

COMPASS

June 2026 Marin House & Condo Markets Market Outlook

Data through May 2026

Market
Research
COMPASS INTERNATIONAL HOLDINGS

June 2026

Housing Market Report

Select macro-economic and demographic data for the country and the Bay Area – June 2026

June 9 2026

The Bay Area housing market hit a lot of national headlines in May. In San Francisco, AI and tech-driven demand has created aggressive bidding wars on the scarce inventory. Skyrocketing rents are back in the norm. Even the city's condo market, which has been under pressure for six years, is showing signs of demand recovery.

For the first time in many years job creation in the Bay Area is positive and economic opportunity is attracting net inbound migration, despite the region's chronic shortage of homes and affordability issues. It's notable that other tech cities like Seattle and Austin are not seeing the boom in the real estate market related to AI. In fact, those cities are now sending more people to San Francisco than the reverse.

While the city dominates the headlines, many areas have not seen the massive wealth effect driving home buying demand like the city has. In this cycle, this resurgent demand is so far concentrated to a very small section in the city, and luxury markets in Peninsula and Marin.

For much of the region, interest rates matter more than stock market performance. In May, mortgage rates jumped higher with sharply higher inflation data. That tension between higher interest rates and the wealth effect is likely to continue for the rest of 2026. Inflation pressures have been pushing higher, and it seems unlikely that interest rates will dip again very soon.

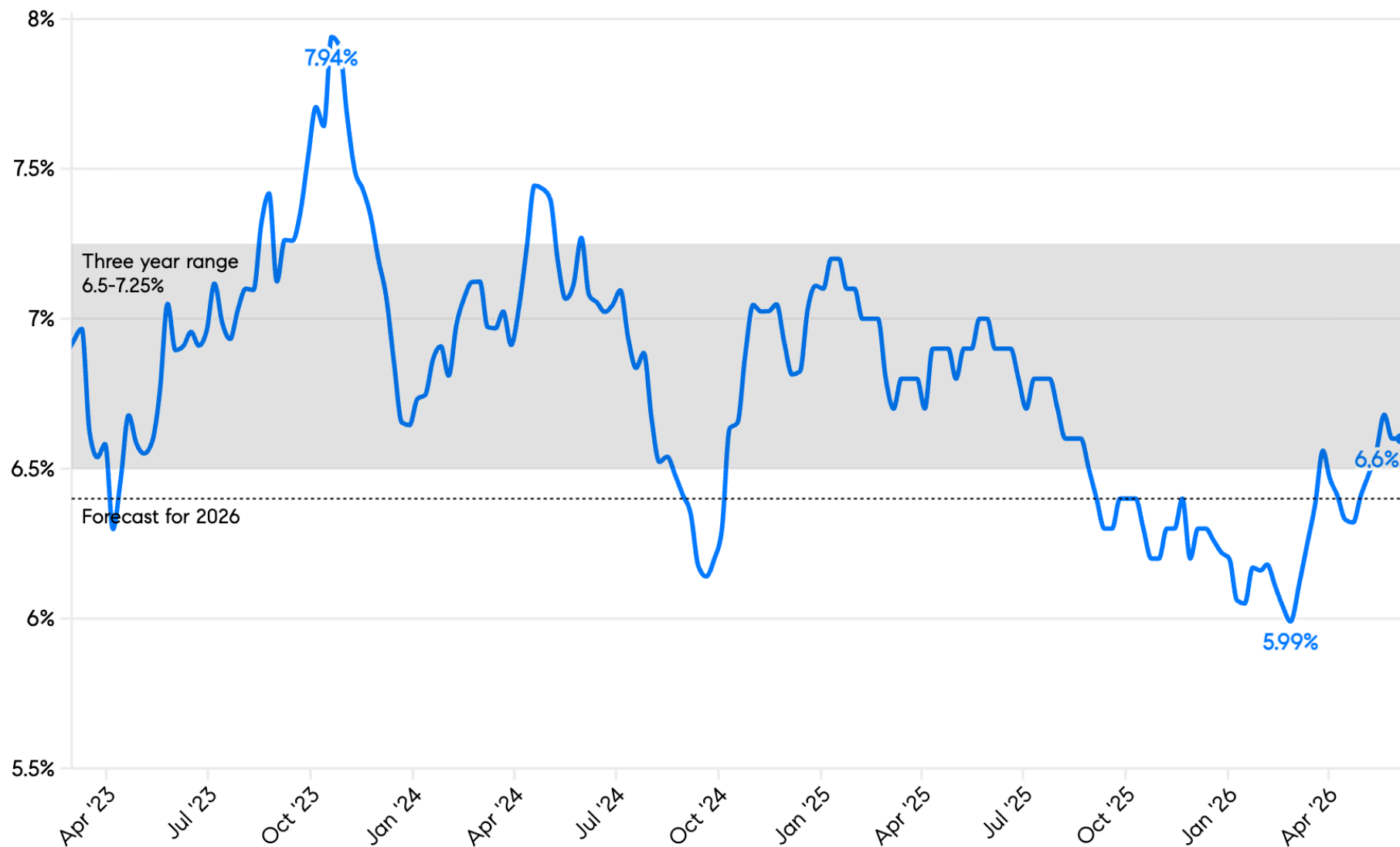
Mike Simonsen

Chief Economist, Compass International Holdings



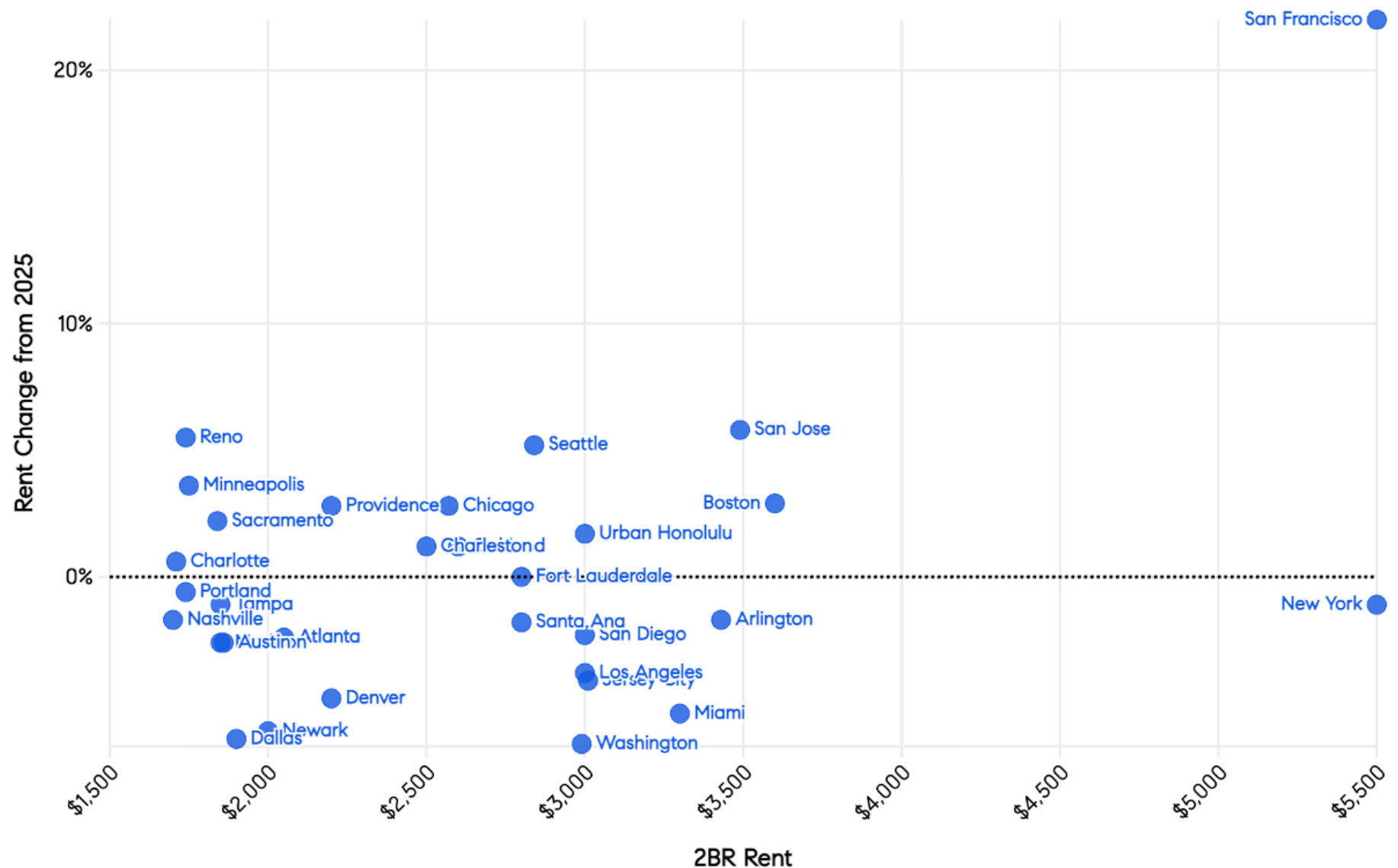
Mortgage Rates Bounce Off the Lows

Interest rates have pushed higher due to war news, overheated inflation, and recently strong jobs data. Still at the low-end of the range over the past three years, any push into the upper 6s is likely to slow home purchase demand abruptly. Our forecast is for mortgage rates to average 6.4% for the year.



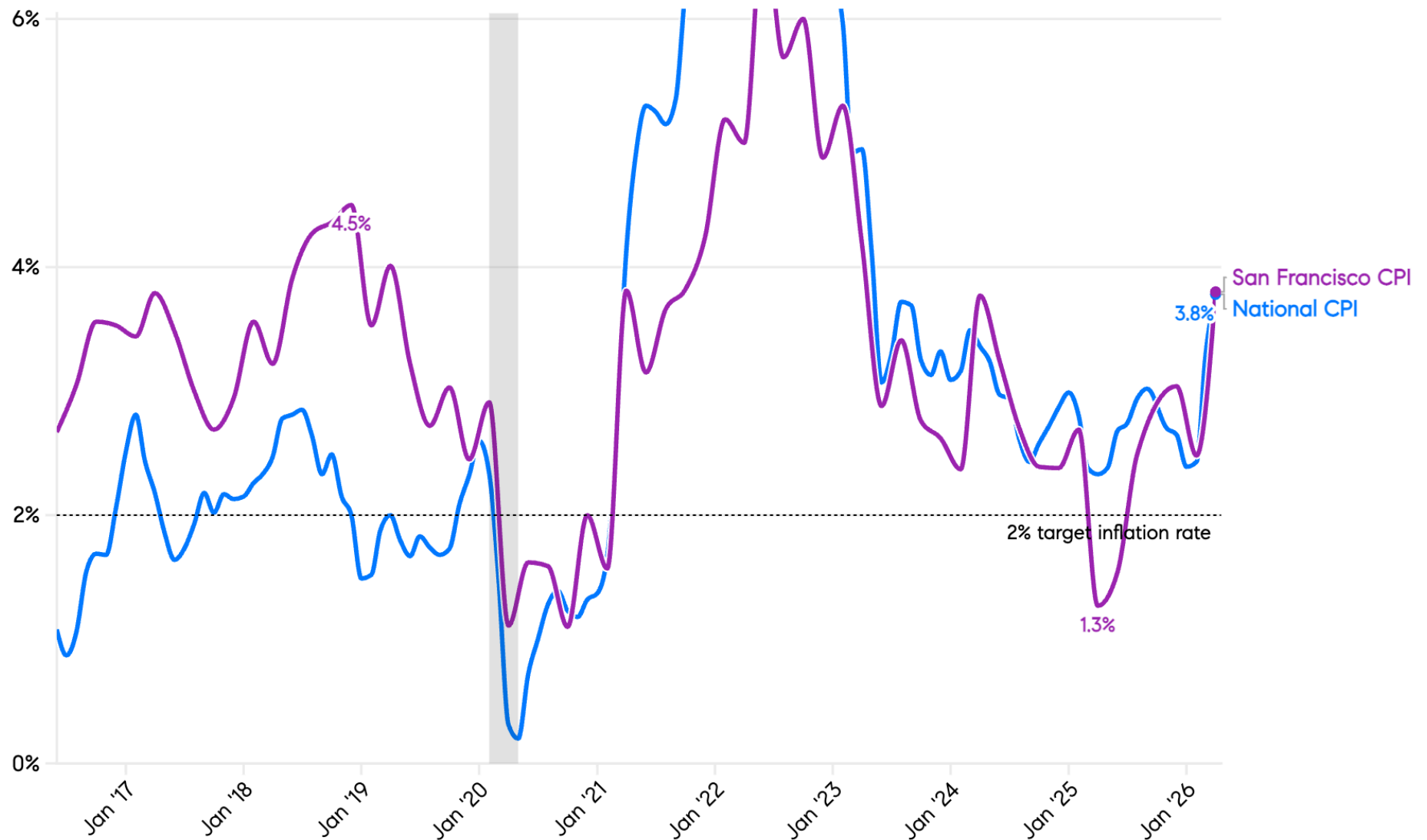
Dramatic Rent Cost Increases in San Francisco

San Francisco faces a chronic shortage of homes so as employment increases rents drive higher quickly. The South Bay is second nationally to San Francisco in rent appreciation over the last 12 months.



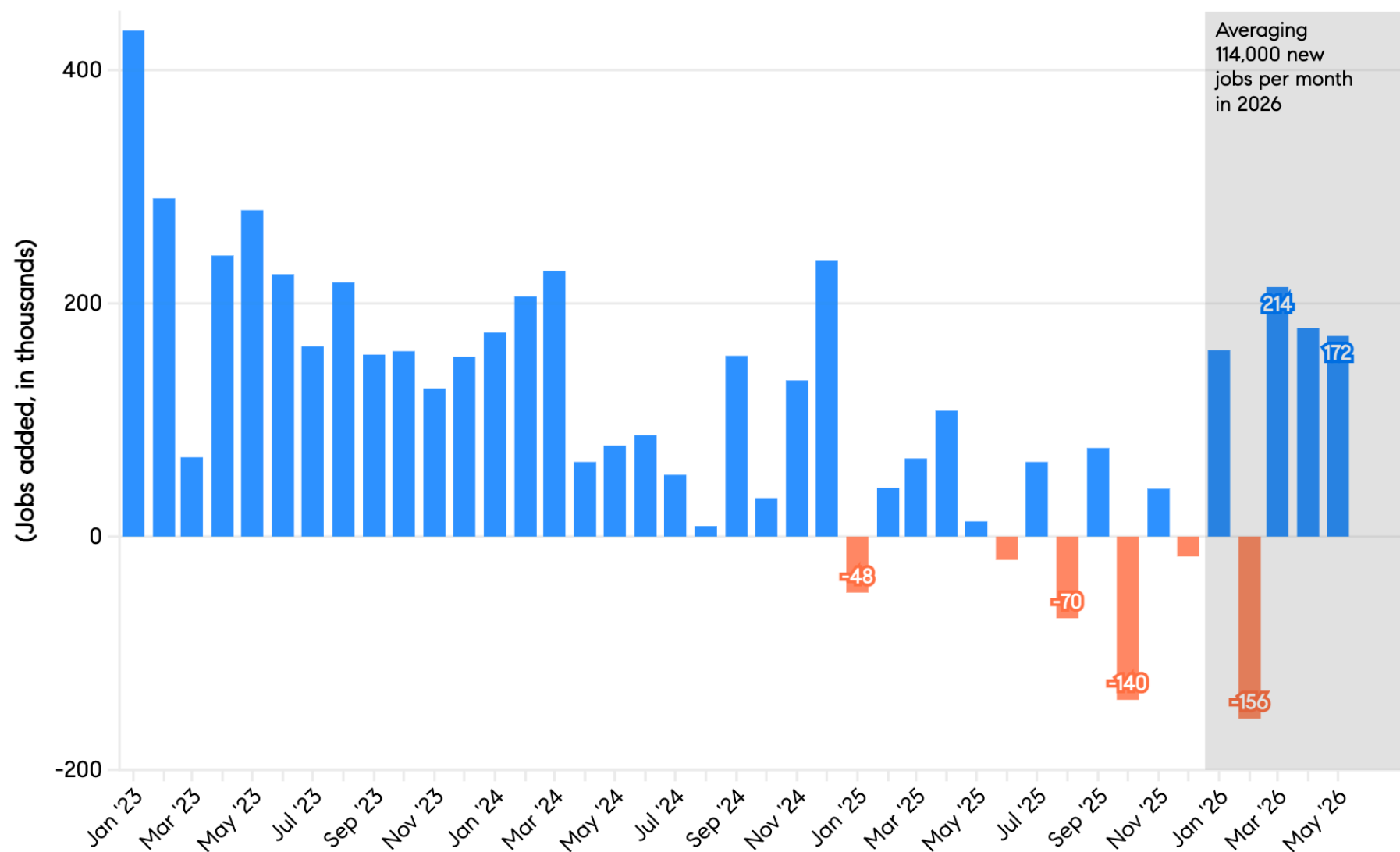
Inflation is High and Pushing Higher

For much of the last decade, Bay Area housing and services like education and childcare pushed local inflation above national averages. For a brief moment in 2023-2025, housing costs in the Bay Area kept inflation lower than the rest of the US. In 2026 surging inflation nationally is driving interest rates higher.



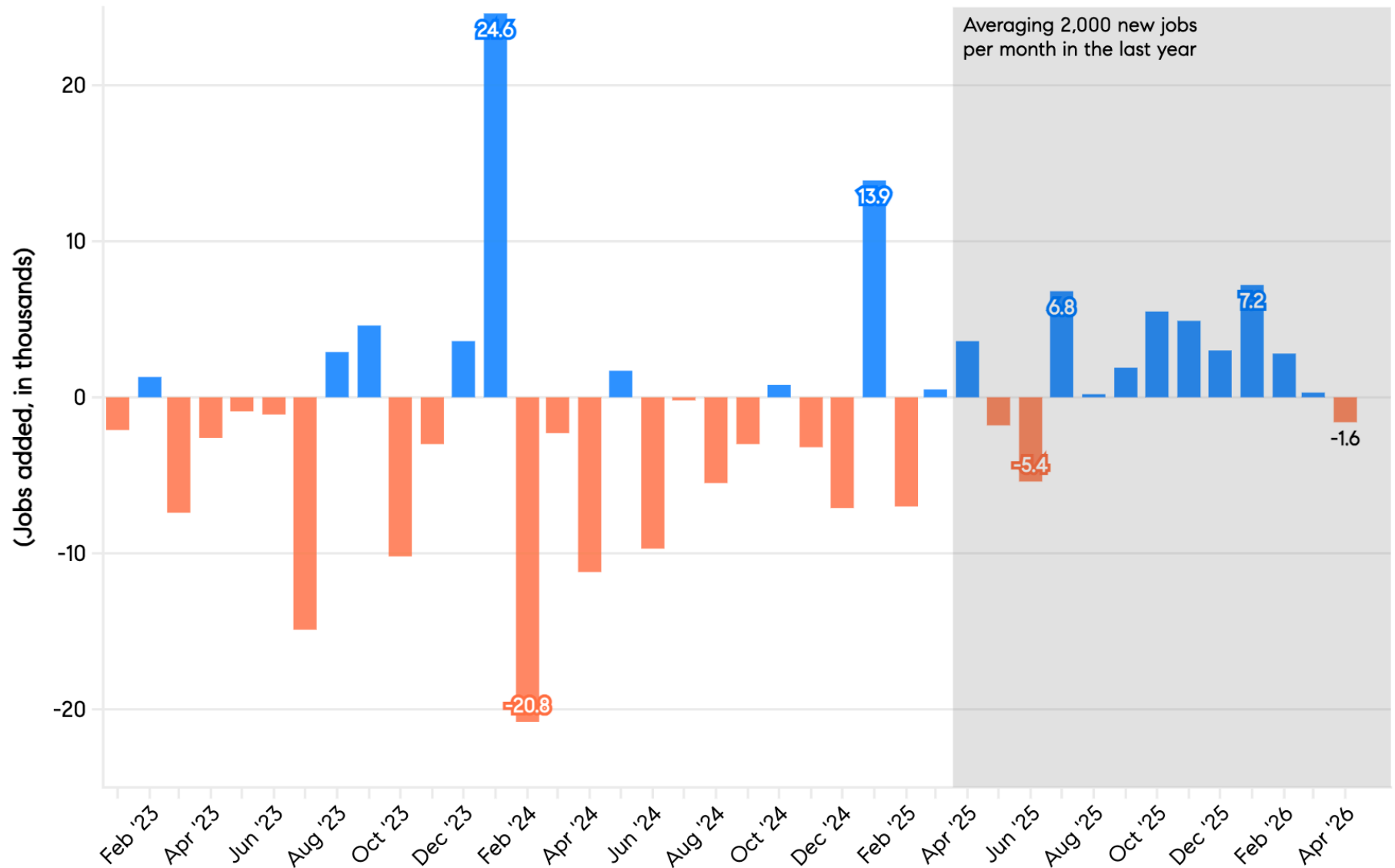
National Employment Grew in May

The labor market shows three months of growth after a very weak 2025. Corporate profitability is improving, AI investment is booming, and government spending is unabated, all of which are drivers of continued expansion in 2026. An improving labor market is generally positive for housing.



Bay Area Jobs Are Growing Again

After 5 years of shrinking employment and out-migration, Bay Area companies are adding jobs again. This is evident in housing demand which turned around mid-2025 in San Francisco, with rising rents and home prices.

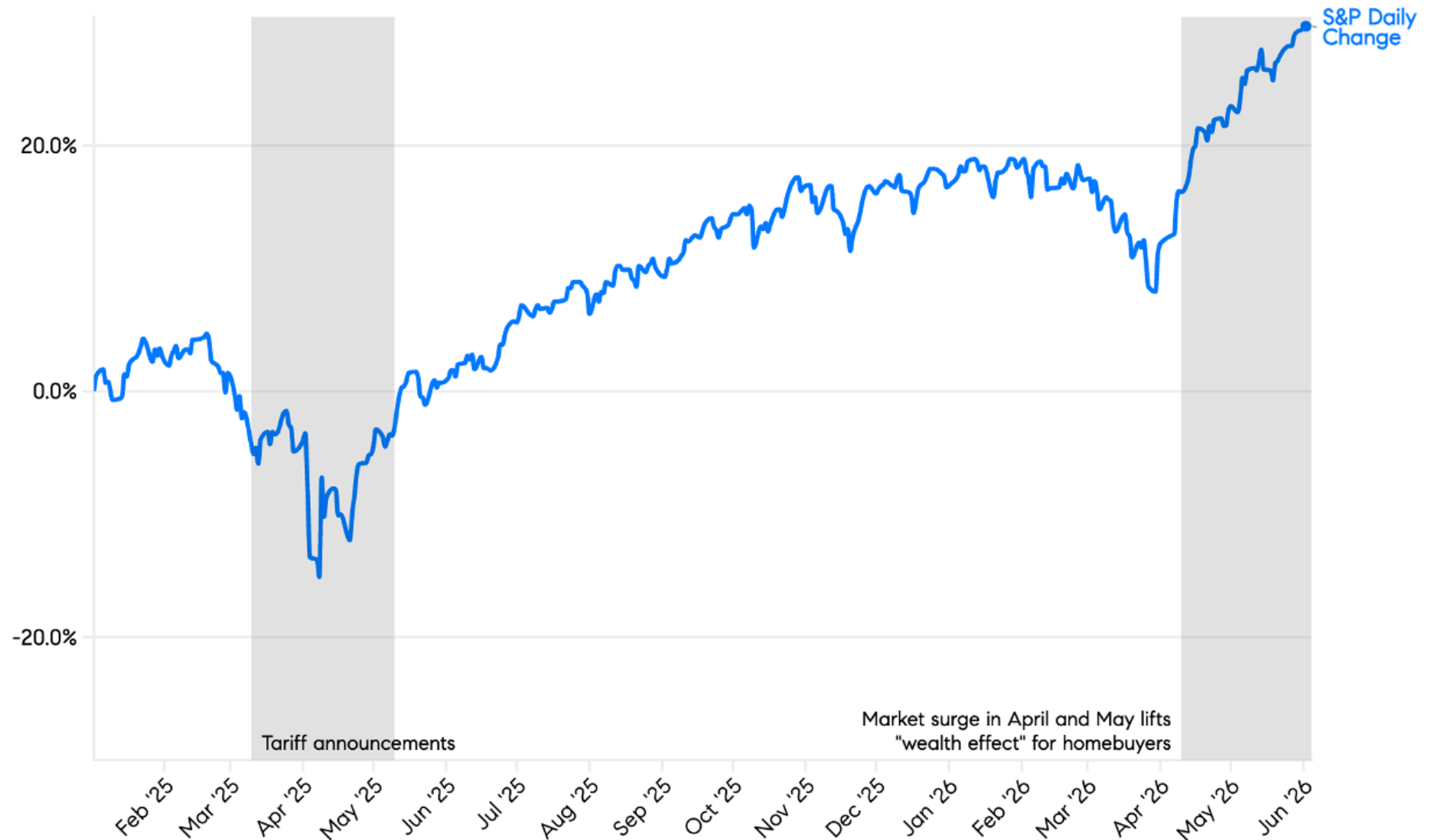


Source: BLS Non-Farm Payrolls, Total jobs, seasonally adjusted

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Stocks Surge to New Highs In May

After war, oil, and inflation fears pushed markets lower in March, April and May stock market resurgence creates a powerful "wealth effect" for potential homebuyers. This is especially true in the Bay Area with AI related market boom and IPOs in the pipeline.



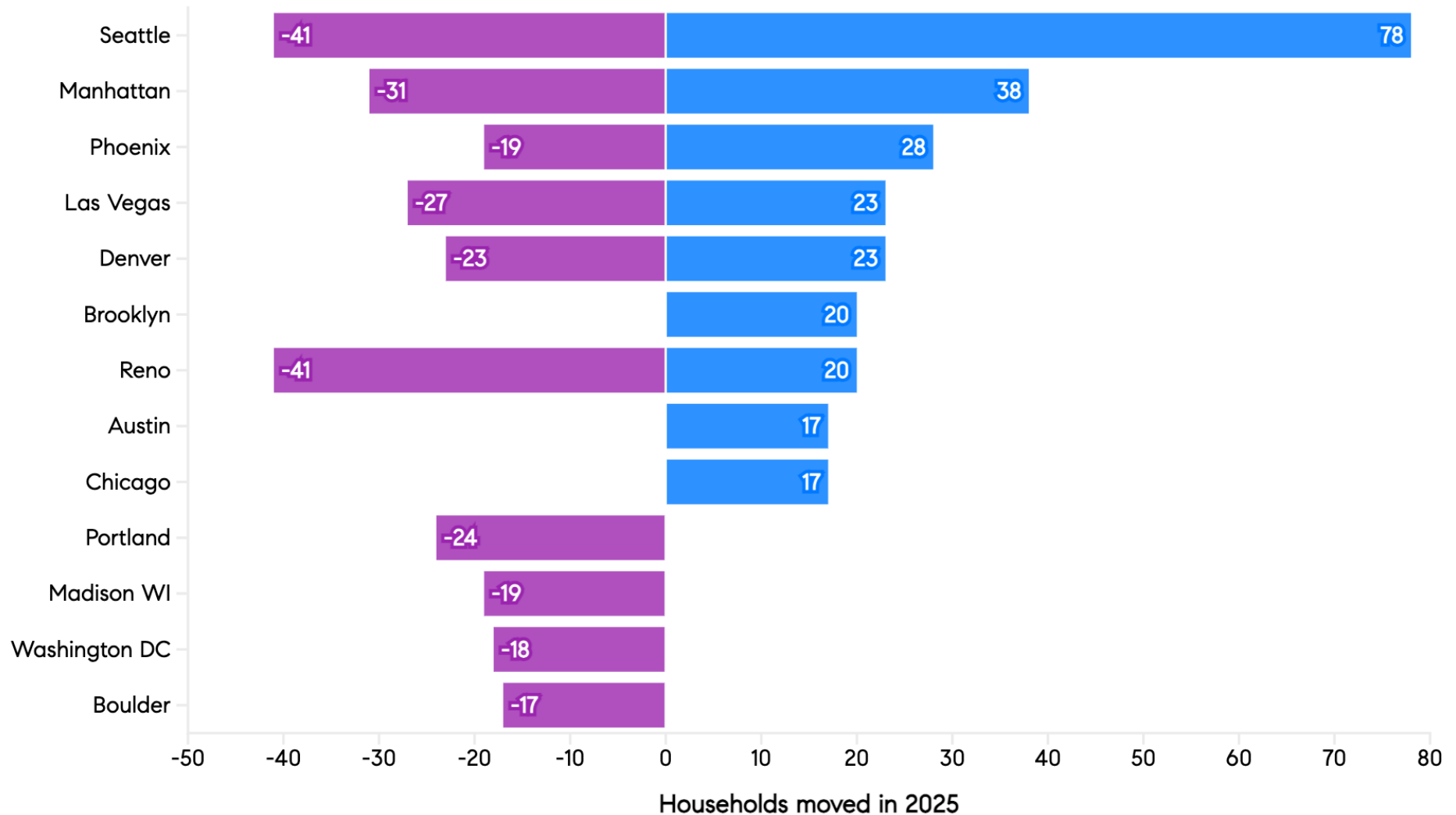
Source: MarketWatch.com
Index change vs. Jan 1, 2025

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Bay Area Migration Sources & Destinations

In 2025, inbound migration to the Bay Area resumed for the first time in many years. Seattle and Austin are net inbound to San Francisco. Lower cost of living cities remain popular destinations for outbound movers.

■ Inbound ■ Outbound

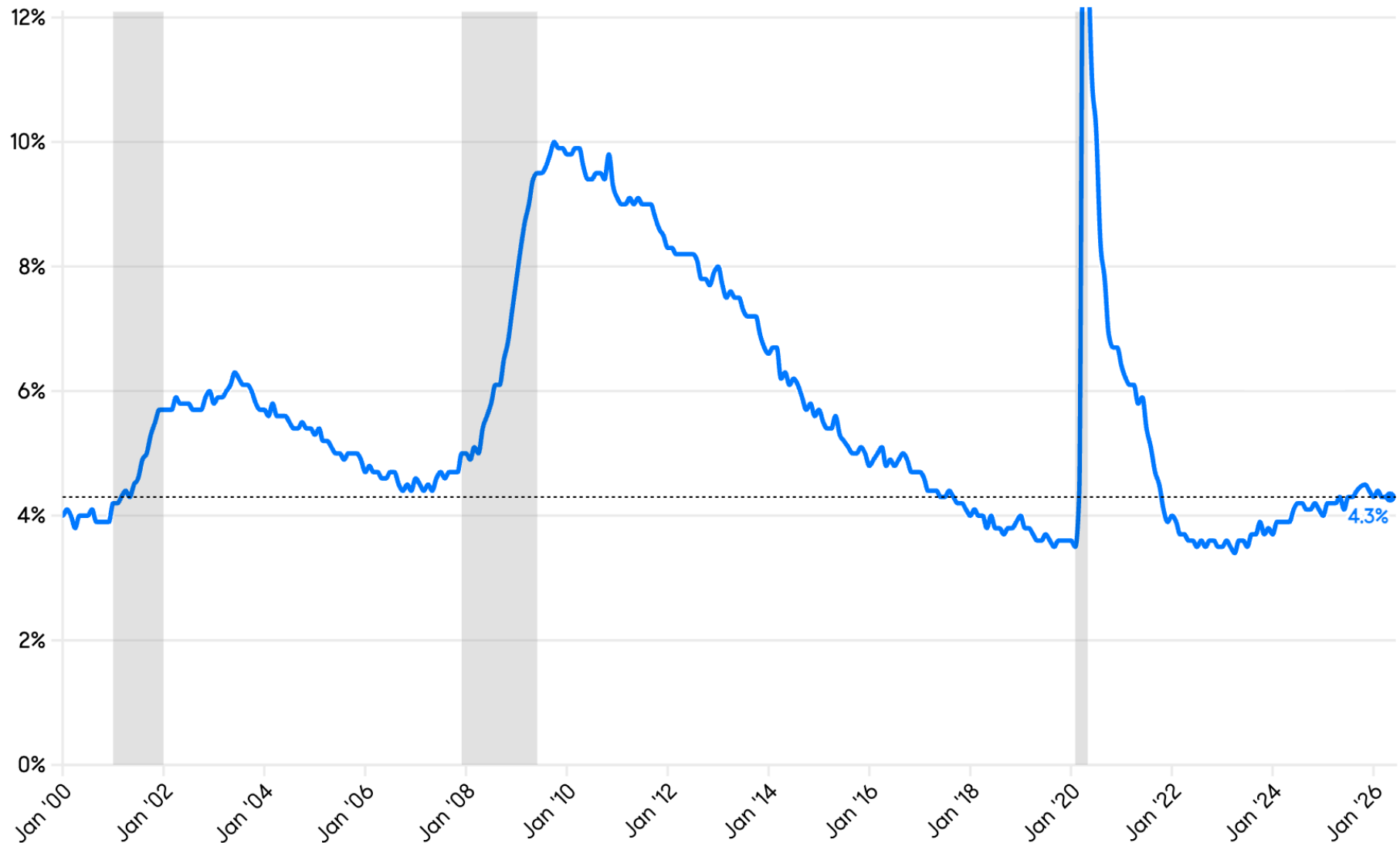


Source: Censai Analytics • Top 10 inbound and outbound counties tracked. Sources include change of address forms and voter registration changes. Likely undercounts

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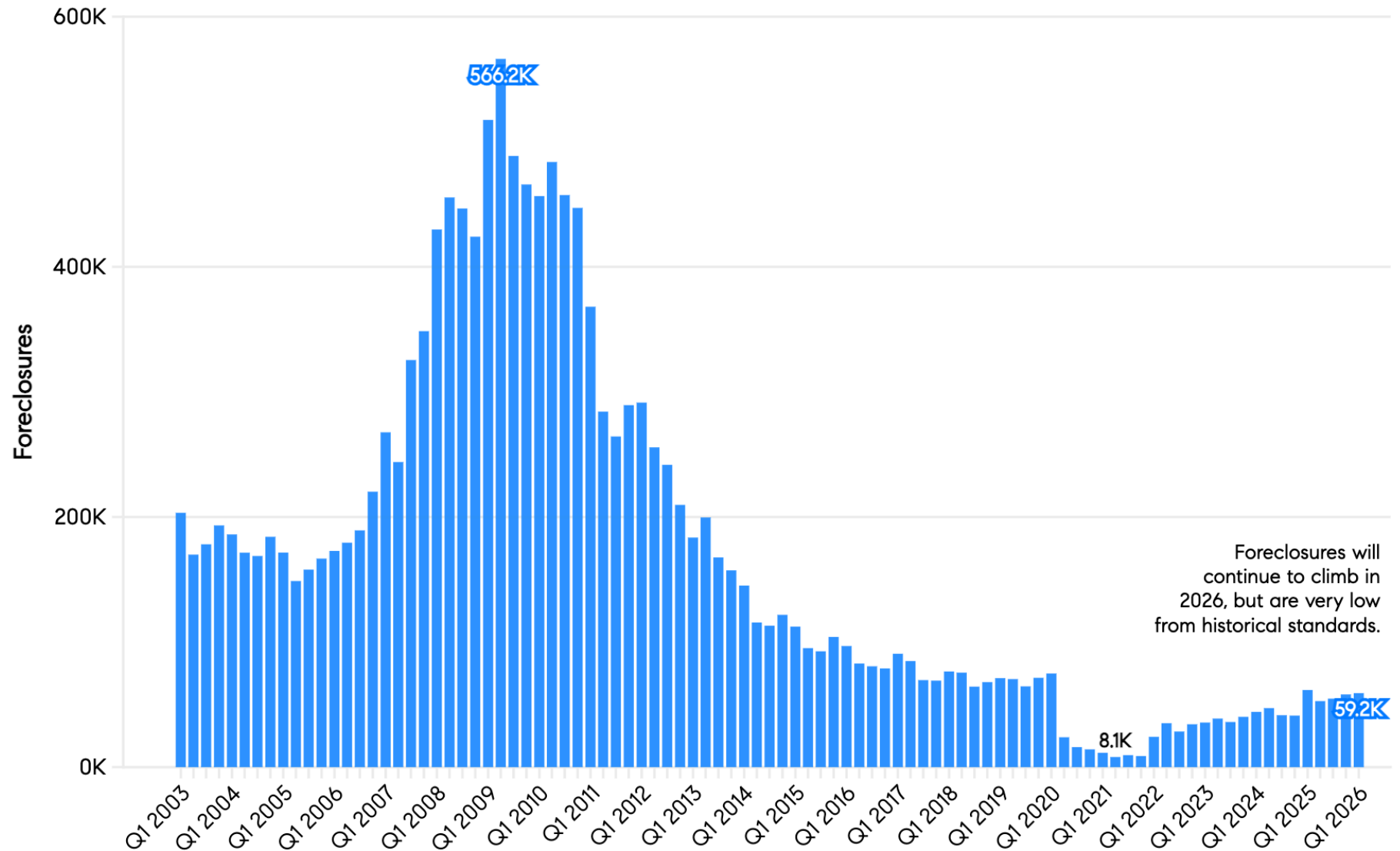
Low Unemployment Keeps People in Homes

Headline Unemployment (U3) has moved lower since November. In normal housing cycles, rising unemployment creates distressed seller inventory. Unemployment has remained low this cycle, which is one reason for less inventory and fewer home sales. Job creation and the hiring rate are more important drivers of the housing market in 2026.



Very Few Foreclosures in 2026

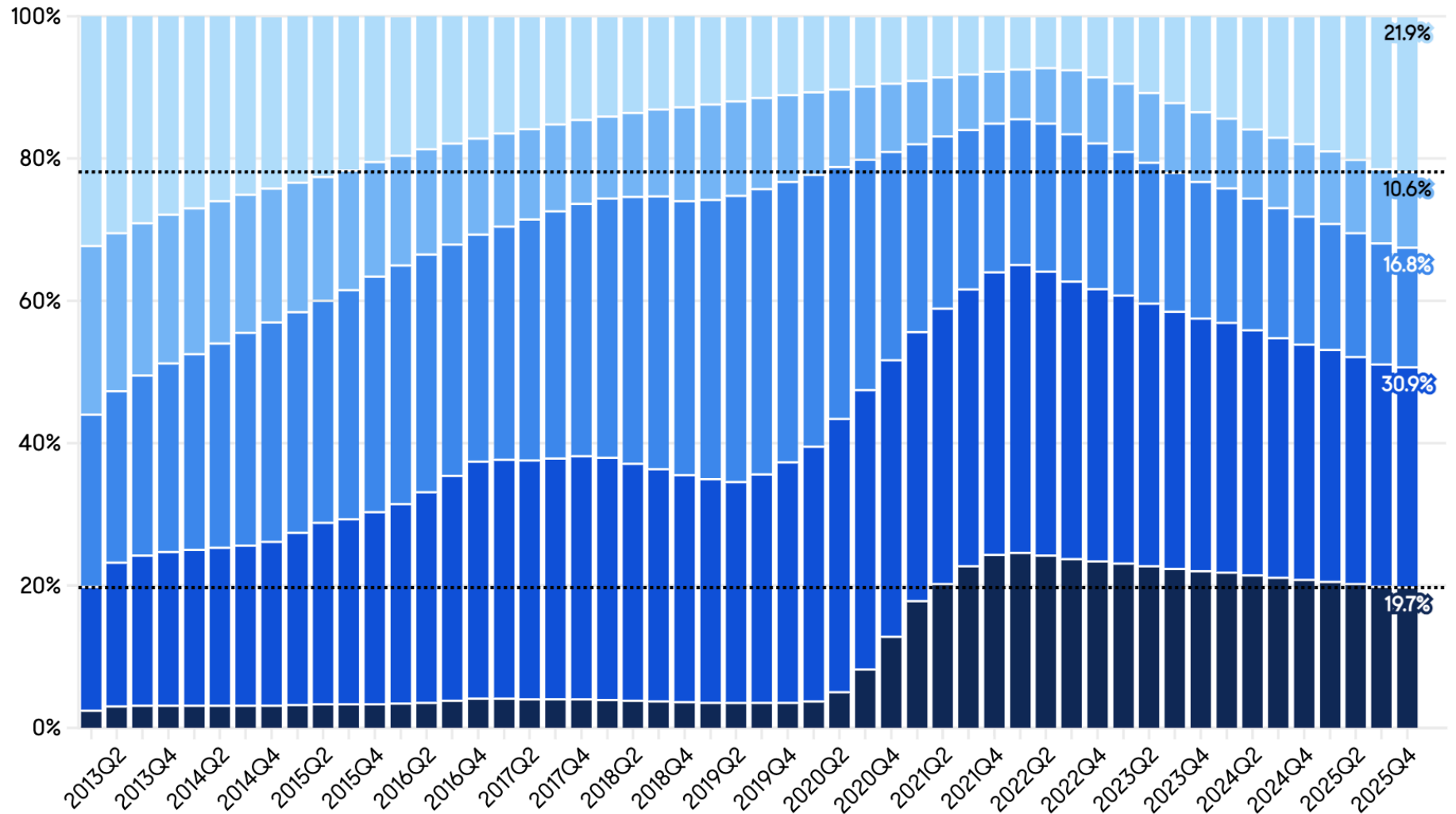
Due to high equity, low locked-in mortgage rates, and low unemployment, foreclosures are likely to stay low for 2026



Expensive and Cheap Mortgages

More mortgages now carry a 6-plus% rate than under 3%. Homeowners with very cheap mortgage payments are reluctant to ever sell, so inventory remains tight and sales are fewer than normal. Over time, fewer homeowners are locked-in to ultra low rates and home sales grow.

■ <3% Interest Rate ■ 3-4% ■ 4-5% ■ 5-6% ■ >6% Rate



Home Price Change vs 2025

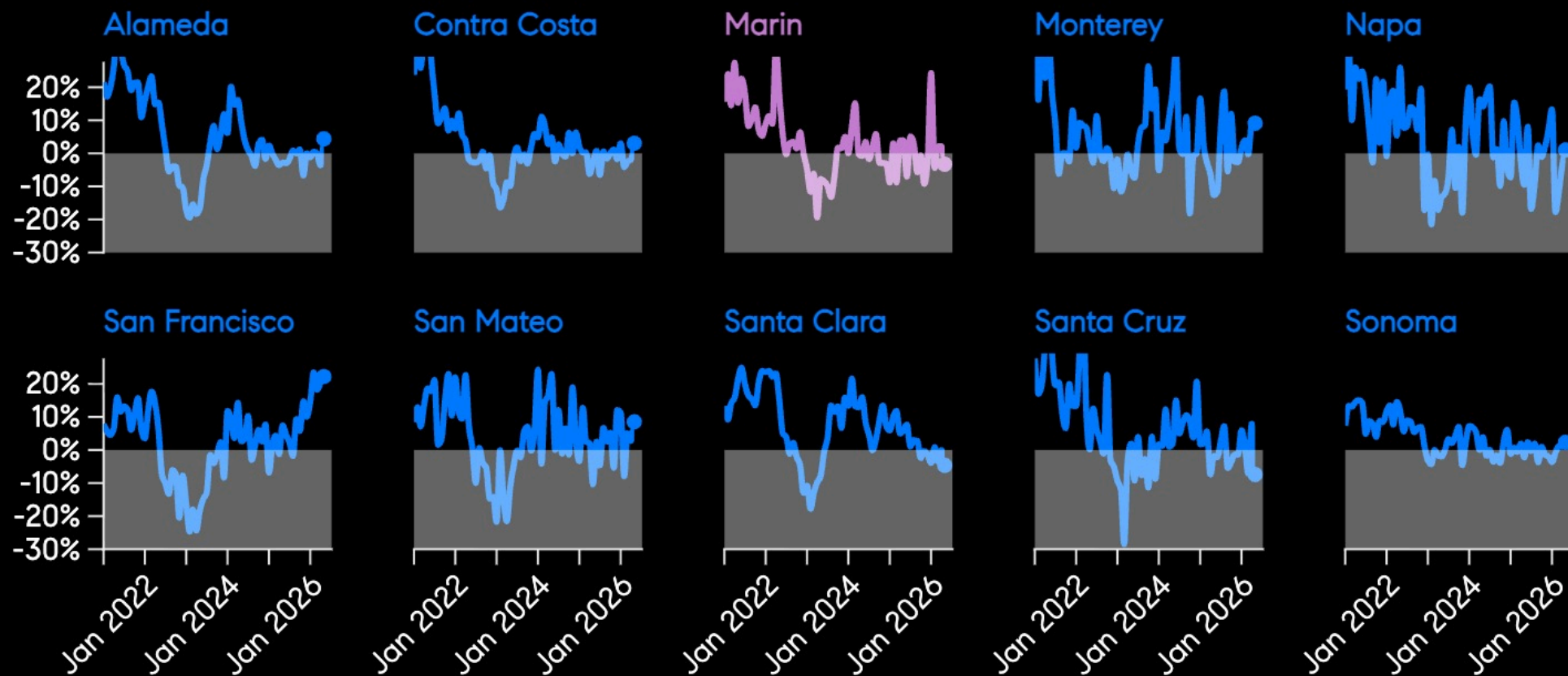
High-end home sales in San Francisco are driving the median price much higher

type ▼



Home Price Changes Over Time

Marin County home price appreciation has moderated in recent years. The market appears to have transitioned from declining appreciation to a period of relative price stability.

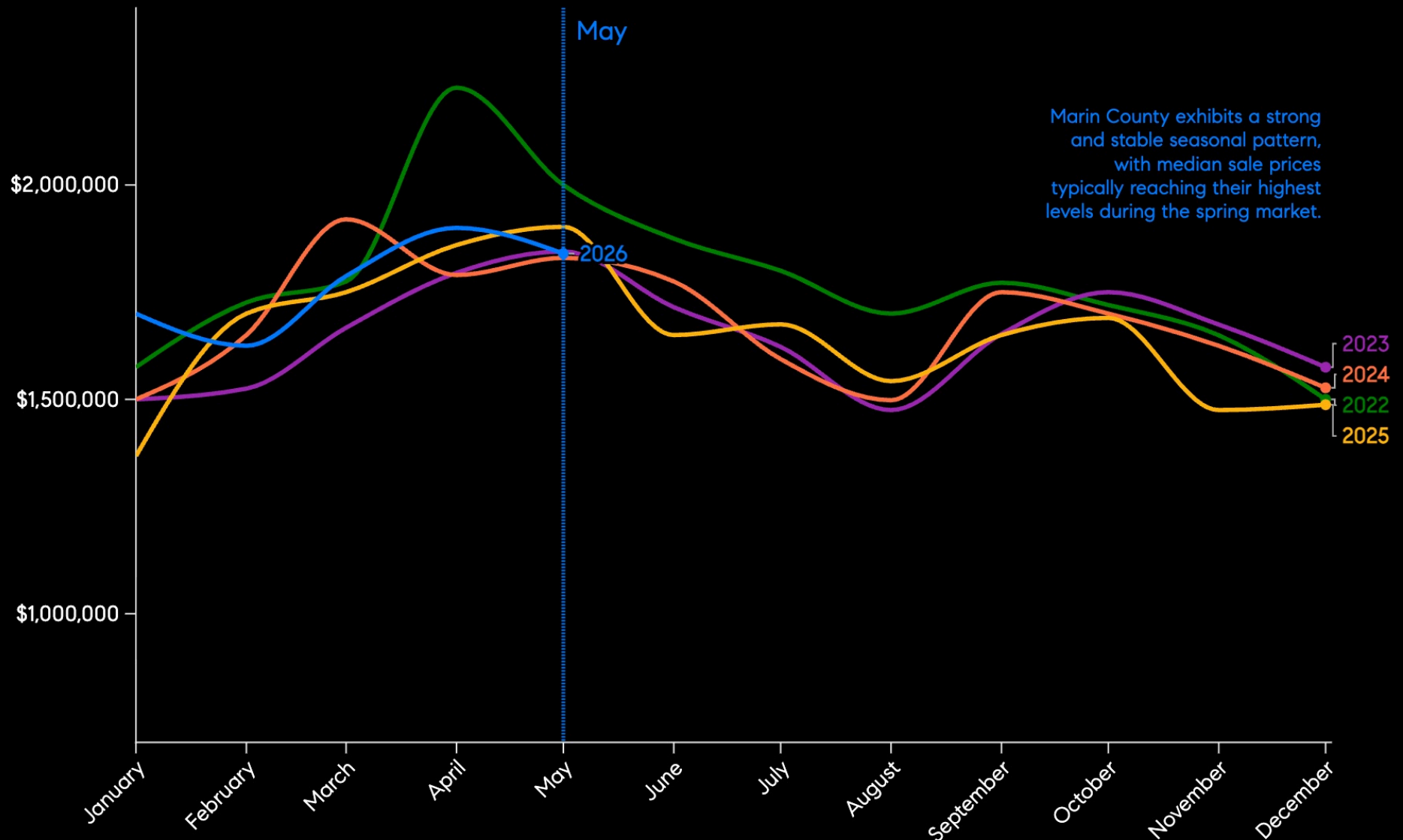


Source: Compass via MLS data • Median sales price for single family homes, change vs same month 1 year prior
Single Family Homes

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Marin County Median Home Price

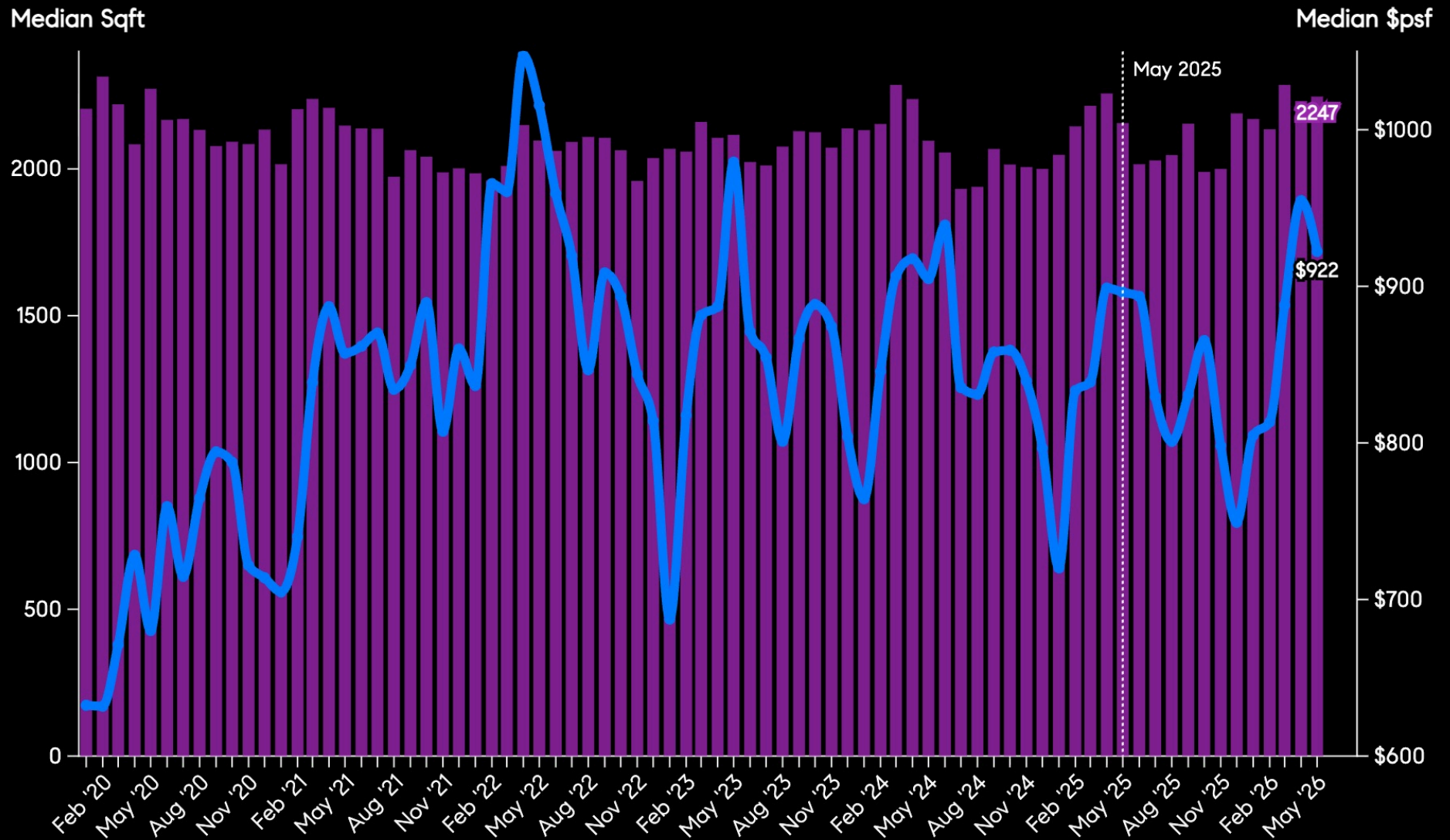
May 2026 median sale price was \$1,840,000, down 3.3% from May 2025 (\$1,902,500), but remains above May levels recorded in 2023 and 2024.



Price Per Square Foot in Marin County

Price per square foot reached \$922 in May 2026, up 2.9% from \$896 in May 2025.

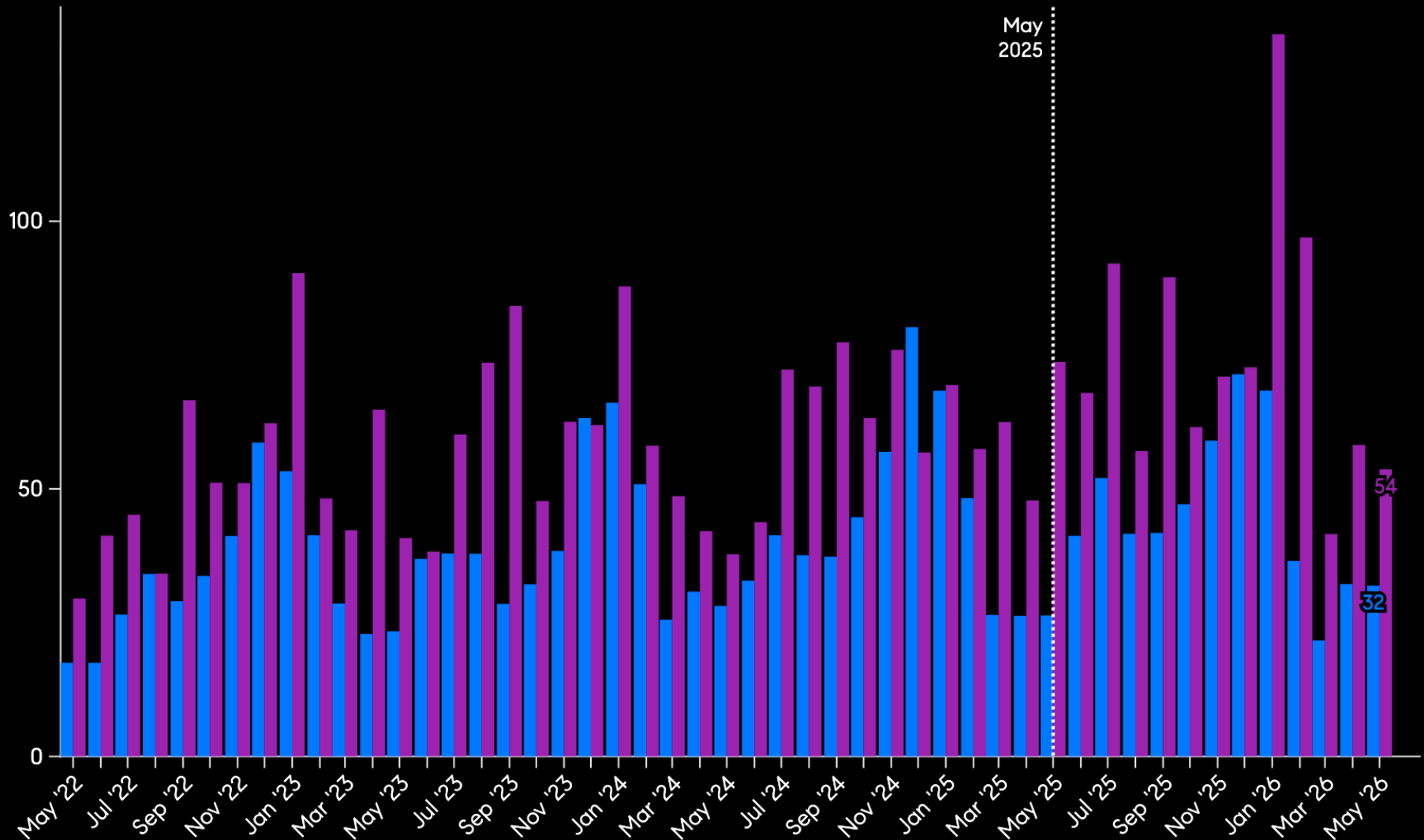
■ Median \$psf ■ Median Sqft



Average Days on Market

In Marin County, single-family homes took longer to sell year over year, with days on market increasing from 25 to 32 days. In contrast, condos sold more quickly, with days on market declining from 74 to 54 days.

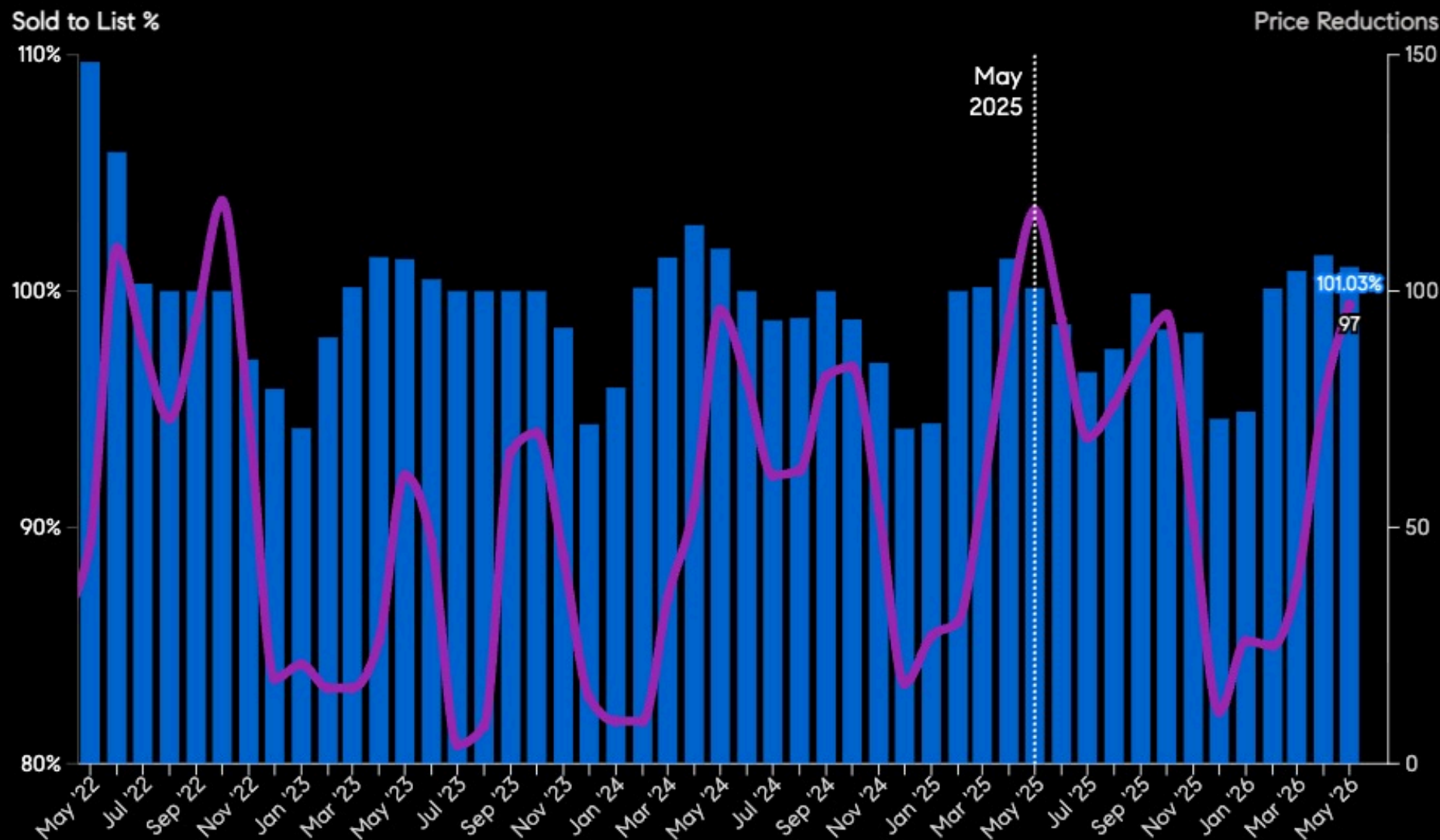
Single Family DOM Condo DOM



Marin County Sold to List Price

Price reductions have risen in 2026 but remain below May 2025 (117) . Sold to list price ratios continue to exhibit a seasonal pattern, peaking in spring and moderating through summer.

Price Reductions Sold to List %



Local Marin County

May 12 month rolling average for local single family homes

Neighborhood	Median Sale Price	% Change	PPSFT	Closed Sales	% Change	Pendings
San Geronimo Valley	\$917,500	0	725	14	0	17
Fairfax	\$1,119,000	-1	752	89	-2.2	89
Novato	\$1,245,000	-0.4	611	373	-1.6	391
Inverness	\$1,450,000	1	910	19	5.6	16
Dillon Beach	\$1,465,000	12.7	638	12	9.1	12
San Anselmo	\$1,700,000	-0.6	871	138	-0.7	138
Corte Madera	\$1,982,500	3	1,152	76	7	77
Bolinas	\$2,000,000	0	1,262	9	0	9
Sausalito	\$2,175,000	-5.4	1,092	73	0	73
Greenbrae	\$2,225,000	1.1	1,051	42	16.7	40
Mill Valley	\$2,302,500	0.1	1,084	282	-2.4	295
Larkspur	\$2,792,500	6.7	1,327	48	-5.9	50

Local Marin County

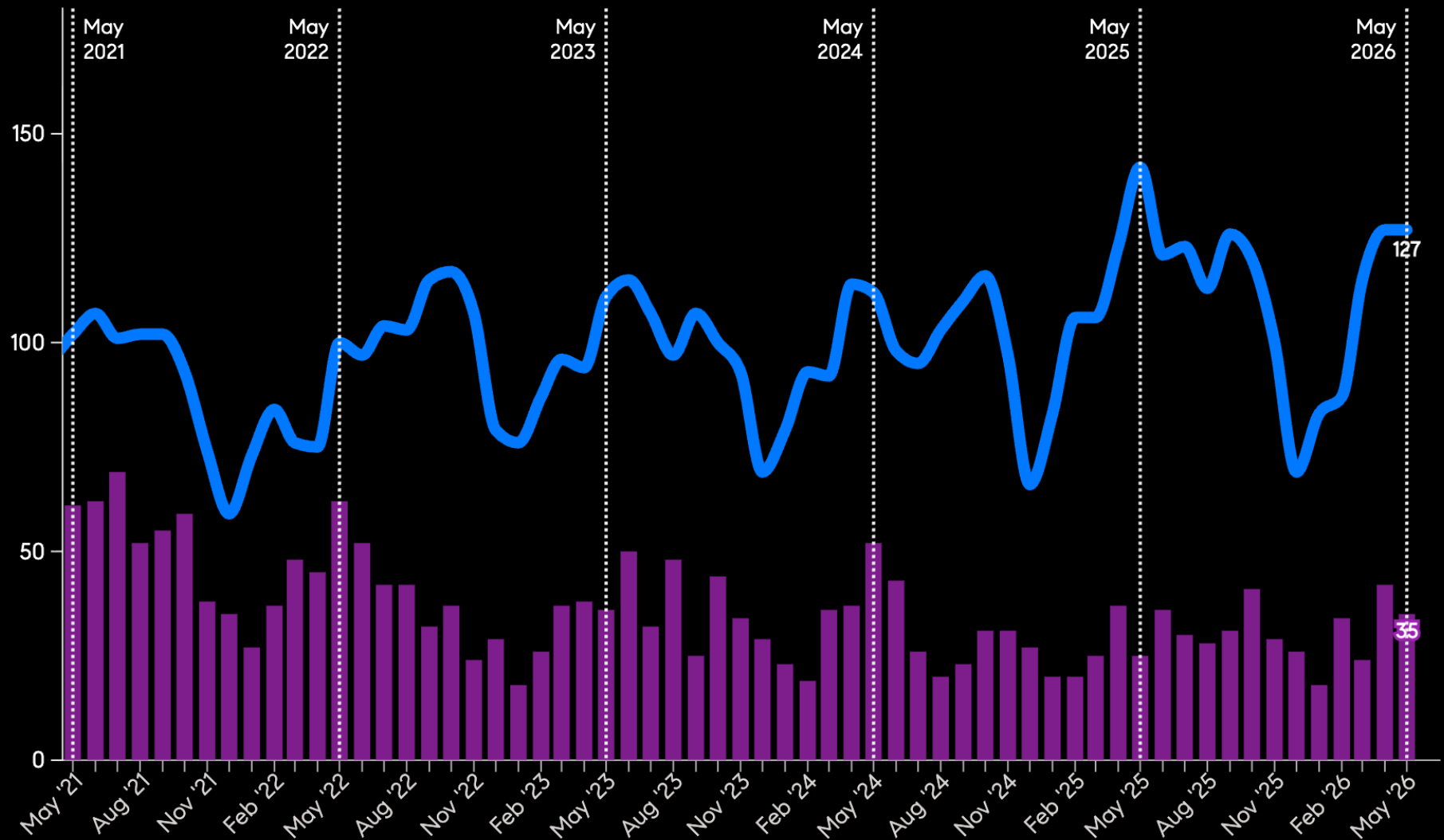
May 12 month rolling average for local condos

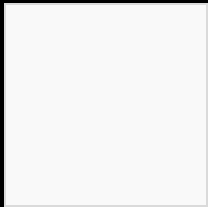
Neighborhood	Median Sale Price	% Change	PPSFT	Closed Sales	% Change	Pendings
Novato	\$535,000	0.9	477	95	4.4	97
Larkspur	\$623,000	0.5	748	12	-7.7	13
Corte Madera	\$722,500	-4.6	715	16	14.3	16
Greenbrae	\$765,000	2.7	664	26	0	28
Kentfield	\$790,000	0	855	1	0	1
Sausalito	\$922,750	0	783	34	6.3	36
Mill Valley	\$1,185,750	1.2	837	36	5.9	39
Tiburon	\$1,530,000	0	996	24	9.1	23

Condo Inventory for Marin County

Aside from normal seasonal fluctuations, condo inventory has gradually trended upward since 2024, though May 2026 inventory remains 11% below May 2025 levels.

■ Active Listings ■ Closed





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