



Market Analysis of San Francisco Realtor District 7

Comprising the neighborhoods of Pacific Heights, Presidio Heights, Cow Hollow & Marina

District 7 has the highest property values in San Francisco, and though there are differences between the 4 neighborhoods which comprise it, all 4 are very affluent and values are relatively consistent throughout. Other districts have neighborhoods on the same level – such as Russian Hill, Nob Hill, South Beach, Financial District and Sea Cliff – but the districts that contain them have areas of lesser value as well. Demand for homes in District 7, especially houses, has been strong for a long time and the median price for a 3 bedroom home has appreciated over 300% since 1994. The best properties – often with spectacular views – are highly sought after and often sell with multiple offers. The largest reported sale year-to-date in San Francisco was an 8000 square foot mansion in Pacific Heights which sold for \$18,000,000 (over \$2000 per square foot). The two largest active listings in the city, priced at \$48,000,000 and \$65,000,000, are also in Pacific Heights. But all of the District 7 neighborhoods have locations that rank at the very top of prestige and cost, and sales in excess of \$8,000,000 also occur in Presidio Heights, Cow Hollow and the Marina. Comparatively speaking, the market in District 7 has not been significantly affected thus far by the credit and foreclosure crisis – though the number of condo and tenancy-in-common sales is down year to year. 09/24/08

The House, Condo & Tenancy-in-Common (TIC) Market in District 7:

Comparing the activity of the 1st eight months of 2007 with the comparable period of 2008

(as reported to the SF Multiple Listing Service)

- SFD = single family dwelling, i.e. house. TIC = tenancy in common
- \$/sq.ft. = dollar per square foot of living space. LP = list price at time of accepted offer. \$2m = \$2,000,000
- Days on Market (DOM) = for sold properties, the period between going on market and being designated as pending sale; for properties *for sale*, the period they've been on the market
- Median price = that price at which half the properties sold for more and half for less
- Months Supply of Inventory = time it will take to sell the current inventory of available properties at the current rate of sales

	1/1/07–8/31/07	1/1/08–8/31/08	Analysis
<u>Total Sales</u>	324	260	Total sales down 20% (largely due to the reduction in TIC sales – see below)
<u>House (SFD) Sales</u>	67	72	House sales up a little
SFD Average \$/sq.ft.	\$983/sq.ft.	\$986/sq.ft.	Virtually no change in average dollar per square foot
SFD Avg Days on Market	55 days	40 days	Houses selling <i>faster</i> than last year – the demand for houses in the most prestigious neighborhoods continues to be very high
<u>Condo & Co-op Sales</u>	202	171	15% reduction in condo & co-op sales
Condo Average \$/sq.ft.	\$830/sq.ft.	\$852/sq.ft.	Small increase in average dollar per square foot. Condos sell at a significantly lower \$/sq.ft. than <i>houses</i> (except at the \$2m+ range – see below)
Condo Avg Days on Market	37 days	38 days	Those condos which sell are still selling relatively quickly
<u>Tenancy-in-Common Sales (TIC)</u>	55	17	TIC sales down 69% -- probably due to recent tenant protection measures, financing issues and a weakening of demand at the lower end of the market
TIC Average \$/sq.ft.	\$670/sq.ft.	\$659/sq.ft.	Average dollar per square foot for TICs relatively unchanged -- however, TICs sell at a very significant discount to condominiums in District 7
TIC Avg Days on Market	78 days	70 days	TICs take substantially longer to sell than houses or condos

	1/1/07–8/31/07	1/1/08–8/31/08	Analysis
<u>4 Bedroom SFD Sales</u>	24	22	Sales relatively stable – mostly constrained by supply
Median Sales Price	\$3,492,000	\$3,995,000	Median price up 14% -- this may or may not be relevant because of the low number of sales and the wide variance in size of 4 BR houses in District 7
4 BR SFD Average \$/sq.ft.	\$962/sq.ft.	\$1031/sq.ft.	Average dollar per square foot has increased 7%
Average Days on Market	55 days	52 days	Small decrease in days on market
High Sale	\$9,500,000 (approx)	\$6,995,000	Not indicative of a trend one way or the other
Low Sale	\$1,950,000 (approx)	\$1,385,000	
% of Sales which went Pending within 30 days	42% at an average of 105.5% of List Price	59% at an avg of 102% of LP	Almost 60% of 4 BR houses selling in District 7 are going pending sale within 30 days of coming on the market, and selling for over asking price
2 Bedroom Condo Sales			
<u>2 Bedroom Condo Sales</u>	85	69	19% reduction in sales – generally condo and TIC sales have been hit harder than house sales in the market changes of the past year
Median Sales Price	\$1,150,000	\$1,100,000	Average 2 bedroom condo is still selling for well over \$1,000,000 in District 7
Average \$/sq.ft.	\$831/sq.ft.	\$813/sq.ft.	2% reduction in average \$/sq.ft., probably not statistically relevant
Average Days on Market	40 days	37 days	
High Sale	\$2,300,000	\$5,000,000	
% of Sales Pending within 30 days	58% at an average of 104% of LP	52% at avg of 104.5% of LP	More than half of condos selling accepting offers within 30 days and selling over asking

	1/1/07–8/31/07	1/1/08–8/31/08	Analysis
<u>\$2,000,000+ Home Sales</u>	79	83	District 7 is probably the strongest \$2m+ home market in the city
\$2m+ SFD (House) Sales	60	61	House sales make up the large majority of \$2m+ sales in District 7
\$2m+ SFD Average \$/sq.ft.	\$996/sq.ft.	\$1013/sq.ft.	Average dollar per square foot at the upper end around \$1000/sq.ft.
\$2m+ SFD Avg Days on Market	57 days	40 days	Higher end houses selling more quickly than last year
Highest Home Sale	\$19,500,000 (approx)	\$18,000,000	The annual high sale in District 7 is typically in this price range or higher
Condo Sales \$2m+	19	22	
\$2m+ Condo Average \$/sq.ft.	\$891/sq.ft.	\$1070/sq.ft.	Highest end condos in District 7 sell at <i>very high</i> dollar per square foot figures
\$2m+ Condo Avg Days on Mkt	34 days	32 days	The best condos are still selling very quickly
% of \$2m+ Home Sales Pending within 30 days	53% at an average of 107% of List Price	63% at an avg of 104.4% of LP	Reflecting the strength of the high-end market in District 7
Available \$2m+ Homes	35 (6 pending)	43 (6 pending)	As of August of the year specified
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<u>Total Homes For Sale</u>	74 as of 8/31/07	87 as of 8/31/08	Inventory of homes for sale up 18% (all prices)
Avg Days on Market	76 days	102 days	Those properties <i>not</i> selling are staying on the market longer
Months Supply/Inventory (MSI)	3.2 months	4.1 months	As of August of respective years. 8/08 figure is unusually high as District 7 MSI averaged only 2-3 months in 2008 YTD; National MSI is about 11 months

All data from sources deemed reliable, but not guaranteed and may contain errors and omissions. Average and median figures are necessarily generalities, and do not necessarily pertain to specific properties or changes in value for specific properties. Small percentage changes may not be statistically relevant.

For more detailed information on the current market, please contact me.

