magazine

SF APARTMENT

Urban UPTURN

COMING BACK
BLOCK BY BLOCK

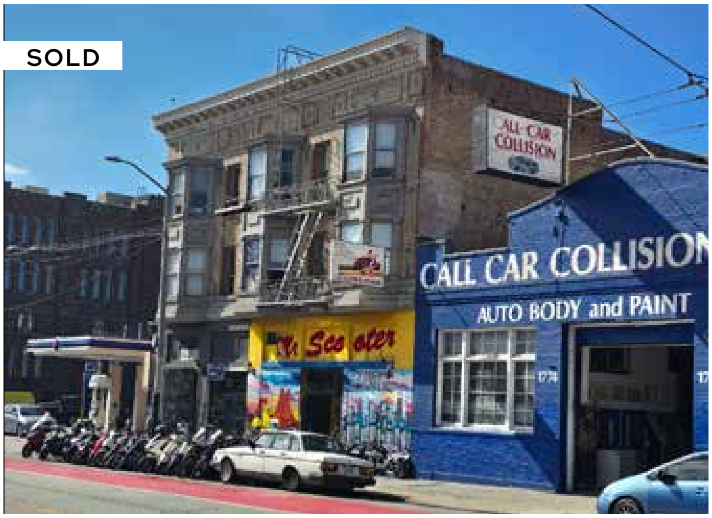
San Francisco
Apartment Association

December 2025 / $7.00

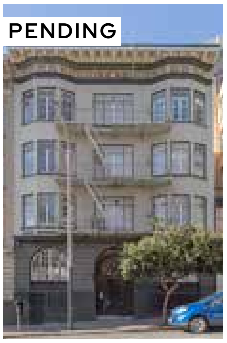
JAY GREENBERG

35+ Years as an established and recognized leader in the San Francisco Apartment Sales Market

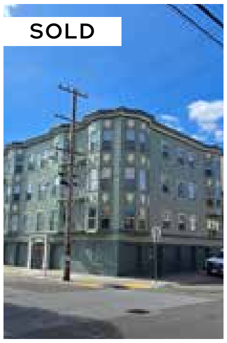
Hayes Valley | 20 Units



Mission District | 15 Units

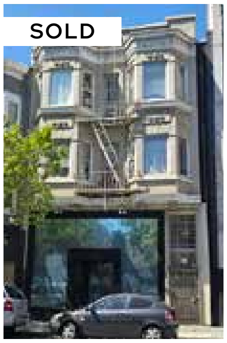


Downtown
16 Units



Mission District
15 Units

Haight Ashbury
6 Units



SOMA
6 Units

Pacific Heights
15 Units

Hayes Valley
6 Units

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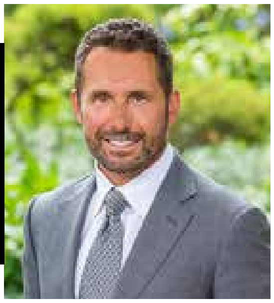

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Square Foot Forward

written by JAY H. GREENBERG

2025 has been an exceptionally positive year for San Francisco's multifamily sector.

San Francisco's multifamily real estate market continued to strengthen through the third quarter of 2025, with investor confidence and transaction activity both increasing. The 5-9-unit and 10-plus-unit sectors have each shown notable momentum as buyers re-engage and capital returns to apartment assets. While pricing remains below prior peaks, values are stabilizing, and renewed demand points toward a healthier, more active marketplace ahead.

Investors are once again competing for quality opportunities, with many sales closing above market averages. Transaction activity in 2025 has already surpassed pre-pandemic levels, supported by broader confidence in San Francisco's recovery.

The following data summarizes performance through the third quarter of 2025 compared to prior years.

5-9 Units

Price Per Square Foot

In 2019, the average price per square foot was $549, increasing to a high of $570 in 2020. Since then, pricing has gradually declined: $527 in 2021, $510 in 2022, $445 in 2023, and $411 in 2024. For 2025, the average price per square foot is $402—a 2.25% year-over-year decrease.

Gross Rent Multipliers (GRMs)

GRMs peaked in 2017-2018 and have trended downward ever since. The average was 17.22 in 2019, 16.01 in 2020, and 14.79 in 2021. The GRM increased slightly to 15.05 in 2022 before falling to 13.17 in 2023 and 11.93 in 2024. As of Q3 2025, the GRM is 11.45—a 4% decrease from the prior year.

Price Per Unit

The average cost per unit rose steadily through 2020 before softening. It averaged $491,000 in 2019 and peaked at $500,000 in 2020, then declined to $447,000 in 2021, then incrementally increased to $448,000 in 2022 before dropping to $360,000 in 2023. This number rebounded modestly in 2024 to $374,000 but has since dropped to $345,000 in 2025—a 7.7% year-over-year decrease.

Dollar Volume

Total dollar volume for the 5-9-unit sector was $265 million in 2019, declining to $188 million in 2020. The market rebounded to $211 million in 2021 and reached a decade high of $270 million in 2022. Volume fell to $146 million in 2023 before recovering to $183 million in 2024. For 2025, dollar volume has risen 18.5% year-over-year to $217 million.

Number of Transactions

There were 81 closings in 2019, followed by 60 in 2020. The market recovered to 74 sales in 2021 and surged to 96 in 2022—the highest in ten years. Sales dipped to 65 in 2023 before rebounding to 82 in 2024. As of Q3 2025, there have been 100 closings, marking the highest year-to-date total in a decade and a 22% increase over the prior year.

10-Plus Units

Price Per Square Foot

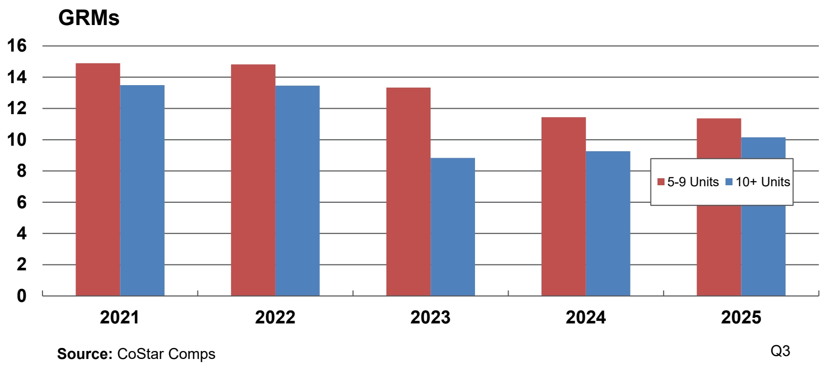
The average price per square foot was $600 in 2019, declining to $569 in 2020 and $514 in 2021. Prices continued downward to $443 in 2022 and $366 in 2023—a 17% year-over-year decrease. The average held relatively steady at $363 in 2024. In 2025, the average has improved 3.5% to $376 per square foot.

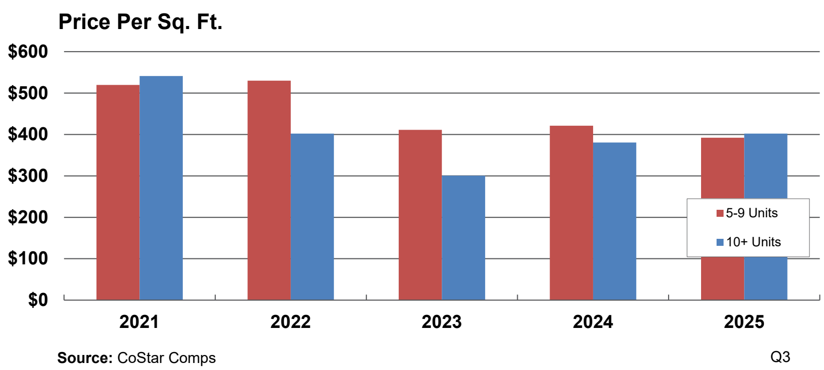
Gross Rent Multipliers (GRMs)

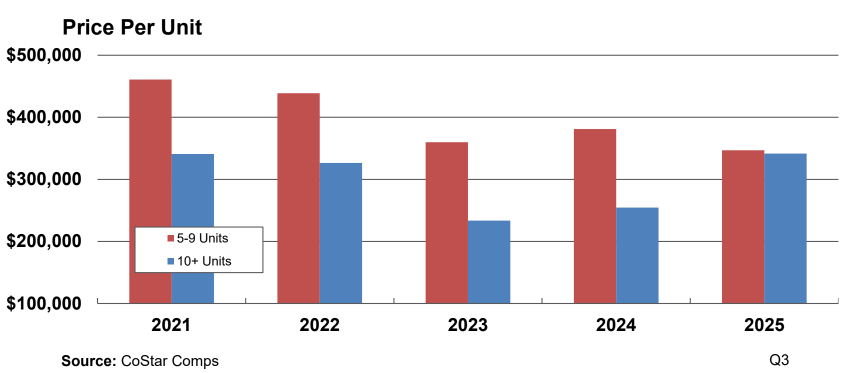
The average GRM was 16.05 in 2019, 15.72 in 2020, and 13.85 in 2021. It declined further to 13.42 in 2022 and dropped sharply to 10.54 in 2023, a 21% decrease year-over-year. The market stabilized in 2024 with a modest uptick to 10.72, and for 2025, the GRM has edged down slightly to 10.58.

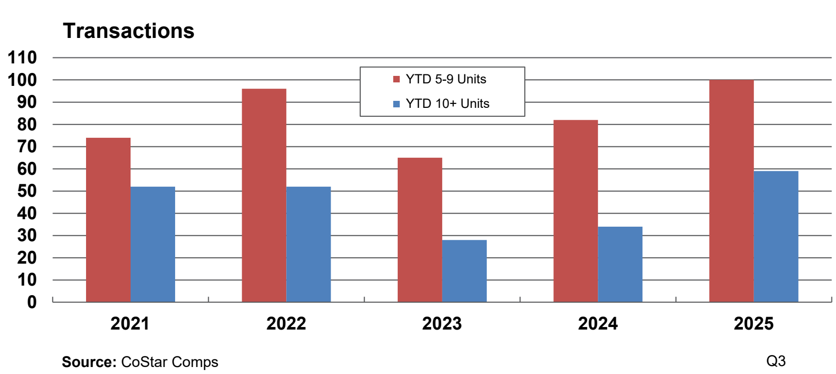
Price Per Unit

In 2019, the average price per unit was $439,000, decreasing to $424,000 in 2020 and $374,000 in 2021. The average dropped further to $341,000 in 2022 and $277,000 in 2023, an









18% decrease year-over-year. In 2024, prices softened again to $250,000, before rebounding strongly in 2025 to $318,000—a 26.8% increase.

Number of Transactions

There were 50 recorded sales in 2019, declining to 37 in 2020, then rebounded to 52 sales in both 2021 and 2022. In 2023, closings fell sharply to 28—a 46% decrease from the prior year. The market recovered with 34 sales in 2024 and has accelerated in 2025 with 59 transactions, representing a 73.5% year-over-year increase and the strongest activity since 2019.

Dollar Volume

Dollar volume reached $436 million in 2019, dropped to $325 million in 2020, and $318 million in 2021. The market rebounded to $407 million in 2022 before declining sharply to $129 million in 2023—a 68% year-over-year drop. In 2024, dollar volume rose modestly to $141 million, and in 2025, total dollar volume has surged 148% year-over-year to $350 million.

The reported figures exclude 2000 Bryant St—known as The Madelon in the Mission—which sold on August 8, 2025, for $119,320,000, equating to $598 per square foot. The 199,678 square foot mid-rise multifamily property includes studios, one- and two-bedroom units, 5,000 square feet of ground-floor retail, and 160 parking spaces.

The data sources for these reported numbers are Jay Greenberg, Vitaly Rutus, San Francisco Multiple Listing Service, and Costar Comps.

My Two Cents

San Francisco's multifamily market continues to demonstrate solid fundamentals and growing investor confidence. As of the third quarter, dollar volume for properties with five or more units is up 75% year-over-year.

Buildings with 5-9 units averaged $402 per square foot and $345,000 per unit,

Market View... continued on Page 36

Market View... continued from Page 16

while larger assets of 10 or more units averaged $376 per square foot and $318,000 per unit. Many recent transactions have exceeded these benchmarks, underscoring strong demand for well-located, stabilized buildings.

Recent closings illustrate this renewed competition:

- A 7-unit Russian Hill property traded for $750 per square foot and $925,000 per unit.
- An 8-unit Pacific Heights building sold at 14.6 GRM and $920,000 per unit.
- In the Marina, 12- and 18-unit buildings closed at $685 and $630 per square foot, respectively, with the latter at 14.4 times gross.
- In the Outer Sunset, 17 units sold for $657 per square foot.

These results highlight buyer demand and the premium placed on quality, well-located housing. Well-priced listings are seeing multiple offers and short marketing periods, often selling above asking.

Rental demand has since cooled slightly but remains robust. During summer 2025, rents rose roughly 20% year-over-year; more recently, appreciation has moderated to 10-15% above early-year levels. Vacancies are tightening, supply remains constrained, and rents are strong though listing durations are lengthening modestly.

The broader urban outlook is improving. New city leadership has focused on restoring street conditions and revitalizing business districts, spurring both commercial leasing and residential demand. As more companies and residents return, confidence in the city's long-term recovery continues to grow.

For updates on new offerings, legislative changes, or market trends, email me at *jay@jayhgreenberg.com*.