



Paragon Market Report: San Francisco Home Sales 1st Quarter 2008 vs. 1st Quarter 2007

Comparing 1st Qtr 08 to 1st Qtr 07, the number of home sold in San Francisco decreased about 27%, with properties below \$1,000,000—condos in particular—showing the largest drop. The lower end of the SF housing market—to a large degree fueled by first-time buyers—has been the *most* affected by market upheaval and new financing conditions. The middle price range, \$1,000,000 to \$1,999,999, showed a much smaller decrease, while sales of \$2,000,000 and above actually *increased*. See charts on later pages.

Median days-on-market for all houses and condos *sold* barely changed (37 days in 07 vs. 36 in 08), but for homes *on* the market, days-on-market increased by approximately 20 days (60 - 69 days in 07 vs. 80 - 89 in 08)—i.e., the homes selling are generally selling relatively quickly, but those *not* selling are staying on the market for longer periods of time (and so price reductions are increasing too). The quicker a home sells, the higher the sales price as a percentage of list price: those selling within 30 days average 4 - 7% more than those which do not. The below graph does not factor in price reductions, which would significantly increase the difference.

Average % of Sale Price to List Price (SP/LP) by Days-on-Market, First Quarter 2008:

	0-30 Days	31-60 Days	61-90 Days	91-120 Days	120+ Days
No. of Listings	363	200	131	80	84
% of Sales	42.3%	23.3	15.3	9.3	9.8
Avg % SP/LP	103.4%	99.2	97.2	98.2	96.8

The number of homes for sale has gone up about 20%, and the months-supply-of-inventory has increased by 1 month (3.2 vs. 2.2 months). The median sales price of all homes sold increased by about 3%. San Francisco—though down from its peak in May 07—is the only Bay Area County still showing median price increases year over year. (Some counties have shown declines in excess of 40%.)

As shown in subsequent charts, city-wide median numbers mask dramatic differences between different SF neighborhoods. Some areas still feature low inventory, high demand, multiple offers and quick sales; others are on the opposite end of the spectrum.



**San Francisco Property Sales at Selected Price Ranges
Comparing 1st Quarter 2008 to 1st Quarter 2007**

Property & Price	Unit Sales 1 st Qtr 07	Unit Sales 1 st Qtr 08	Change	Median Price 1 st Qtr 07	Median Price 1 st Qtr 08	Sale Price/List Price 1 st Qtr 07 Average	Sale Price/List Price 1 st Qtr 08 Average
Houses 999,000 & under	320	230	- 28%	\$740,000	\$723,250	102.31%	99.75%
Houses \$1m – 1,999,999	131	115	- 12%	\$1,265,000	\$1,310,000	103.66%	102.01%
Houses \$2m & above	38	51	+ 34%	\$2,797,500	\$2,595,000	100.38%	100.85%
Condos 999,000 & under	577	348	- 40%	\$650,000	\$660,000	100.23%	99.58%
Condos \$1m – 1,999,999	103	87	- 16%	\$1,275,000	\$1,249,000	101.38%	101.50%
Condos \$2m & above	9	18	+ 100%	\$2,700,000	\$2,396,500	102.40%	99.64%
2-4 Units All Prices	133	82	- 38%	\$1,300,000	\$1,312,500	100.14%	100.05%

Here we see that lower priced homes, by far the largest segment of our real estate market by quantity of sales, have been the most negatively affected by market changes: year to year, house and condo sales under \$1,000,000 declined by 28% and 40% respectively. Conversely, at the highest end, house and condo sales increased by 34% and 100%, though the actual number of sales is small. (Due to the small number of sales and the huge *range* in sales prices, changes in median price at the high end are not particularly meaningful.) The middle range declined by 12 – 16% in unit sales, with mixed results in median sales prices.



Lower-Price-Range San Francisco Home Sales Comparing 1st Quarter 2008 to 1st Quarter 2007

House Sales at \$999,000 & Under

Neighborhood (Per MLS District)	Unit Sales 1 st Qtr 07	Unit Sales 1 st Qtr 08	Change	Median Price 1 st Qtr 07	Median Price 1 st Qtr 08	Change
Sunset, Parkside, Golden Gate Heights	75	63	- 16%	\$785,000	\$770,000	- 2%
Ingleside, Stonestown, Lakeside, Oceanview, Merced Heights	24	20	- 17%	\$694,000	\$566,000	- 18%
St. Francis, West Portal, Miraloma Park, Forest Hill	50	29	- 42%	\$817,500	\$825,000	+ 1%
Noe, Castro, Haight, Glen Park, Clarendon & Corona Heights	15	6	- 60%	\$900,000	\$890,000	- 1%
South Beach, SOMA, Potrero, Inner Mission , Mission Bay	26	25	- 4%	\$785,000	\$790,000	none
Bayview, Portola, Excelsior, Visitacion Vly, Crocker Amazon	117	77	- 34%	\$668,600	\$568,000	- 15%

SF's lower-end home market has seen substantial drops in unit sales—though in some areas driven by low inventory. In the city's southern-most districts, we see increasing inventories of unsold homes and major declines in median sales price.

Condo Sales at \$999,000 & Under

Neighborhood (Per MLS District)	Unit Sales 1 st Qtr 07	Unit Sales 1 st Qtr 08	Change	Median Price 1 st Qtr 07	Median Price 1 st Qtr 08	Change
Noe, Castro, Haight, Glen Park, Clarendon & Corona Heights	114	68	- 40%	\$652,500	\$715,000	+ 10%
Hayes Valley, Alamo Square, Lower Pacific Heights	83	47	- 43%	\$583,000	\$698,000	+ 20%
Pacific & Presidio Heights, Marina, Cow Hollow	49	22	- 55%	\$725,000	\$753,500	+ 4%
Russian, Nob & Telegraph Hills; North Beach, North Waterfront	90	68	- 24%	\$680,000	\$575,000	- 15%
South Beach, SOMA, Potrero Hill Inner Mission , Mission Bay	160	109	- 32%	\$650,000	\$629,000	- 3%

The condo market's lower end has been *most* affected by unit sale declines, though median prices are still rising in some areas. Inventory levels and days-on-market are generally increasing significantly.



Mid-Price-Range San Francisco Home Sales Comparing 1st Quarter 2008 to 1st Quarter 2007

House Sales at \$1,000,000 to \$1,999,000

Neighborhood (Per MLS District)	Unit Sales 1 st Qtr 07	Unit Sales 1 st Qtr 08	Change	Median Price 1 st Qtr 07	Median Price 1 st Qtr 08	Change
Richmond, Lake, Sea Cliff, Lone Mountain, Jordan Park	19	15	- 21%	\$1,250,000	\$1,310,000	+ 5%
Sunset, Parkside, Golden Gate Heights	22	17	- 23%	\$1,232,500	\$1,150,000	- 7%
St. Francis, West Portal, Miraloma Park, Forest Hill	22	23	+ 5%	\$1,305,000	\$1,325,000	+ 2%
Noe, Castro, Haight, Glen Park, Clarendon & Corona Heights	40	40	none	\$1,322,500	\$1,419,000	+ 7%
South Beach, SOMA, Potrero Hill, Inner Mission , Mission Bay	14	6	- 57%	\$1,144,500	\$1,085,000	- 5%

Condo Sales at \$1,000,000 to \$1,999,000

Neighborhood (Per MLS District)	Unit Sales 1 st Qtr 07	Unit Sales 1 st Qtr 08	Change	Median Price 1 st Qtr 07	Median Price 1 st Qtr 08	Change
Noe, Castro, Haight, Glen Park, Clarendon & Corona Heights	21	17	- 19%	\$1,200,000	\$1,185,000	- 1%
Pacific & Presidio Heights, Marina, Cow Hollow	26	23	- 12%	\$1,250,000	\$1,375,000	+ 10%
Russian, Nob & Telegraph Hills; North Beach, North Waterfront	18	17	- 6%	\$1,411,000	\$1,399,000	- 1%
South Beach, SOMA, Potrero Hill, Inner Mission, Mission Bay	28	13	- 54%	\$1,322,500	\$1,150,000	- 13%

In the mid-range house and upper-mid-range condo markets, declines in sales are not generally as dramatic as in the low end, but market conditions vary widely by area. For example, house inventory in the Noe/Castro/Haight district is quite low, the number of sales is unchanged and the median price has increased; in the SOMA/Inner Mission district, inventory is higher, and both the number of sales and median prices have declined.



High-End San Francisco Home Sales Comparing 1st Quarter 2008 to 1st Quarter 2007

House Sales at \$2,000,000 & Above

Neighborhood (Per MLS District)	Unit Sales 1 st Qtr 07	Unit Sales 1 st Qtr 08	Change	Median Price 1 st Qtr 07	Median Price 1 st Qtr 08
Richmond, Lake, Sea Cliff, Lone Mountain, Jordan Park	5	9	+ 80%	\$2,550,000	\$2,300,000
St. Francis, West Portal, Miraloma Park, Forest Hill	3	5	+ 67%	\$2,300,000	\$2,500,000
Noe, Castro, Cole Vly, Glen Park, Clarendon & Corona Heights	8	18	+ 125%	\$2,512,500	\$2,357,500
Pacific & Presidio Heights, Marina & Cow Hollow	20	12	- 40%	\$3,591,500	\$3,375,000

Condo Sales at \$2,000,000 & Above

Neighborhood (Per MLS District)	Unit Sales 1 st Qtr 07	Unit Sales 1 st Qtr 08	Change	Median Price 1 st Qtr 07	Median Price 1 st Qtr 08
Pacific & Presidio Heights, Marina, Cow Hollow	4	7	+ 75%	\$2,412,500	\$2,150,000
Russian, Nob & Telegraph Hills; North Beach, North Waterfront	3	4	+ 33%	\$2,700,000	\$2,550,000
South Beach, SOMA, Potrero Hill, Inner Mission , Mission Bay	2	7	+ 250%	\$2,687,500	\$2,395,000

The upper end of the SF real estate market has been least affected by market changes. Demand remains high for the best homes in prestigious locations. Luxury house sales are growing most dramatically in the Noe/Castro/Clarendon Heights district—though prices still don't approach Pacific & Presidio Heights values—while high-end condo sales are rising most significantly in the South Beach/SOMA area. Every year, houses and condos in SF sell at prices well in excess of \$10,000,000.

The Median Sales Price is that price at which half the properties sold for more and half for less. It may be affected by "unusual" events in any particular period or by changes in buying trends. Changes in median prices do not necessarily reflect changes in value for any particular property. Year to year changes in median prices aren't particularly meaningful when analyzing districts or price ranges with relatively few sales, as they are easily skewed by a small number of high or low sales.

All information contained herein is derived from the San Francisco MLS. It may contain errors and omissions, and is not warranted. Condo sales include sales of lofts, stock-cooperative apartments and tenancies-in-common (TICs), but will not include new-development sales not reported to MLS.