



The San Francisco Apartment Building Market

October 2025, Q3 Multi-Family Market Report for Residential 5+ Unit Buildings

5+ unit residential income buildings: Market activity reported to NorCal MLS Alliance by early October 2025. This market consists of a relatively small number of sales, of buildings of widely varying sizes, qualities and financial characteristics, across a broad range of locations: This makes meaningful statistical analysis more difficult. The statistics in this report should be considered *general indicators*, not exact measurements applicable to any particular property. All numbers are approximate.

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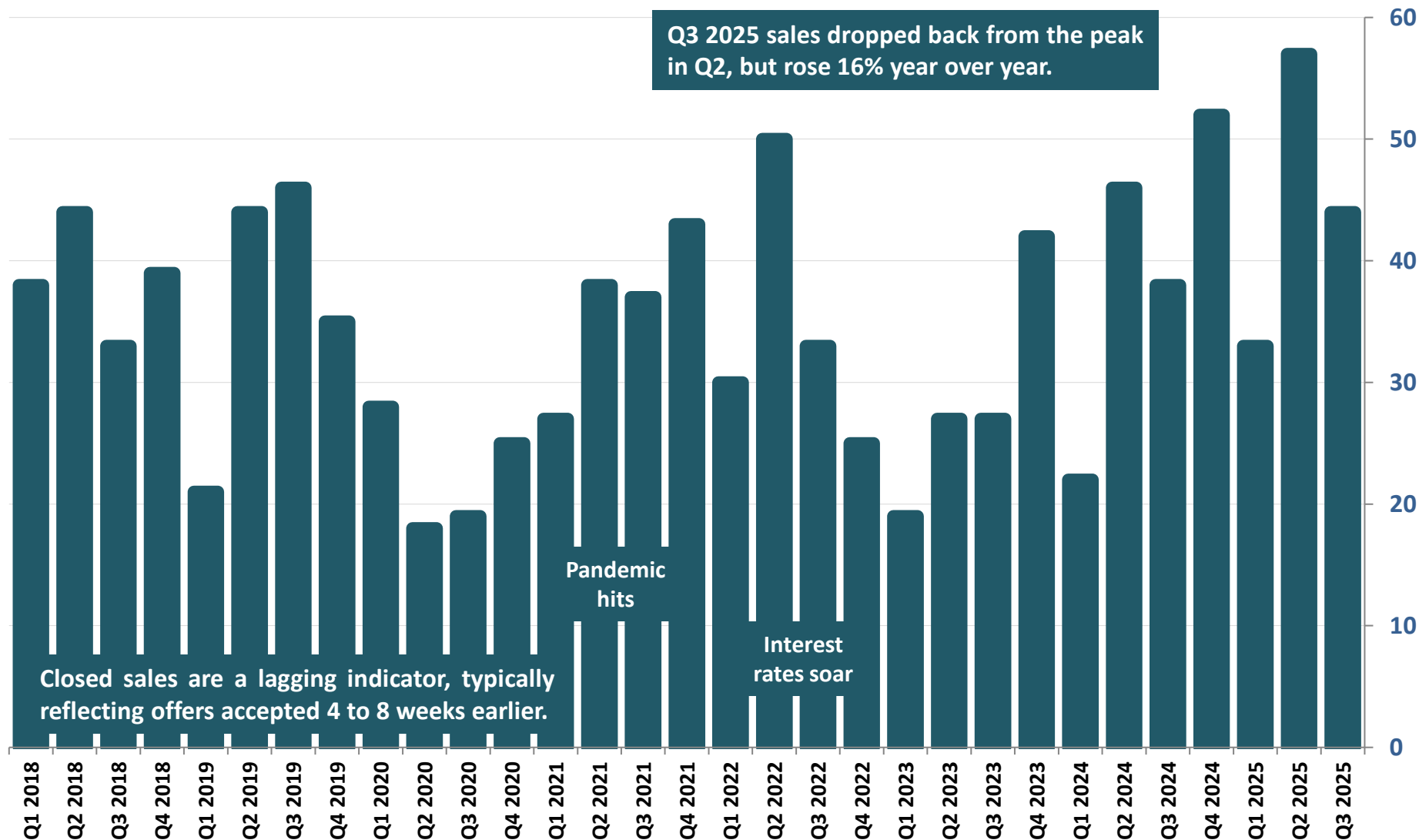
After the pandemic hit, the biggest factors in the weakening of the San Francisco rental market were the emptying out of its office buildings, the decline in high-tech employment, and the subsequent decline in population. That situation began to turn around in 2025 with the rapidly accelerating AI start-up boom occurring in the city. According to Apartment List, San Francisco has experienced the fastest rent growth of any major city in the country over the past 12 months – approximately 12.4% – and rents are rapidly approaching pre-pandemic prices.

“Artificial-intelligence firms are leading a revival of the San Francisco office market...The amount of office space being leased has rebounded strongly this year and is back to pre-pandemic levels...[One global real estate analyst] said conditions resemble those in 2012 when the country was still recovering from the global financial crisis...[and that] the city is well-positioned to boom once again as AI expands to touch virtually every aspect of daily life.”

Wall Street Journal, “A 1125-Foot Sign of Life for San Francisco’s Office Comeback,” 9/2/25

Listings Closing Sale in Quarter

San Francisco Apartment Building Market – 5+ Units

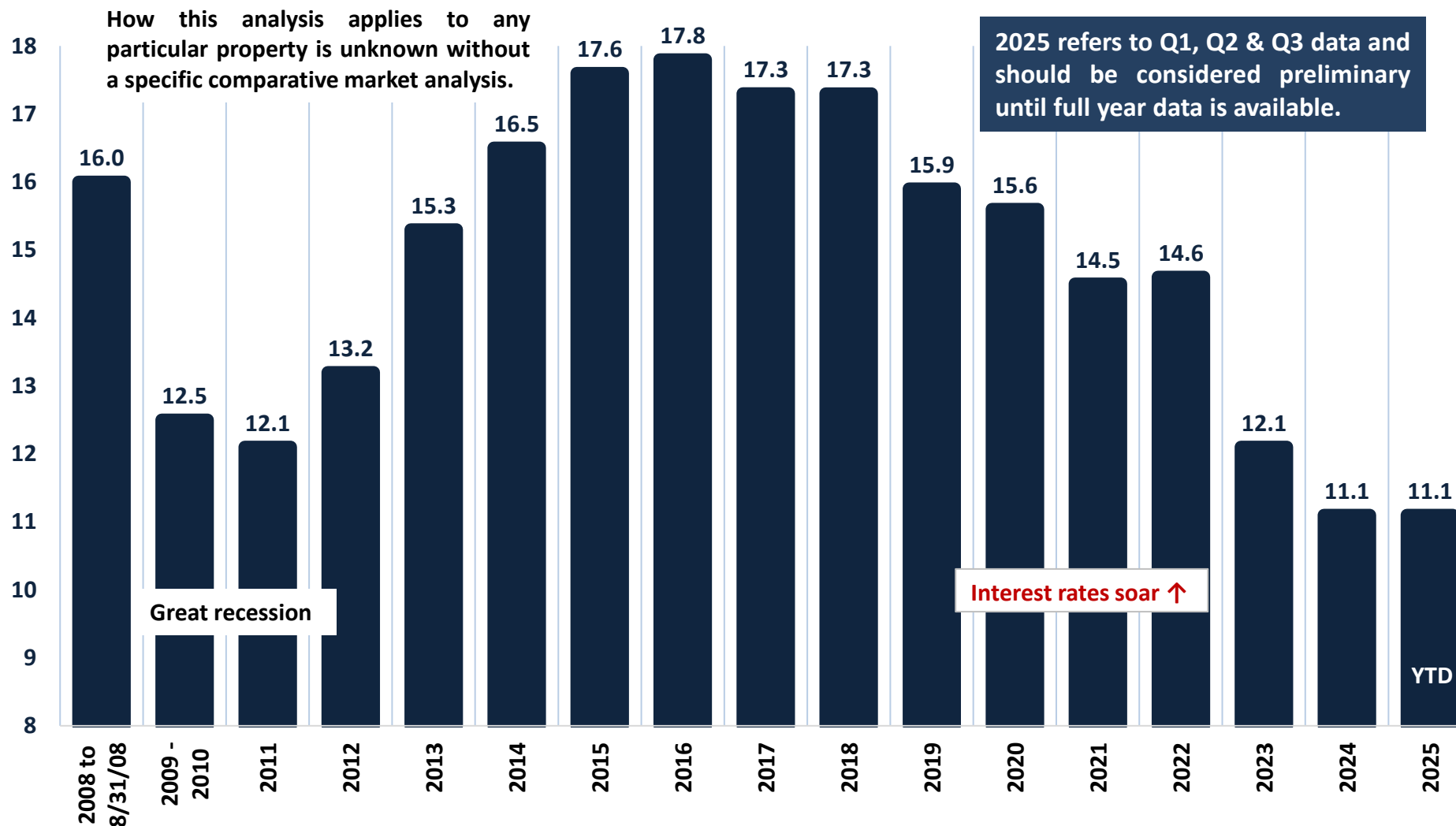


*Sales reported to NorCal Regional MLS. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate, and may change with late-reported sales. Not all sales are reported to MLS.

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Average Gross Rent Multiple by Year

San Francisco 5+ Unit Apartment Building Sales

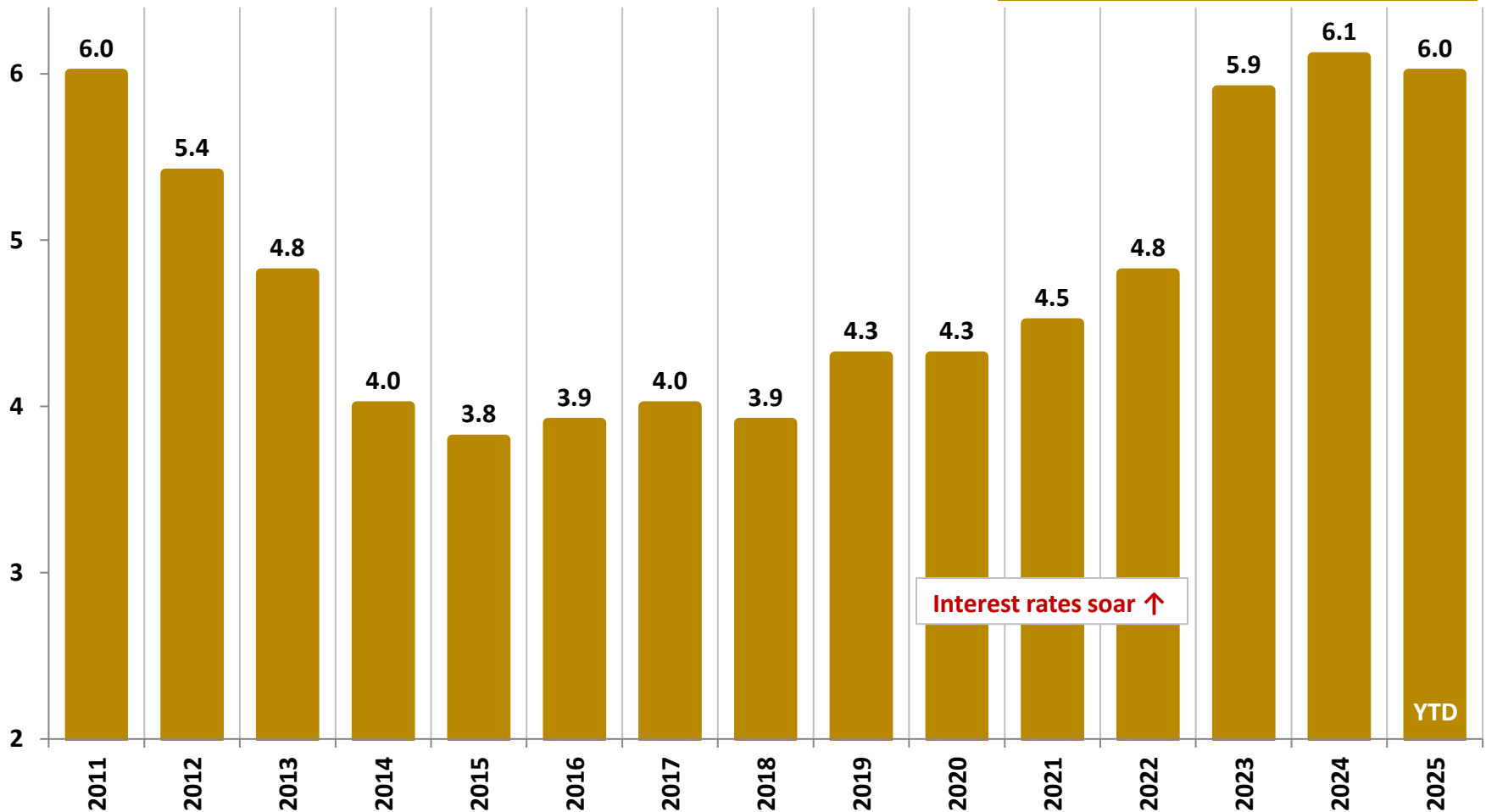


GRM is calculated by dividing the sales price by the annual gross rents. It is a very general statistic and all numbers should be considered very approximate. This data is from sources deemed reliable, but may contain errors and subject to revision. Outlier sales that would distort the statistic were deleted from the analysis when identified. Based on data provided by listing agents, which can vary in reliability.

Average Annual Cap Rate*

San Francisco 5+ Unit Apartment Building Sales

2025 refers to Q1, Q2 & Q3 data and should be considered preliminary until full year data is available.

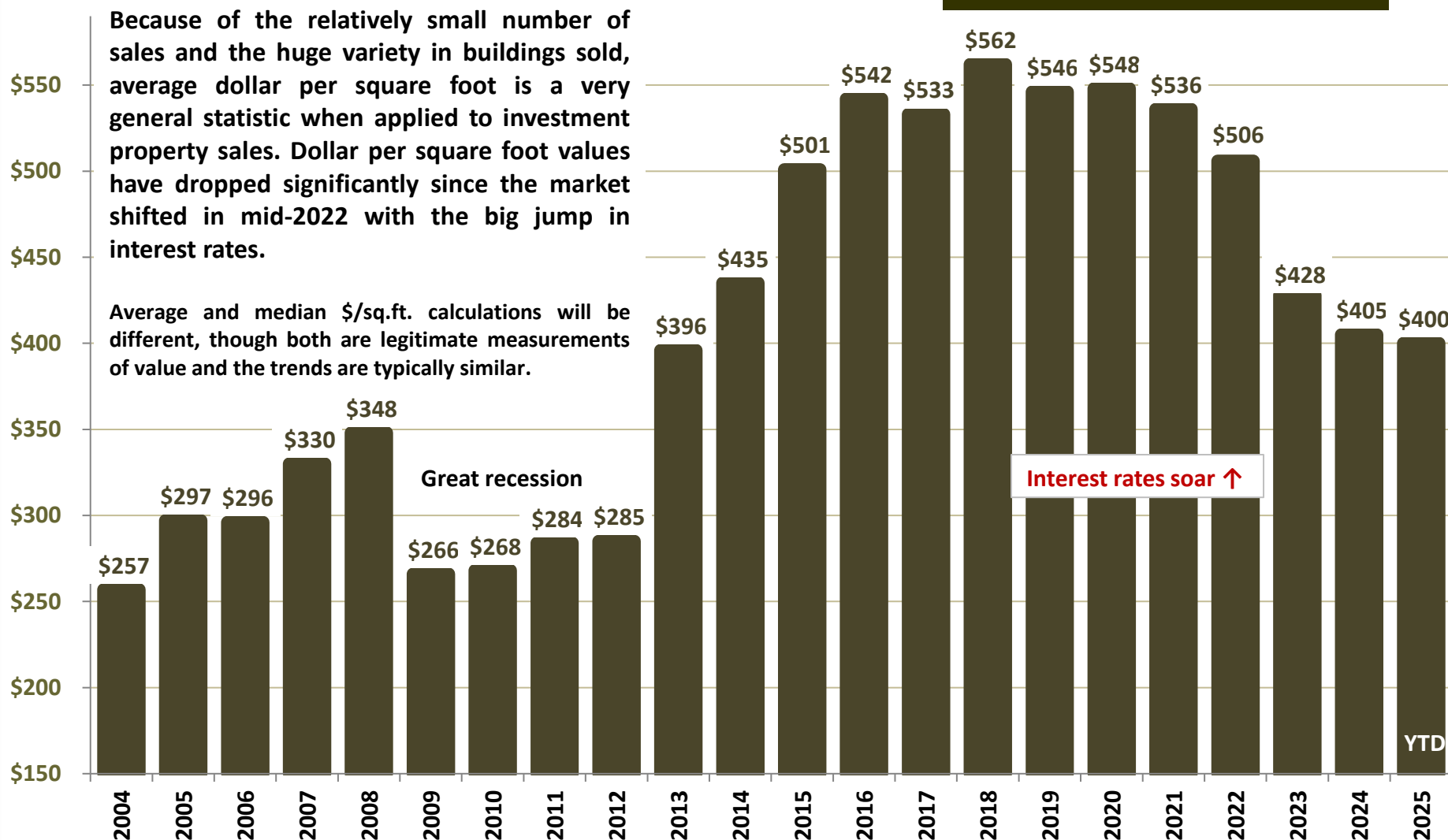


Capitalization rate calculations – sales price divided by net income (excluding mortgage costs), or return on investment as if the property had been purchased all cash – are only as good as the income and expense data provided by listing agents, and should be considered general approximations. Data from sources deemed reliable but may contain errors and is subject to revision. Outlier sales that would distort the statistic were deleted from analysis when identified.

Average Dollar per Square Foot by Year

San Francisco 5+ Unit Apartment Building Sales

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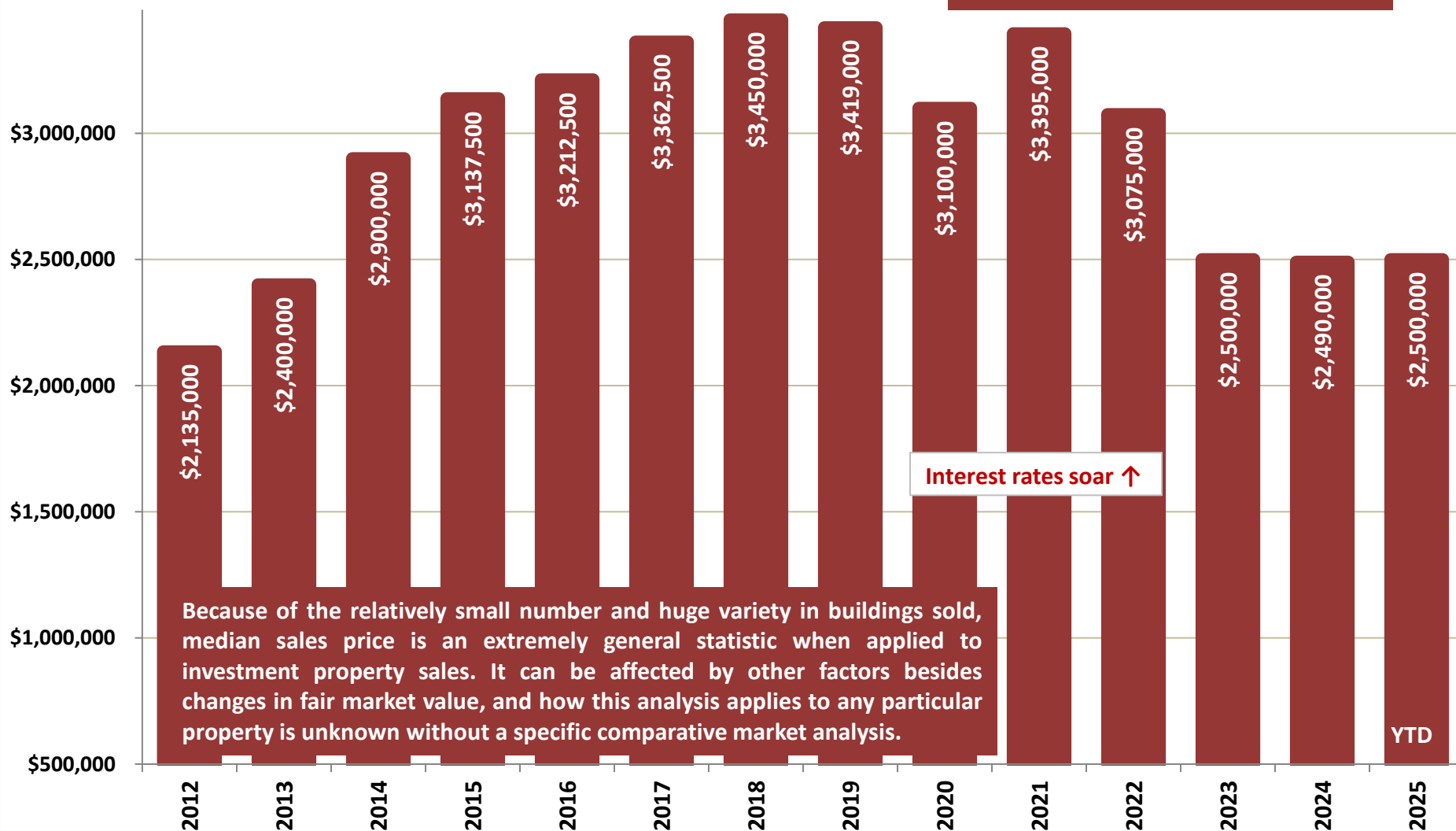
Data is from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate, and may change with late-reported sales. Outlier data adjusted when identified.

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Median Sales Price by Year

San Francisco 5+ Unit Apartment Building Sales

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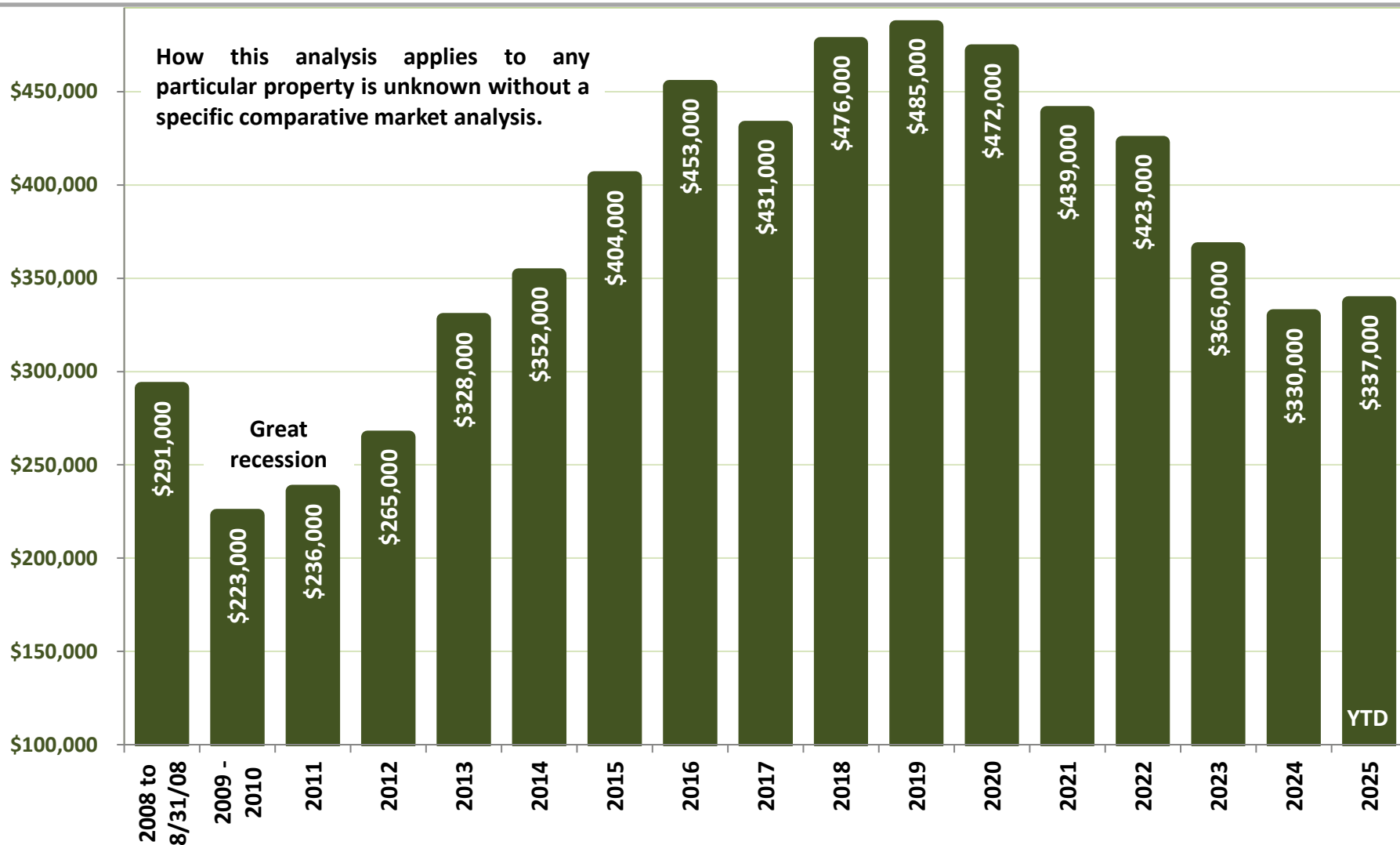
Data is from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate, and may change with late-reported sales. Outlier data adjusted when identified.

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Average Price per Unit by Year

San Francisco 5+ Unit Apartment Building Sales

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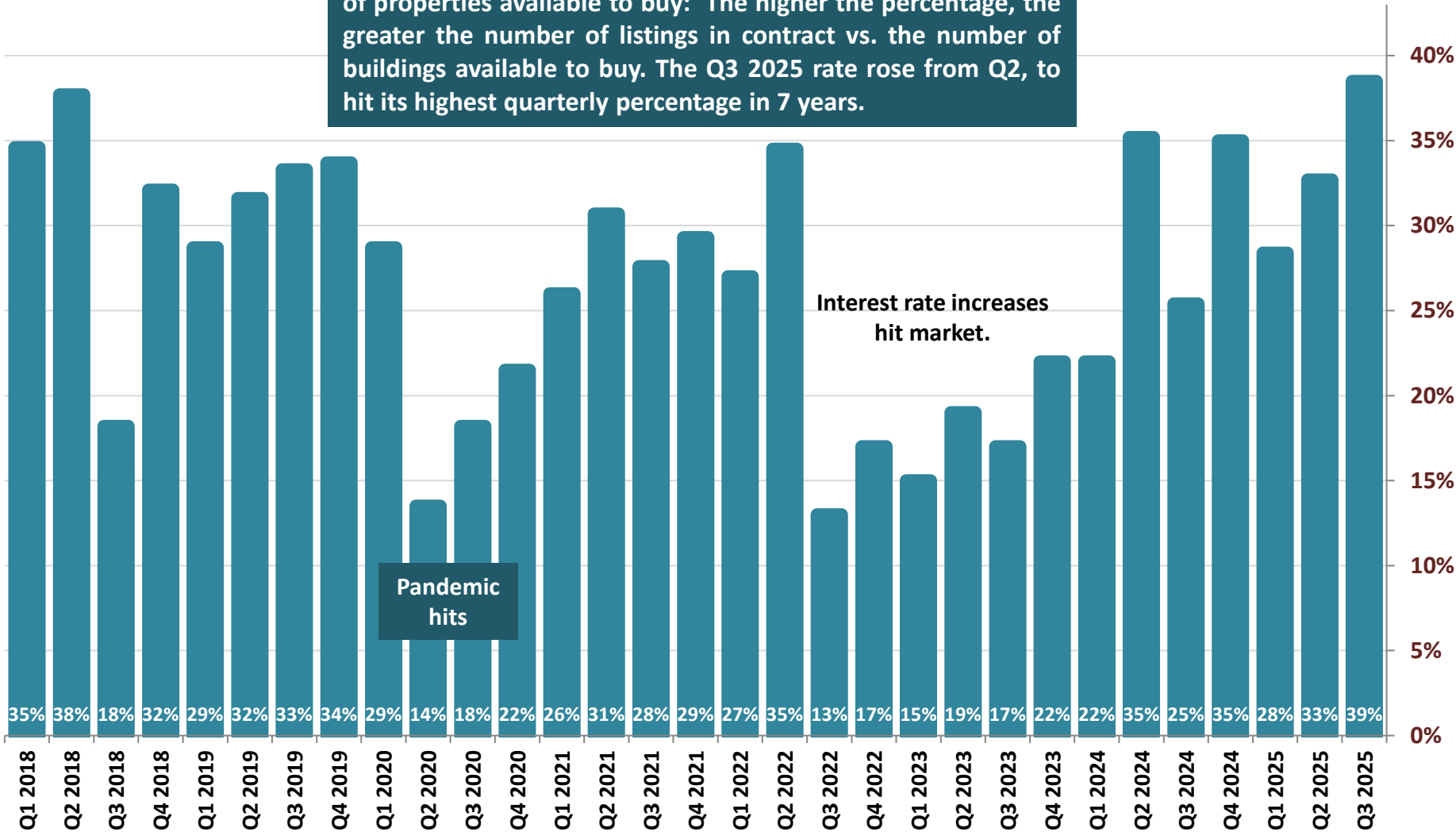
Because of the huge variety in buildings sold, this is a very general statistic when applied to SF investment property sales. This data is from sources deemed reliable but may contain errors and subject to revision. Outlier sales deleted when identified. All numbers should be considered very approximate.

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Percentage of Listings Accepting Offers in Quarter

San Francisco 5+ Unit, Multi-Family Building Market Dynamics

Absorption rate measures demand *as compared to* the supply of properties available to buy: The higher the percentage, the greater the number of listings in contract vs. the number of buildings available to buy. The Q3 2025 rate rose from Q2, to hit its highest quarterly percentage in 7 years.

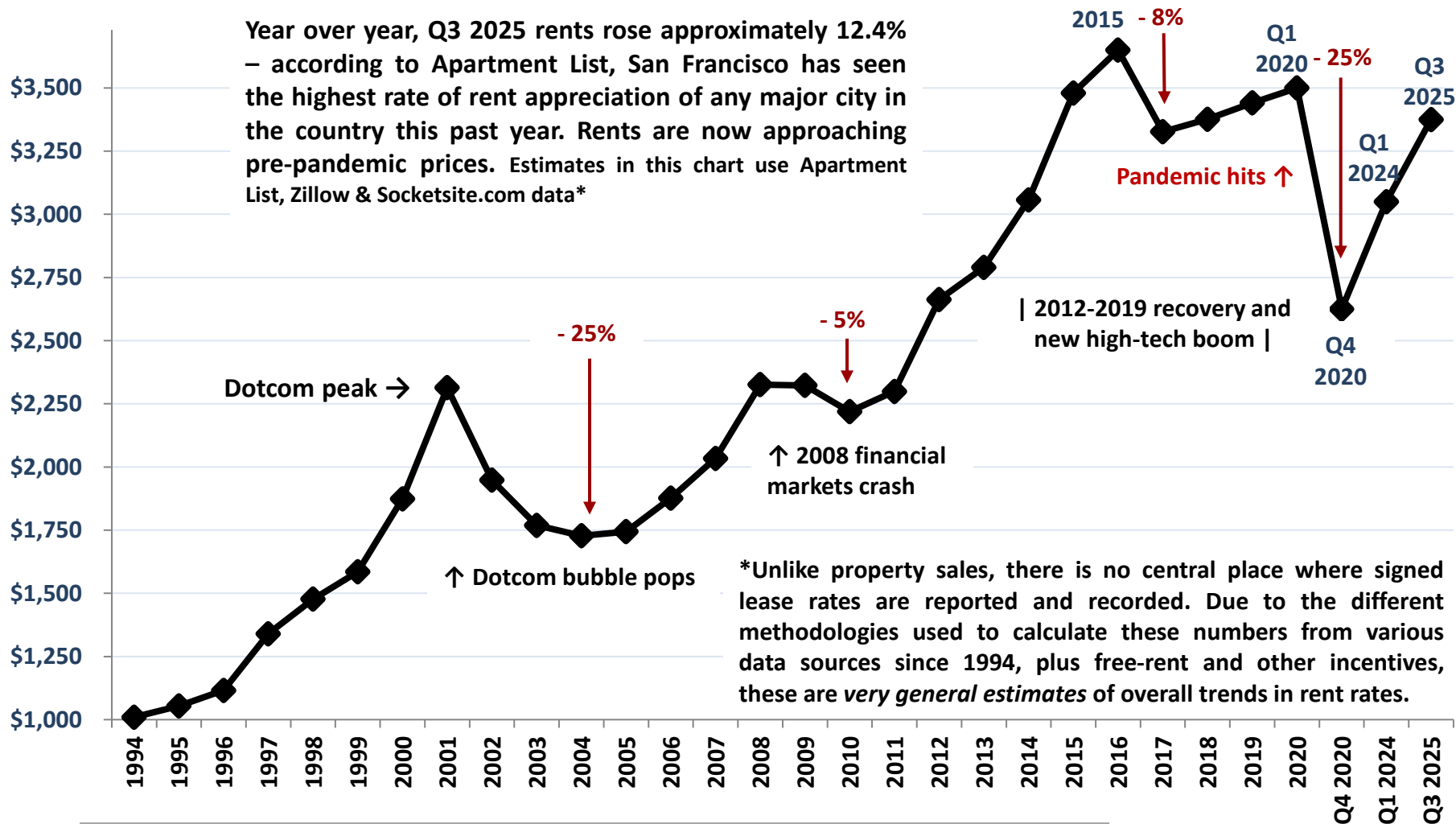


Per SFARMLS sales data. These analyses were performed in good faith with data derived from sources deemed reliable, but may contain errors and are subject to revision. Percentages rounded. All numbers to be considered approximate, and may change with late-reported activity. Not all listings or sales are reported to MLS.

San Francisco Residential Rents – Approximate, Good Faith Estimates*

Average Asking Rent, 1994 – Present, Q1 Data Points (except as labeled otherwise)

Year over year, Q3 2025 rents rose approximately 12.4% – according to Apartment List, San Francisco has seen the highest rate of rent appreciation of any major city in the country this past year. Rents are now approaching pre-pandemic prices. Estimates in this chart use Apartment List, Zillow & Socketsite.com data*



*Unlike property sales, there is no central place where signed lease rates are reported and recorded. Due to the different methodologies used to calculate these numbers from various data sources since 1994, plus free-rent and other incentives, these are *very general estimates* of overall trends in rent rates.

1st quarter data points except as noted. Numbers are estimated using data from a variety of rental data sources over the past 25+ years, using differing methodologies. Data from sources deemed reasonably reliable but may contain errors and subject to revision. All numbers are good-faith estimates and very approximate.

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5+ Unit Multi-Family Building Markets

12 Months Sales, by San Francisco Realtor District*

How these analyses apply to any particular property is unknown without a specific comparative market analysis.

San Francisco Realtor District	Median Sales Price	Median \$/Sq.Ft.	Median # of Units	Median Size (Sq.Ft.)	Median GRM/ Cap Rate*	Avg. Days on Market
Pacific & Presidio Heights, Cow Hollow & Marina (D7)	\$4,850,000	\$487/sq.ft.	12 units	8370 sq.ft.	12.5/ 5.3	32 days
Noe, Eureka & Cole Valleys; Ashbury & Corona Hghts (D5)	\$2,350,000	\$365/sq.ft.	6 units	6319 sq.ft.	11.0/ 5.9	56 days
Lake Street, Richmond District, Jordan Park (D1)	\$2,675,000	\$371/sq.ft.	10 units	7012 sq.ft.	10.8/ 6.1	50 days
NoPa, Alamo Square, Hayes Valley, Lwr Pacific Heights (D6)	\$2,810,000	\$383/sq.ft.	7 units	8569 sq.ft.	11.0/ 6.0	48 days
Russian, Nob & Telegraph Hills; North Beach (D8, North)	\$2,550,000	\$408/sq.ft.	10 units	7416 sq.ft.	11.4/ 6.0	60 days
Sunset, Parkside (District 2)	\$2,250,000	\$387/sq.ft.	6 units	4852 sq.ft.	11.3/ 6.3	55 days
Mission, Bernal Heights, Potrero Hill, SoMa (D9)	\$1,700,000	\$311/sq.ft.	6 units	5860 sq.ft.	10.3/ 6.7	65 days
Downtown, Tenderloin, Civic Center (D8, South)	\$1,895,000	\$215/sq.ft.	Too few sales	9420 sq.ft.	Too few sales	49 days

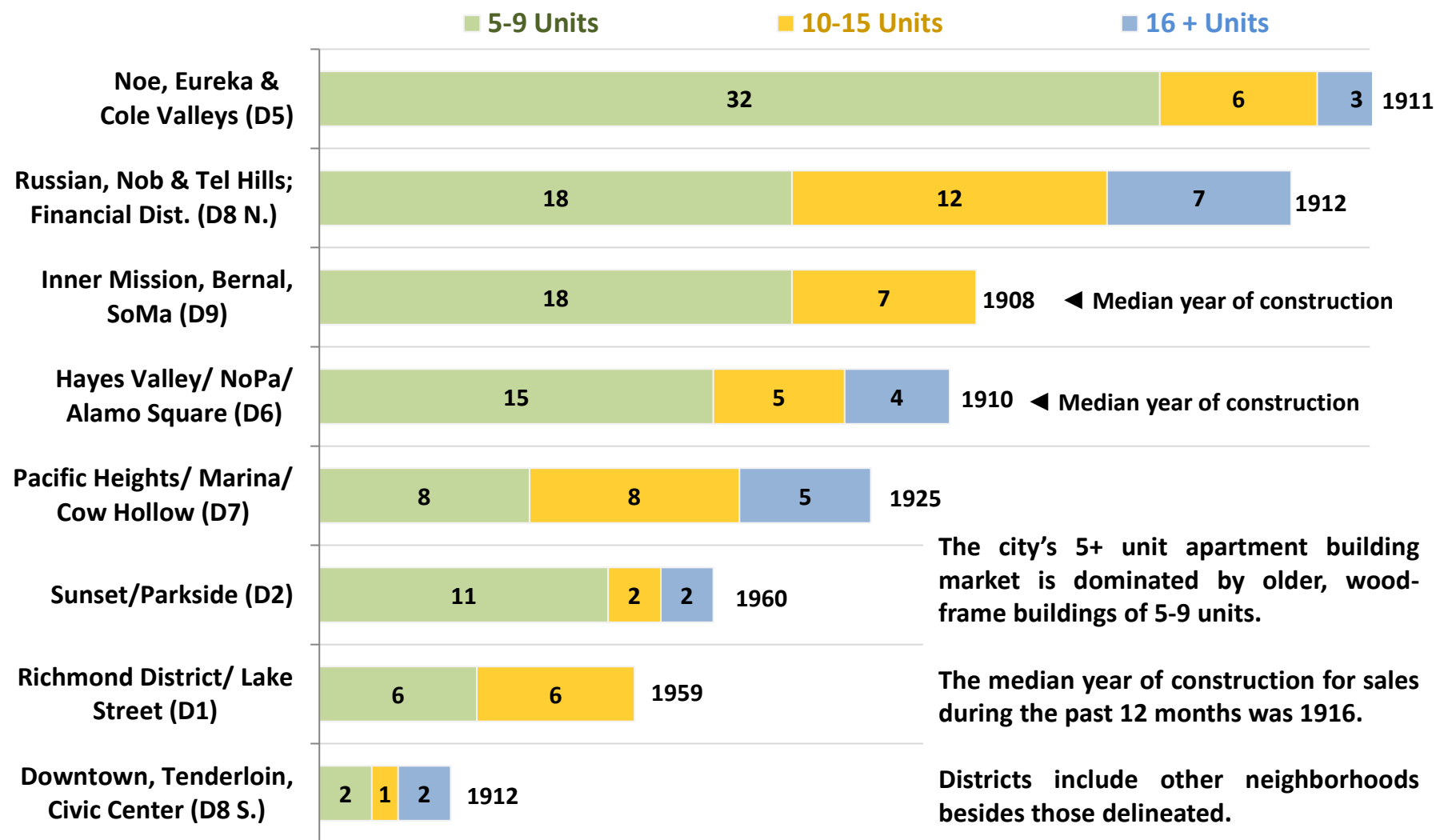
* GRM = Gross Rent Multiple. Median price is that price at which half the sales occurred for more and half for less. Dollar per square foot is based upon the building's interior living space and does not include garages, storage, unfinished attics and basements, or rooms built without permit. Cap rate measures the % return on investment – income less expenses – if the property was purchased all cash. These statistics are gross generalities for sales with wide disparities in size, quality, condition, tenant profile, rent control factors, and values. Realtor districts contain neighborhoods of varying values. Not all sales are reported to MLS.

*12 months sales reported to NorCal MLS Alliance by late September 2025. Data from sources deemed reliable but may contain errors and subject to revision. Not all sales reported the data used in this analysis. May include some mixed-use properties. All numbers approximate and may change with late-reported sales.

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Multi-Unit Residential Property Sales, 5+ Units

12 Months Sales, by San Francisco Realtor District*



*12 months sales reported to NorCal MLS Alliance by late September 2025. Data from sources deemed reliable but may contain errors and subject to revision. All numbers are approximate, and late reported sales may change numbers. Not all sales are reported to MLS. Other city districts had fewer sales in the period.

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San Francisco 5+ Unit Apartment Building Sales

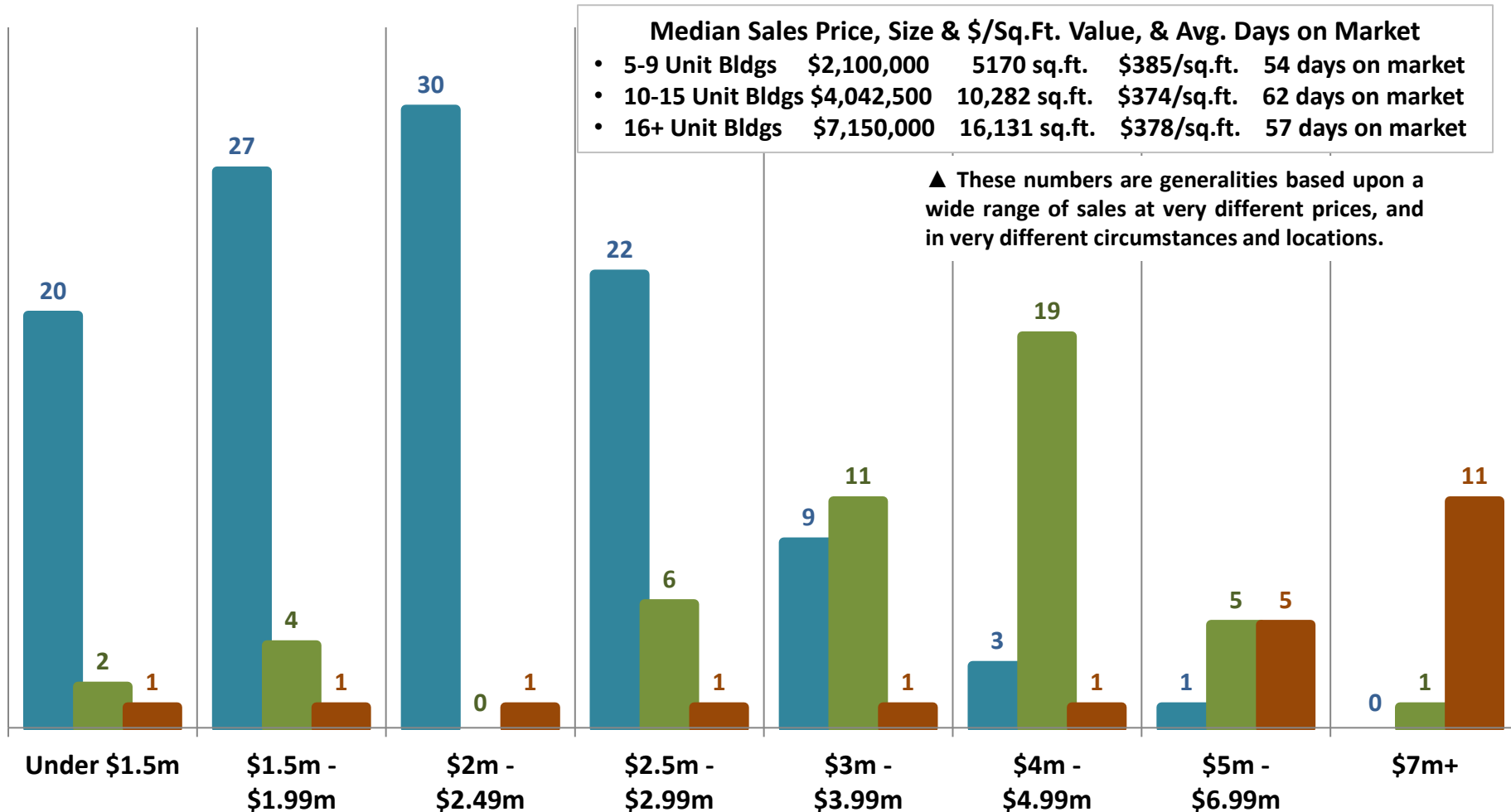
12 Months Sales by Price Segment*

How these analyses apply to any particular property is unknown without a specific comparative market analysis.

■ 5-9 Unit Buildings

■ 10-15 Unit Buildings

■ 16+ Unit Buildings



*12 months sales reported to NorCal MLS Alliance by late September 2025. Data from sources deemed reliable, but subject to error and revision. All numbers approximate and may change with late-reported sales. Not all sales are reported to MLS.

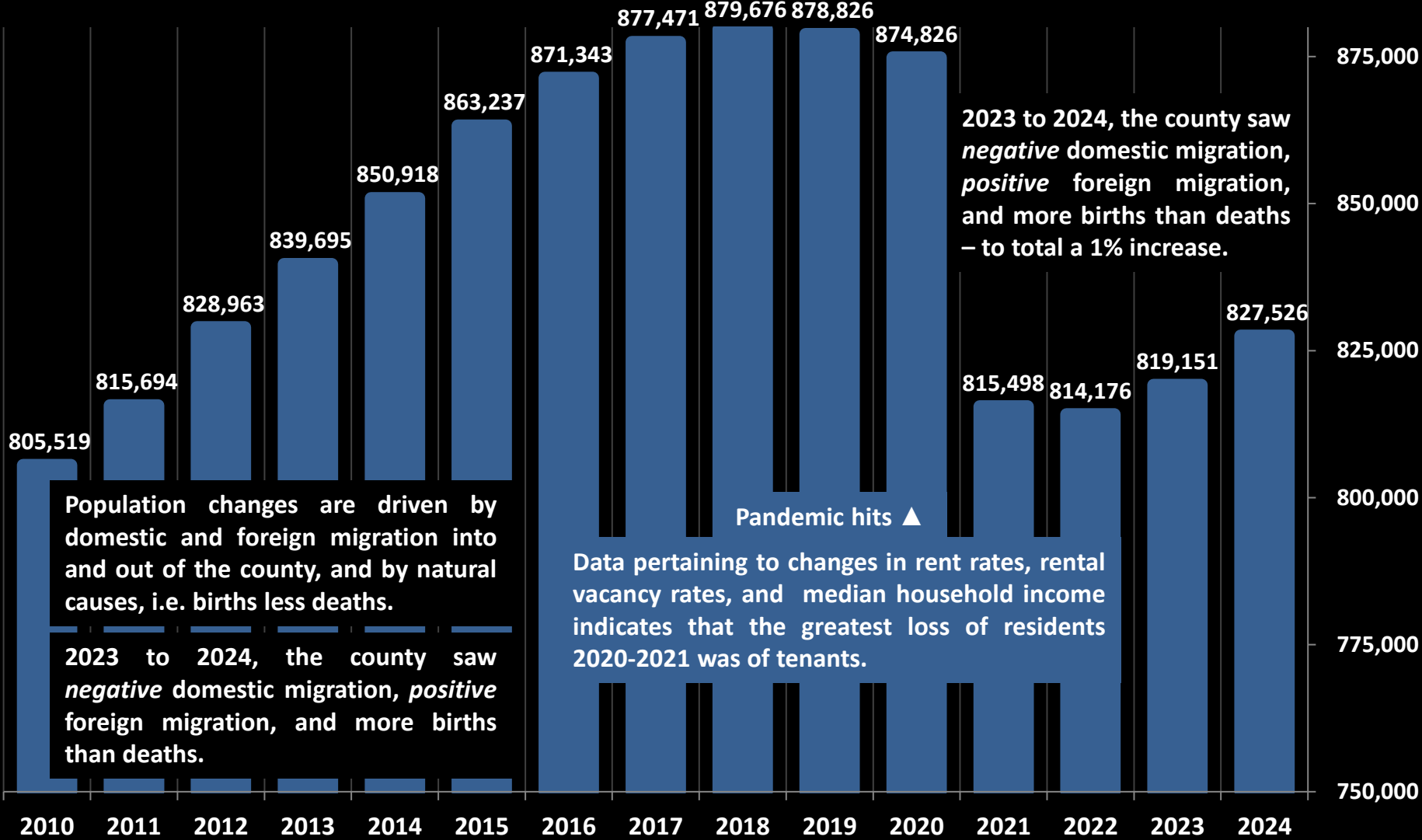
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Selected Demographic & Economic Indicators

San Francisco Population Trends since 2010

U.S. Census Estimates, July 1st to July 1st

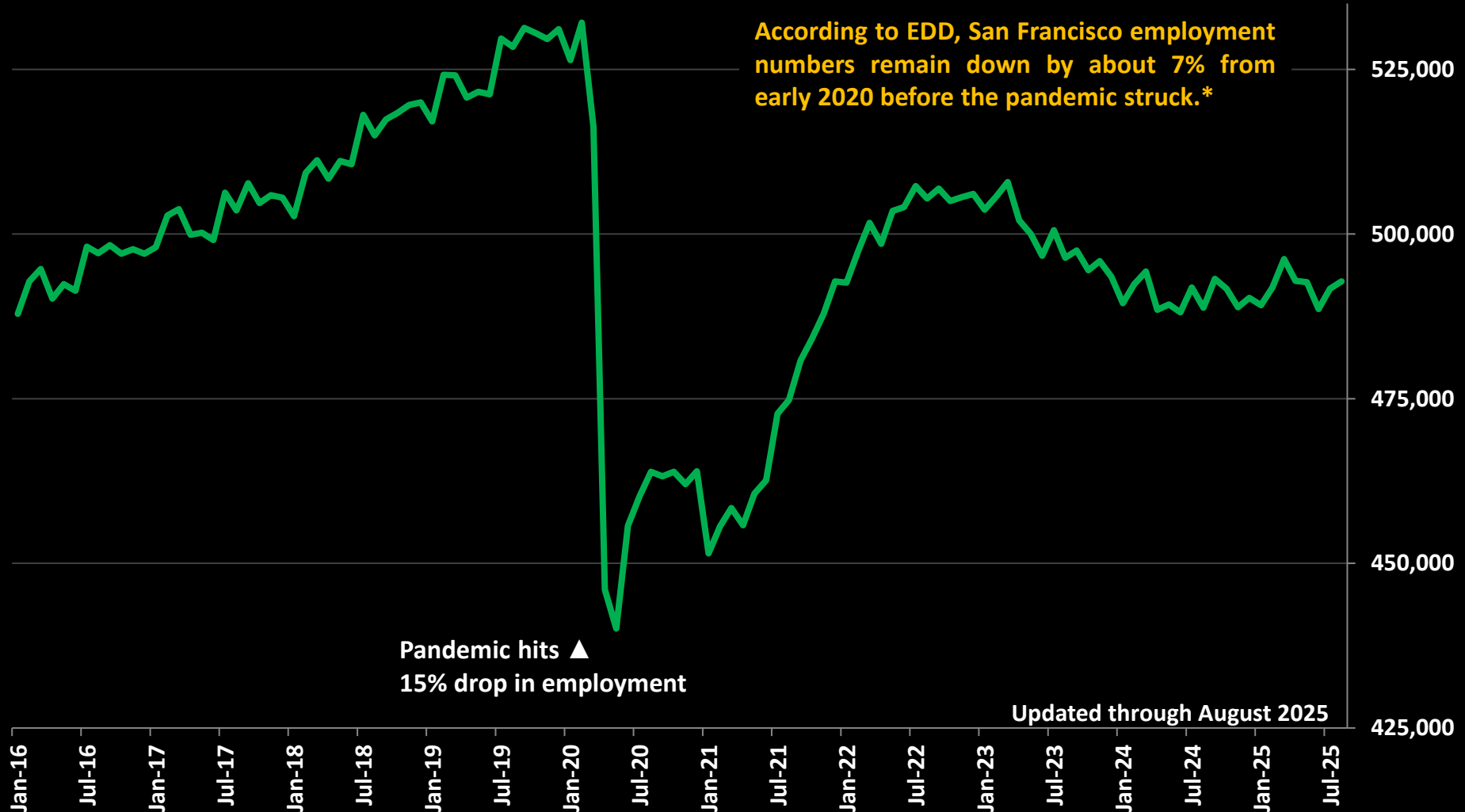
Changes measured from July 1st of previous year to July 1st of labeled year.



Estimates as of July 1 of each year. 2020-2024 data published March 13, 2025 by U.S. Census. The Census often revises numbers in subsequent estimates. All numbers to be considered approximate.

San Francisco Employment Trends

Number of Employed Residents, by Month since 2016*

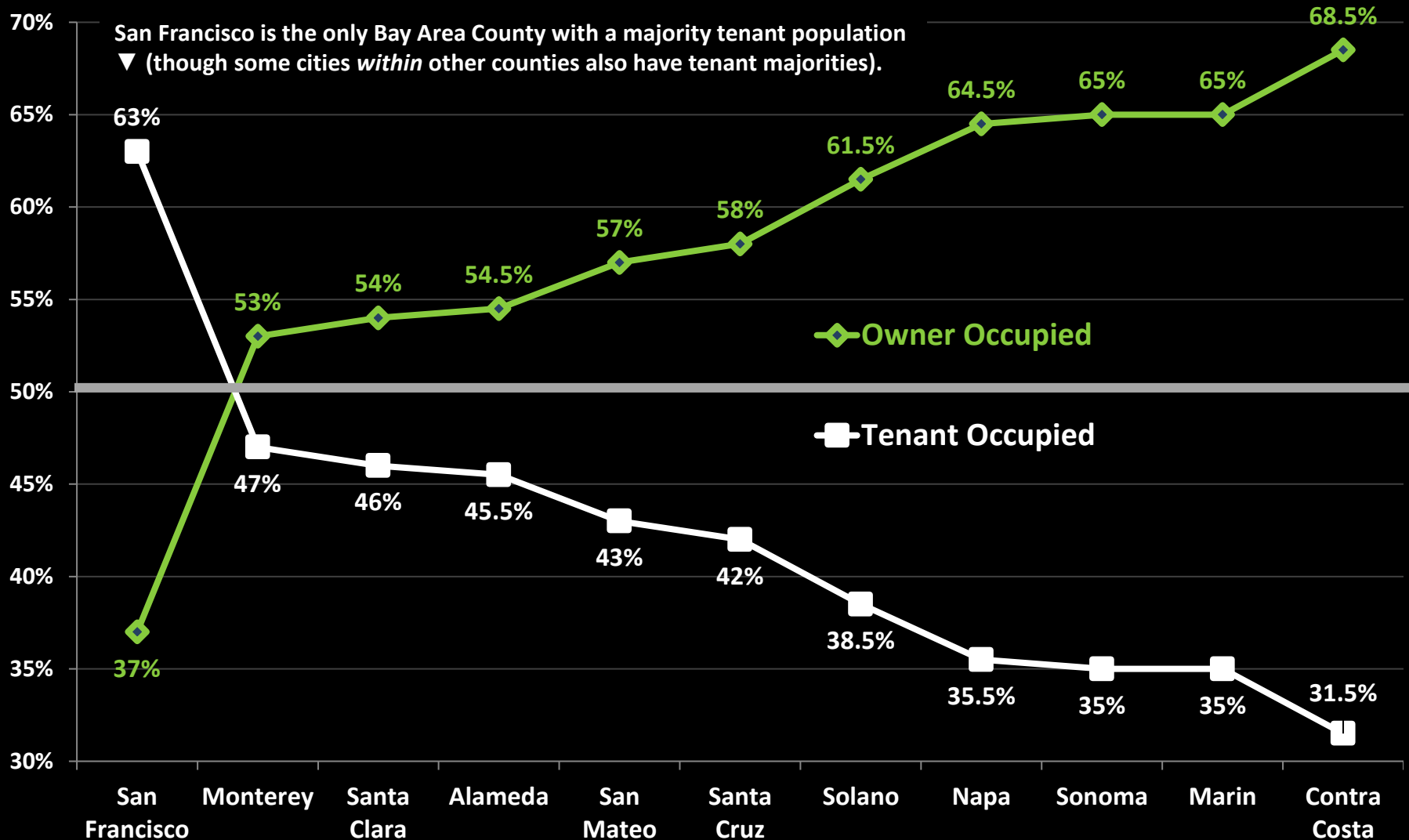


*Per California Employment Development Dept. (EDD) . Last month's data is labeled "preliminary" by EDD. EDD often goes back to revise past data releases. Data from sources deemed reliable but may contain errors and subject to revision. All numbers should be considered approximate.

Owner & Tenant Occupancy

Percentage of Housing Units, by Bay Area County

Per U.S. Census 2024 1-Year ACS
estimates published September 2025



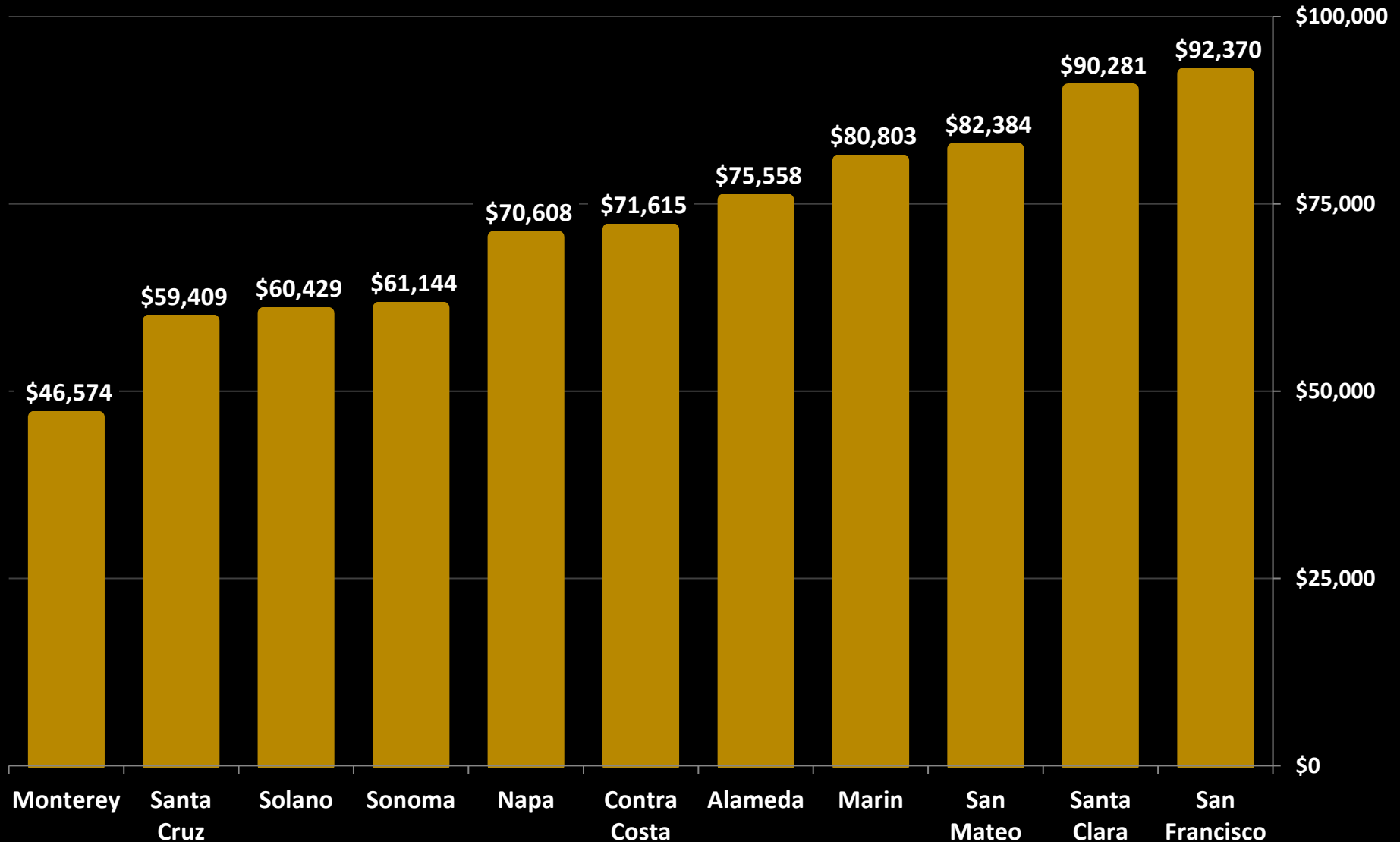
Percentage of occupied housing units occupied by owners or tenants. Data derived from sources deemed reliable, but may contain errors and are subject to revision. All numbers approximate.

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Median Resident Income

Residents 25+ Years of Age, by Bay Area County

Per U.S. Census 2024 1-Year ACS
estimates published September 2025

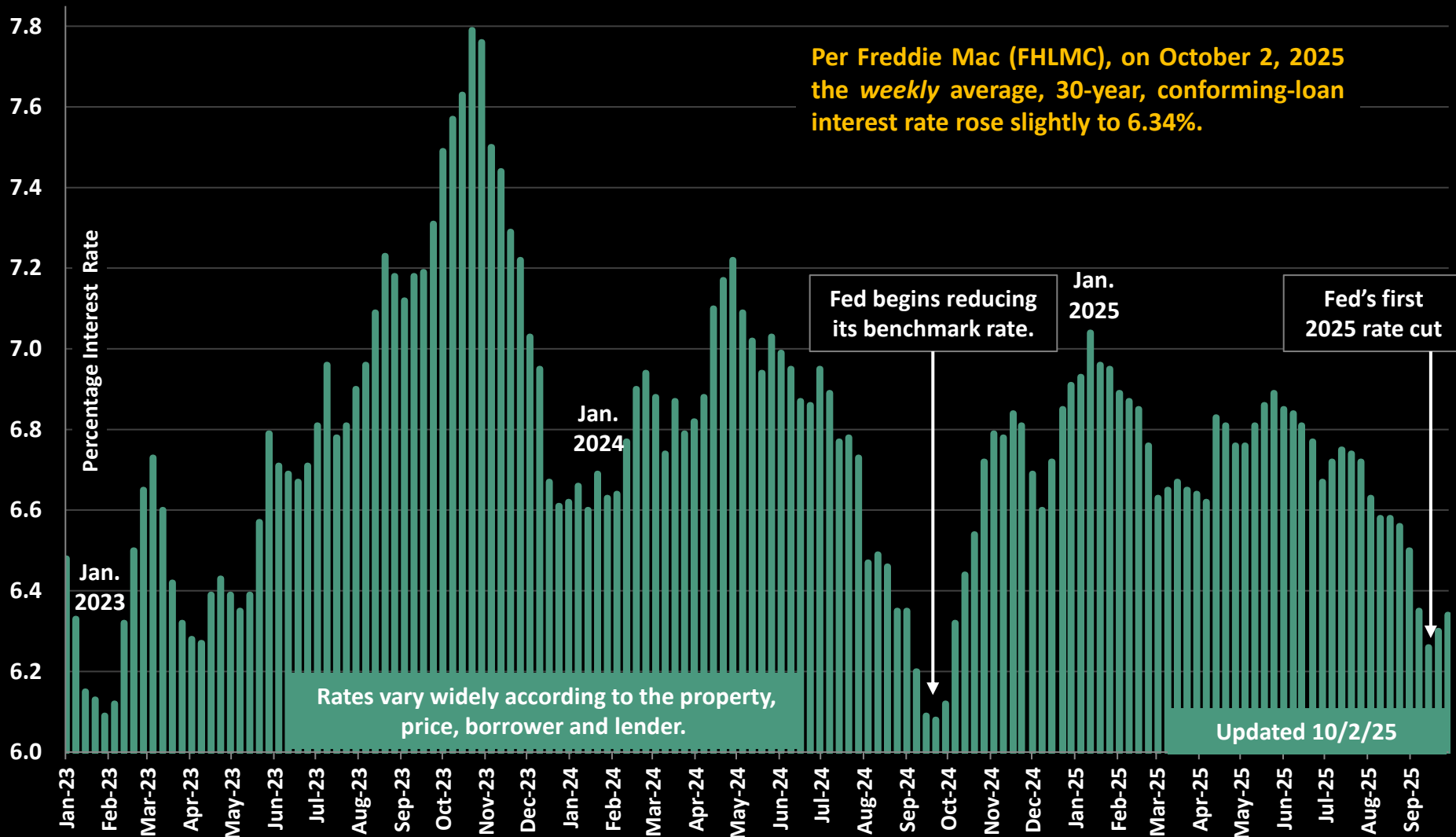


2024 inflation adjusted estimates. These analyses were performed in good faith with data derived from sources deemed reliable, but may contain errors and are subject to revision. Published with margins of error. All numbers approximate.

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Mortgage Interest Rates in 2023-2025 YTD

30-Year Conforming Fixed-Rate Loans, Weekly Average Readings*



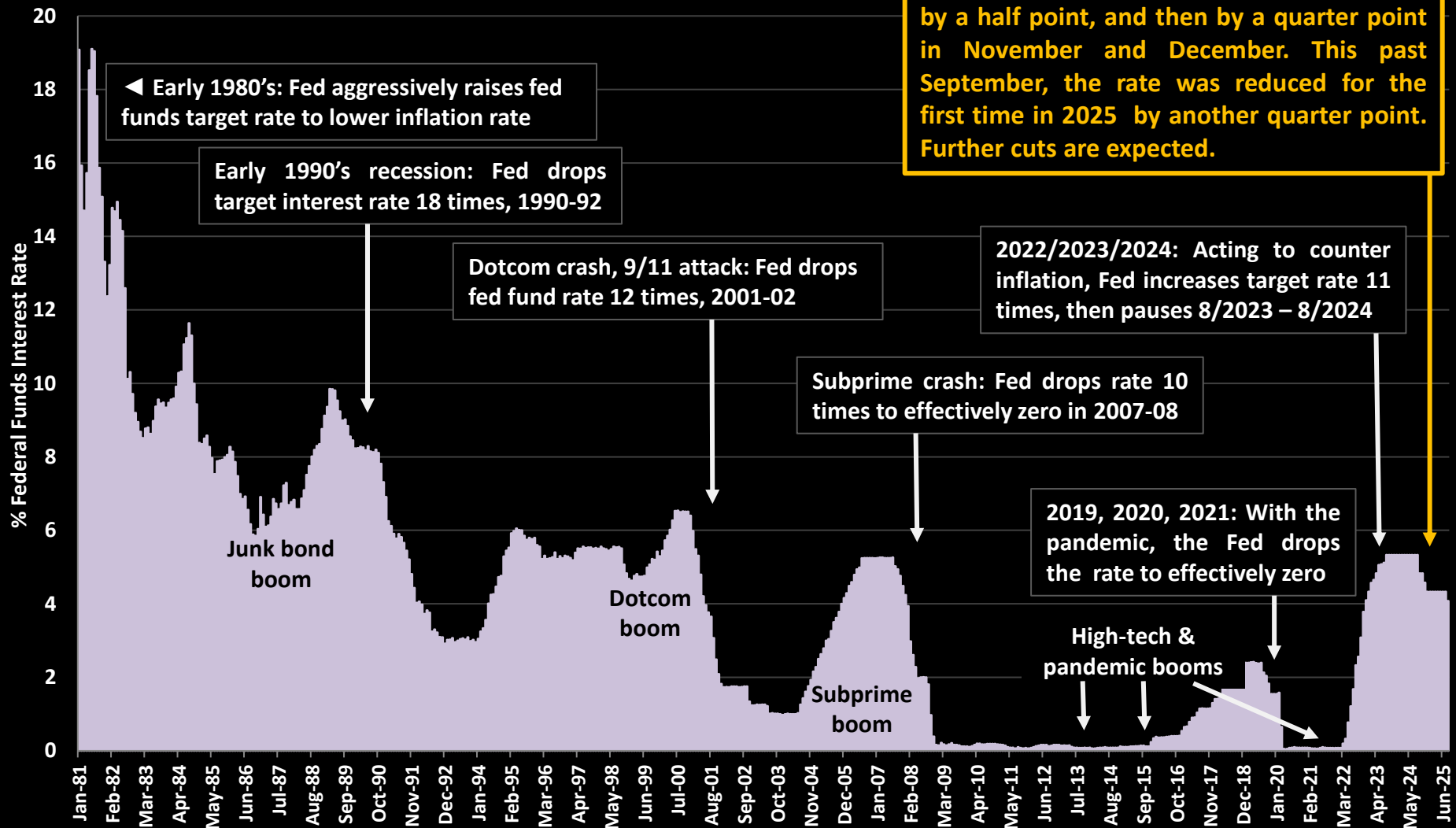
*Freddie Mac (FHLMC), 30-Year Fixed Rate Mortgage Weekly Average: <https://www.freddiemac.com/pmms>. Data from sources deemed reliable. Different sources of mortgage data sometimes vary in their determinations of daily and weekly rates. Data from sources deemed reliable but may contain errors. All numbers approximate.

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Federal Funds Interest Rate since 1981

& Economic Interventions by Federal Reserve Bank*

Updated September 17, 2025



* Per Federal Reserve Bank of St. Louis and New York; <https://fred.stlouisfed.org/series/FEDFUNDS>;
Last reading per <https://www.newyorkfed.org/markets/reference-rates/effr>. Other data referenced from sources deemed reliable but may contain errors and subject to revision.

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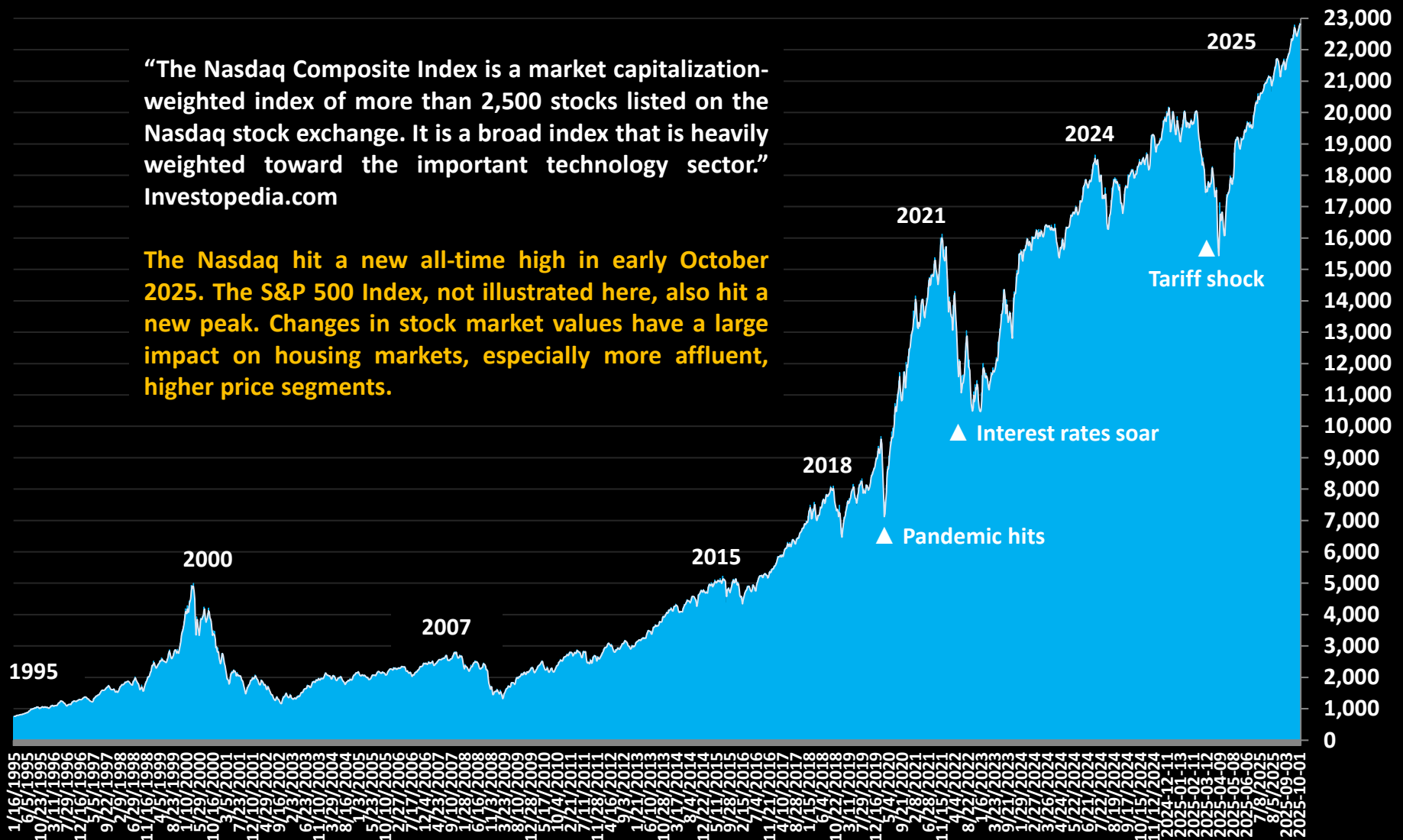
Nasdaq Composite Index

Since January 1995

Updated through 10/3/25

"The Nasdaq Composite Index is a market capitalization-weighted index of more than 2,500 stocks listed on the Nasdaq stock exchange. It is a broad index that is heavily weighted toward the important technology sector."
Investopedia.com

The Nasdaq hit a new all-time high in early October 2025. The S&P 500 Index, not illustrated here, also hit a new peak. Changes in stock market values have a large impact on housing markets, especially more affluent, higher price segments.

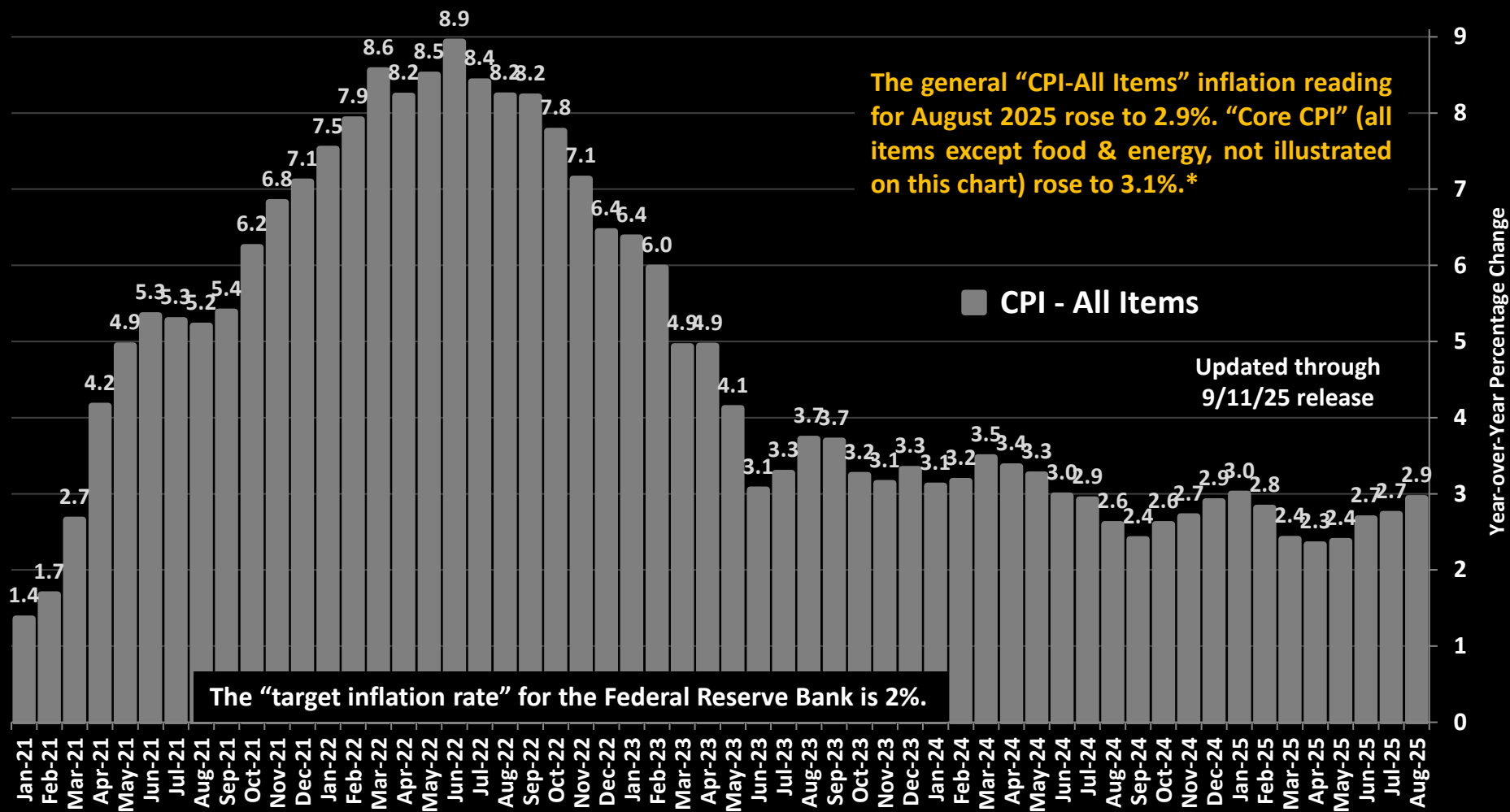


Per <https://fred.stlouisfed.org/series/NASDAQCOM>. Because of number of data points, not every week has a separate column. Data from sources deemed reliable but may contain errors and subject to revision. For general illustration purposes only.

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Inflation: Consumer Price Index (CPI), 2021 – 2025 YTD*

Year-over-Year Percentage Change, by Month



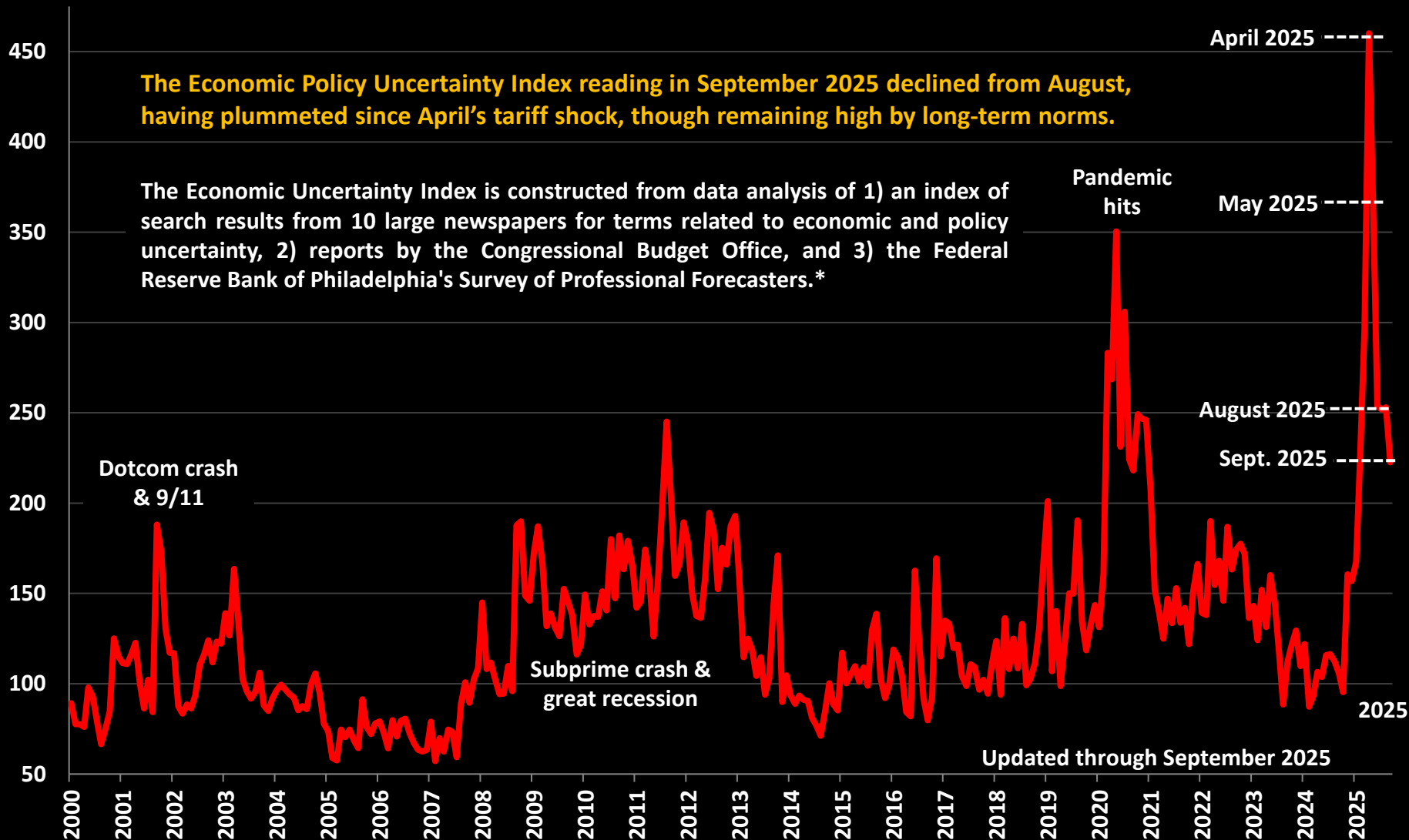
*Consumer Price Index for All Urban Consumers: All Items in U.S. City Average [CPIAUCSL], per Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/graph/?g=8dGq>. Data from U.S. Bureau of Labor Statistics. CPIAUCSL is a price index of a basket of goods and services paid by urban consumers. This index includes roughly 88 percent of the total population. Data from sources deemed reliable but may contain errors and subject to revision.

Economic Policy Uncertainty Index*

By Month since January 2000

The Economic Policy Uncertainty Index reading in September 2025 declined from August, having plummeted since April's tariff shock, though remaining high by long-term norms.

The Economic Uncertainty Index is constructed from data analysis of 1) an index of search results from 10 large newspapers for terms related to economic and policy uncertainty, 2) reports by the Congressional Budget Office, and 3) the Federal Reserve Bank of Philadelphia's Survey of Professional Forecasters.*



Updated through September 2025

*Source: 'Measuring Economic Policy Uncertainty' by Scott Baker, Nicholas Bloom and Steven J. Davis, 3-component index, www.PolicyUncertainty.com, https://www.policyuncertainty.com/us_monthly.html. Data from sources deemed reliable, but numbers to be considered approximate and subject to revision.

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U.S. Jobs Report*

Monthly Change in Number of Jobs, in Thousands*

Monthly Change in U.S. Non-Farm Employment, in Thousands

Weak employment growth in recent months has raised both fears regarding the U.S. economy and hopes of interest rate cuts by the Federal Reserve Bank.

Note: BLS often revises its monthly estimates, *sometimes very substantially*: For example the original May-June 2025 estimate of 291,000 new jobs has been revised down to 6,000.



*U.S. Bureau of Labor Statistics, "All employees, thousands, total nonfarm, seasonally adjusted": https://data.bls.gov/timeseries/CES0000000001&output_view=net_1mth. Last 2 readings are labeled "preliminary" and often substantially revised. Data from sources deemed reliable but may contain errors.

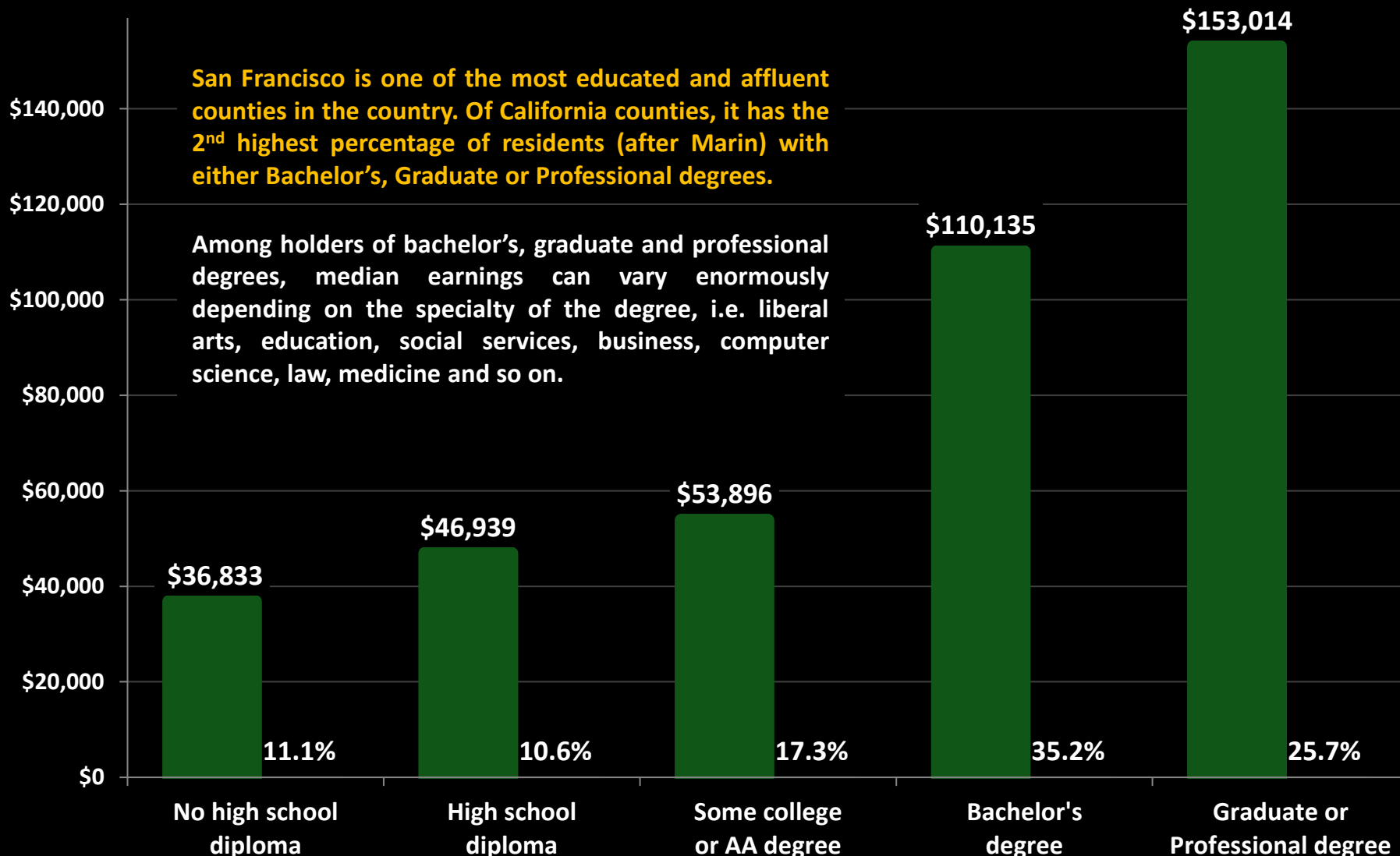
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San Francisco Demographic Snapshot

Median Resident Earnings & Percentage of Population by Level of Education*

San Francisco is one of the most educated and affluent counties in the country. Of California counties, it has the 2nd highest percentage of residents (after Marin) with either Bachelor's, Graduate or Professional degrees.

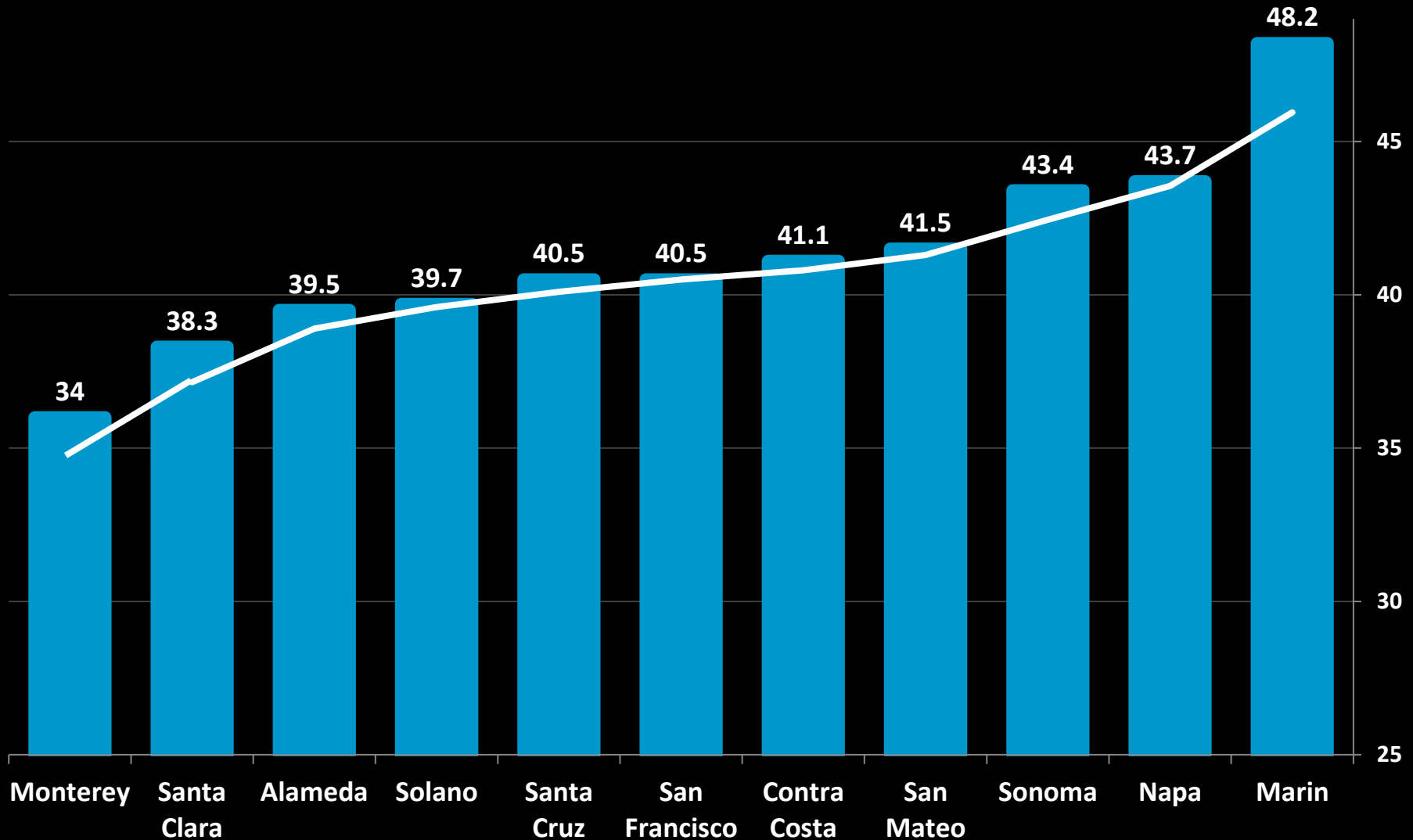
Among holders of bachelor's, graduate and professional degrees, median earnings can vary enormously depending on the specialty of the degree, i.e. liberal arts, education, social services, business, computer science, law, medicine and so on.



* U.S. Census 2024 ACS 1-Year Estimates, published September 2025. Residents 25+ years of age. Income estimates pertain to residents with earnings. Data from sources deemed reliable, but may contain errors and subject to revision. Estimates often published with significant margins of error.

Median Age of Residents by Bay Area County

2024 U.S. Census ACS 1-year
estimates, released 9/2025



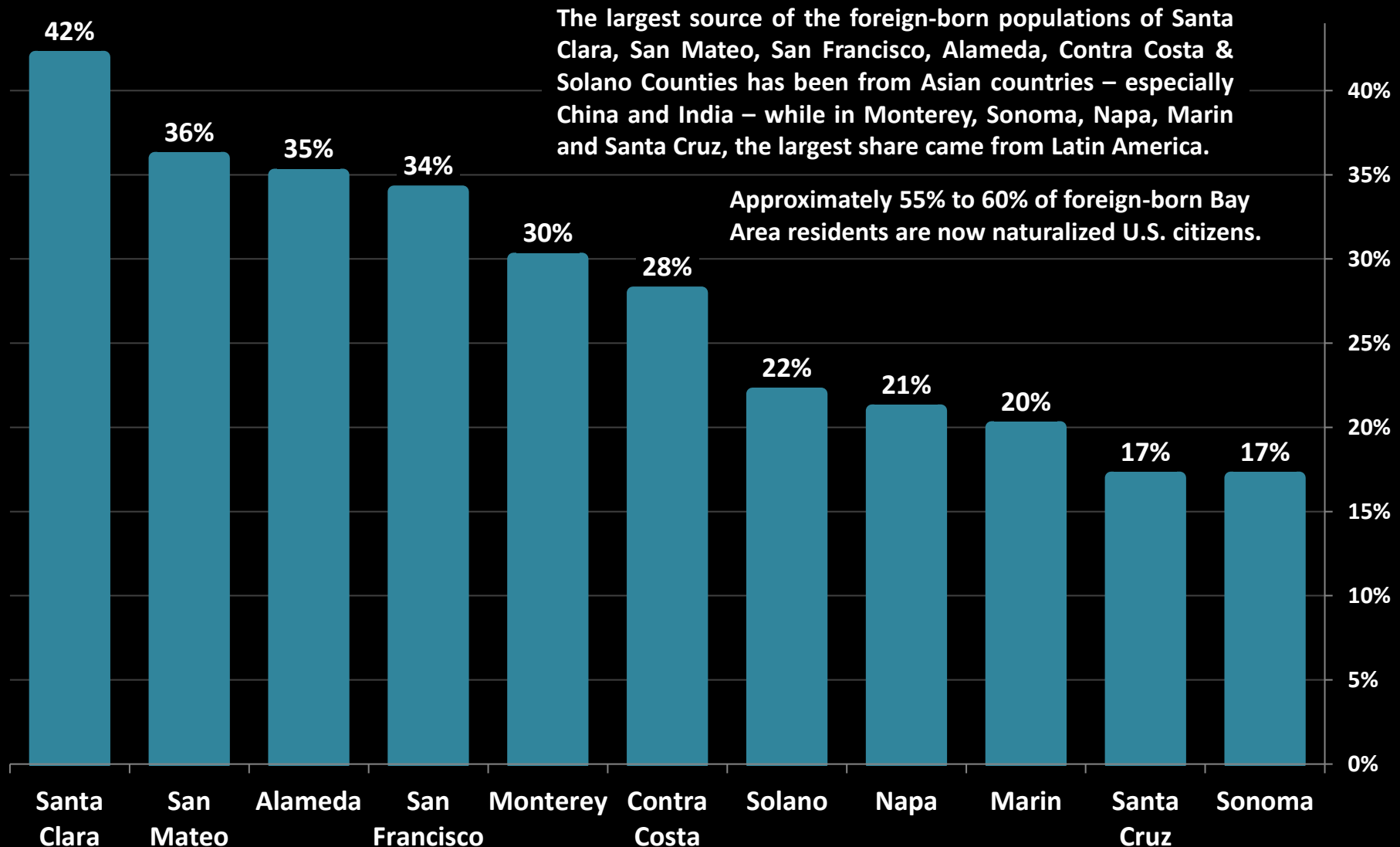
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Foreign-Born Residents

Percentage of Population, by Bay Area County

2024 U.S. Census ACS 1-year
estimates, released 9/2025

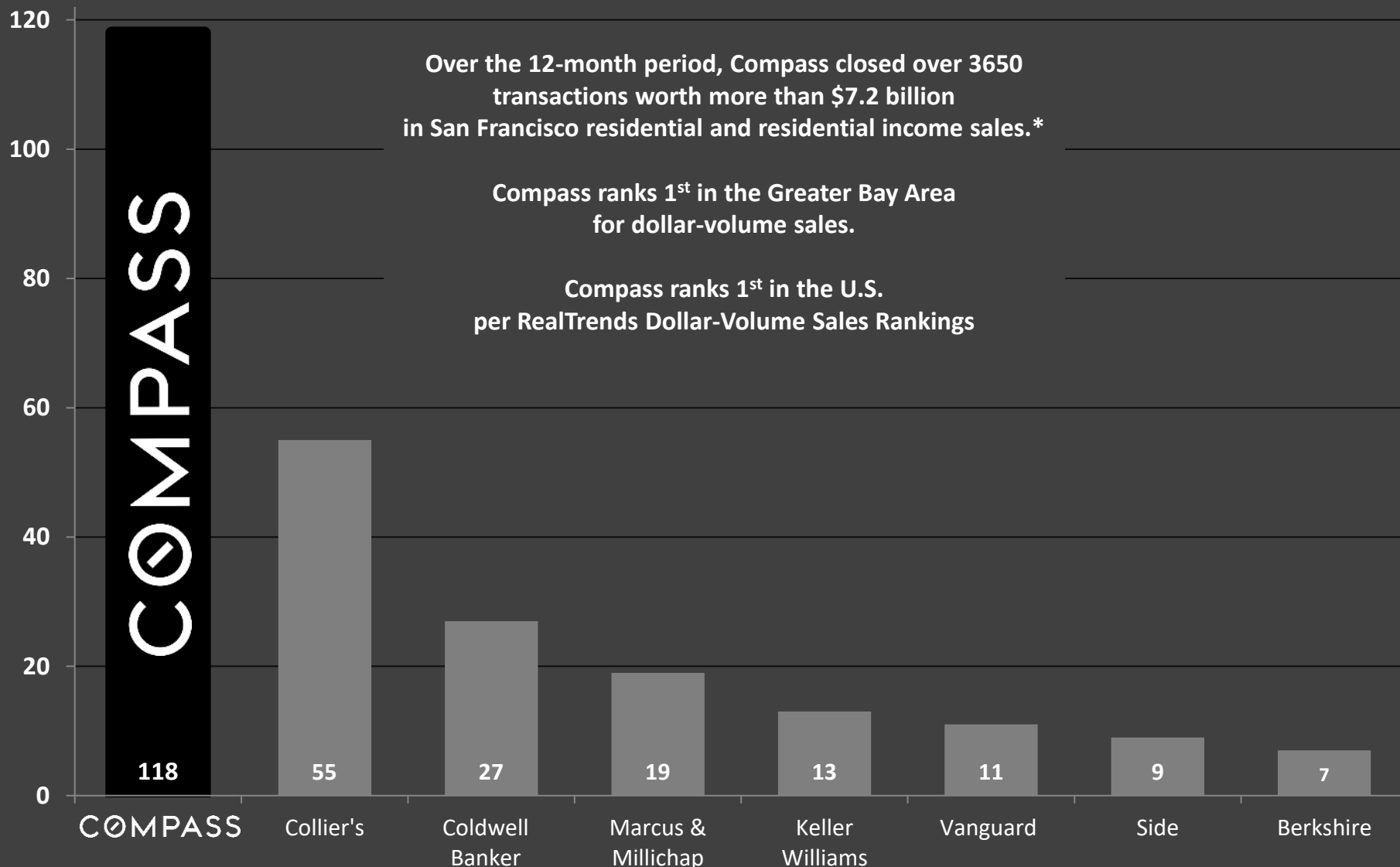


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San Francisco 5+ Unit Multi-Family Building Sales

Number Sold by Broker, Residential Income Properties*



*12 months 5+ unit residential income property sales reported to NorCal MLS Alliance by late June 2025. Analysis made in good faith using transaction-side data, per the MLS Ranking Report of top 30 brokers. Data from sources deemed reliable but should be considered approximate.

Note that the quantity of sales in any given local submarket is usually relatively small and/or the number of sales that report the necessary financial information can be limited. Buildings of different ages, qualities and sizes selling in different periods can cause these average and median figures to fluctuate significantly. Furthermore, the reliability of some of these calculations depends upon the quality of the income and expense figures provided by the listing agents, and sometimes instead of actual numbers, much less meaningful projected or scheduled figures are used. Late reported listings and sales may change these statistics. Therefore, the above statistics should be considered very general indicators, and how they apply to any particular property without a specific comparative market analysis is unknown.

These analyses were made in good faith with data from sources deemed reliable, but they may contain errors and are subject to revision. Statistics are generalities and all numbers should be considered approximate. Numbers may change with late-reported sales activity.

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