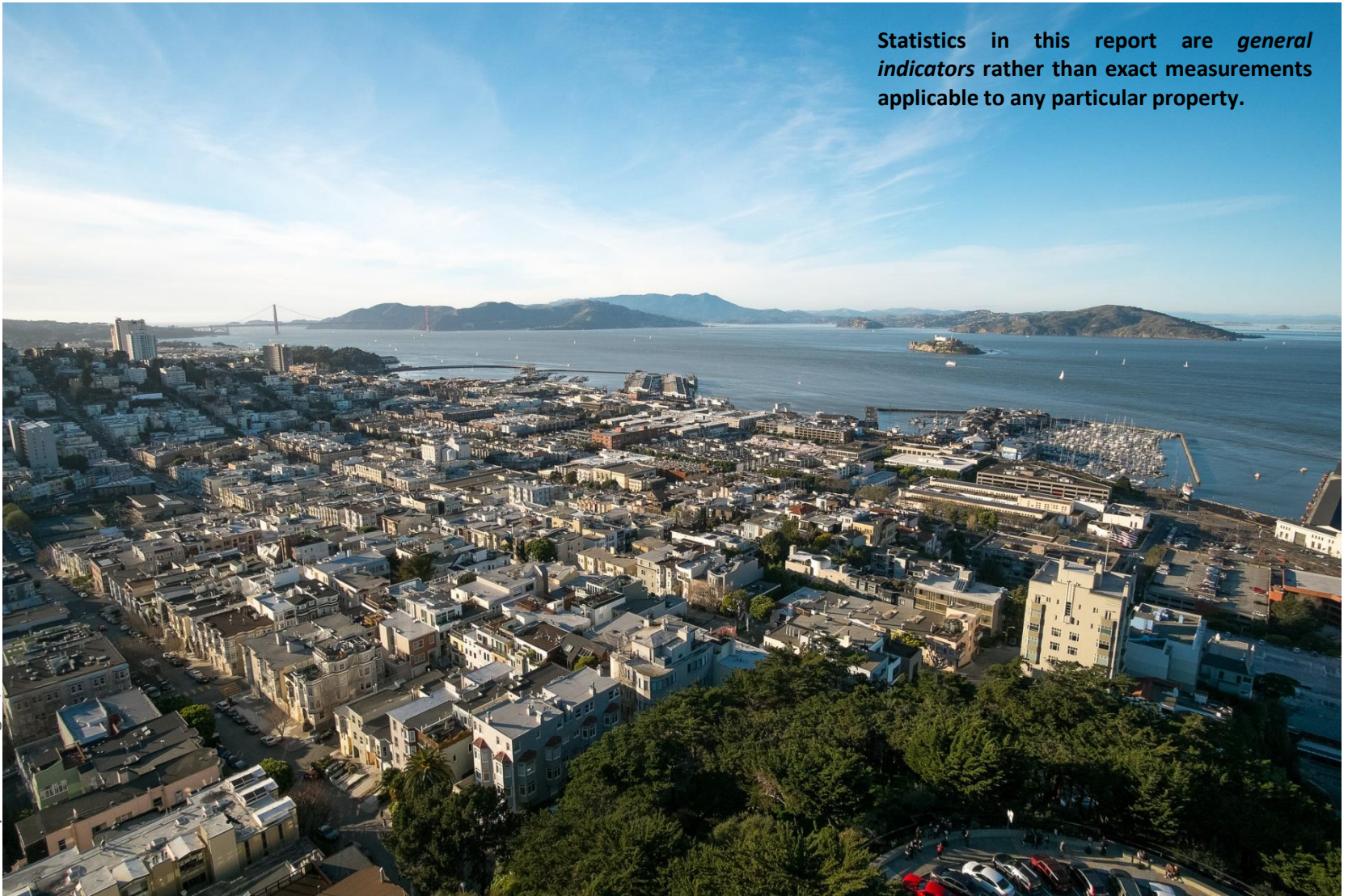


Statistics in this report are *general indicators* rather than exact measurements applicable to any particular property.



The San Francisco 2-4 Unit Apartment Building Market

October 2025, Q3 Report

COMPASS

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.

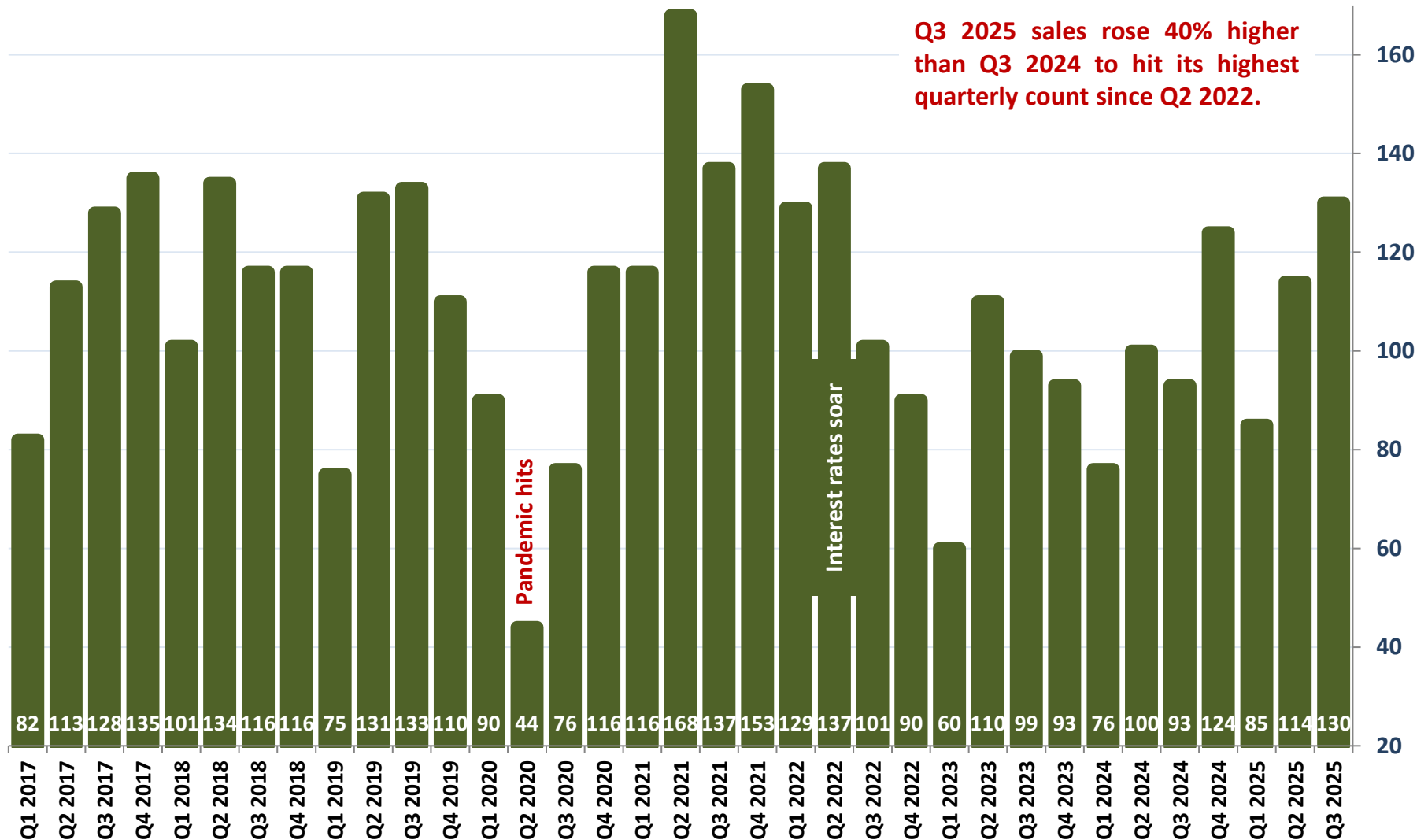
“Artificial-intelligence firms are leading a revival of the San Francisco office market...The amount of office space being leased has rebounded strongly this year and is back to pre-pandemic levels...[One global real estate analyst] said conditions resemble those in 2012 when the country was still recovering 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

San Francisco 2-4 Unit Building Sales

Sales Volume, 2017 – Present, by Quarter

Closed sales typically reflect offers accepted 3 to 6 weeks earlier. The market is often subject to seasonal trends in supply and demand.



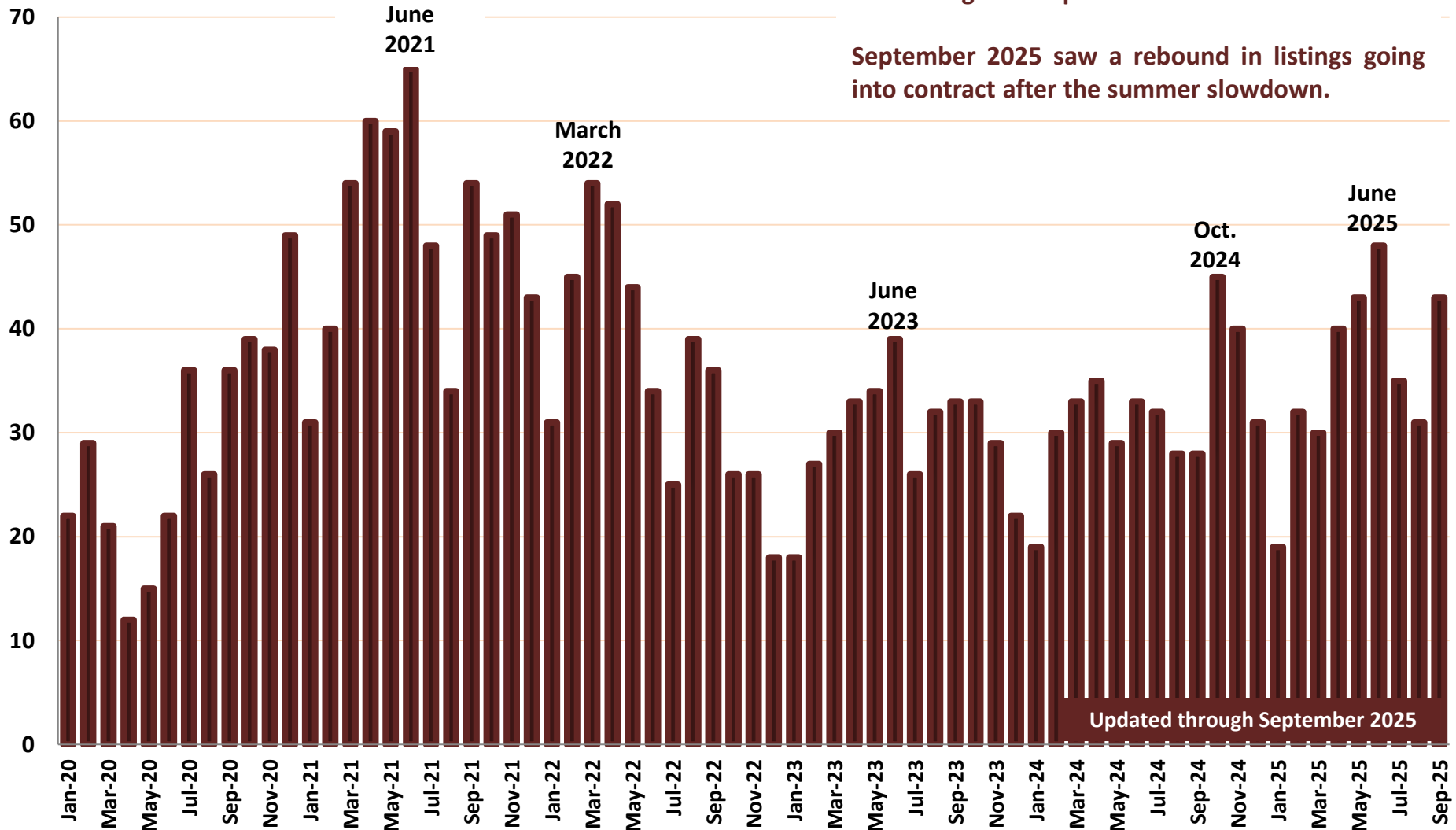
As reported to NorCal MLS Alliance. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate. Last reading estimated and may change with late reported activity.

COMPASS

Listings Accepting Offers (Going into Contract) San Francisco 2-4 Unit Building Market by Month

Among other factors, the market is typically subject to seasonal trends in supply and demand, with accepted-offer activity usually peaking in Q2 and hitting its low point in mid-winter.

September 2025 saw a rebound in listings going into contract after the summer slowdown.



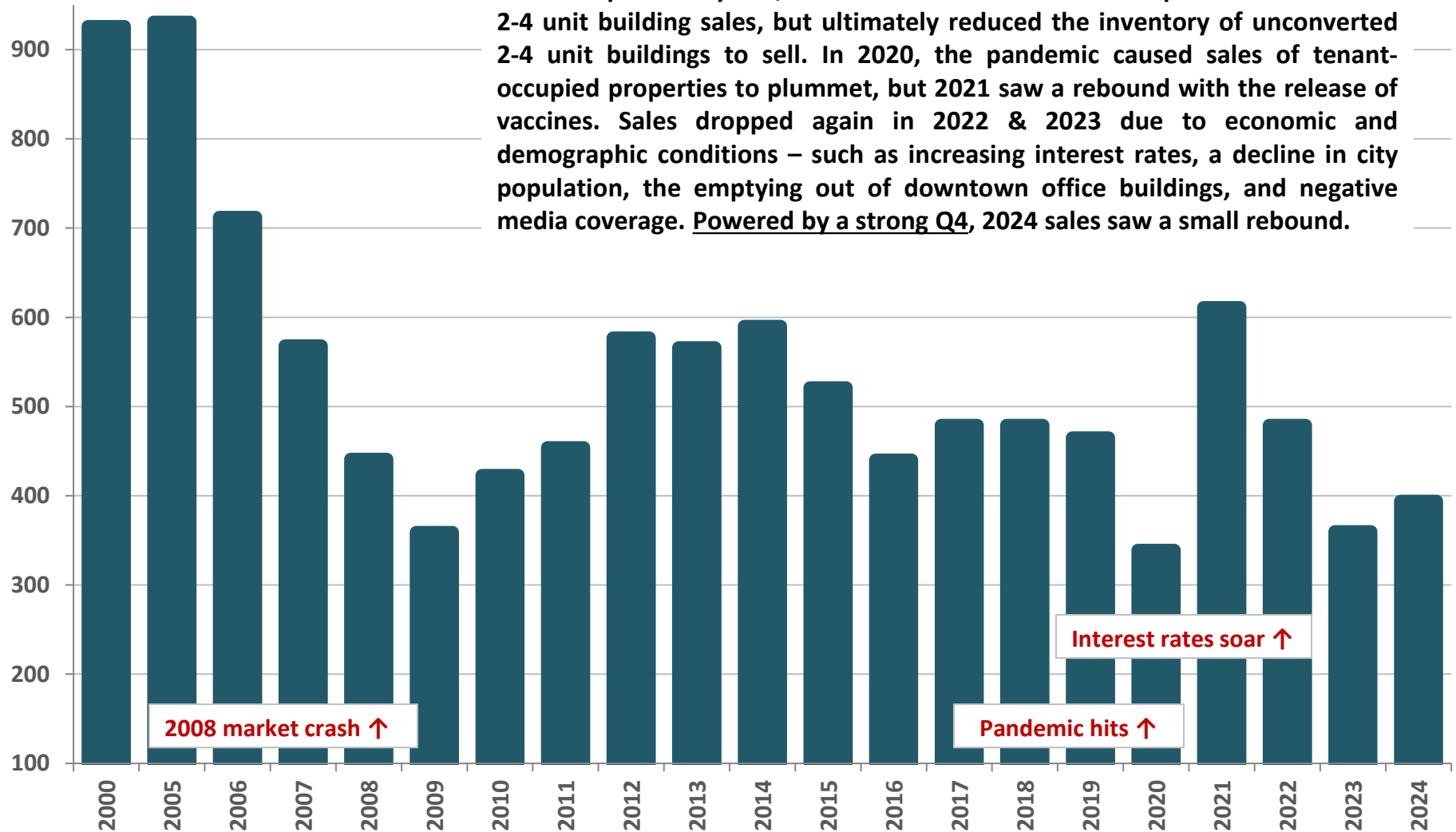
As reported to MLS, per Broker Metrics. Data from sources deemed reliable but may contain errors and subject to revision. All numbers are approximate. Last reading estimated and may change with late reported activity.

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San Francisco Residential 2-4 Unit Building Sales

Number of Buildings Sold by Year

Over the past 25+ years, the condo and TIC conversion option first increased 2-4 unit building sales, but ultimately reduced the inventory of unconverted 2-4 unit buildings to sell. In 2020, the pandemic caused sales of tenant-occupied properties to plummet, but 2021 saw a rebound with the release of vaccines. Sales dropped again in 2022 & 2023 due to economic and demographic conditions – such as increasing interest rates, a decline in city population, the emptying out of downtown office buildings, and negative media coverage. Powered by a strong Q4, 2024 sales saw a small rebound.



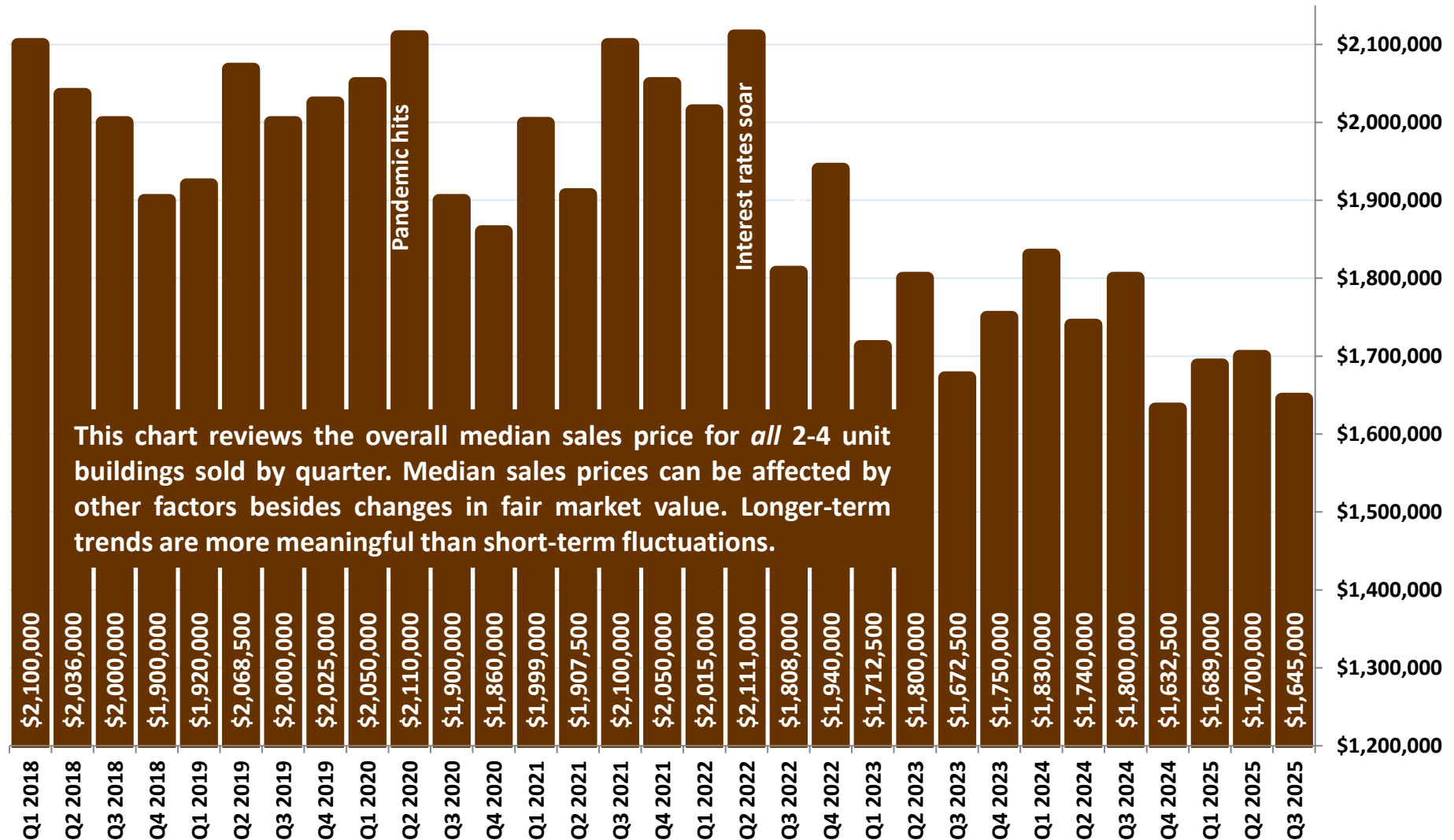
Sales reported to MLS. Years 2001-2004 omitted. Data from sources deemed reliable, but may contain errors and is subject to revision. 2024 sales estimated using data available in early January 2025. All numbers are approximate, and may change with late reported sales.

COMPASS

San Francisco 2-4 Unit Building Values

Median Sales Prices, by Quarter

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



As reported to NorCal MLS Alliance. Does not include units classified as houses or condos. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate, and may change with late reported activity.

COMPASS

Median Sales Price Trends since 2011 by Year

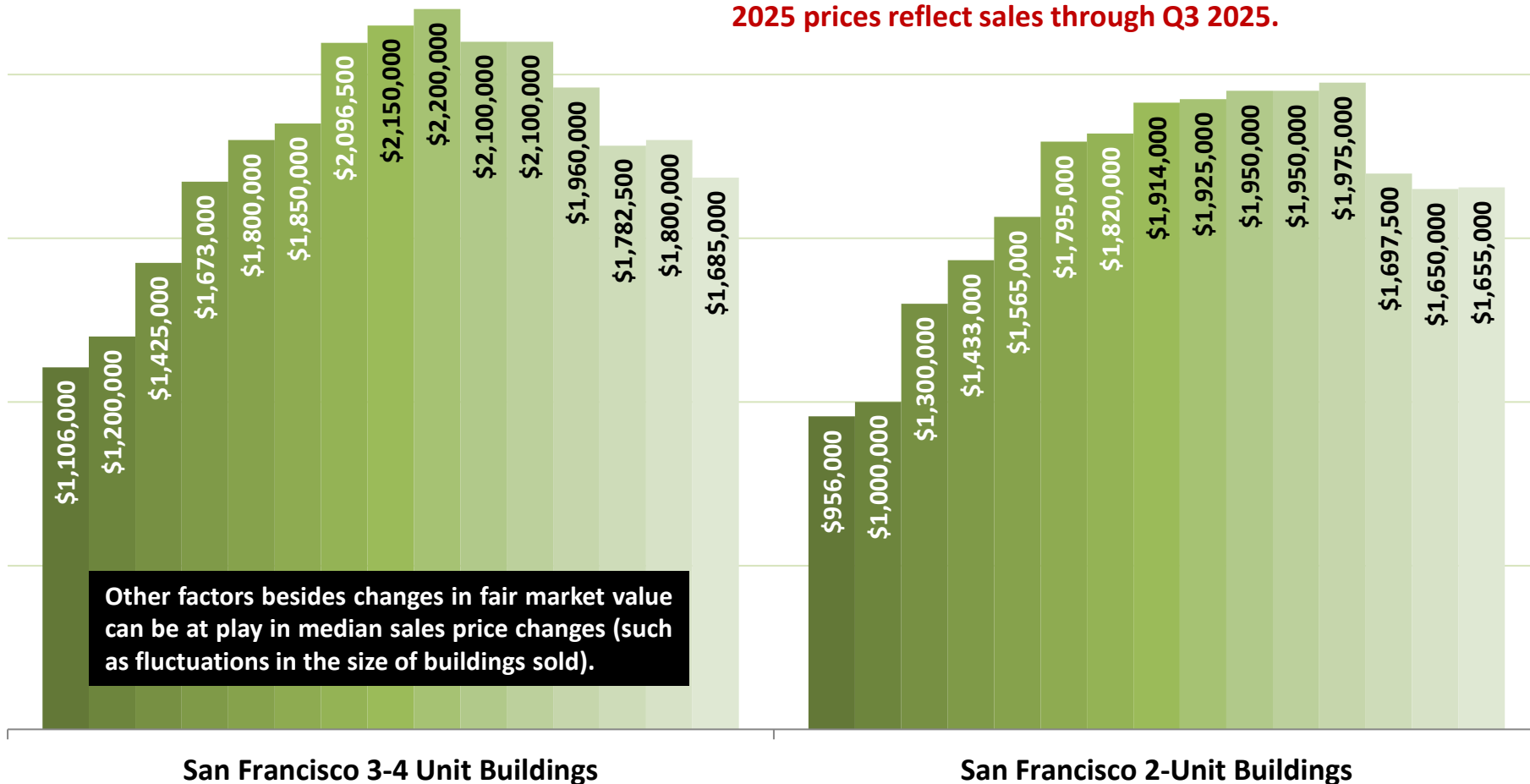
San Francisco 2-4 Unit Residential Buildings*

A specific comparative market analysis is required to value any particular property.

ANNUAL Median Sales Prices

■ 2011 ■ 2012 ■ 2013 ■ 2014 ■ 2015 ■ 2016 ■ 2017 ■ 2018 ■ 2019 ■ 2020 ■ 2021 ■ 2022 ■ 2023 ■ 2024 ■ 2025

2025 prices reflect sales through Q3 2025.



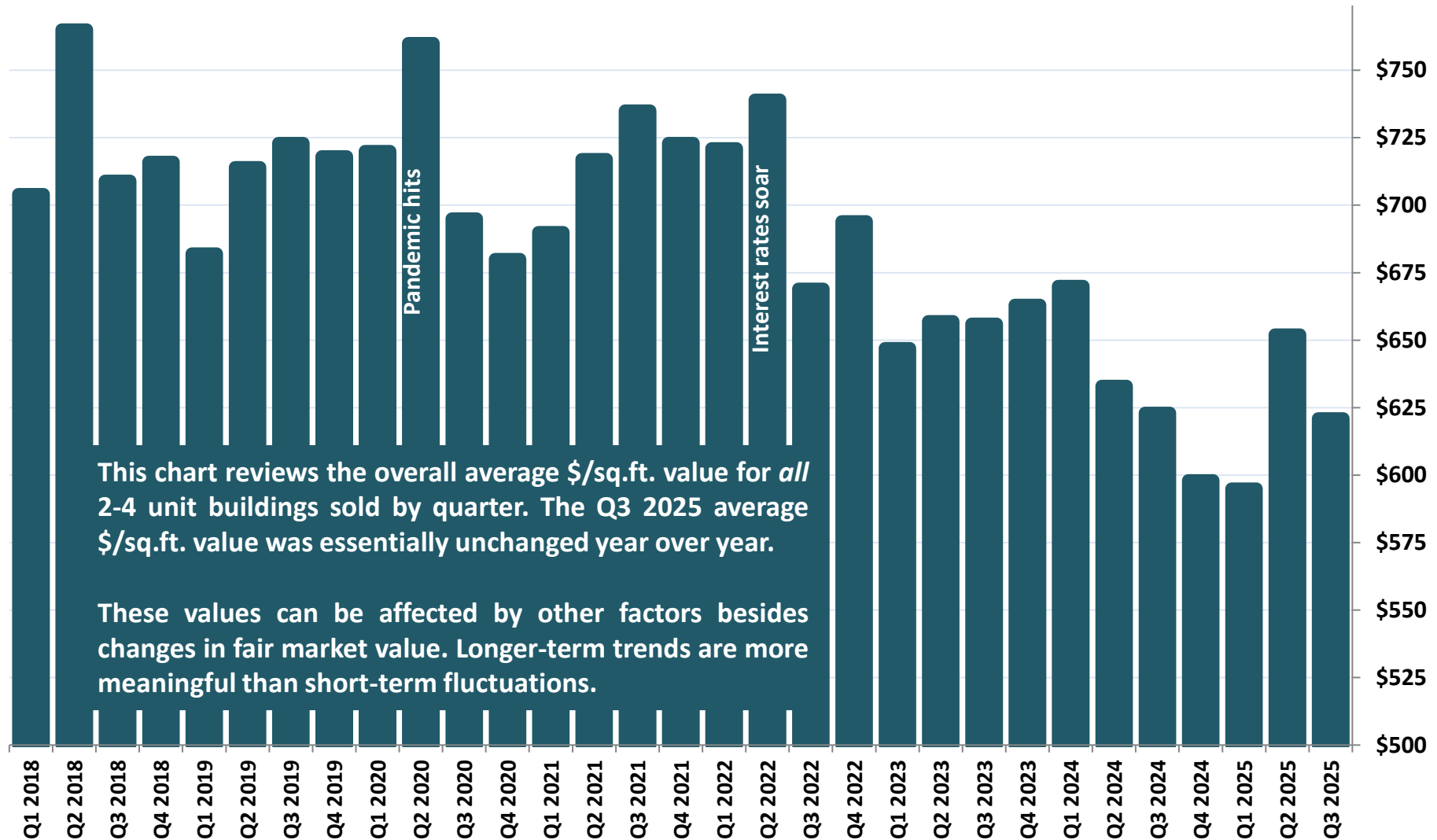
*Sales reported to NorCal MLS Alliance by 9/30/25. These prices are generalities reflecting sales of a wide variety of buildings in locations of differing values. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers should be considered approximate. Late reported sales may change data.

COMPASS

San Francisco 2-4 Unit Building Values

Average Dollar per Square Foot Values, by Quarter

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



As reported to NorCal MLS Alliance. Does not include units classified as houses or condos. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate, and may change with late reported activity.

COMPASS

Average Dollar per Square Foot Values by Year

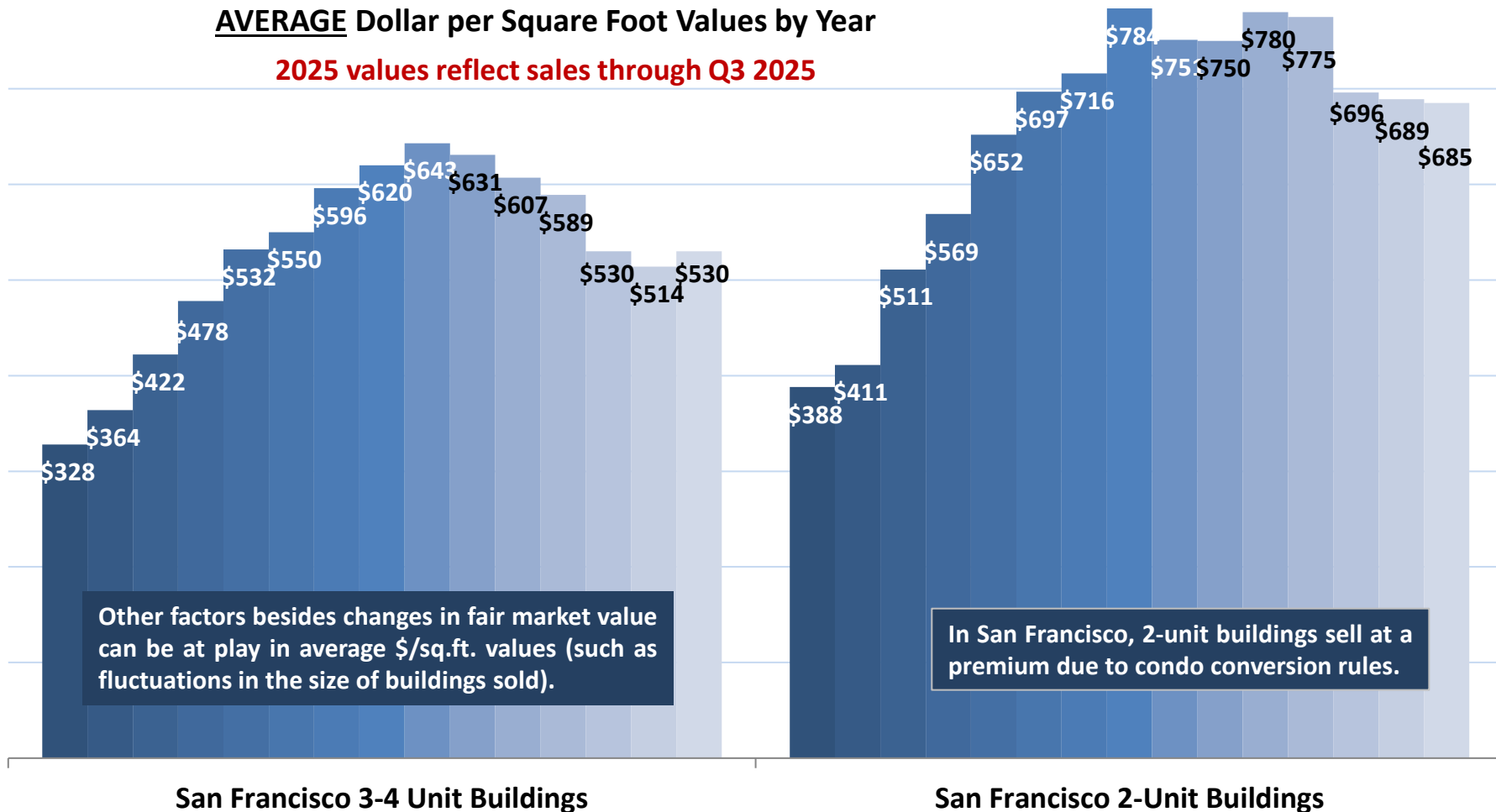
San Francisco 2-4 Unit Residential Building Sales since 2011

A specific comparative market analysis is required to value any particular property.

■ 2011 ■ 2012 ■ 2013 ■ 2014 ■ 2015 ■ 2016 ■ 2017 ■ 2018 ■ 2019 ■ 2020 ■ 2021 ■ 2022 ■ 2023 ■ 2024 ■ 2025

AVERAGE Dollar per Square Foot Values by Year

2025 values reflect sales through Q3 2025



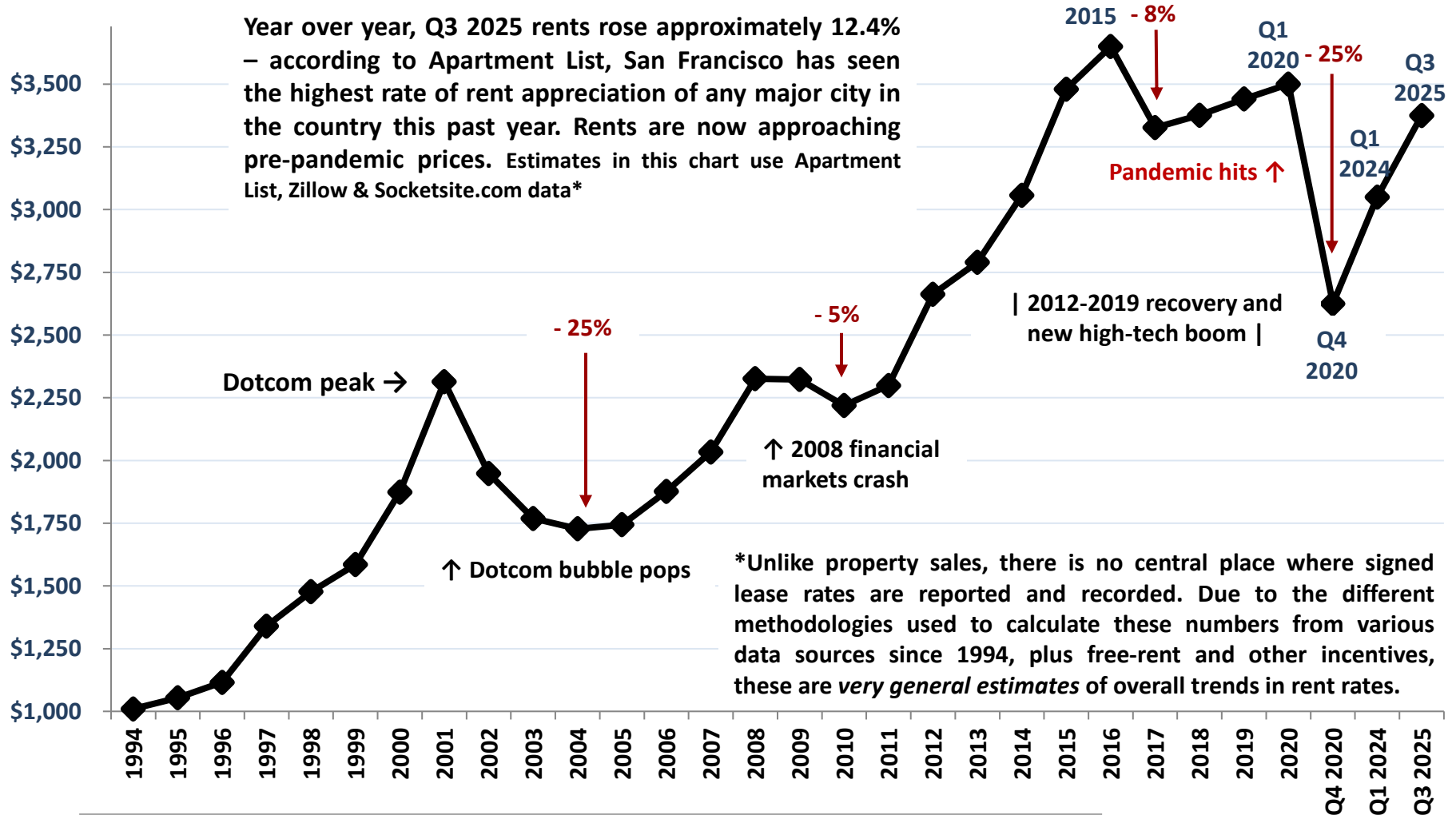
Sales reported to NorCal MLS Alliance by 9/30/25. These values are generalities reflecting sales of a wide variety of buildings in locations of differing values. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate. Late reported sales may alter these numbers.

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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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San Francisco Residential Income Market

Market Dynamics: Buildings by Number of Units*

Multi-Family Buildings with Up to 8 Units

Market indicators can change dramatically from period to period, due to both economic conditions and seasonal trends. After slowing in summer, market activity typically accelerates in early autumn.

Prop. Type	# Listings for Sale*	# Listings in Contract*	12 Months Sales*	Median Sales Price	<u>Median</u> \$/Sq.Ft.**	Median Size (Sq.Ft.)	Avg. Days on Market**	Sales Over List Price
2-Unit Buildings	68	24	262 sales	\$1,645,000	\$646/sq.ft.	2629 sq.ft.	38 days	48%
3-Unit Buildings	45	12	107 sales	\$1,850,000	\$516/sq.ft.	3727 sq.ft.	50 days	32%
4-Unit Buildings	32	4	63 sales	\$1,600,000	\$473/sq.ft.	3517 sq.ft.	54 days	19%
5-8 Unit Buildings	29	23	106 sales	\$2,080,000	\$385/sq.ft.	5124 sq.ft.	54 days	19%

*Listings for Sale (Active/Coming-Soon) & Listings in Contract (pending sale) posted to MLS as of late September 2025. Other statistics per 12 months sales reported by late September 2025. ***Median* calculations will vary from *average* calculations, though both are legitimate methods of measurement. Not all sales report square footage figures.

Statistics often rise and fall according to *seasonal* trends. Average-days-on-market measures the time from going on market until offer acceptance for those properties that sold.

Data reported to NorCal MLS Alliance, may contain errors and subject to revision. Not all activity is reported to MLS. Multiple unit buildings classified as houses or condos excluded. All numbers approximate. Statistics based on past activity may not apply to future trends and can be distorted by outlier data (especially in low sales volume segments). Outlier data removed when identified. Numbers change constantly.

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2-4 Unit Residential Building Values by San Francisco Realtor District

Median Sales Price, Median Size & Median \$/Sq.Ft. Value – 12 Months Sales*

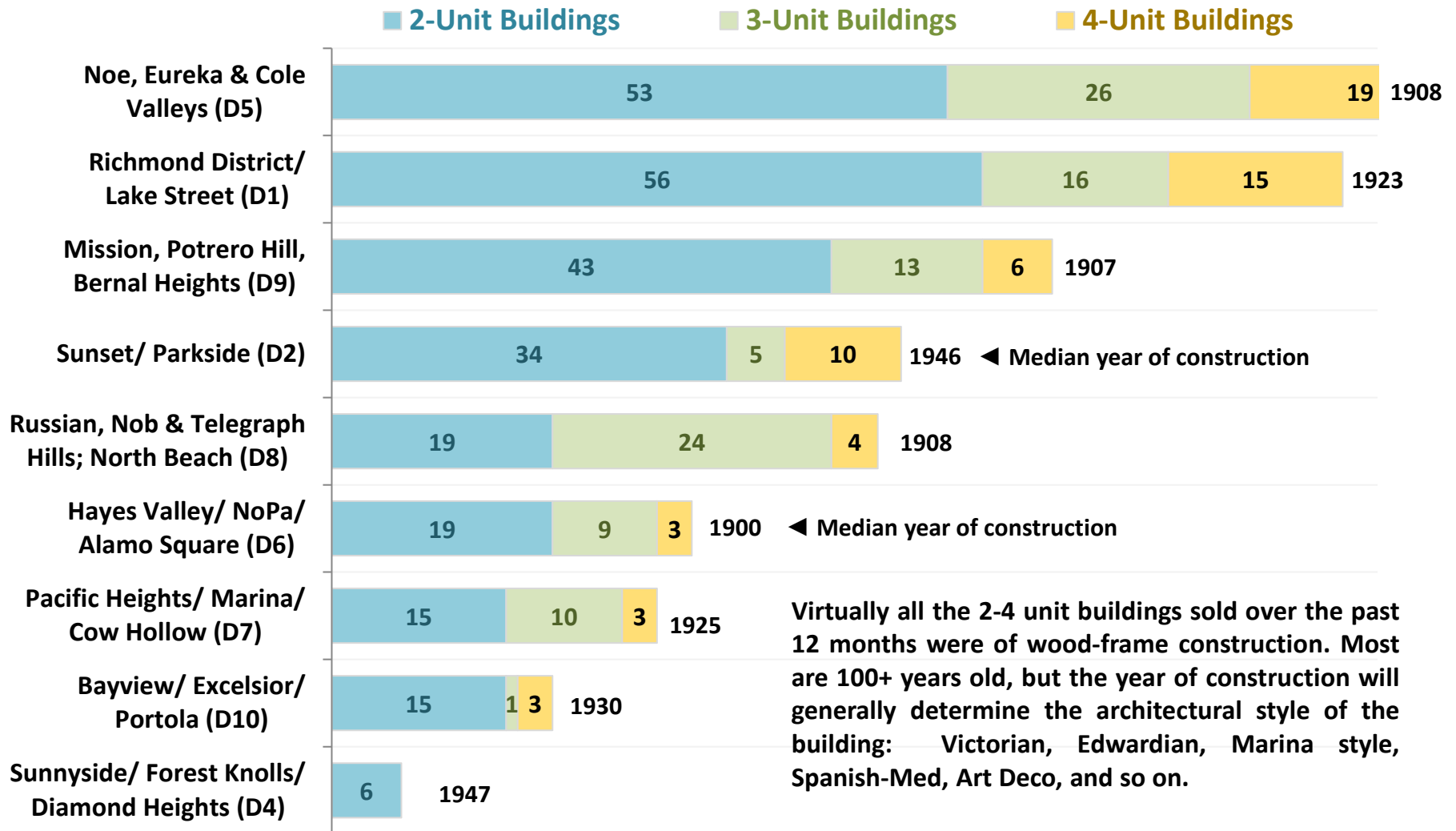
San Francisco District	2-Unit Buildings	3-Unit Buildings	4-Unit Buildings
Pacific & Presidio Heights, Cow Hollow & Marina (District 7)	\$3,300,000 2960 sq.ft.-\$912/sq.ft.	\$2,975,000 4533 sq.ft.-\$768/sq.ft.	Not enough sales for statistics
Russian, Nob & Telegraph Hills; North Beach (District 8)	\$1,730,000 2595 sq.ft.-\$671/sq.ft.	\$2,000,000 3783 sq.ft.-\$470/sq.ft.	\$1,817,500 3260 sq.ft.-\$564/sq.ft.
Noe, Eureka & Cole Valleys; Ashbury & Corona Heights; Mission Dolores (D5)	\$1,800,000 2681 sq.ft.-\$722/sq.ft.	\$1,647,500 3108 sq.ft.-\$581/sq.ft.	\$1,600,000 3132 sq.ft.-\$477/sq.ft.
North of Panhandle (NoPa), Alamo Square, Hayes Valley, Lower Pacific Heights (D6)	\$1,700,000 3000 sq.ft.-\$600/sq.ft.	\$2,100,000 3825 sq.ft.-\$574/sq.ft.	Not enough sales for statistics
Lake Street, Richmond District, Lone Mountain, Jordan Park (District 1)	\$1,790,000 2995 sq.ft.-\$559/sq.ft.	\$1,875,000 3635 sq.ft.-\$520/sq.ft.	\$1,600,000 3776 sq.ft.-\$463/sq.ft.
Inner Mission, Potrero Hill, Bernal Heights, South of Market (District 9)	\$1,355,000 2500 sq.ft.-\$614/sq.ft.	\$1,250,000 3750 sq.ft.-\$309/sq.ft.	\$1,462,500 3600 sq.ft.-\$367/sq.ft.
Sunset, Parkside (District 2)	\$1,505,000 2276 sq.ft.-\$641/sq.ft.	\$1,700,000 4051 sq.ft.-\$436/sq.ft.	\$1,545,000 3378 sq.ft.-\$445/sq.ft.
Bayview-Excelsior-Visitacion Valley (District 10)	\$1,180,000 2060 sq.ft.-\$550/sq.ft.	Not enough sales for analysis	Not enough sales for statistics

*12 months sales reported to NorCal MLS Alliance by late September 2025. This analysis was performed in good faith with data derived from sources deemed reliable but may contain errors and subject to revision. Many factors affect multi-unit values, including income, condition, tenant profile, rent control and owner-occupancy. **How these values apply to any particular property is unknown without a specific comparative market analysis.** Houses with units and condo buildings excluded. All numbers approximate and may change with late-reported sales. Not all listings gave sq.ft.

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2-4 Unit Residential Property Sales by San Francisco Realtor District, 12 Months Sales*

Realtor districts include other adjacent neighborhoods besides those used to identify the district. Districts often contain neighborhoods of varying values.

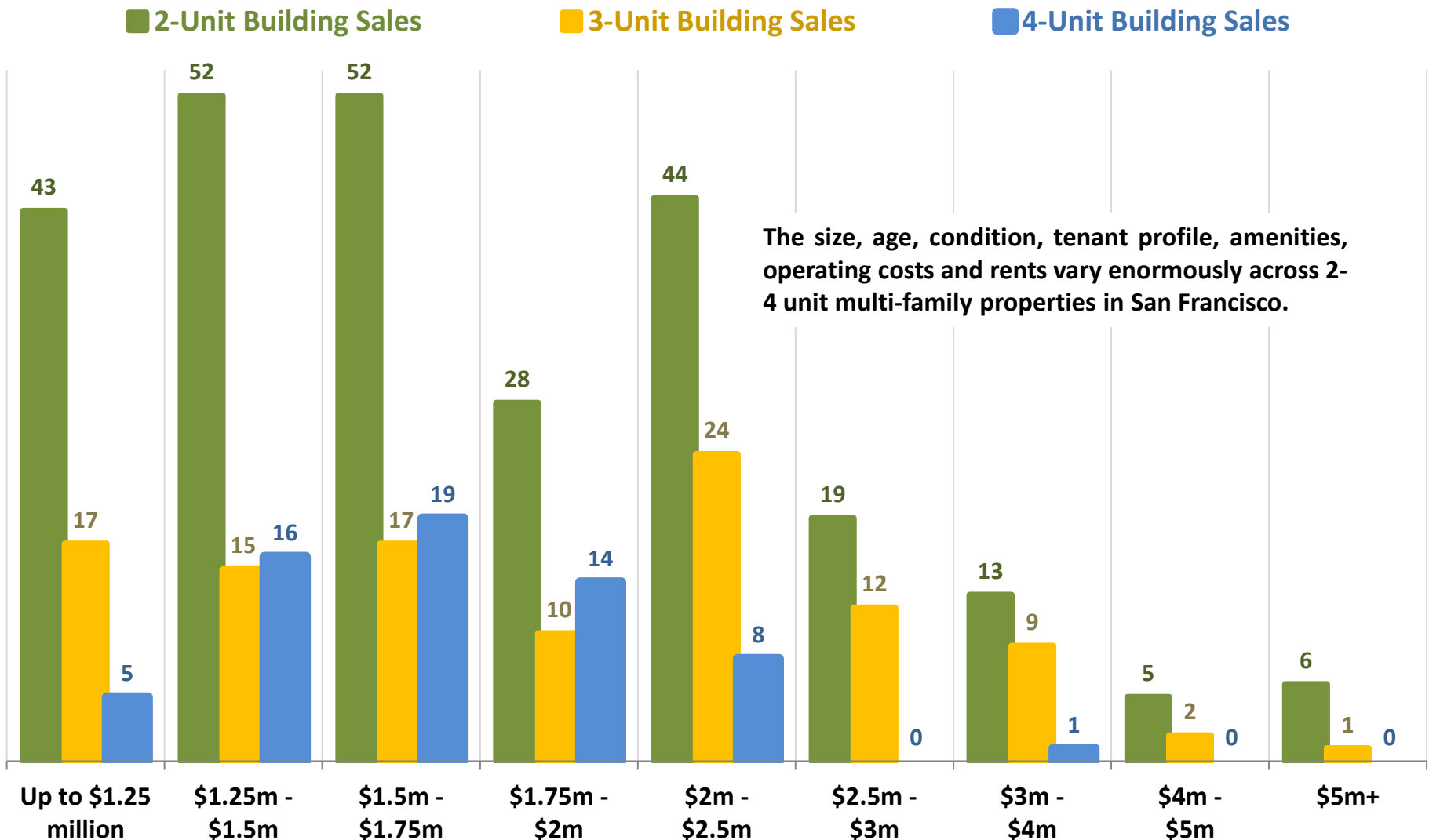


*12 months sales reported to NorCal MLS Alliance by late September 2025. This analysis was performed in good faith with data derived from sources deemed reliable but may contain errors and subject to revision. All numbers approximate and may change with late-reported sales.

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San Francisco 2-4 Unit Residential Buildings

12 Months Sales by Number of Units & Price Segment*



*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. Multiple units classified as houses or condos excluded. All numbers approximate and may change with late reported sales.

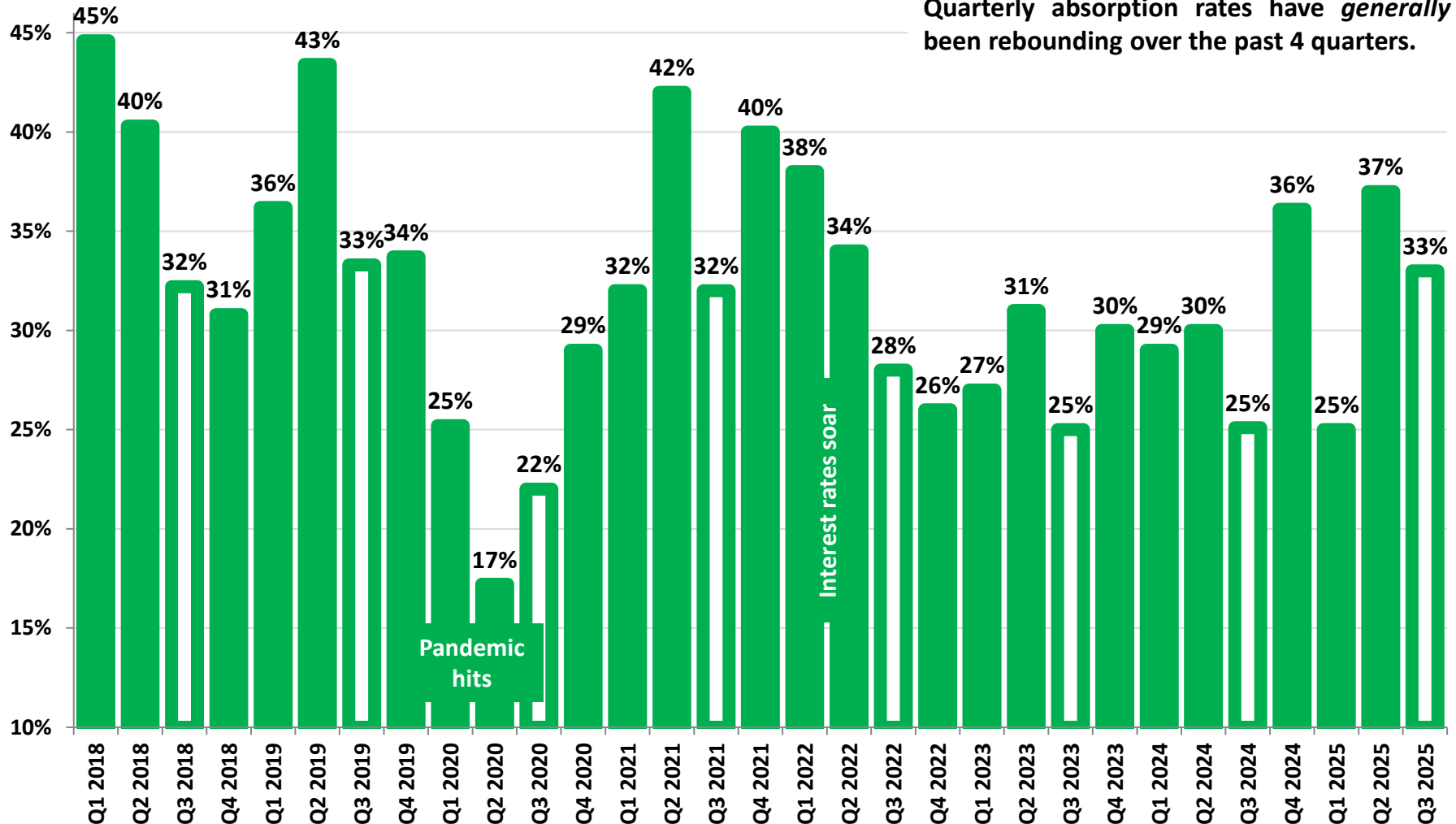
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Percentage of Listings Accepting Offers

San Francisco 2-4 Unit Building Market by Quarter

Absorption Rate: The higher the percentage of listings accepting offers, the stronger the buyer demand *as compared to* the supply of properties available to purchase.

Quarterly absorption rates have *generally* been rebounding over the past 4 quarters.



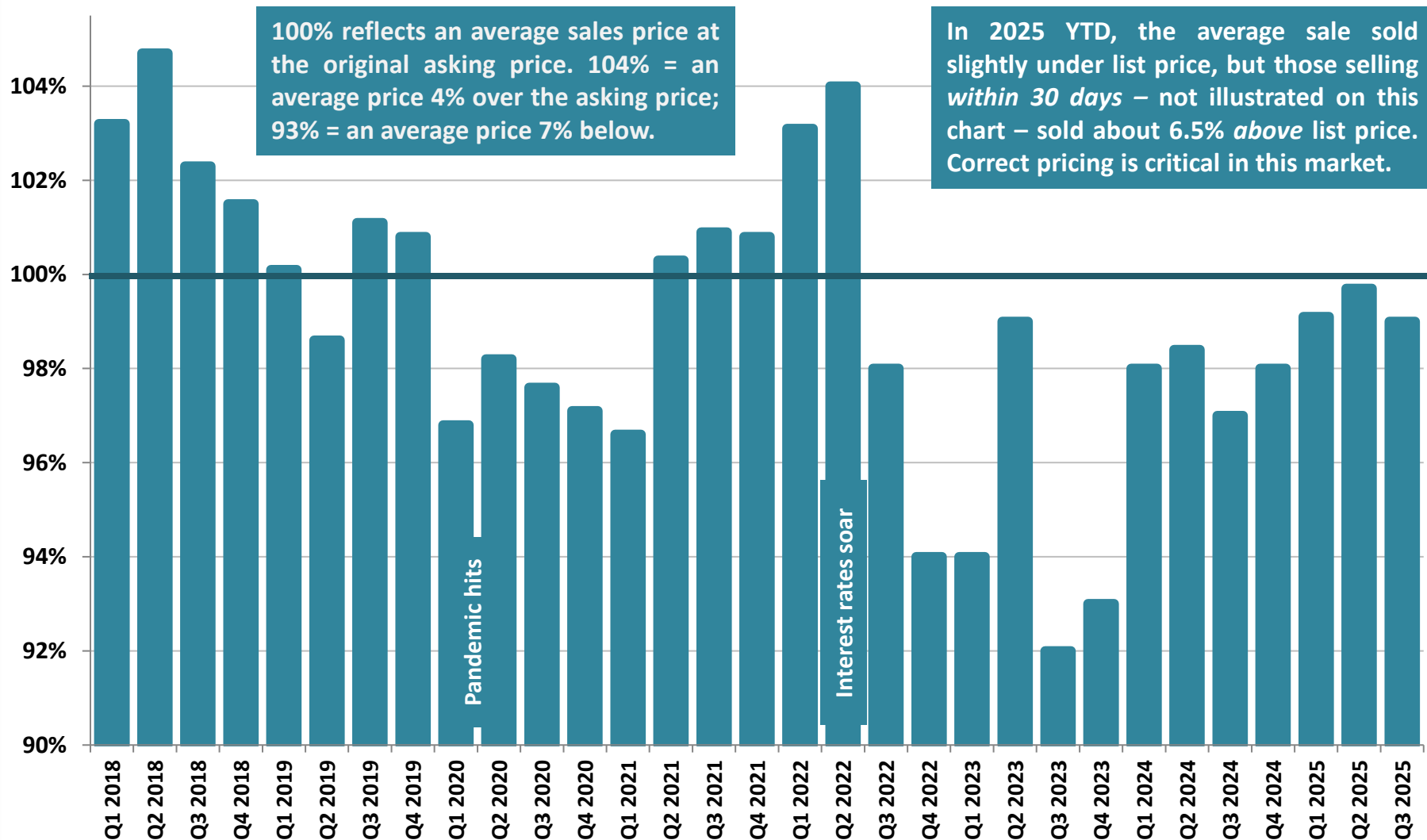
Based upon SFARMLS activity; per Broker Metrics. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate, and may change with late reported activity.

COMPASS

Sales Price to Original List Price Percentage

San Francisco 2-4 Unit Buildings, by Quarter

Based upon SFARMLS
activity, per Broker Metrics



Data from sources deemed reliable, but may contain errors and subject to revision.

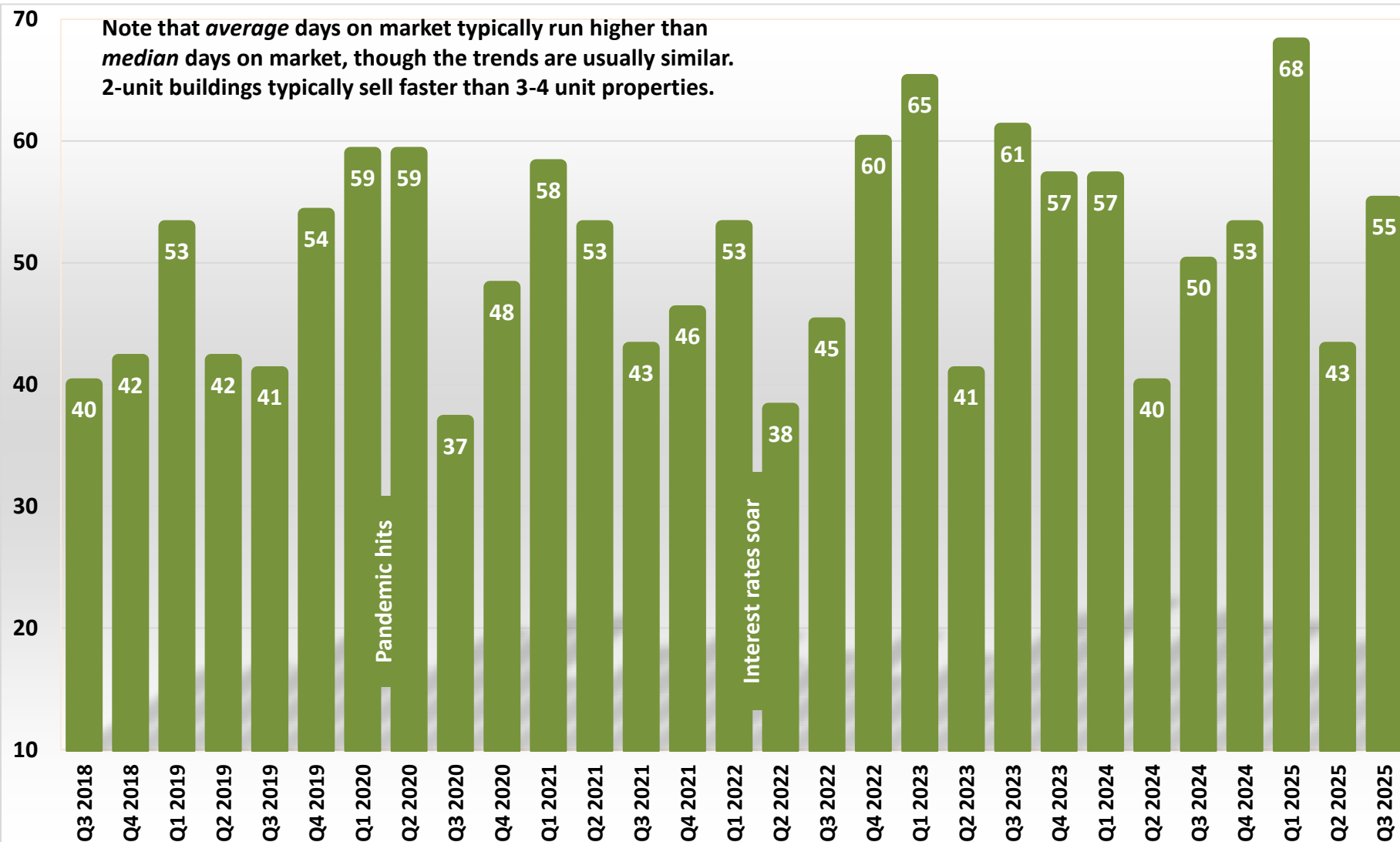
All numbers are approximate. Fluctuations in this metric are not unusual.

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Average Days on Market by Quarter

San Francisco 2-4 Residential Unit Building Sales

In 2025 YTD, about half of sales went into contract in less than 30 days.

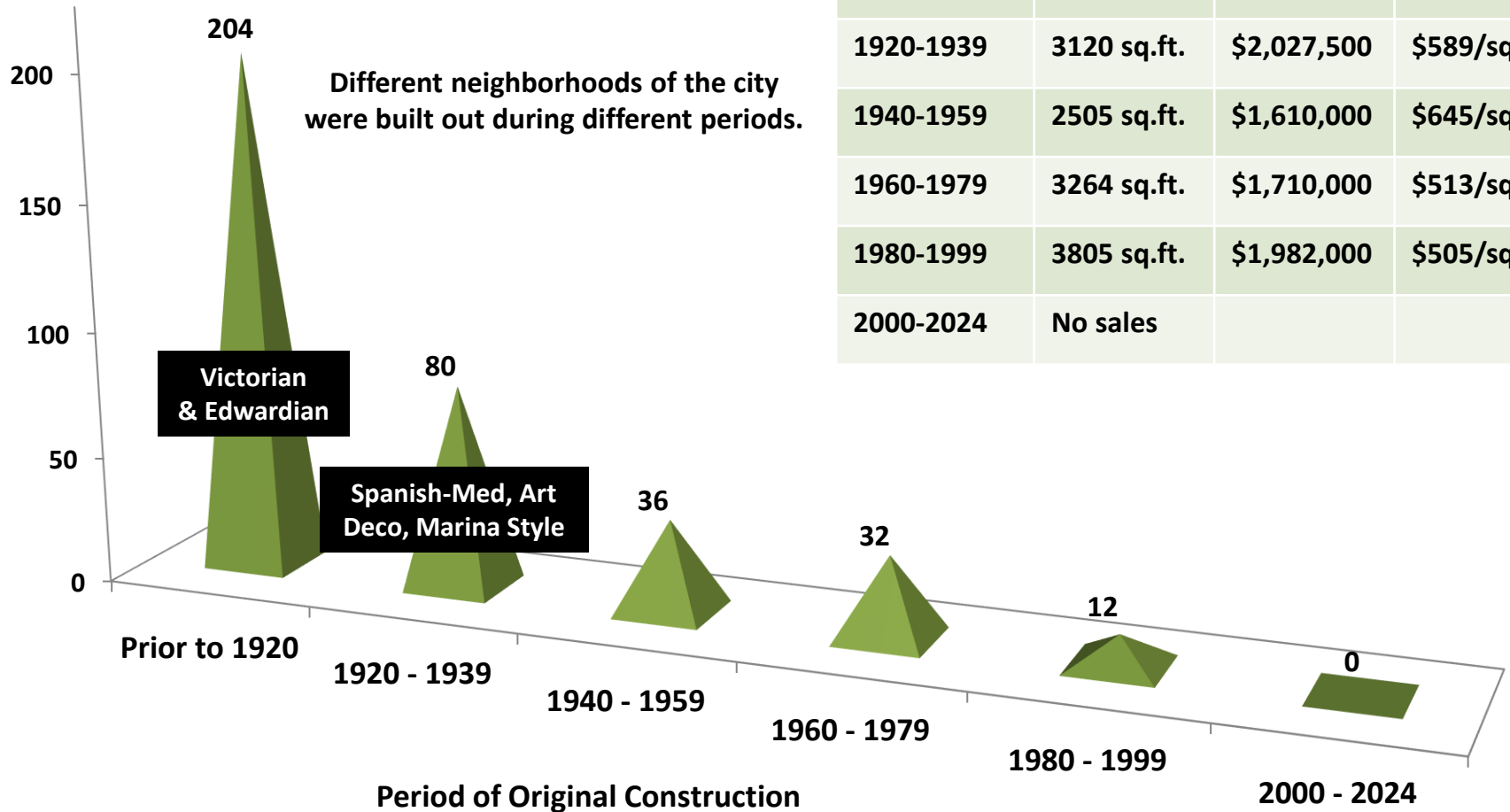


Sales reported to SFARMLS. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate. Last reading may change with late-reported activity. Outlier sales adjusted when identified.

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San Francisco 2-4 Unit Building Sales

Number of Sales by Era of Construction



12 Months 2-4 Unit Bldg. Sales*

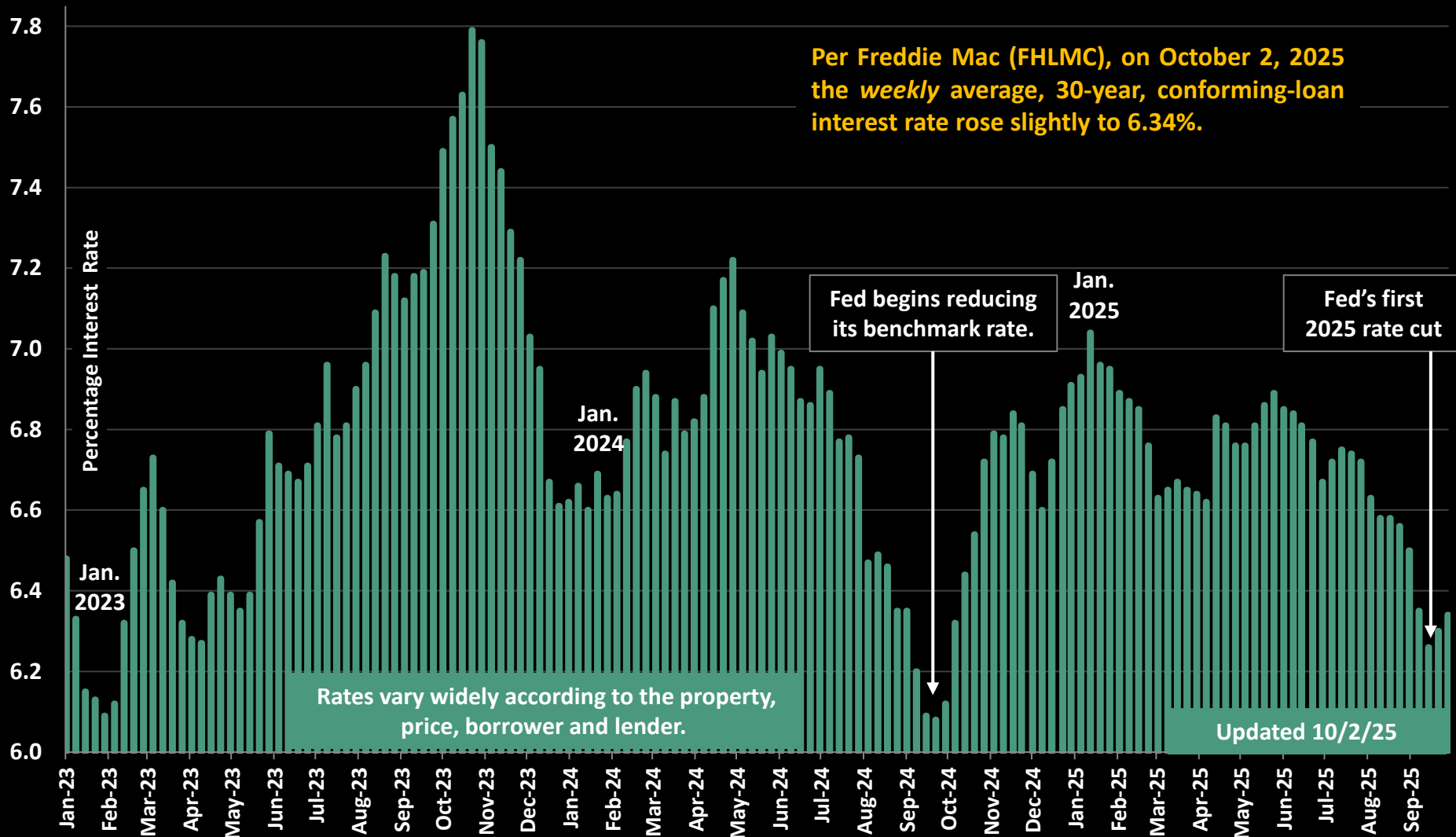
Year Built	Median Sq.Ft.	Median Sale Price	Median \$/Sq.Ft.
Before 1920	3000 sq.ft.	\$1,602,500	\$561/sq.ft.
1920-1939	3120 sq.ft.	\$2,027,500	\$589/sq.ft.
1940-1959	2505 sq.ft.	\$1,610,000	\$645/sq.ft.
1960-1979	3264 sq.ft.	\$1,710,000	\$513/sq.ft.
1980-1999	3805 sq.ft.	\$1,982,000	\$505/sq.ft.
2000-2024	No sales		

Sales reported to NorCal MLS Alliance in the 12 months through late March 2025. Not all sales provided construction dates. Data derived from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate.

Selected Economic & Demographic Indicators

Mortgage Interest Rates in 2023-2025 YTD

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

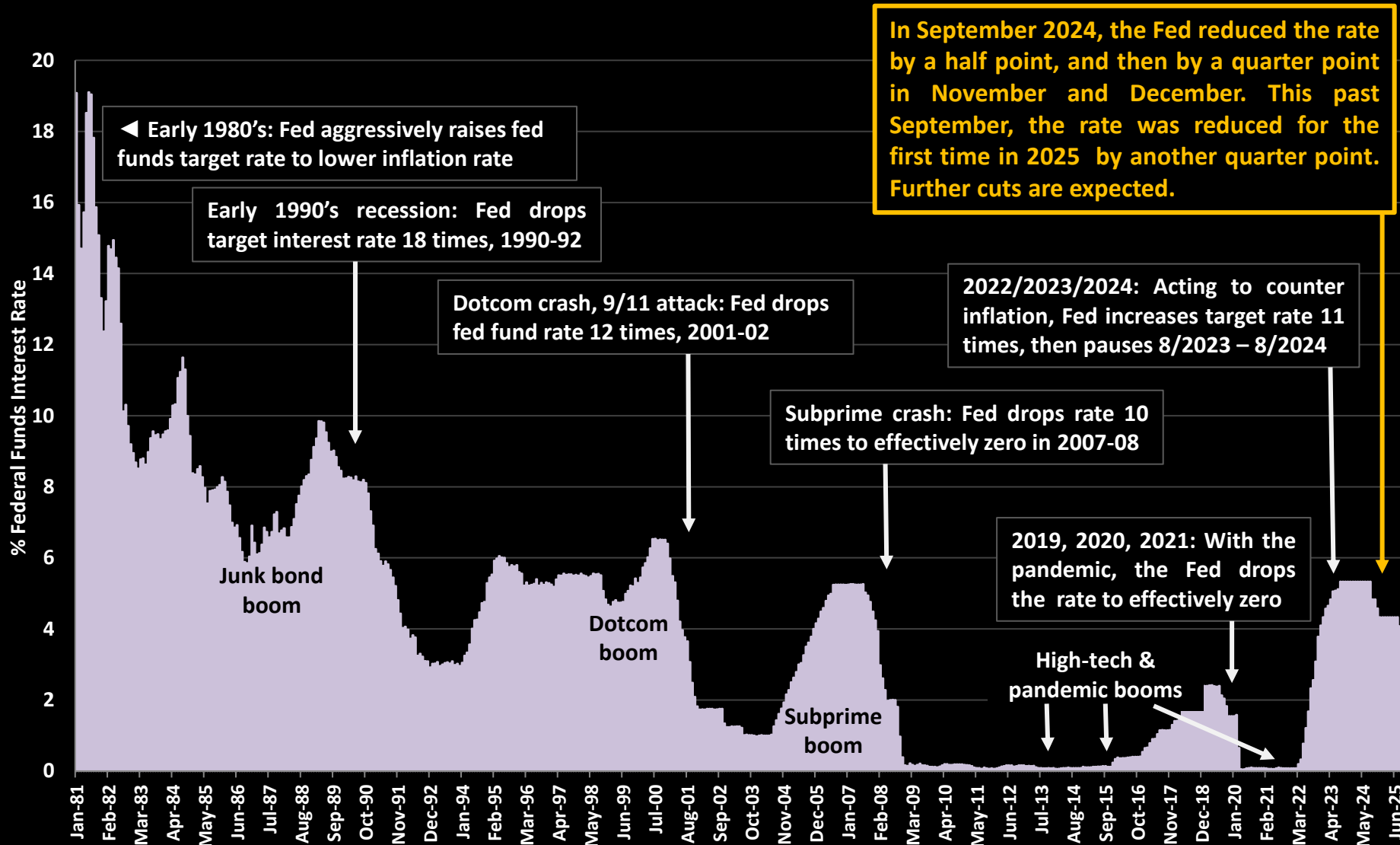


*Freddie Mac (FHLMC), 30-Year Fixed Rate Mortgage Weekly Average: <https://www.freddiemac.com/pmms>. Data from sources deemed reliable. Different sources of mortgage data sometimes vary in their determinations of daily and weekly rates. Data from sources deemed reliable but may contain errors. All numbers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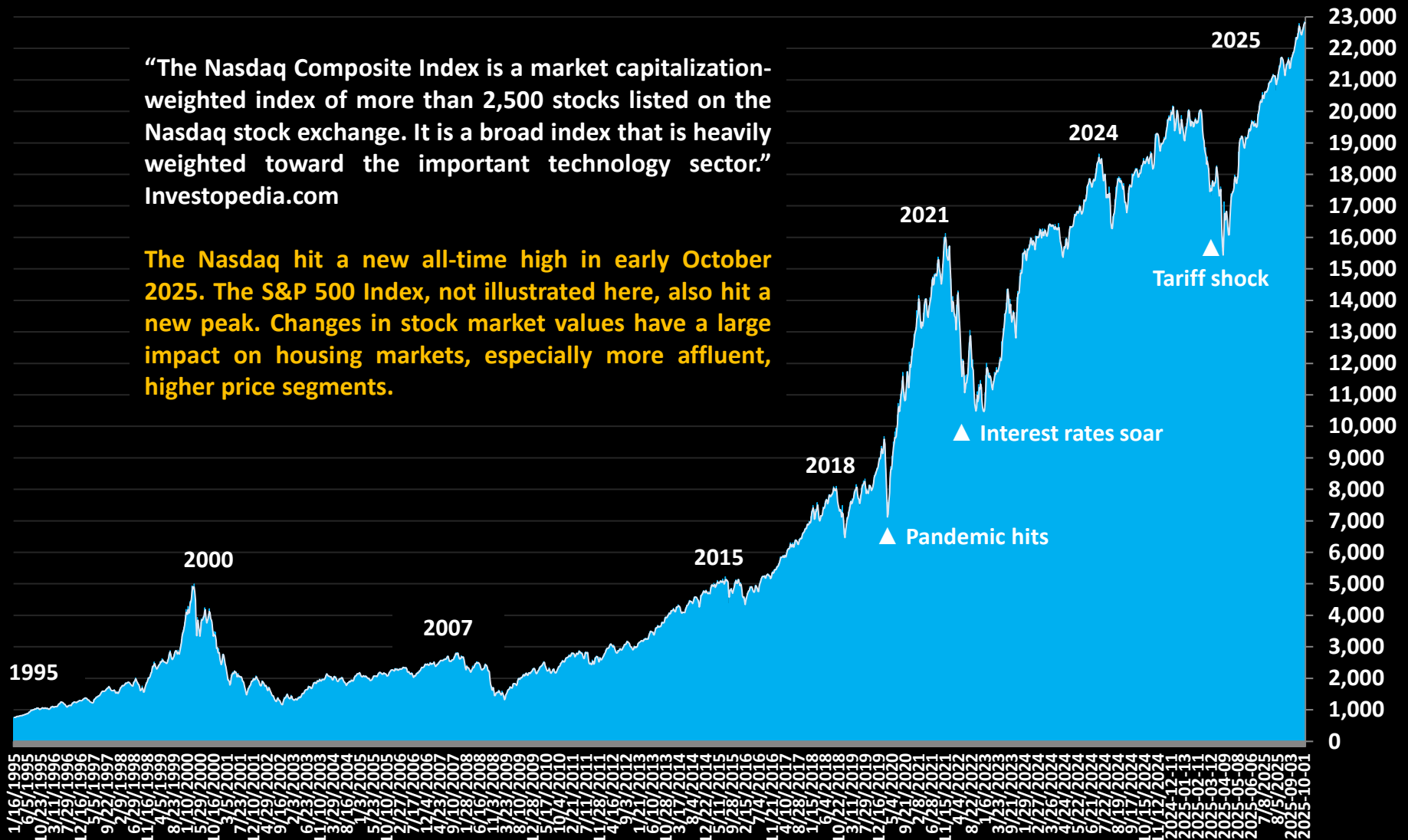
Nasdaq Composite Index

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.

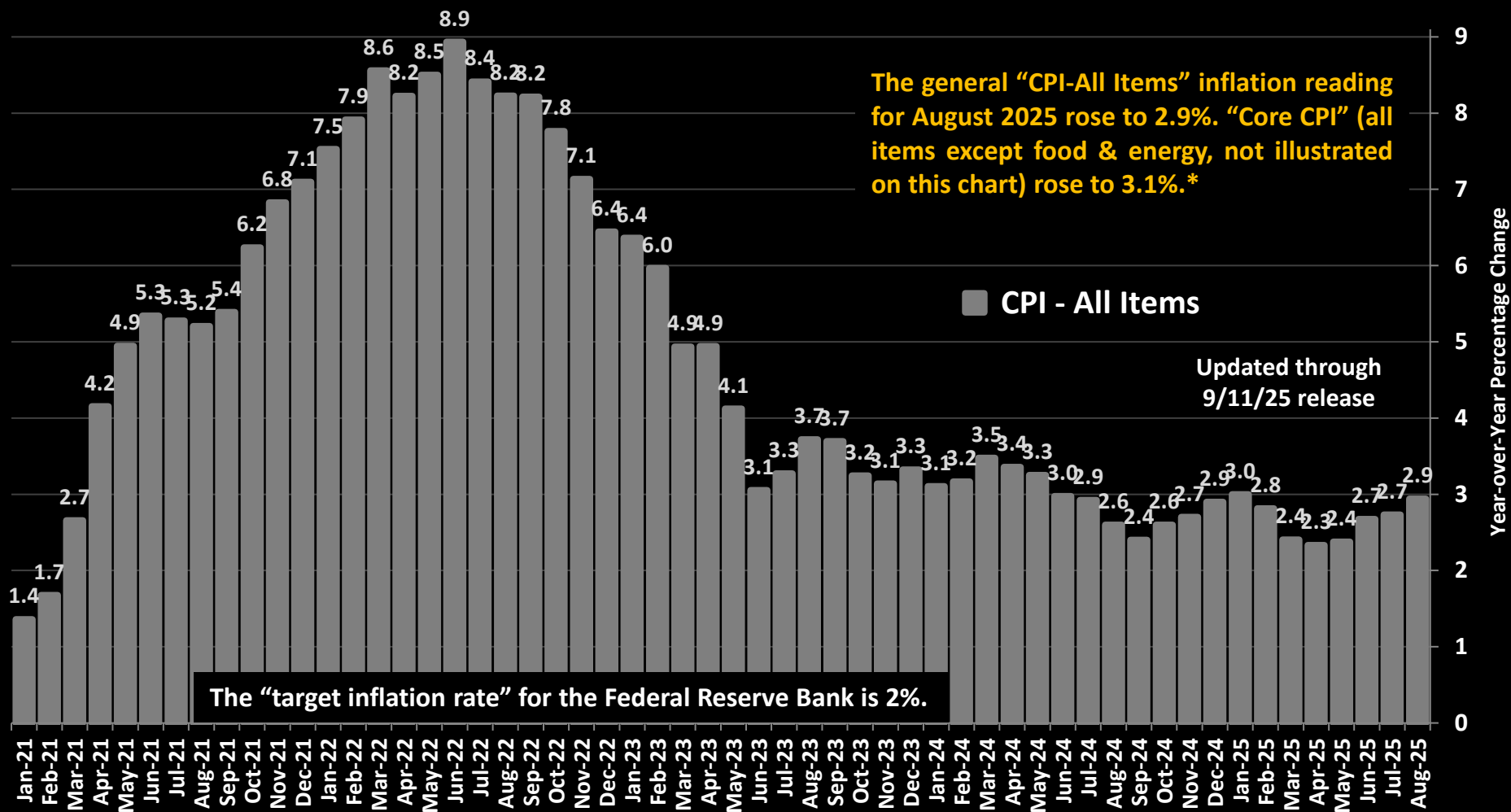


Per <https://fred.stlouisfed.org/series/NASDAQCOM>. Because of number of data points, not every week has a separate column. Data from sources deemed reliable but may contain errors and subject to revision. For general illustration purposes only.

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

Year-over-Year Percentage Change, by Month



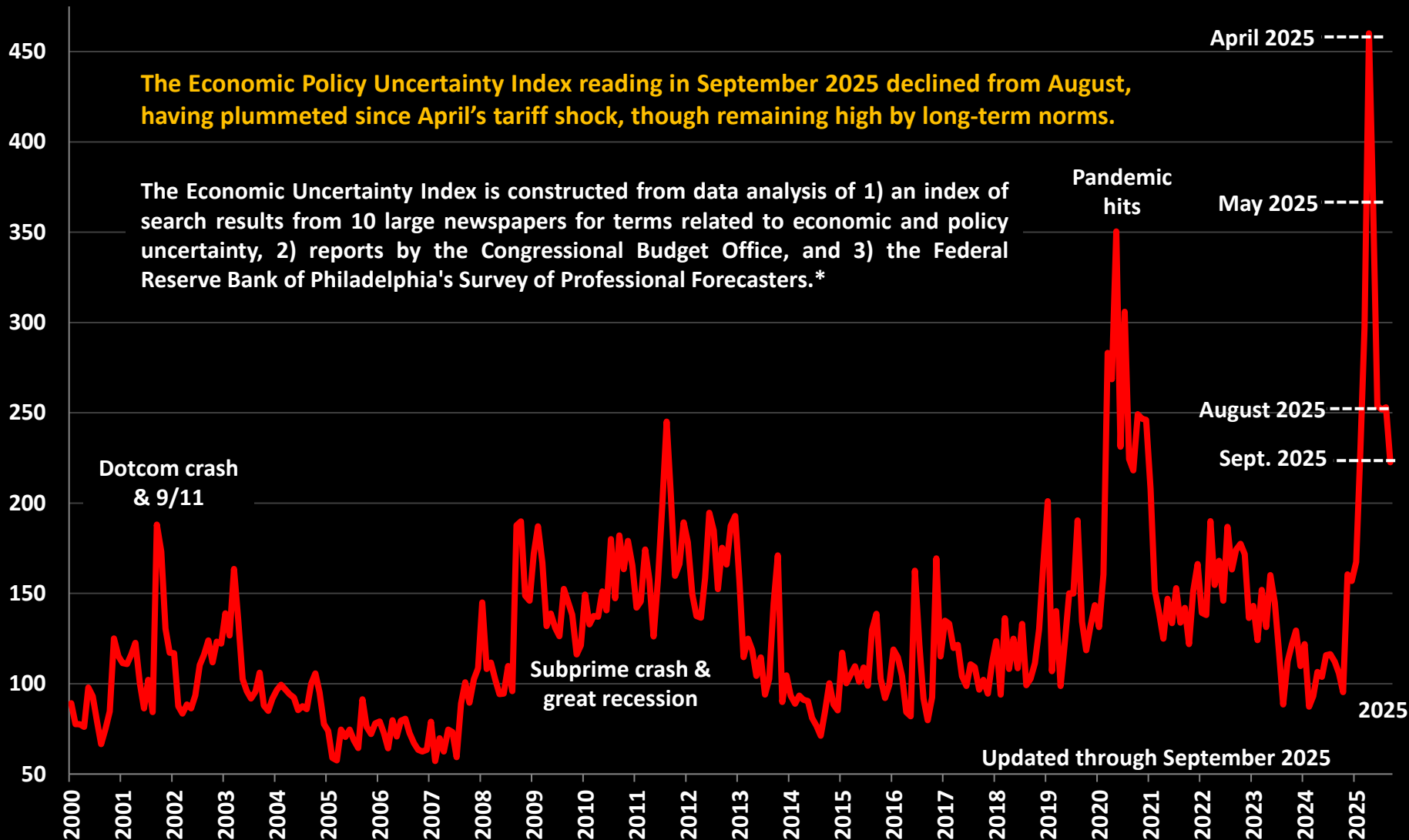
*Consumer Price Index for All Urban Consumers: All Items in U.S. City Average [CPIAUCSL], per Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/graph/?g=8dGq>. Data from U.S. Bureau of Labor Statistics. CPIAUCSL is a price index of a basket of goods and services paid by urban consumers. 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

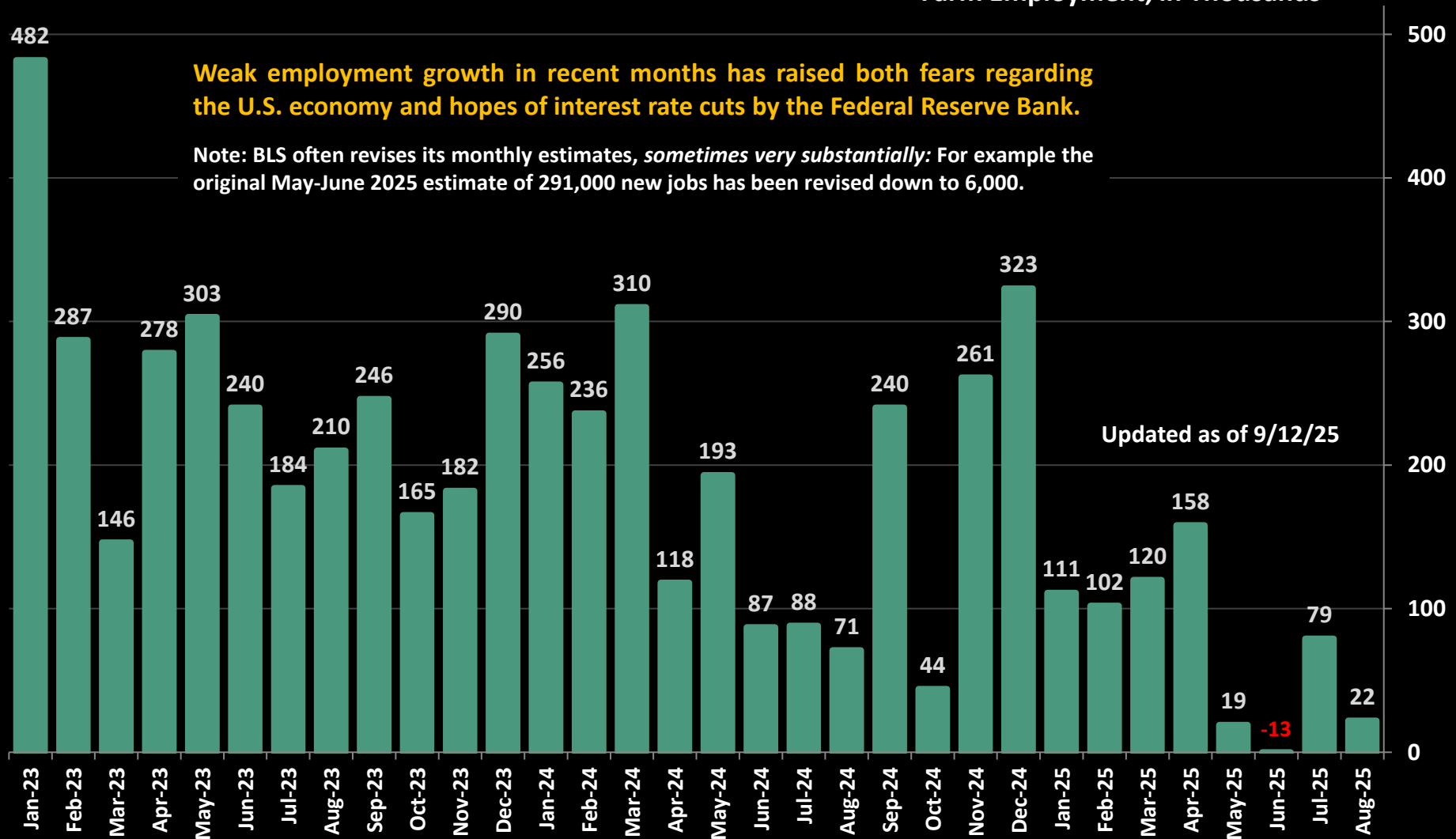
*Source: 'Measuring Economic Policy Uncertainty' by Scott Baker, Nicholas Bloom and Steven J. Davis, 3-component index, www.PolicyUncertainty.com, https://www.policyuncertainty.com/us_monthly.html. Data from sources deemed reliable, but numbers to be considered approximate and subject to revision.

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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



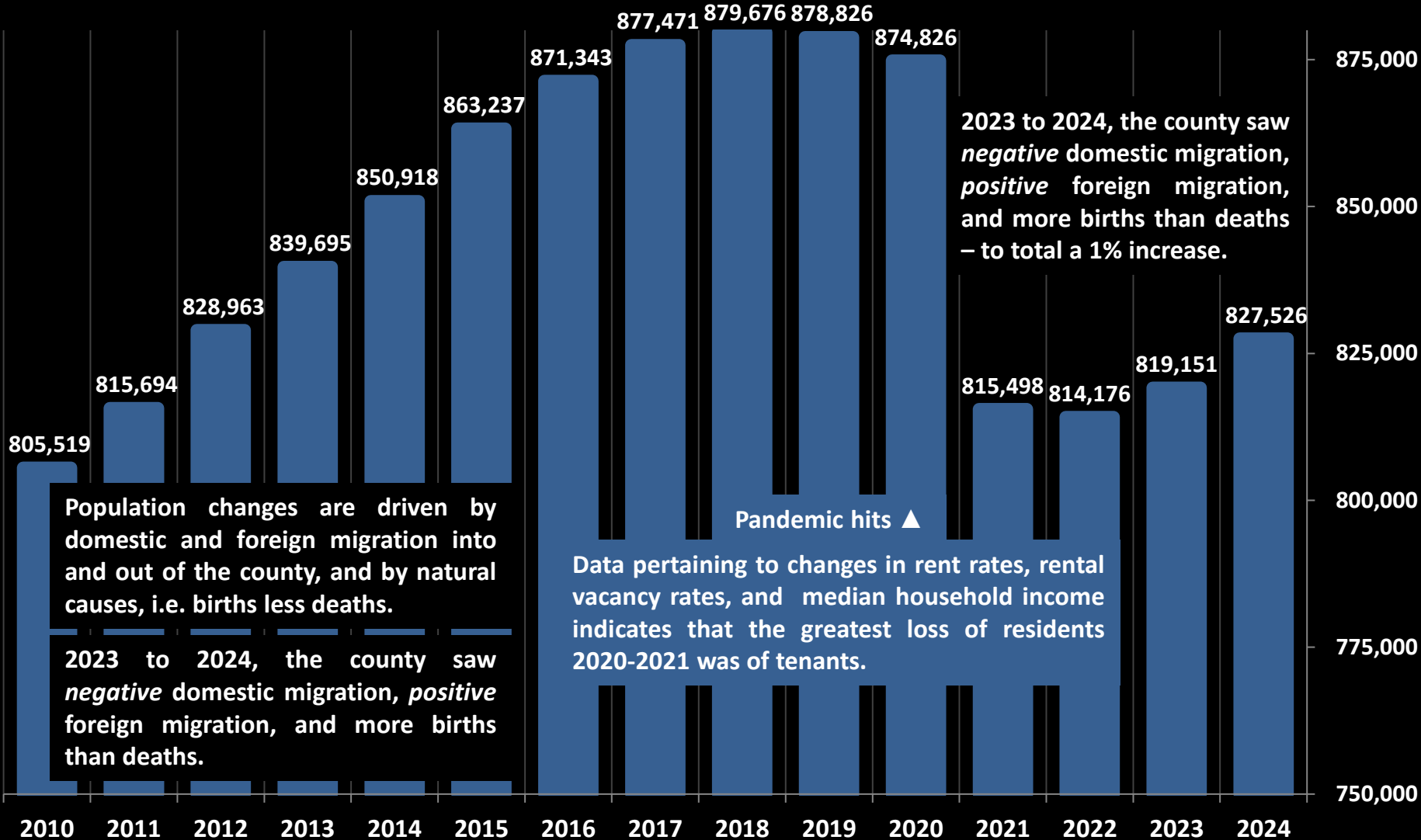
*U.S. Bureau of Labor Statistics, "All employees, thousands, total nonfarm, seasonally adjusted": https://data.bls.gov/timeseries/CES0000000001&output_view=net_1mth. Last 2 readings are labeled "preliminary" and often substantially revised. Data from sources deemed reliable but may contain errors.

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San Francisco Population Trends since 2010

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

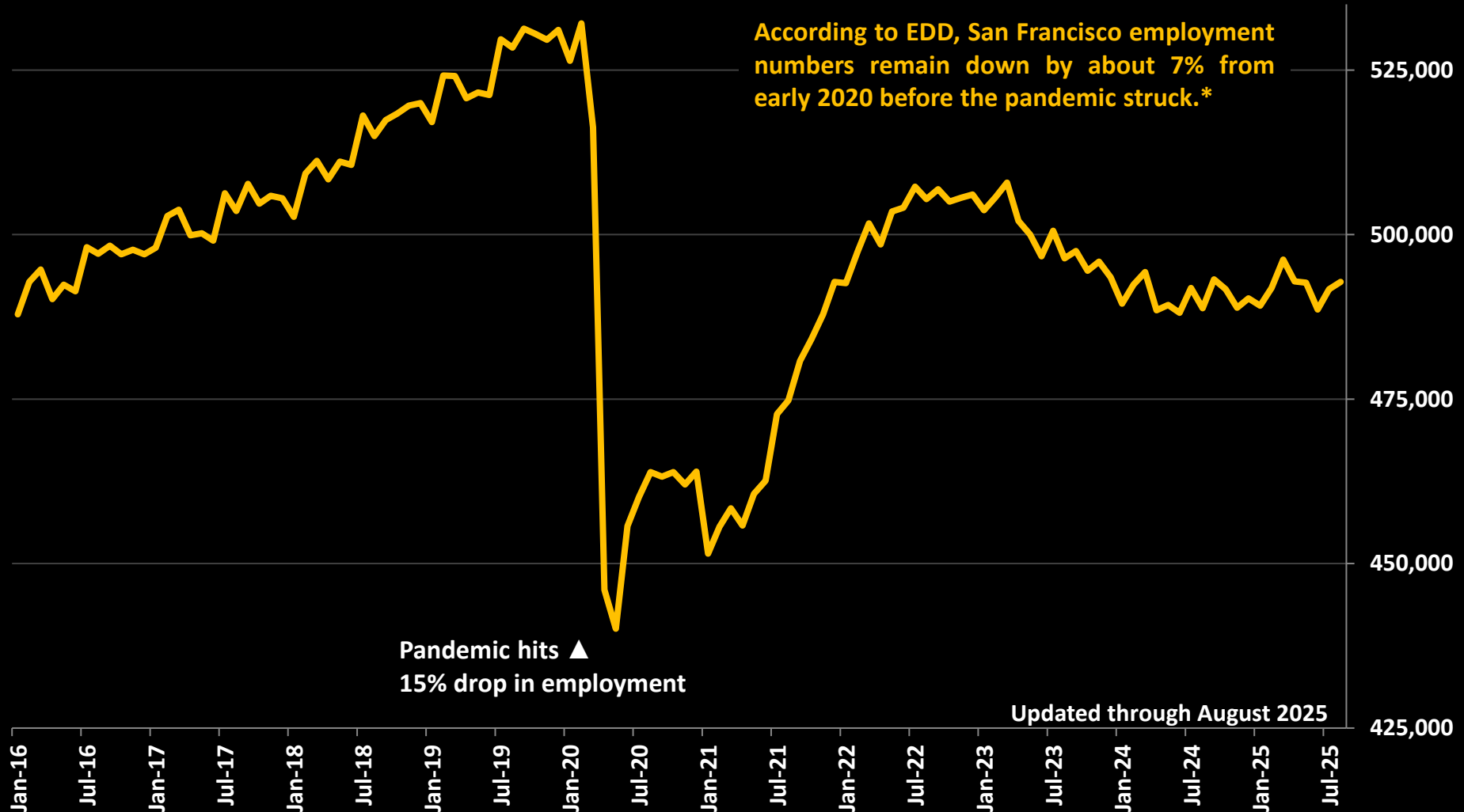
Changes measured from July 1st of previous year to July 1st of labeled year.



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*

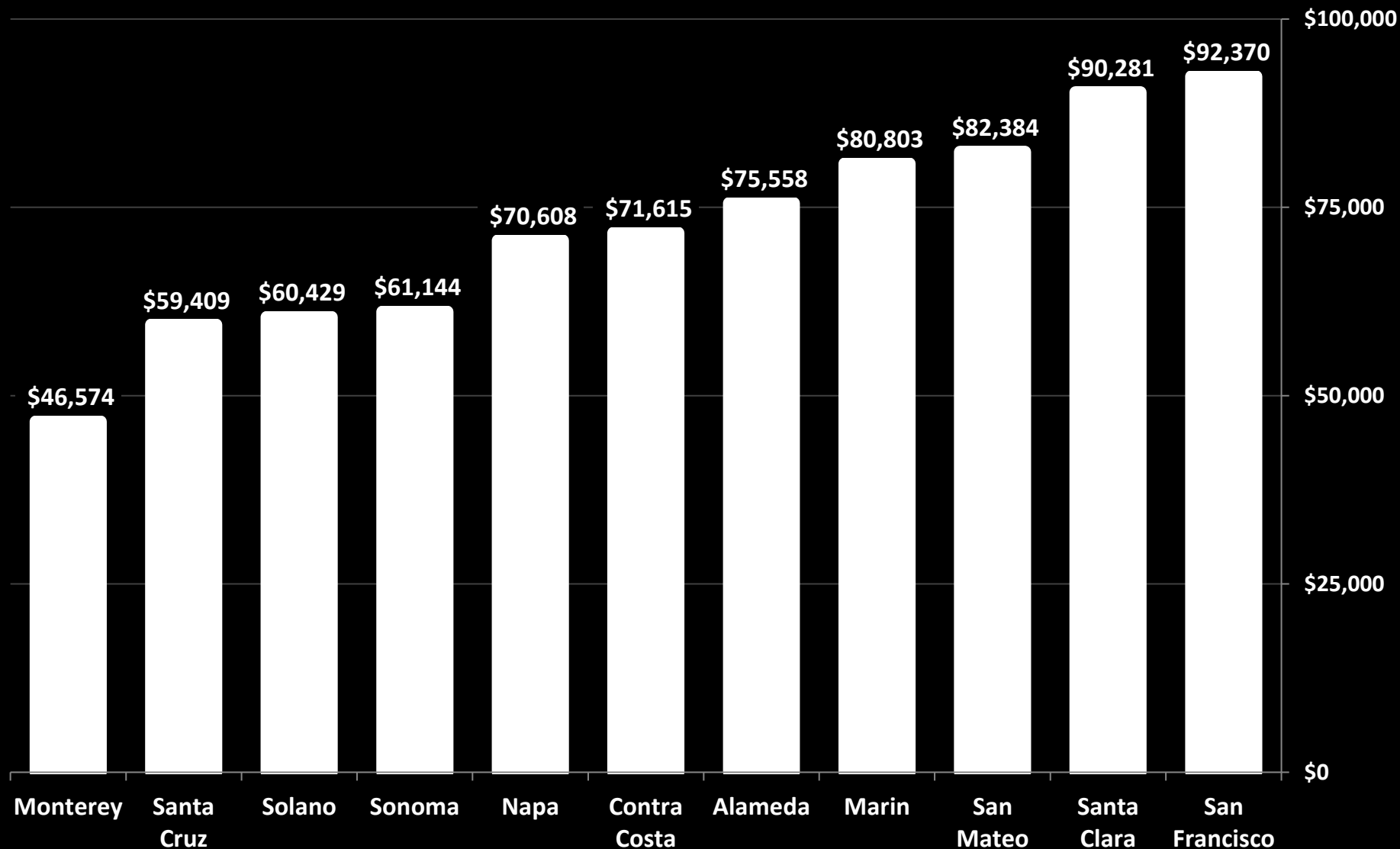


*Per California Employment Development Dept. (EDD) . Last month's data is labeled "preliminary" by EDD. EDD often goes back to revise past data releases. Data from sources deemed reliable but may contain errors and subject to revision. All numbers should be considered approximate.

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.

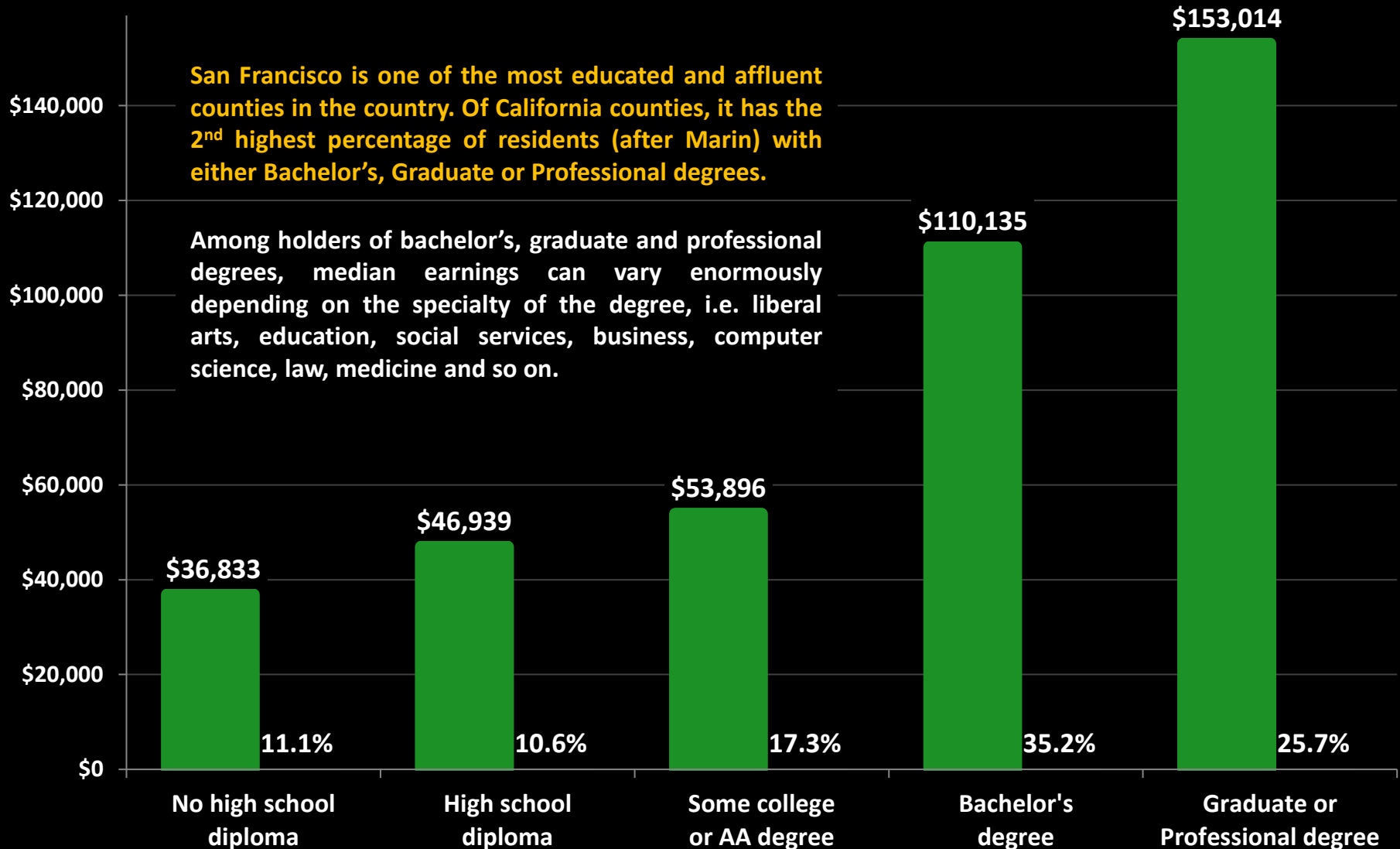


San Francisco Demographic Snapshot

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.

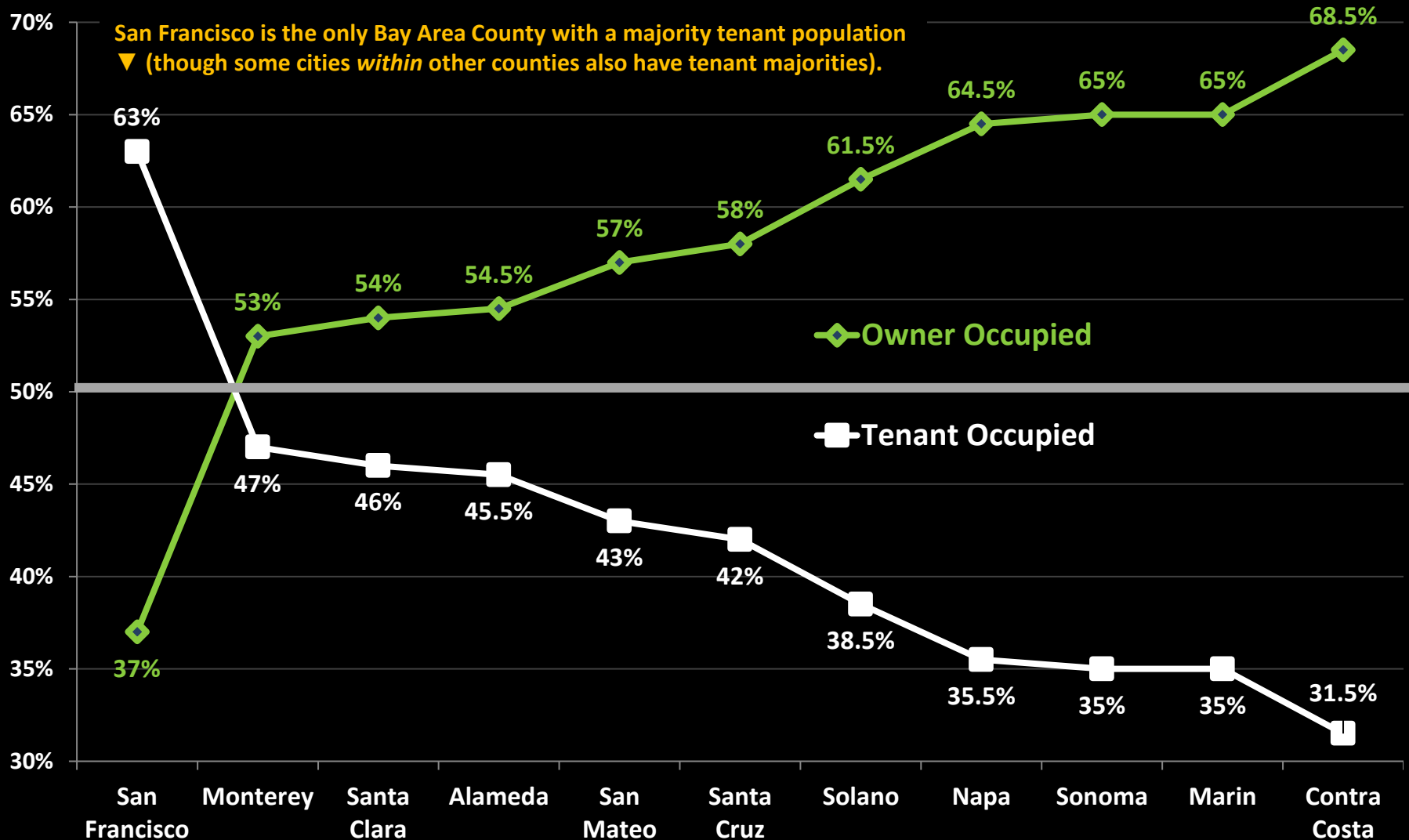


* U.S. Census 2024 ACS 1-Year Estimates, published September 2025. Residents 25+ years of age. Income estimates pertain to residents with earnings. Data from sources deemed reliable, but may contain errors and subject to revision. Estimates often published with significant margins of error.

Owner & Tenant Occupancy

Percentage of Housing Units, by Bay Area County

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

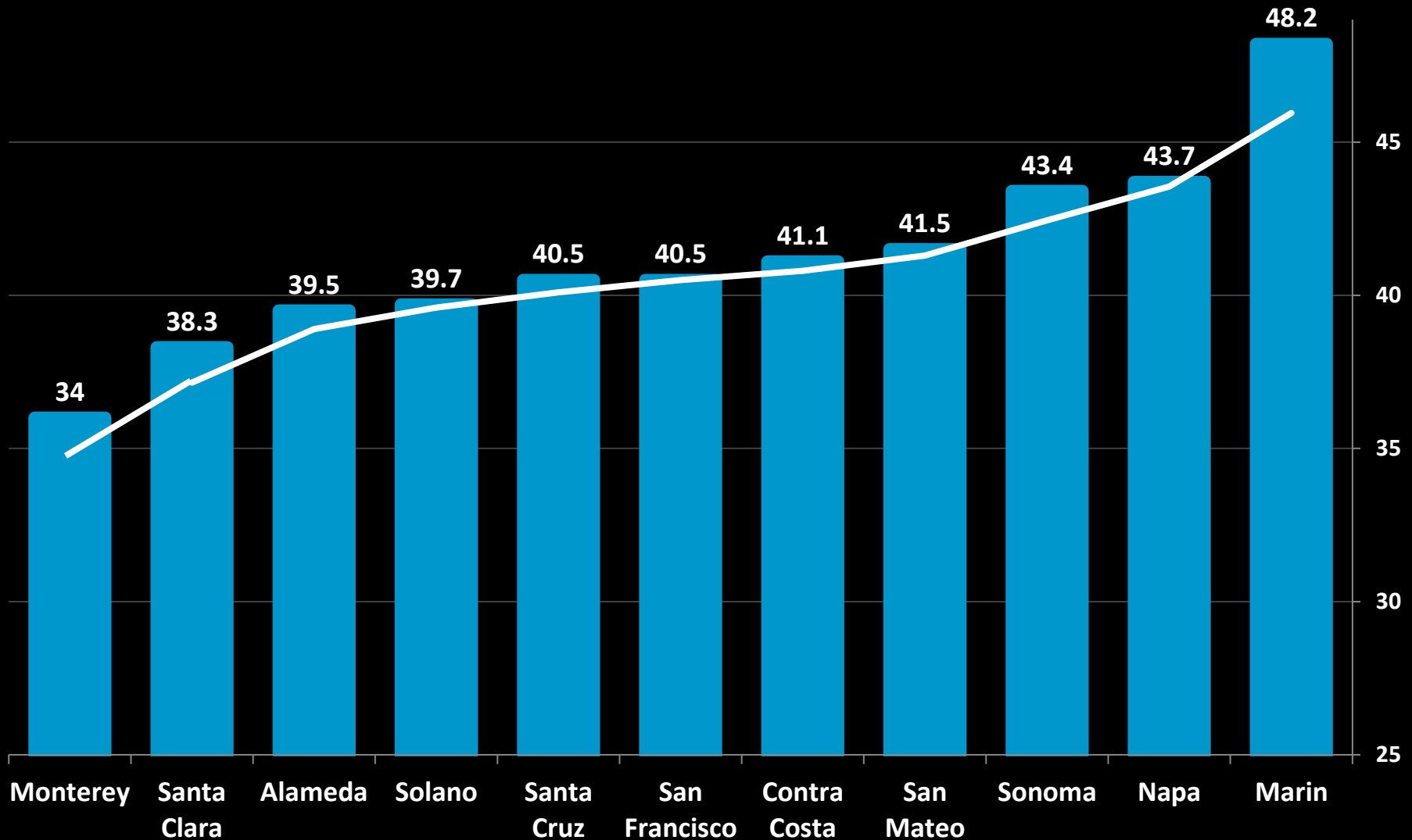


Percentage of occupied housing units occupied by owners or tenants. Data derived from sources deemed reliable, but may contain errors and are subject to revision. All numbers approximate.

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Median Age of Residents by Bay Area County

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



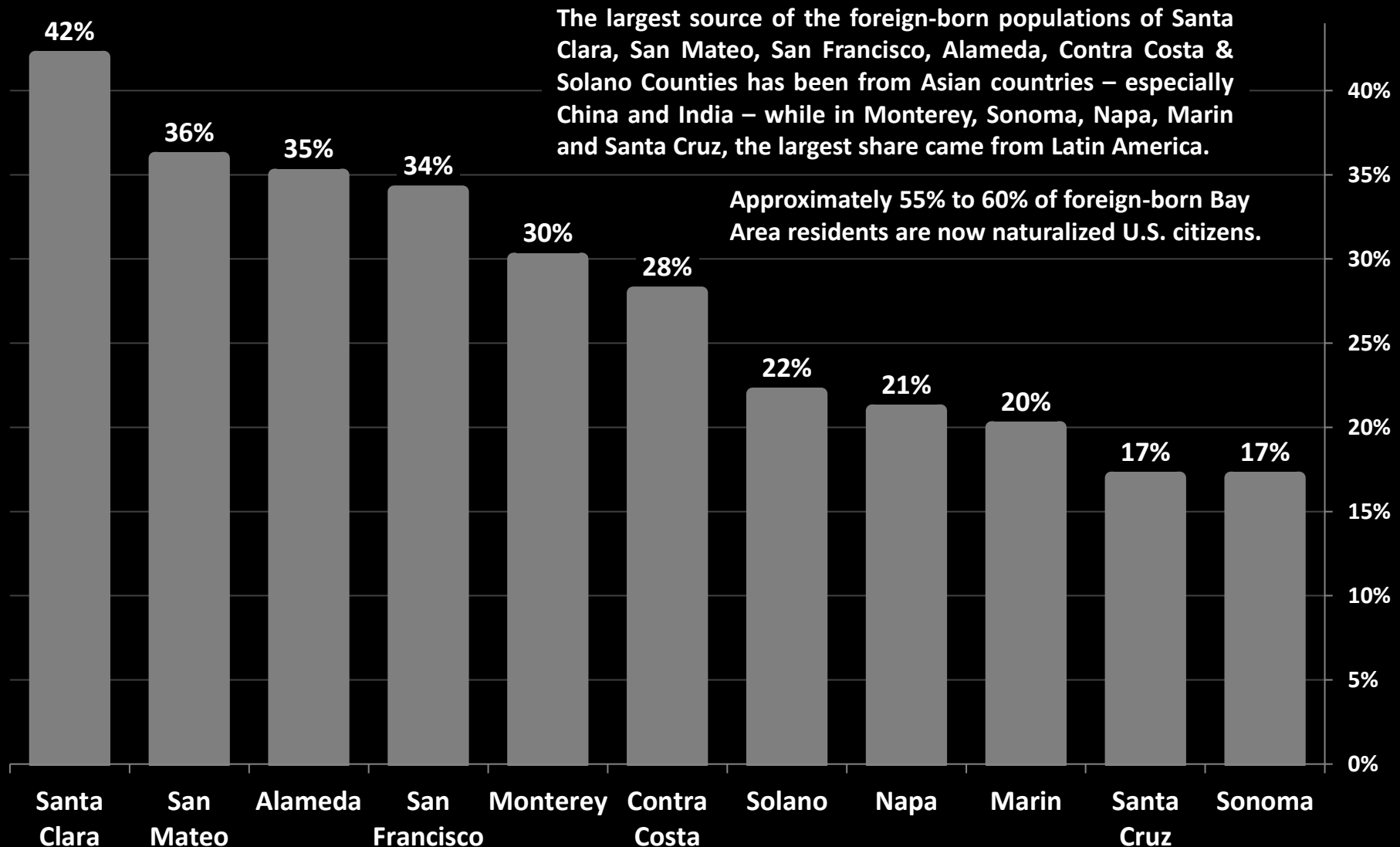
Derived from sources deemed reliable, but may contain errors and are subject to revision. All numbers should be considered approximate.

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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



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.

COMPASS

San Francisco Multi-Family Building Sales by Broker

Market Share, Dollar-Volume Residential Income Properties*

Over the 12-month period, Compass closed over 3650 transactions worth more than \$7.2 billion in San Francisco residential and residential income sales.*

Compass ranks 1st in the Greater Bay Area for dollar-volume sales.

Compass ranks 1st in the U.S. per RealTrends Dollar-Volume Sales Rankings



*12 months residential multi-family property sales reported to NorCal MLS Alliance by late June 2025. Analysis made in good faith using transaction-side, dollar-volume sales data, per 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. 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.

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