vanguard Properties. All rights reserved. Equal Housing Opportunity. DRE No. 01486075