COMPASS

July 2026 San Francisco House & Condo Market Outlook

Data through June 2026

Market Research
COMPASS INTERNATIONAL HOLDINGS

July 2026
Housing Market Report

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

The Bay Area housing market is the center of national attention this summer. AI-driven wealth has offset persistently higher mortgage rates, pushing demand in a handful of neighborhoods to dramatic levels.

The most intense competition is concentrated in San Francisco itself. In June, 44 homes in the city sold for at least $1 million over asking (see charts, next page). Sales in San Francisco, San Mateo, and Marin are running well above last year's pace.

Other parts of the Bay Area are more exposed to AI's other edge: jobs, inflation, and rates. Most buyers need a mortgage, and rates have stayed elevated — though still below last year's level. Nationally, inflation remains well above what policymakers and bond markets are comfortable with, driven by energy costs, government spending, and quite possibly the AI investment boom itself. Mortgage rates spent another month near 6.5%.

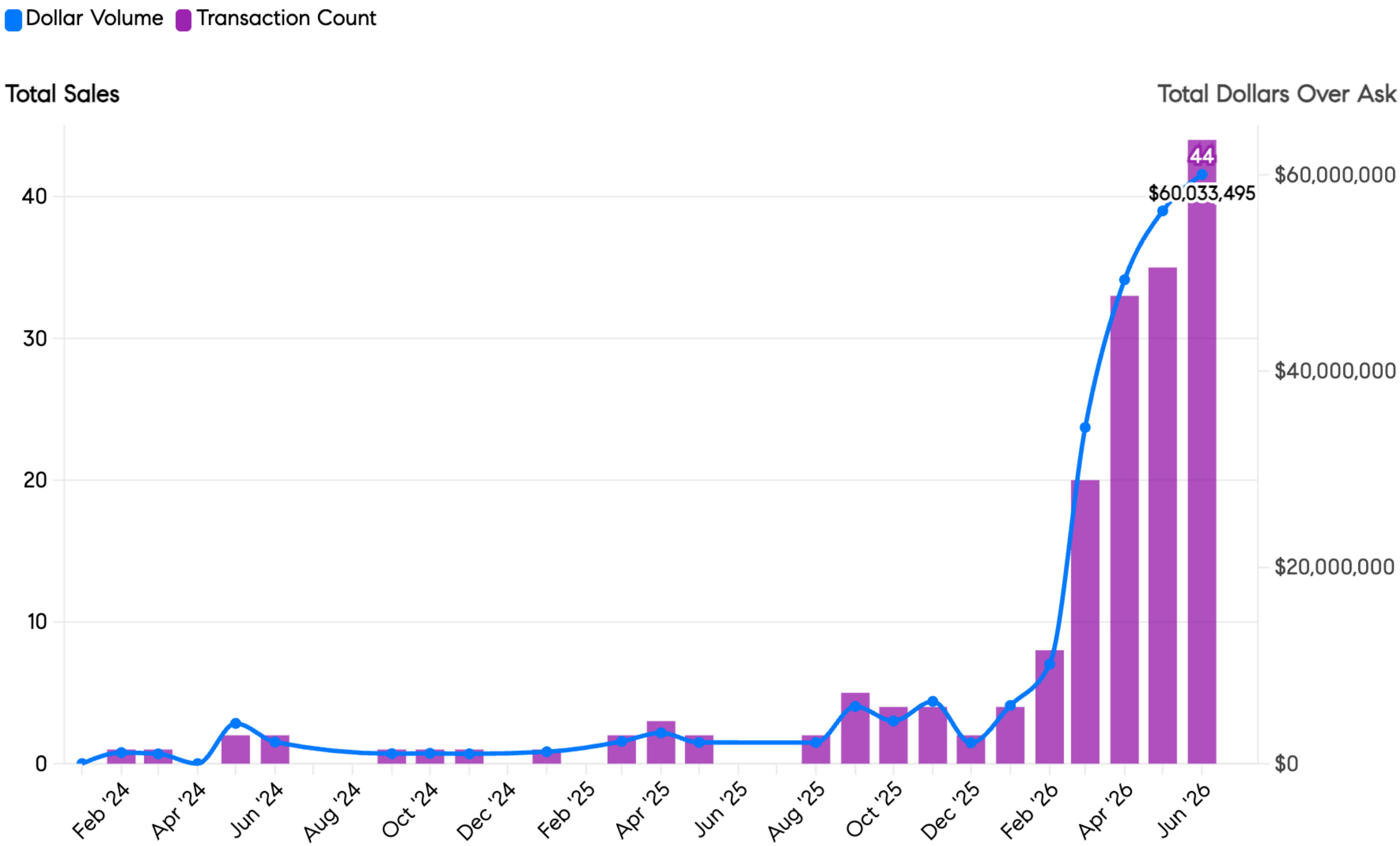
Santa Clara County is feeling a different edge: Bay Area tech companies have cut 58,000 jobs so far in 2026, and in the South Bay, inventory is climbing while average sale prices trail last year.

In many ways, the Bay Area is leading the nation's housing story in both directions — new wealth pulling the top of the market to record heights, while job insecurity and high rates weigh on buyers further down. It's always worth watching the Bay Area markets closely as we often signal where the rest of the country is headed next.

Mike Simonsen
Chief Economist, Compass International Holdings

AI Boom Hits San Francisco Home Sales

In June, 44 transactions in San Francisco closed at least $1 million above the final ask price.



Source: Compass via MLS Data · Home sales where sale price exceeded the final list price by at least $1 million.

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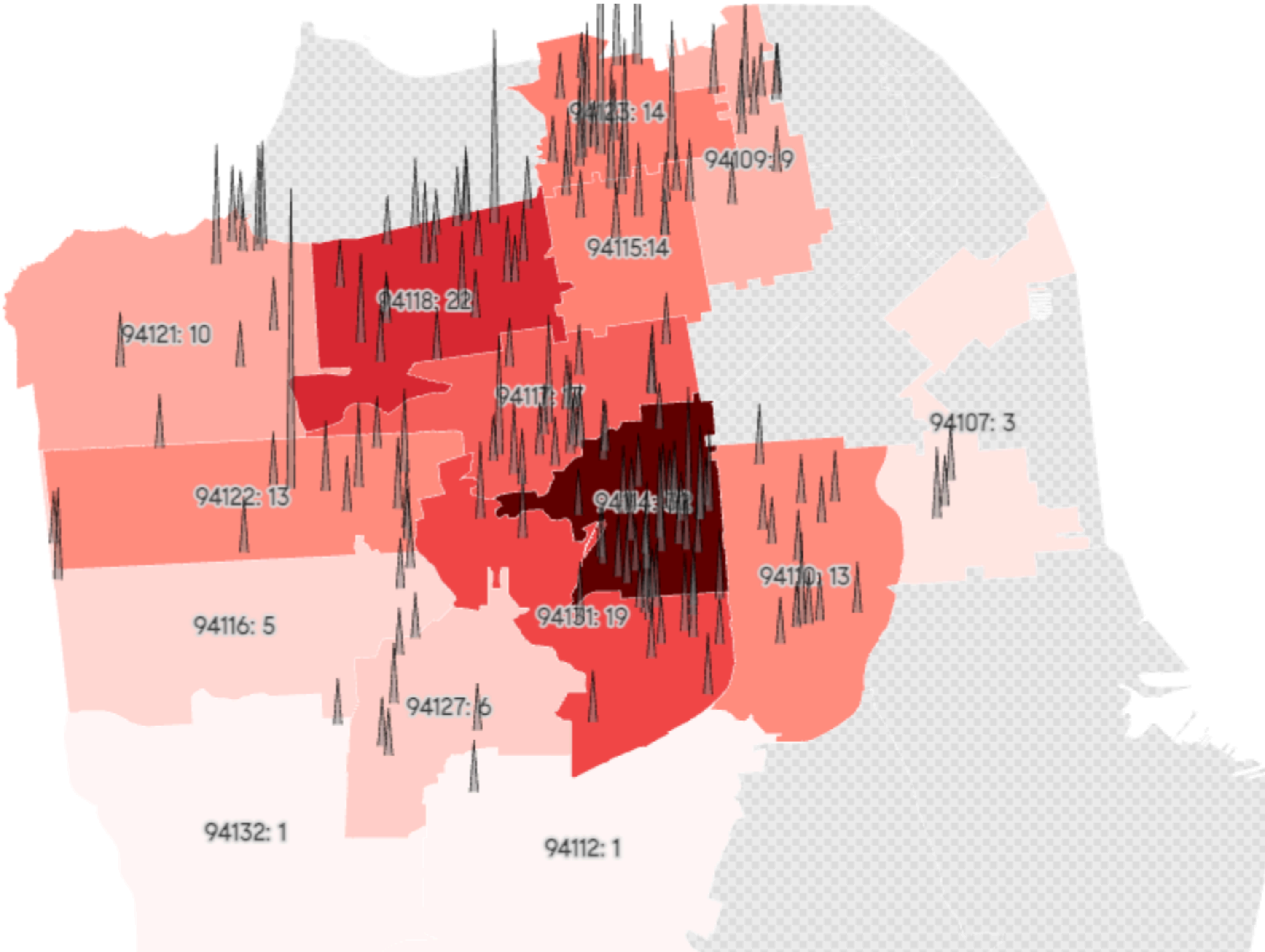
Where The Money is Concentrating

San Francisco home sales at least $1 million over the asking price. The pace of those closing at least $1 million over ask illustrates the most desirable neighborhoods.



Source: Compass via MLS data · Home sales where sale price was at least $1 million over the final ask price. The height of each spike represents the total dollars over asking.

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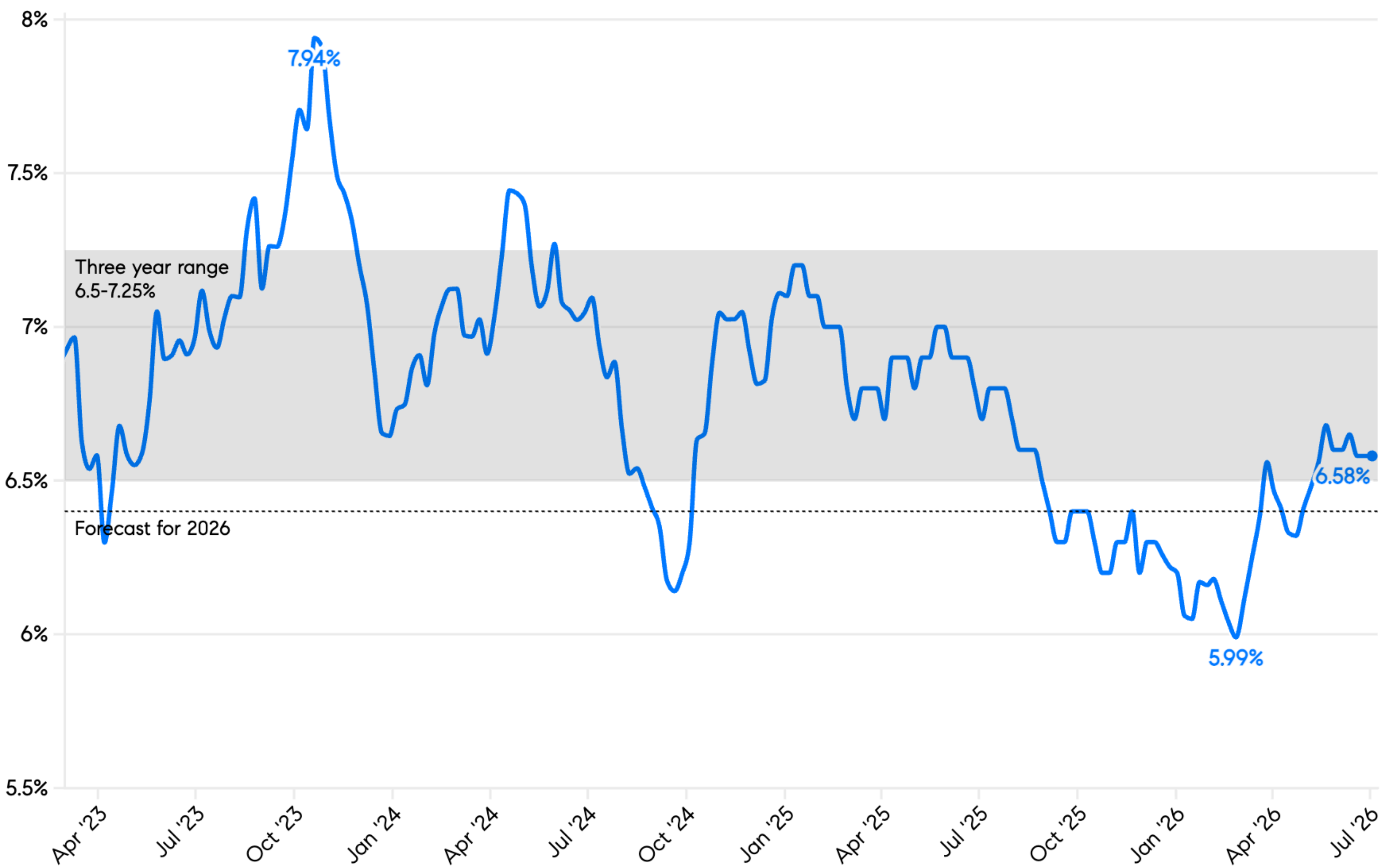
Mortgage Rates Stay In The Mid-6s

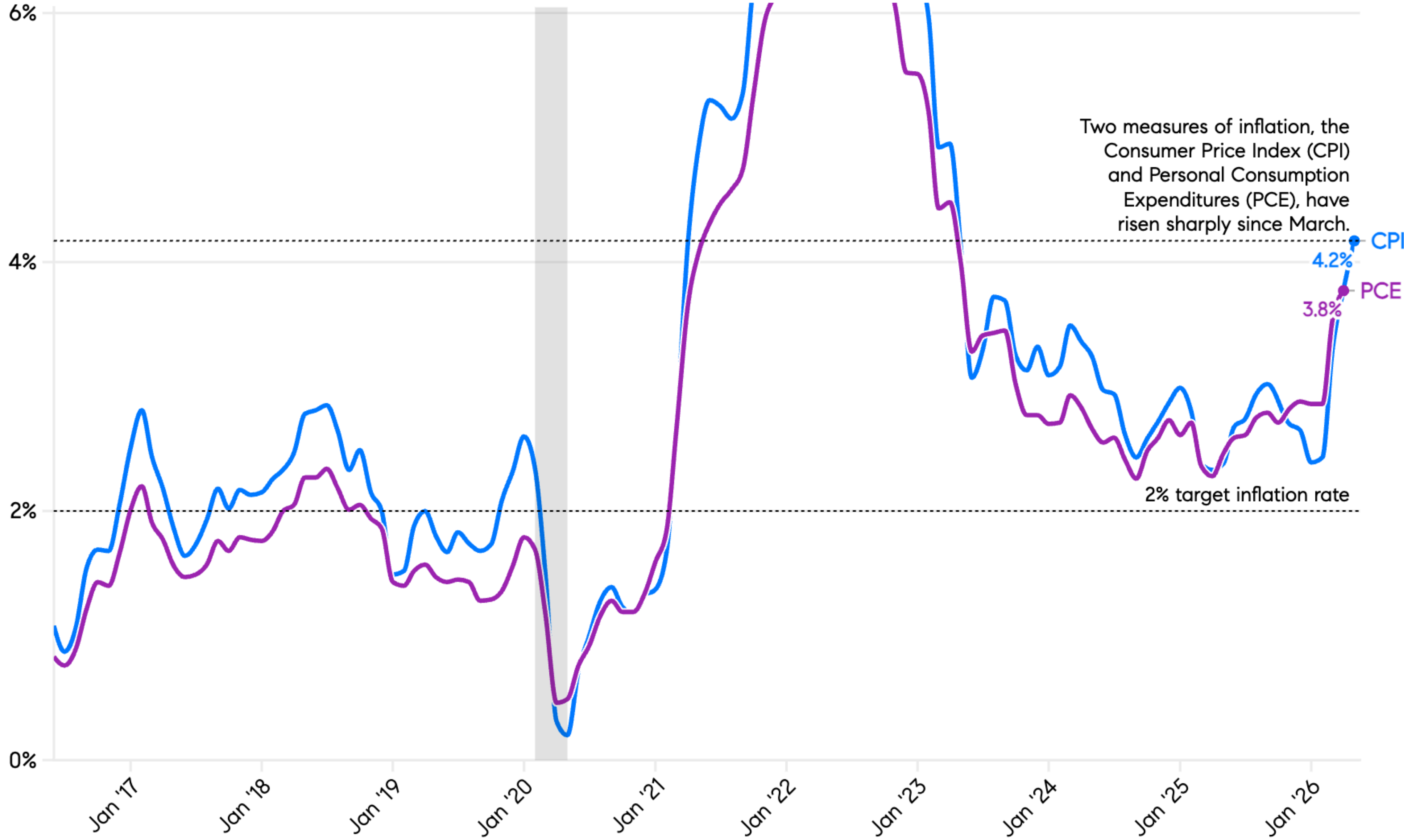
Interest have stayed elevated due persistent inflation news and recently improved jobs data. Still at the low-end of the range over the past three years, any push into the upper 6s is likely to slow home purchase demand again.



Source: Mortgage News Daily, Compass

Inflation Accelerates in June

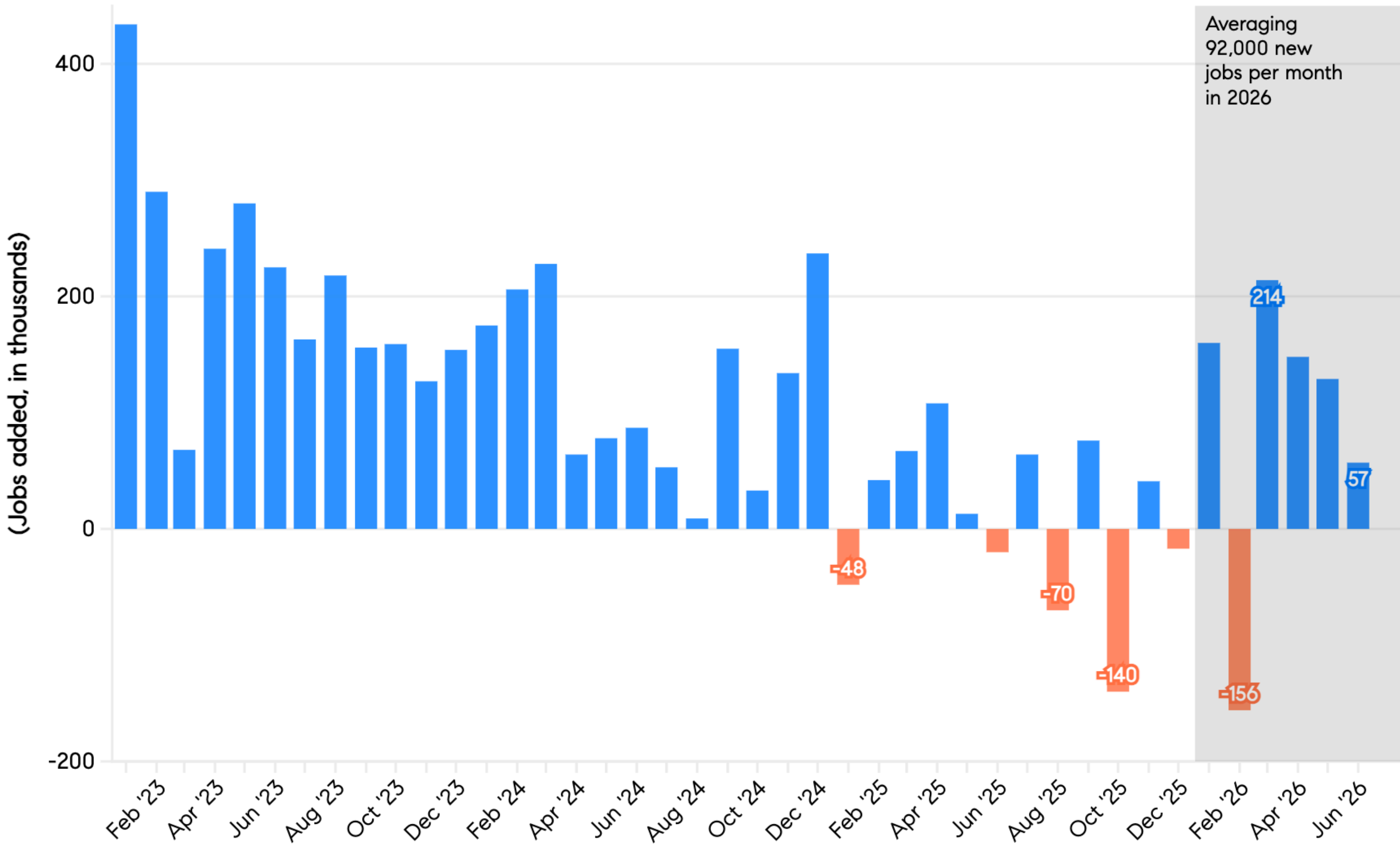
Tariffs, oil, and government spending are all contributing to re-accelerating inflation. Recently falling oil prices are not yet visible in the inflation data. Inflation has forced interest rates higher, adding to affordability challenges with real estate.



Source: US BLS, BEA

National Employment Grows Slowly

The labor market shows four 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.



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

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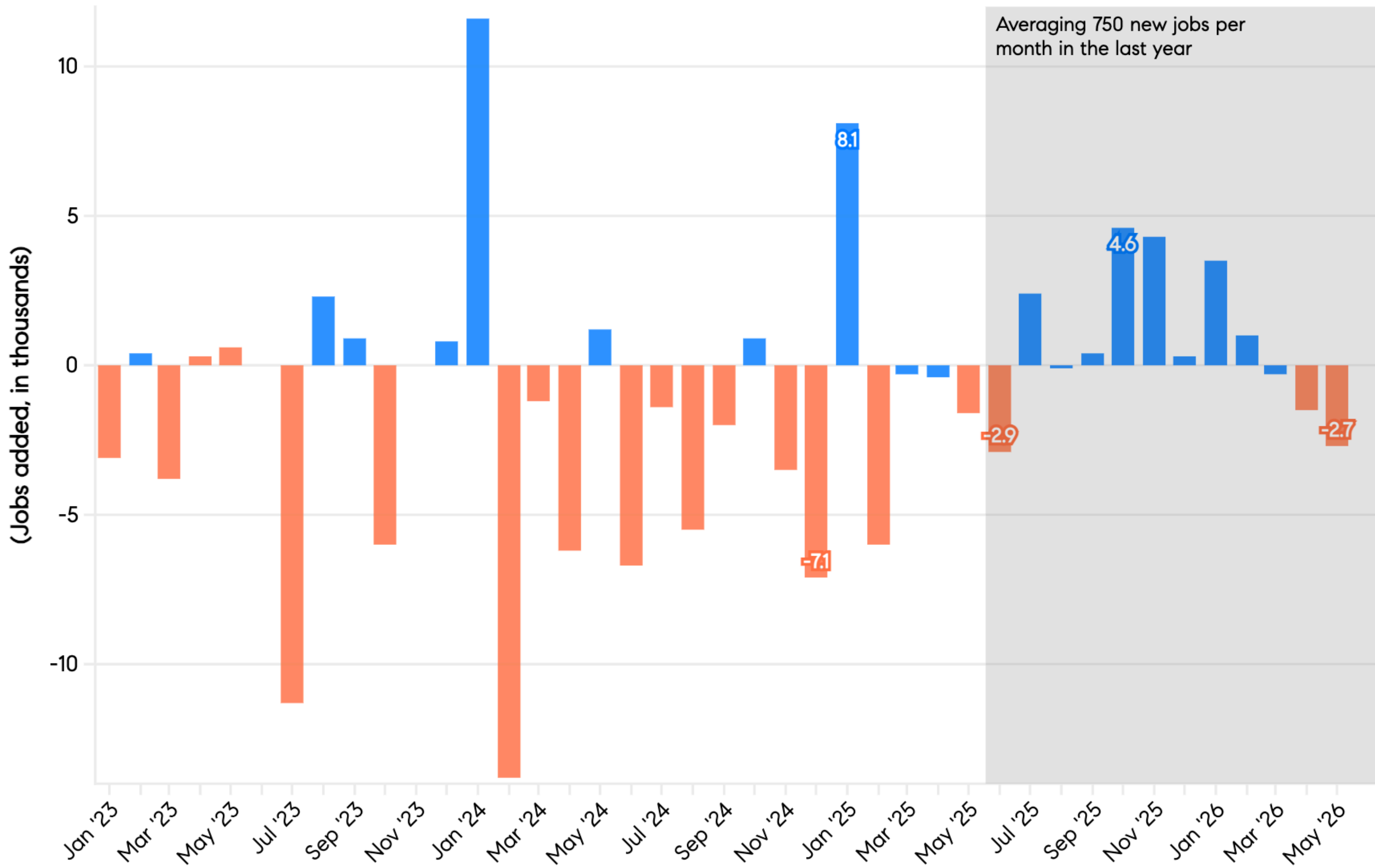
Bay Area Job Growth Slows Again

While the most recent 12 months have been mildly positive for job growth in the Bay Area, the most recent two months report a weakening job market again.



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

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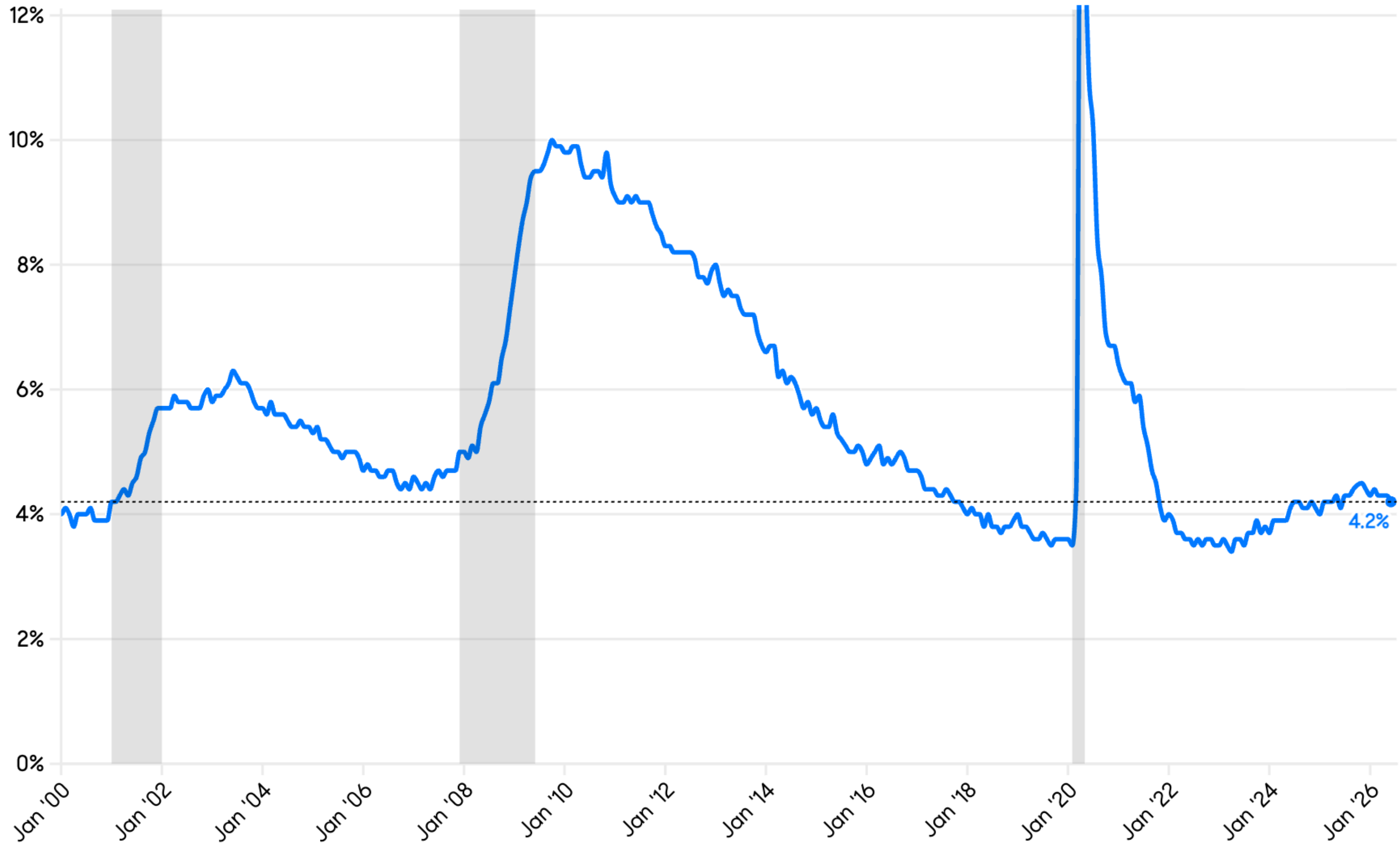
June Unemployment Declined

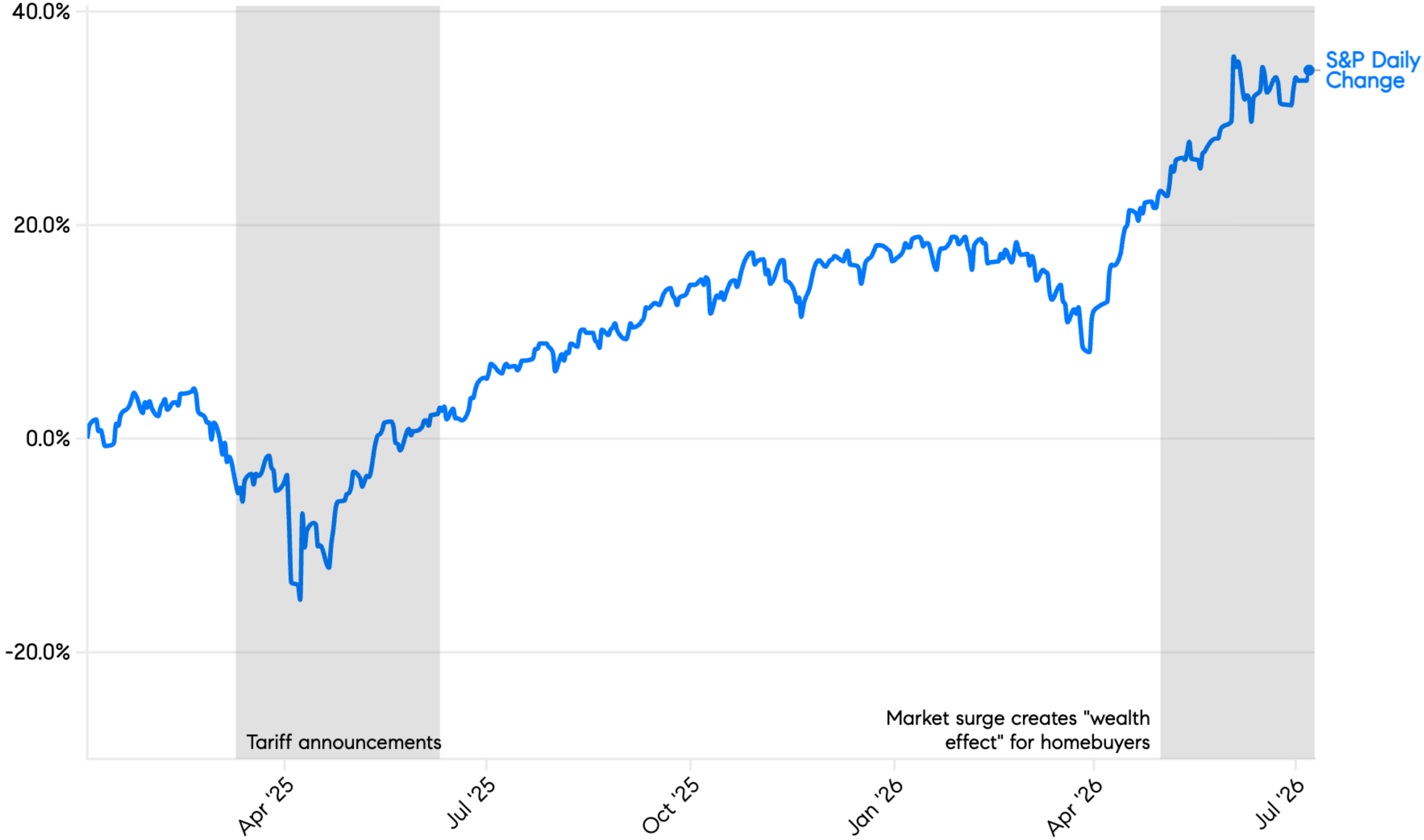
Headline Unemployment (U3) has moved lower since November. The June numbers defied expectations and dropped to 4.2%. Continued low unemployment implies very few distressed home sales but also generally holds interest rates higher.



Source: US BLS

Wealth Effect Drives Home Purchase Demand

With stock markets near all time highs, a powerful "wealth effect" is created for potential homebuyers. The opposite effect was felt in 2025 after tariffs slowed the economy and ate up business profits. This wealth effect has had dramatic results 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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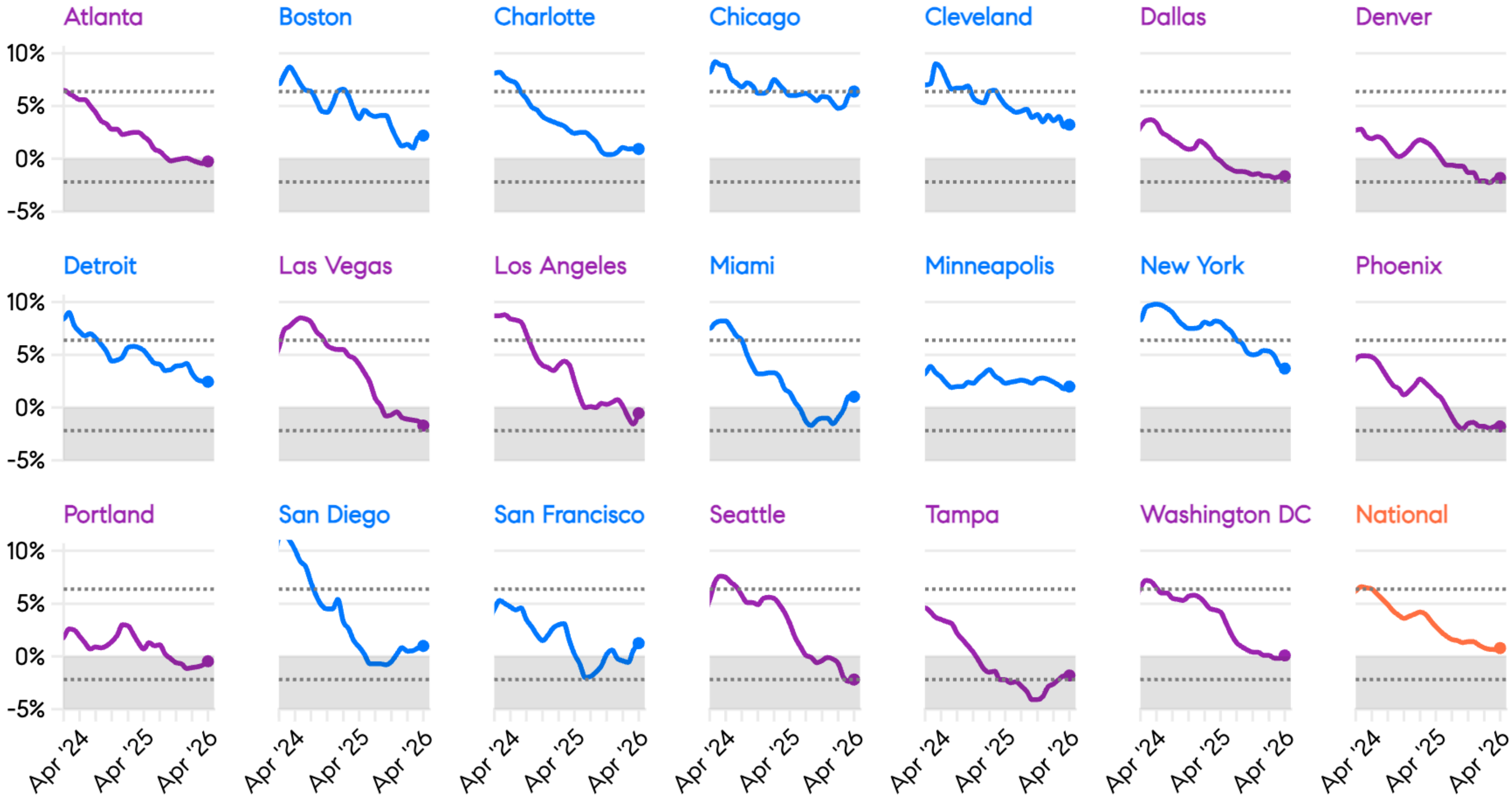
Bay Area Sales Price Growth is Accelerating

According to the Case Shiller Index, nationally home prices are only 0.8% above last year. San Francisco prices have recently swung positive while other Western US cities show prices falling compared to last year.



Source: S&P CoreLogic Case-Shiller · Purple cities have home price appreciation vs. March 2025. Orange cities have home price declines from Mar 2025. Dotted lines are top and bottom performing markets. Gray area is below 0%

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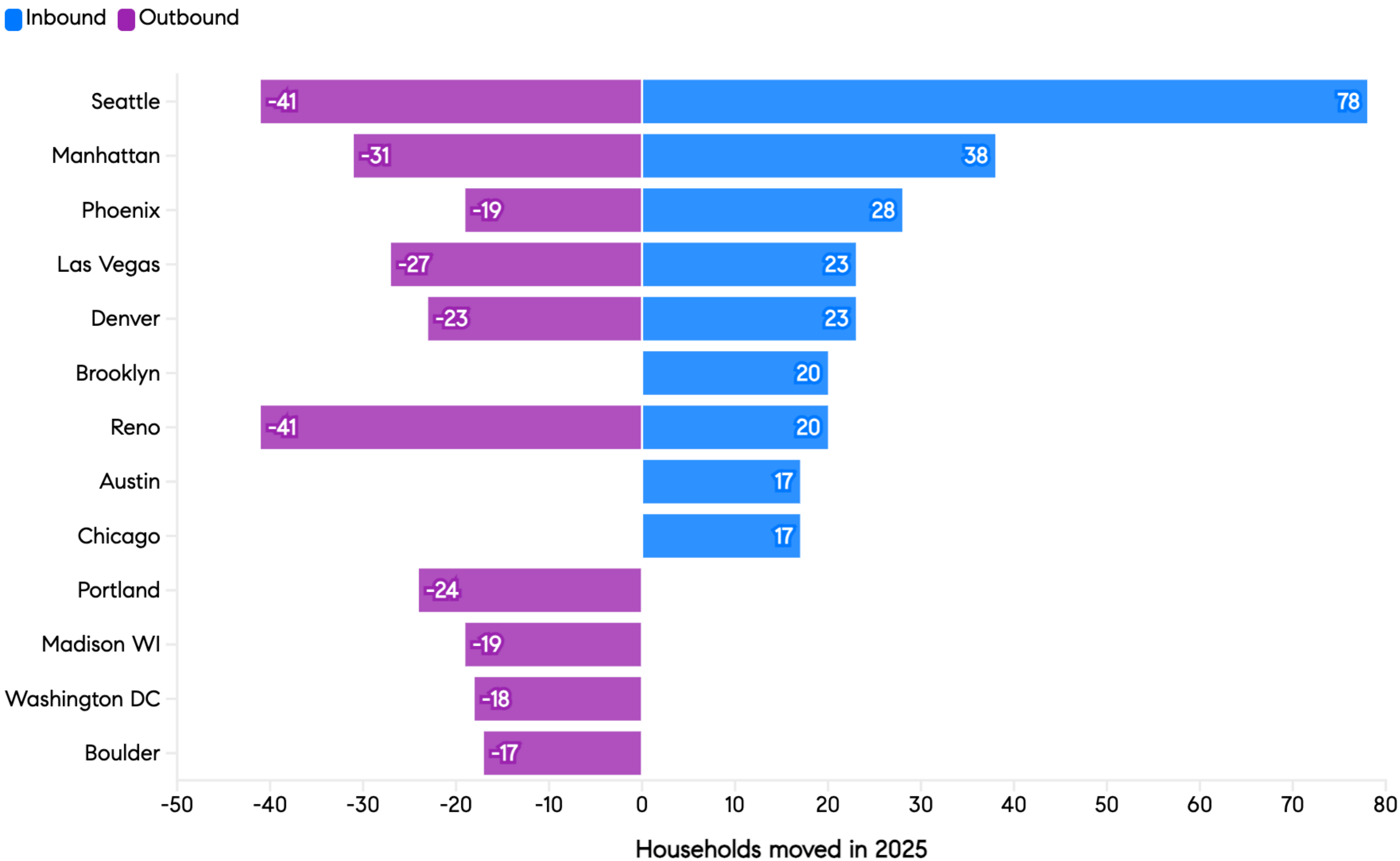
Bay Area Migration Sources & Destinations

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.



Source: Censai Analytics · Top 10 inbound and outbound counties tracked. Sources include change of address forms and voter registration changes. Likely undercounts students and non-voters.

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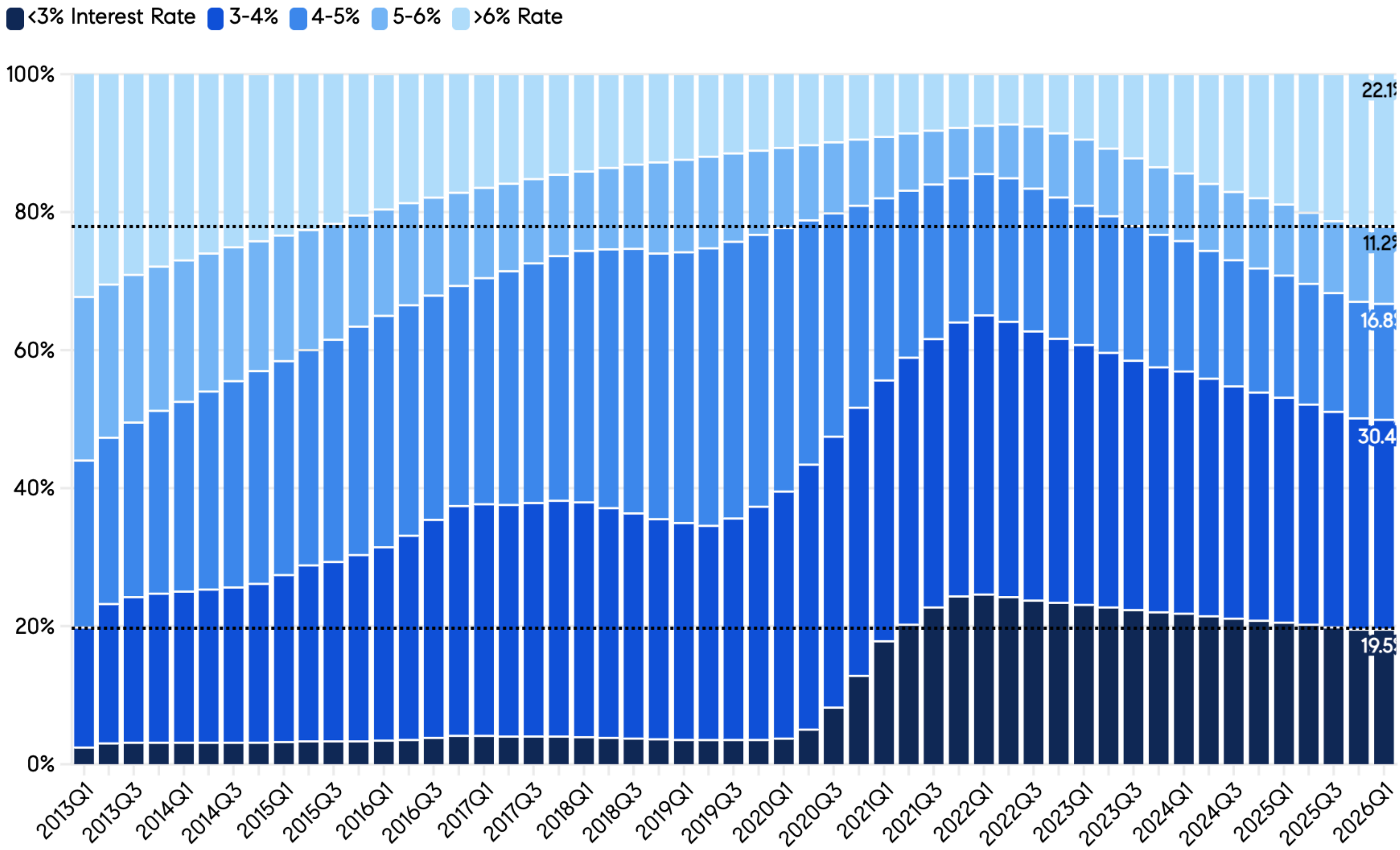
Expensive and Cheap Mortgages

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 will grow.



Source: FHFA · All outstanding mortgages, through December 2025

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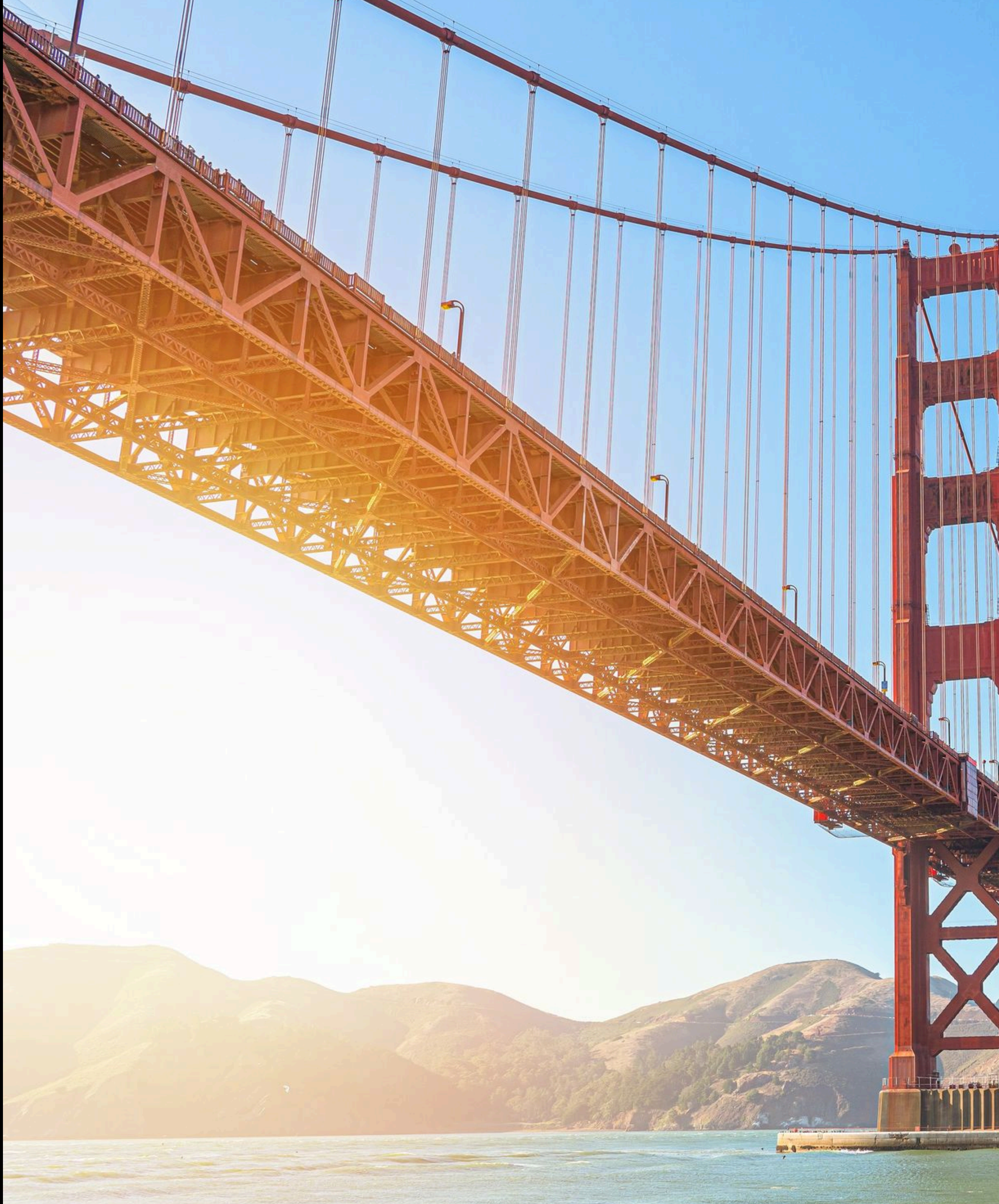
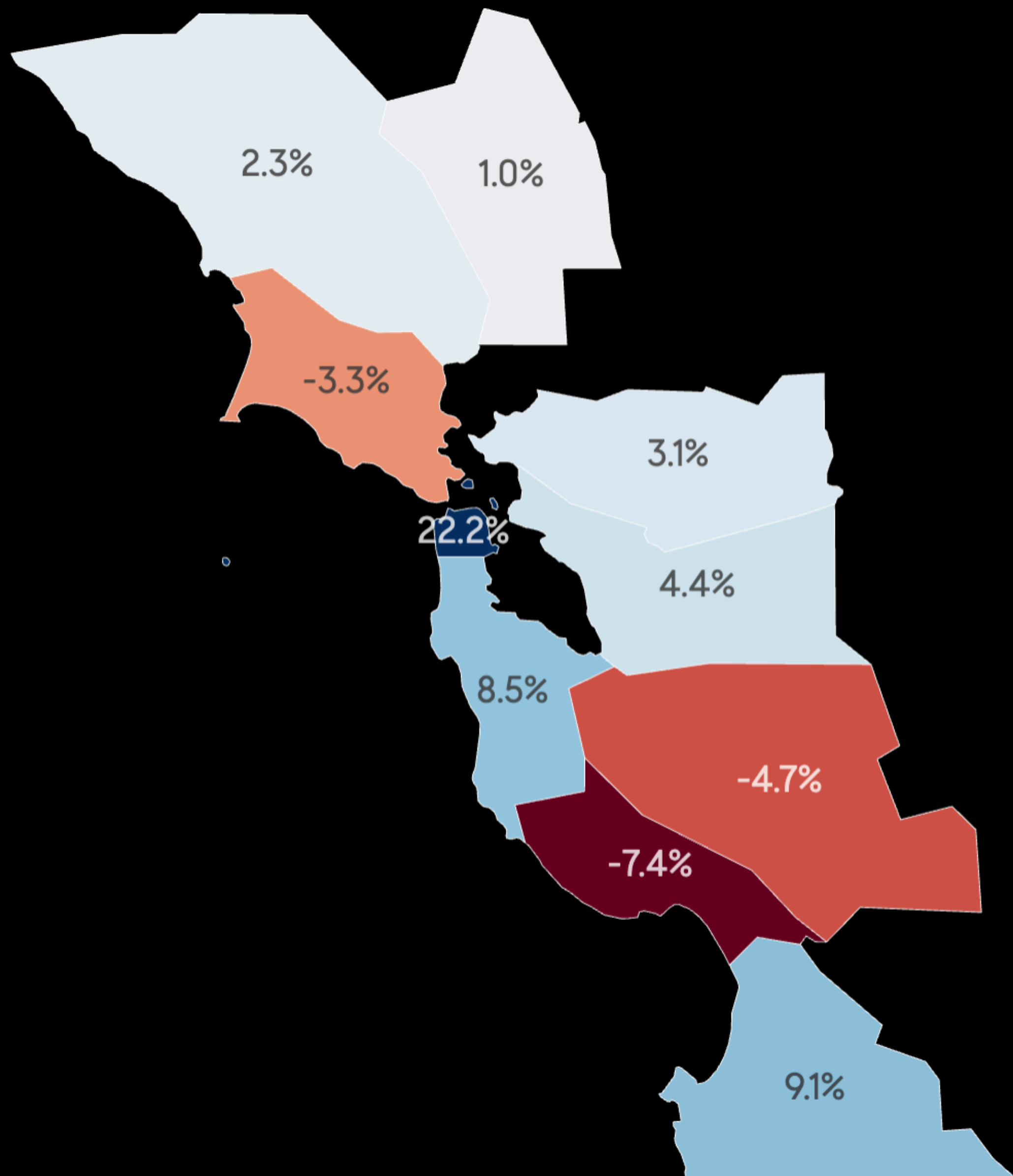
San Francisco Market



Report created in good faith using public and proprietary data from sources deemed reliable but may contain errors and is subject to revision. Data is pulled at the end of the month, and last-period figures may still be preliminary due to late-reported activity. All numbers are approximate and may change, including Private Exclusive sales and other transactions not publicly reported at the time of publication.

Home Price Change vs 2025

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



Source: Compass via MLS data · Median sales price single family homes

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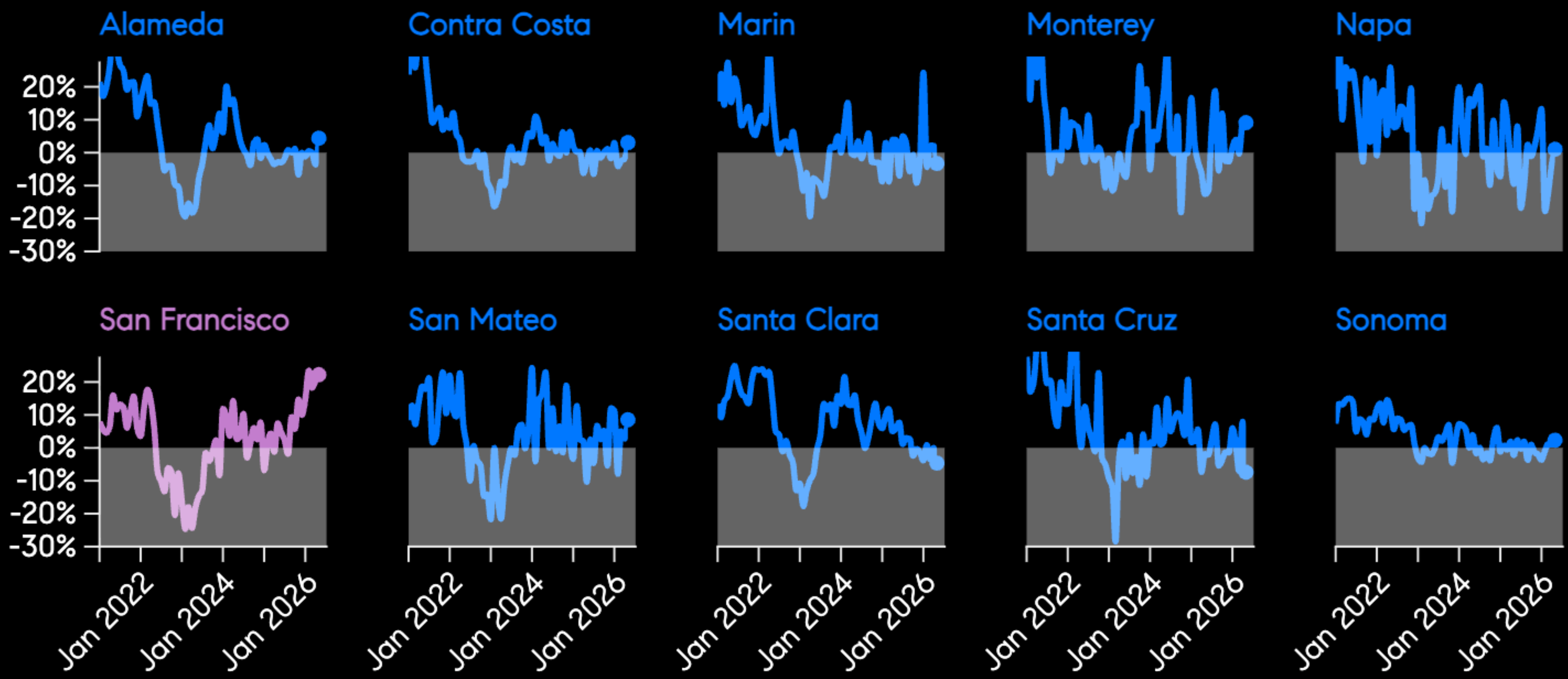
Home Price Changes Over Time

Median sales prices in Santa Clara have decreased by 9.3% compared to this same time last year.



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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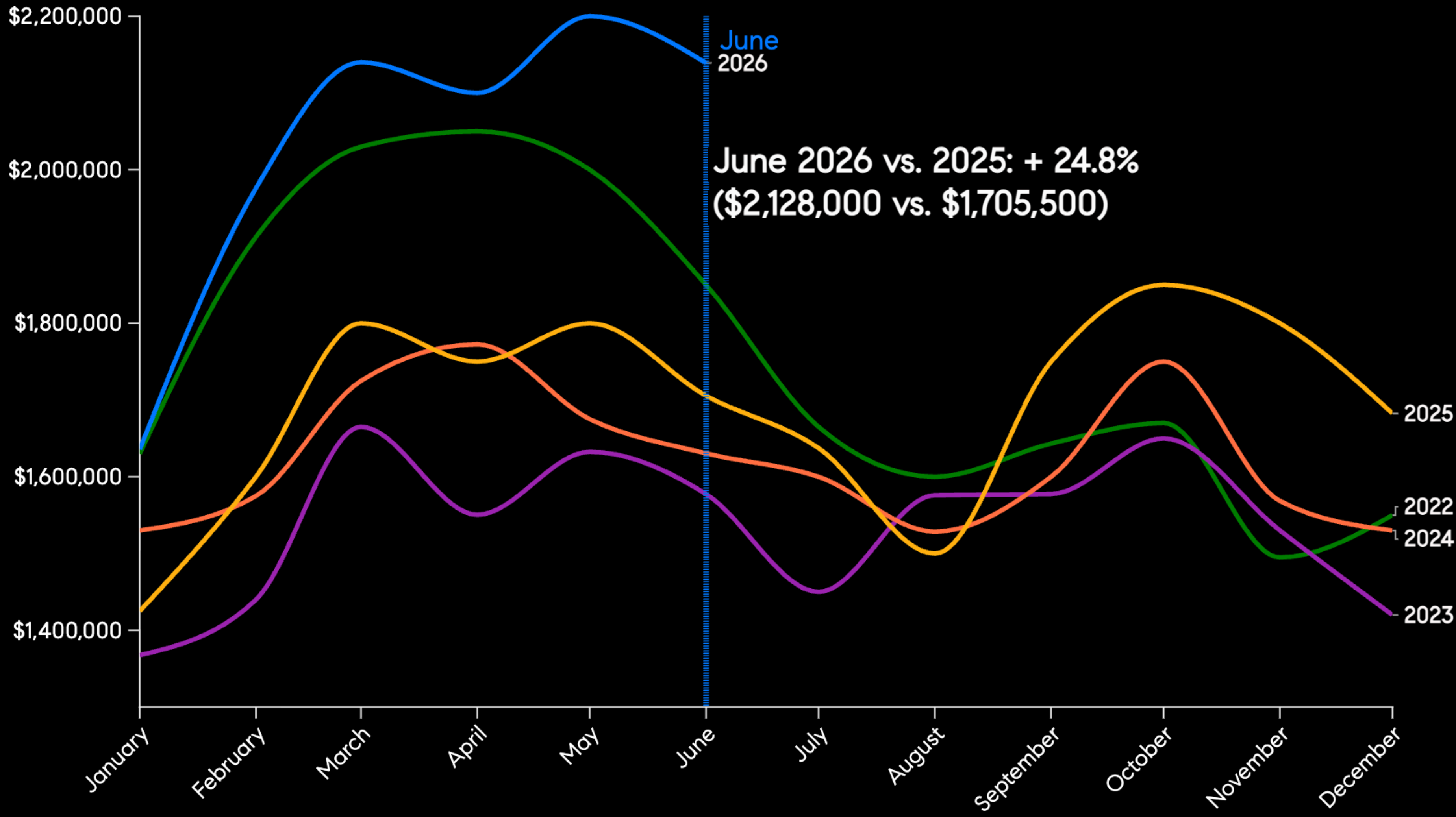
Median Sale Price

Single Family Homes

San Francisco County



Source: Compass via MLS · Single Family

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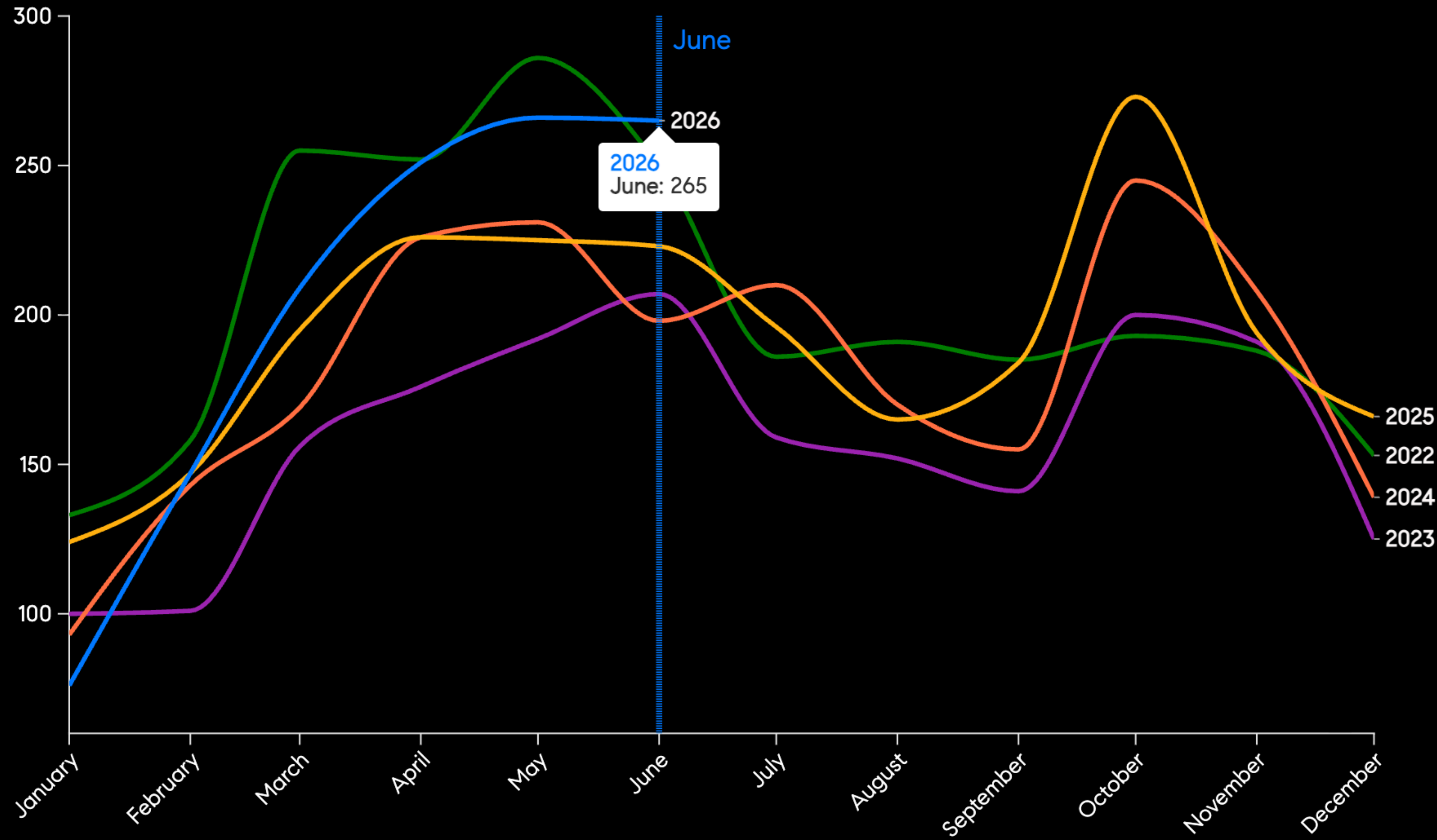
Closed Sales

Single Family Homes

San Francisco County



Source: Compass via MLS · Single Family

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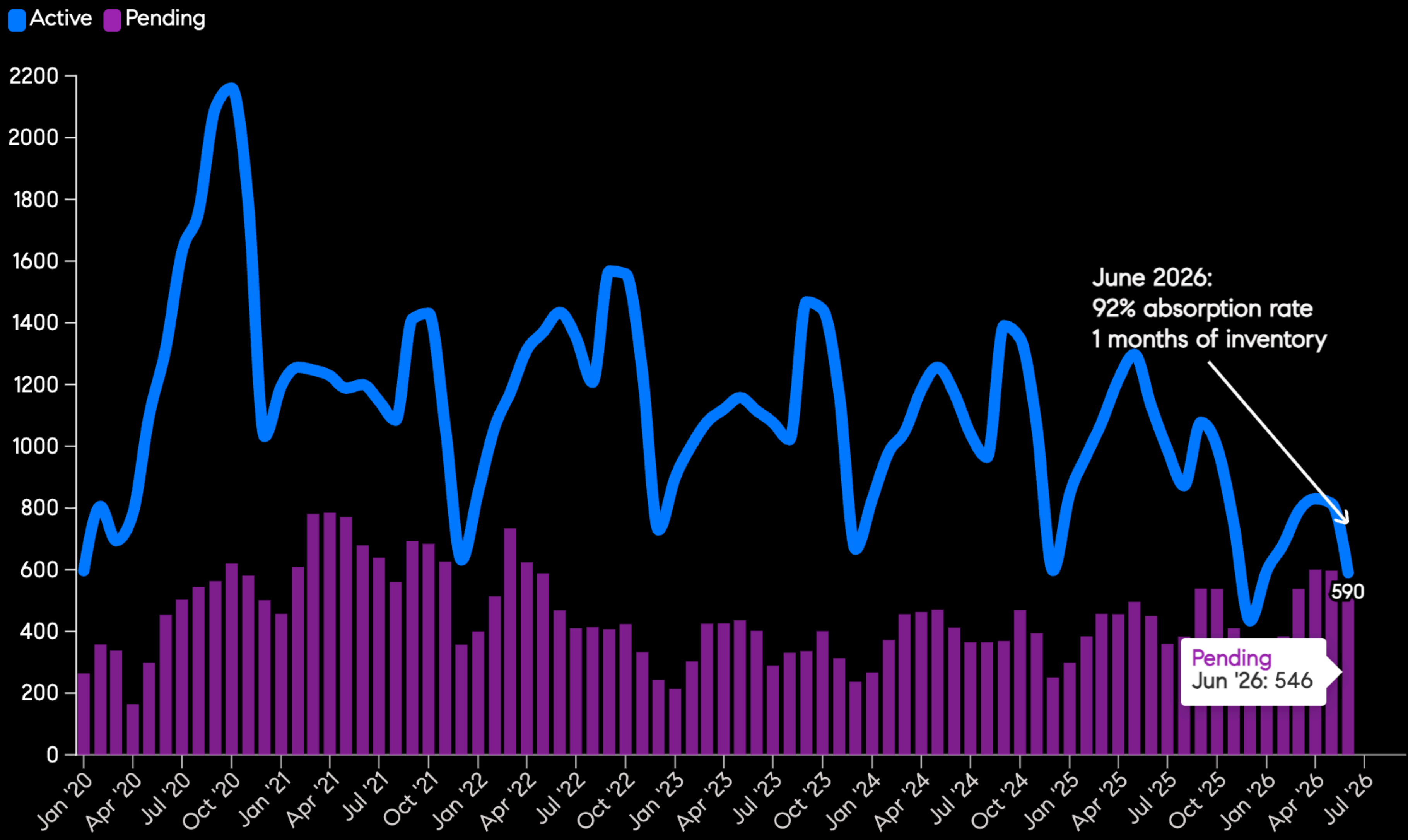
Active Listings and Pending Sales

San Francisco County



Source: Compass via MLS · Single Family Homes and Condos

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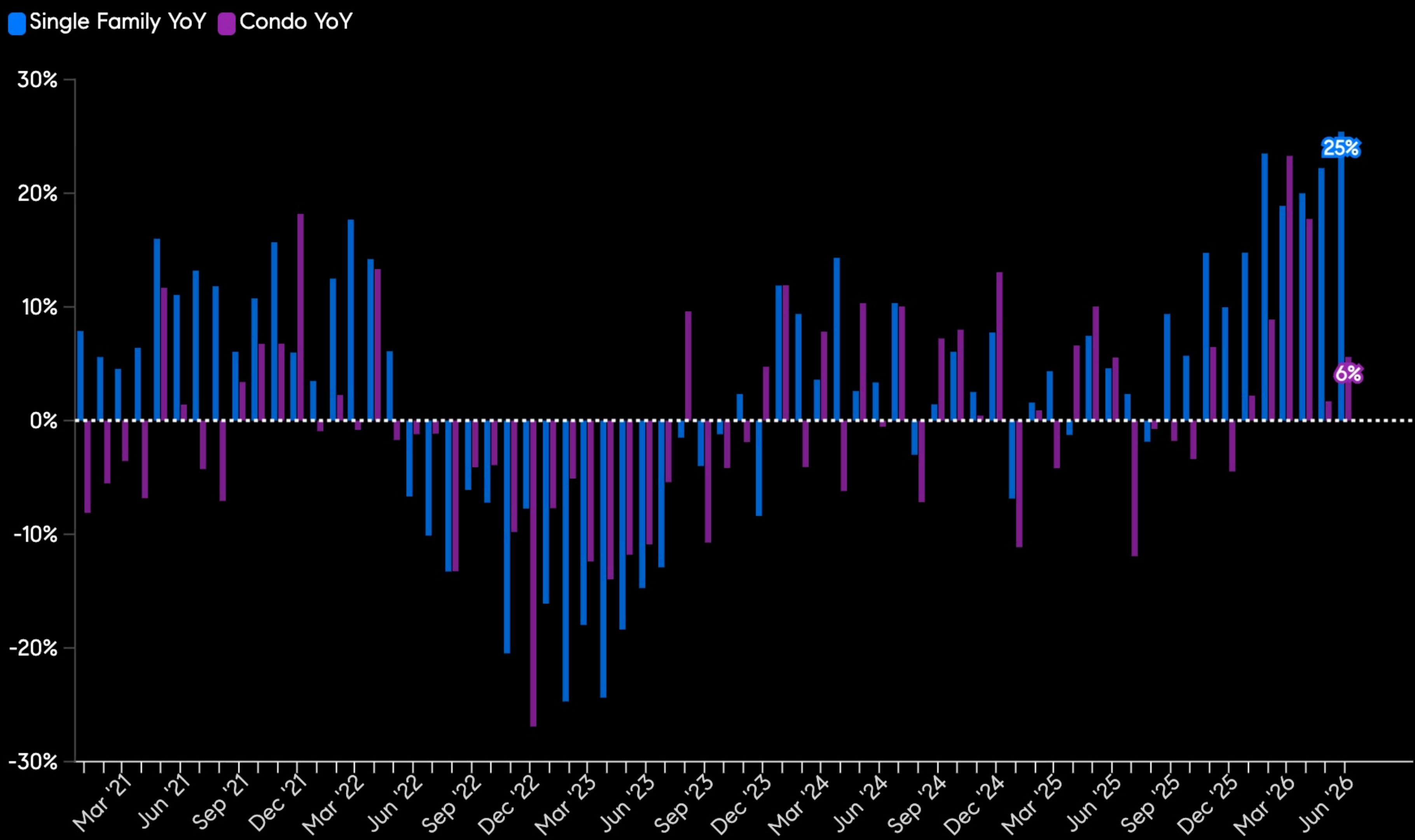
Median Price Year Over Year Change

San Francisco County



Source: Compass via MLS

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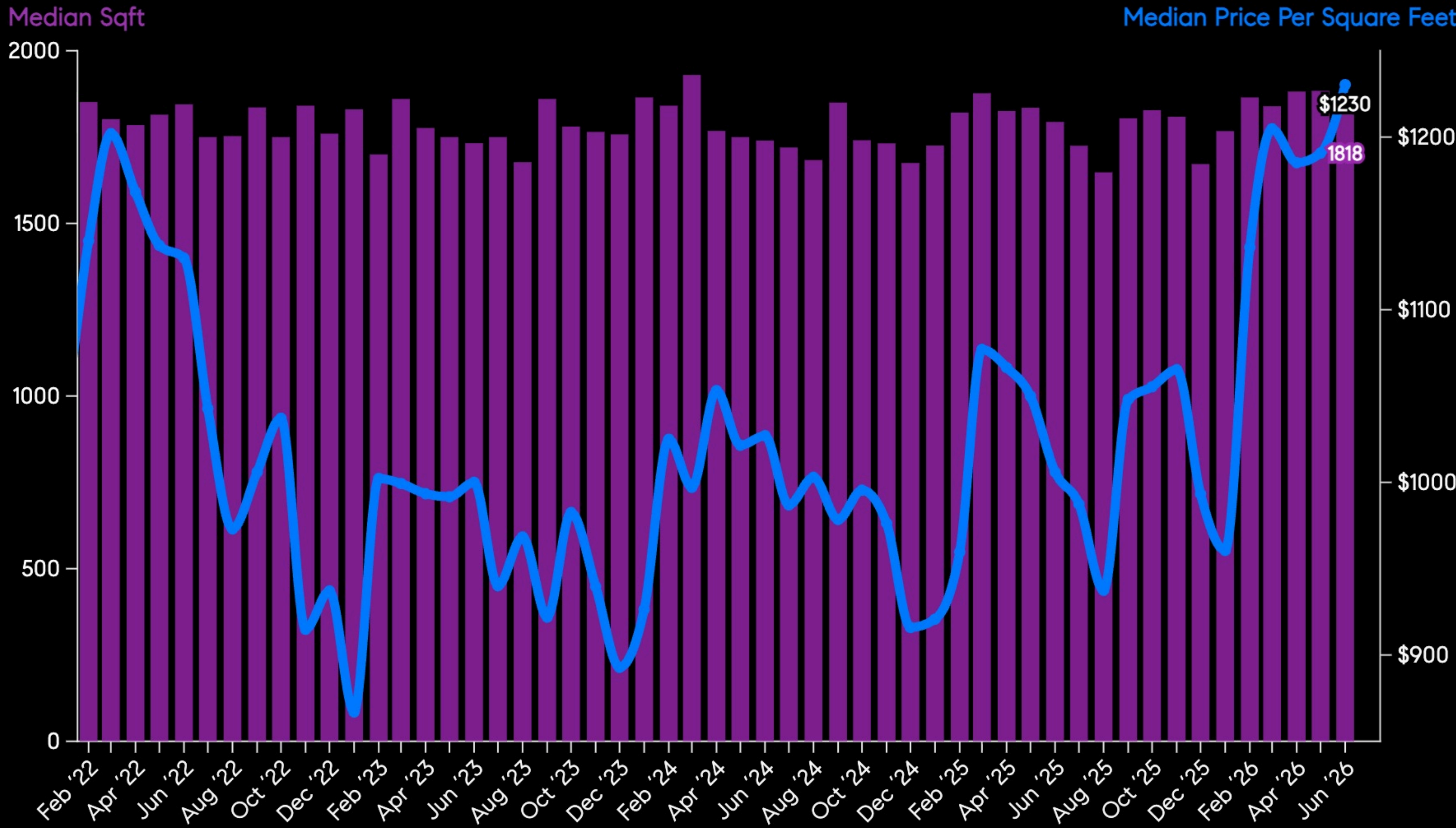
Price Per Square Foot and Median Square Feet

San Francisco County



Source: Compass via MLS data · Single Family Homes

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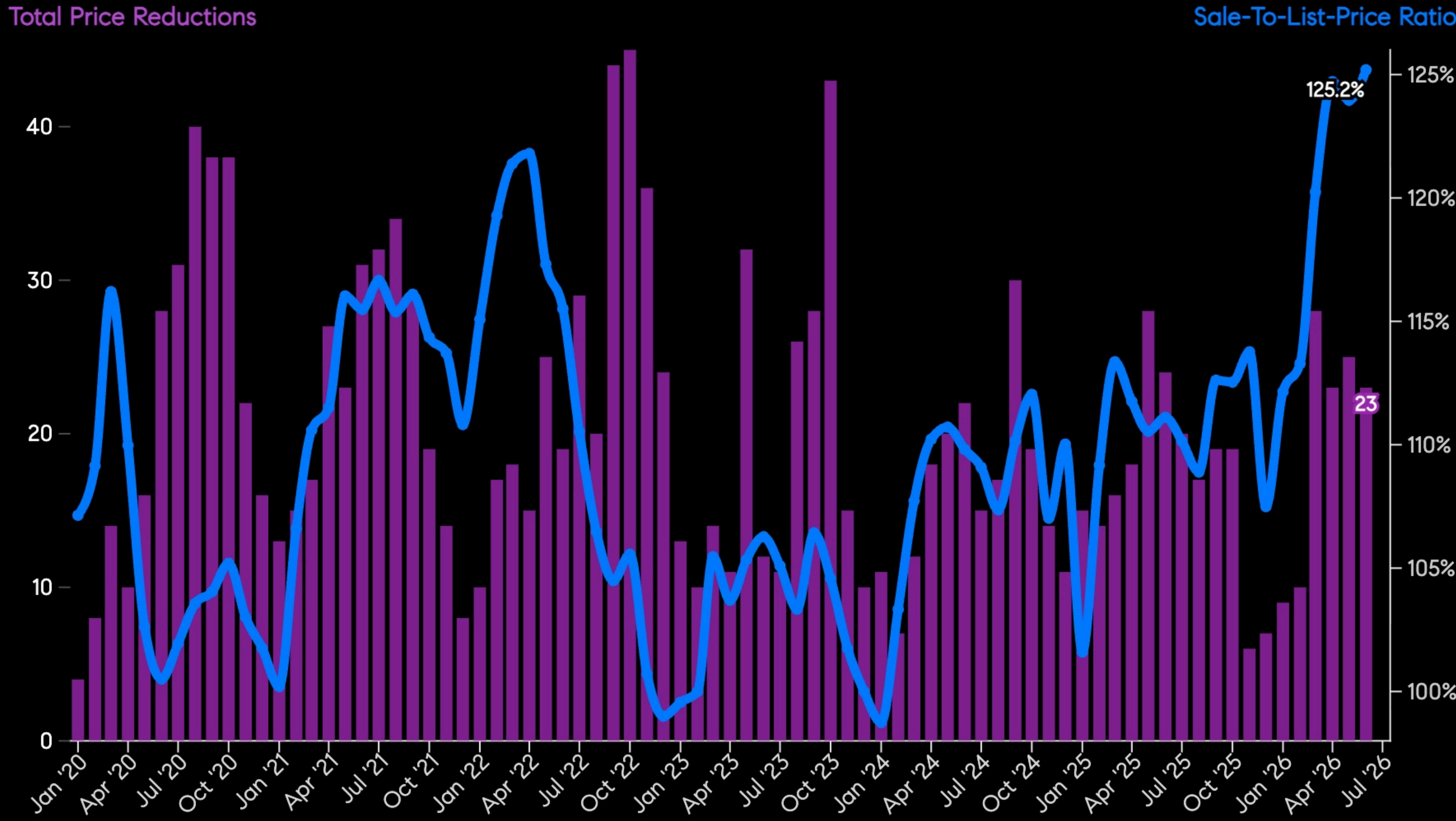
Sale-To-List-Price Ratio

San Francisco County



Source: Compass via MLS · Single Family Homes

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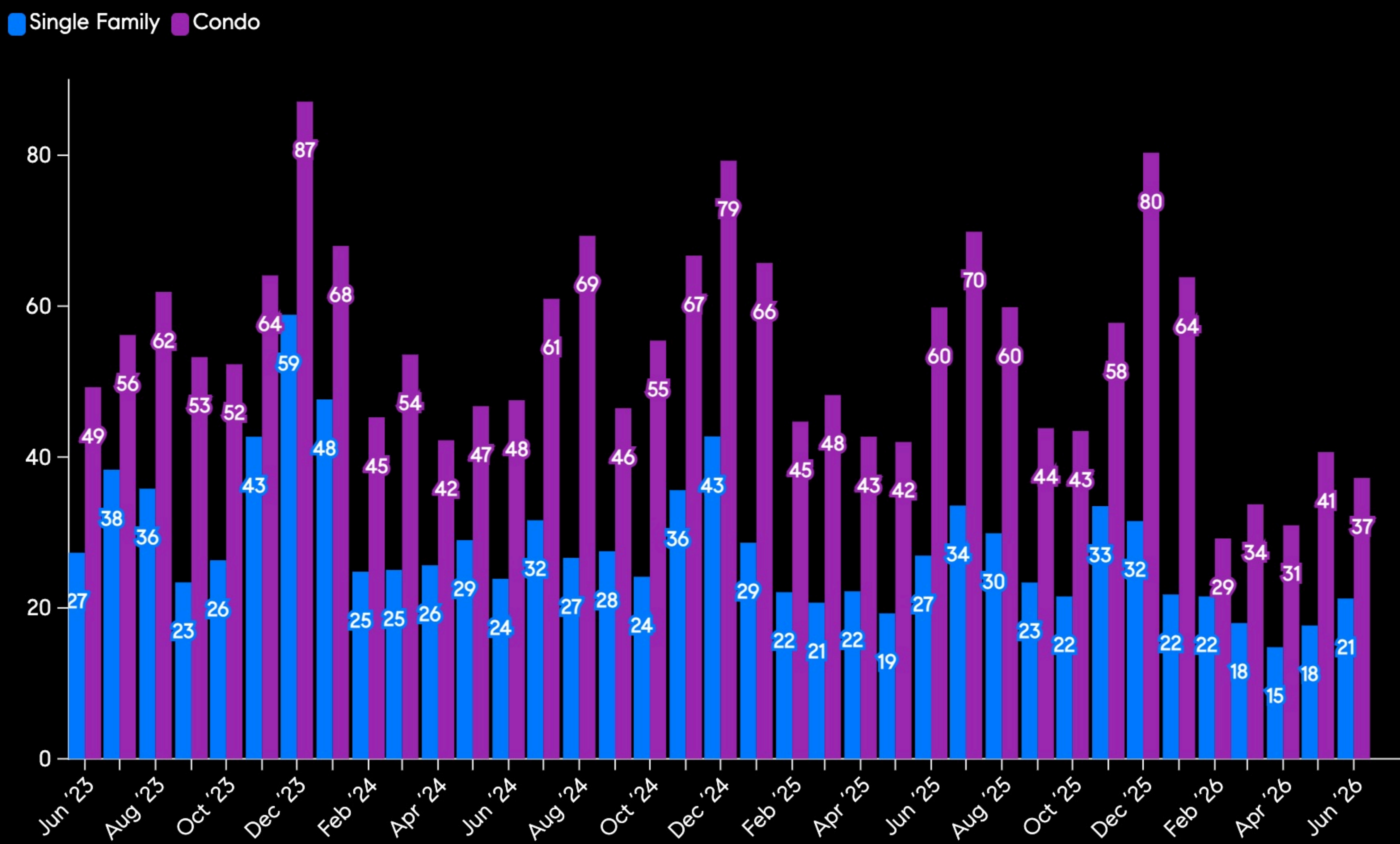
Average Days on Market

San Francisco County



Source: Compass via MLS · Single Family

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San Francisco Neighborhoods

June 12 month rolling average for local single family homes

Neighborhood	Median Sale Price	MDN % Change	PPSFT	Closed Sales	Closed % Change	Pendings
Bayview	$915,000	-0.54	$647	54	-3.57	57
Bernal Heights	$1,715,000	7.02	$1,163	170	3.66	173
Central Richmond	$2,400,000	24.68	$1,136	48	-18.64	50
Central Sunset	$1,818,500	13.66	$1,075	100	0	98
Crocker Amazon	$1,180,000	5.36	$816	48	6.67	49
Eureka Valley	$3,250,000	26.95	$1,616	72	5.88	69
Excelsior	$1,150,000	4.07	$835	112	7.69	112
Glen Park	$2,125,000	14.25	$1,243	66	1.54	75
Ingleside	$1,300,000	29.35	$873	37	19.35	45
Inner Mission	$1,875,000	14.12	$1,120	41	64	41
Inner Sunset	$2,125,000	6.25	$1,248	38	-7.32	36
Miraloma Park	$1,946,250	18.67	$1,108	48	-5.88	47

Source: Compass via MLS · Single Family Homes

San Francisco Neighborhoods

June 12 month rolling average for local single family homes

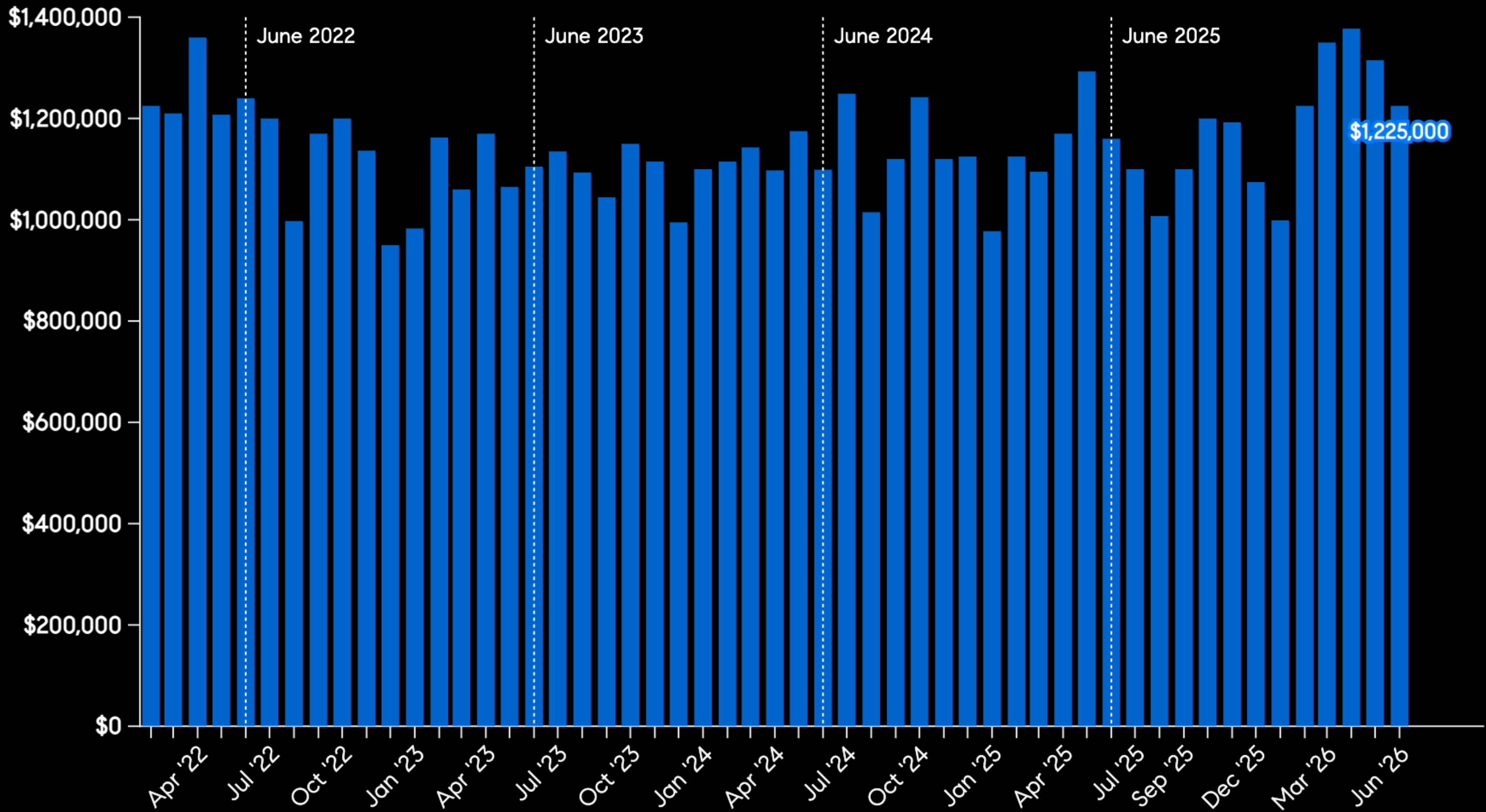
Neighborhood	Median Sale Price	MDN % Change	PPSFT	Closed Sales	Closed % Change	Pendings
Noe Valley	$3,000,000	15.38	$1,576	125	3.31	123
Outer Mission	$1,167,500	1.44	$801	38	0	38
Outer Parkside	$1,610,000	11.03	$1,145	62	-30.34	64
Outer Richmond	$2,050,000	13.89	$1,070	65	25	72
Outer Sunset	$1,600,000	6.67	$1,164	73	4.29	71
Pacific Heights	$7,600,000	25.62	$1,659	55	14.58	53
Parkside	$1,708,000	12	$1,092	97	-2.02	95
Portola	$1,260,000	5	$804	83	36.07	81
Potrero Hill	$2,010,000	16.35	$1,281	40	0	40
Sunnyside	$1,512,500	8.04	$1,043	58	18.37	58
Visitacion Valley	$982,000	0.72	$772	48	-12.73	51

Source: Compass via MLS · Single Family Homes

Median Sale Price

Condos

San Francisco County



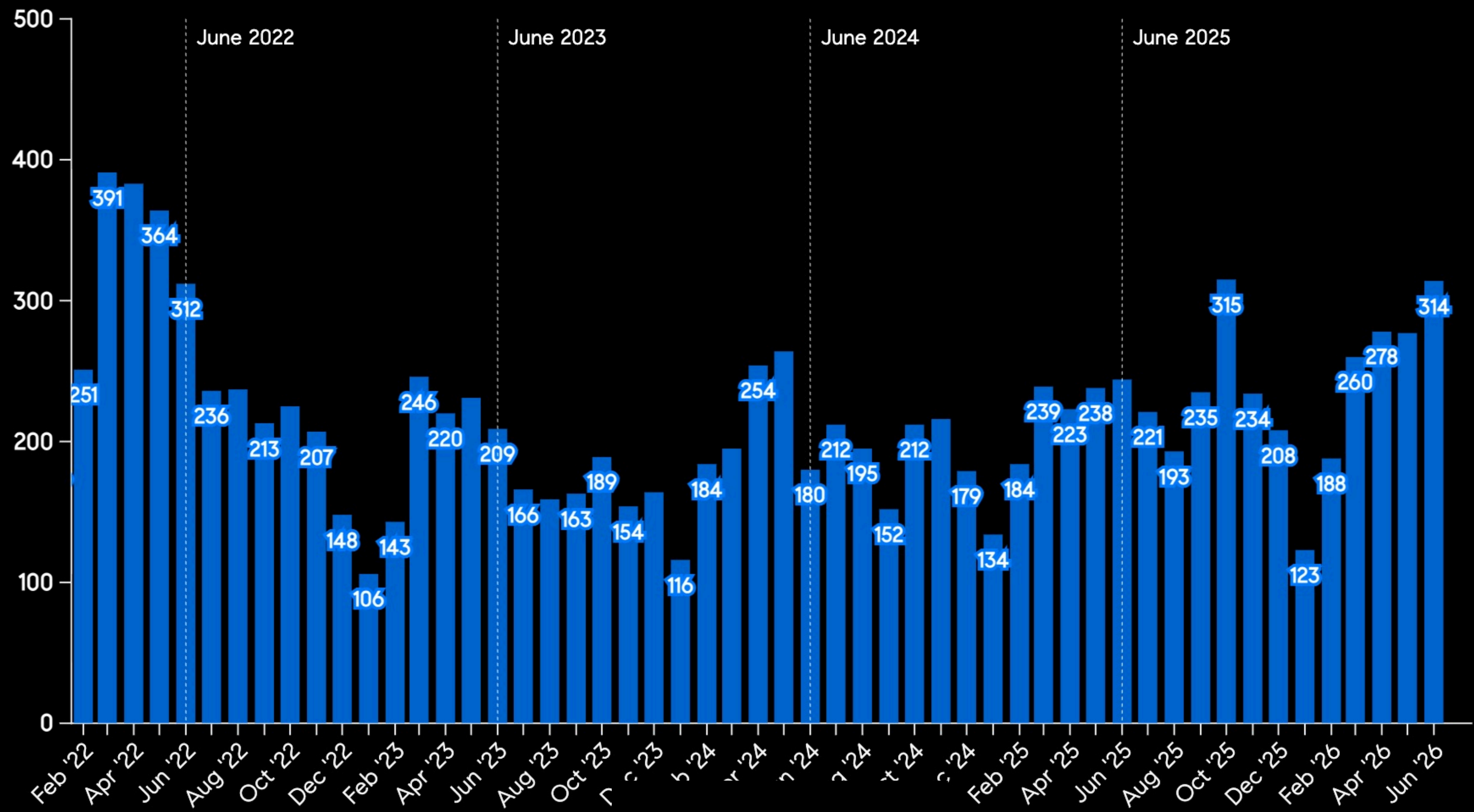
Source: Compass via MLS data · Condos

COMPASS INTERNATIONAL HOLDINGS

Closed Sales

Condos

San Francisco County



Source: Compass via MLS data · Condos

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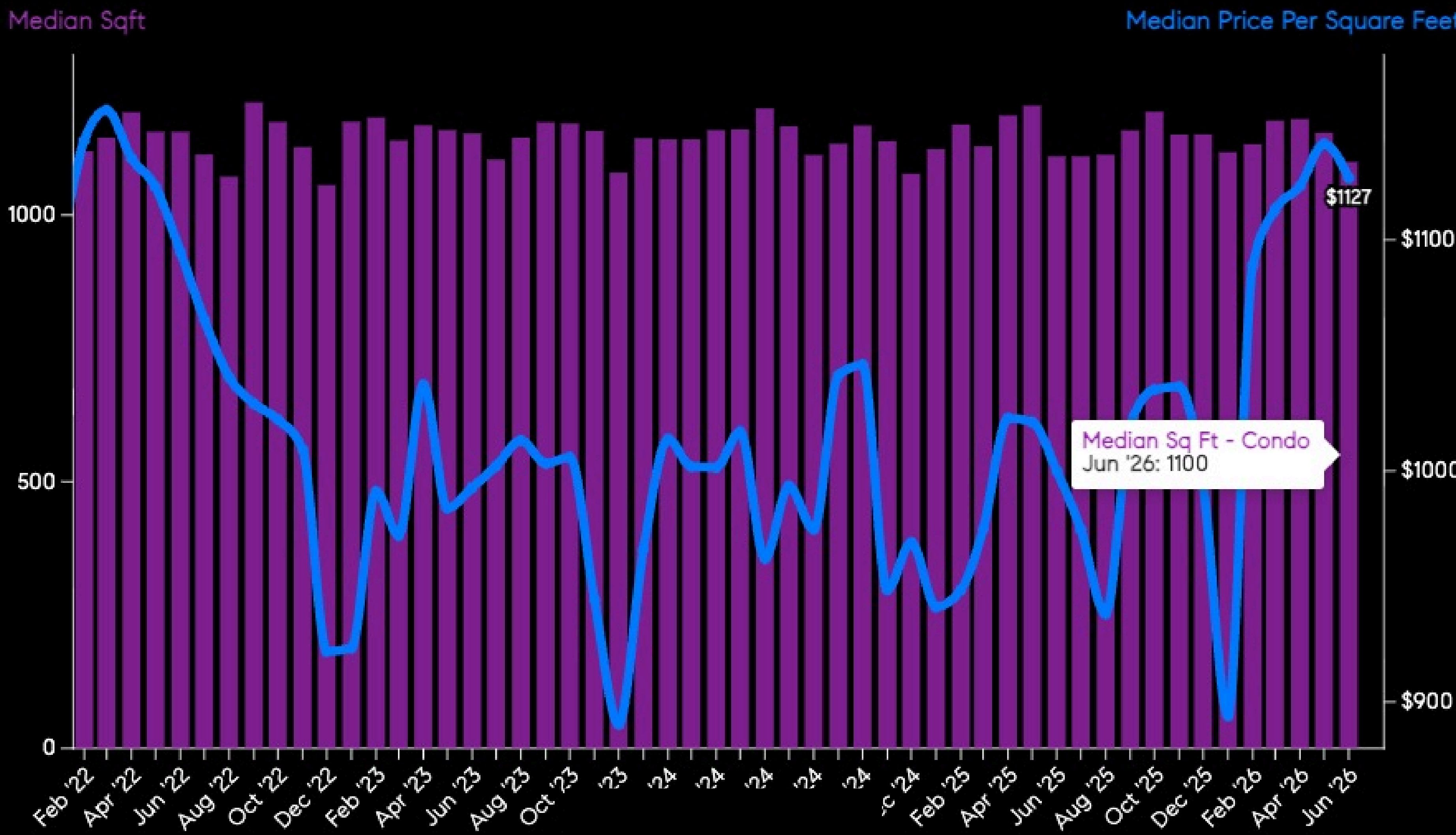
Price Per Square Foot and Median Square Feet

Condos

San Francisco County



Source: Compass via MLS data · Condos

COMPASS INTERNATIONAL HOLDINGS

San Francisco Neighborhoods

June 12 month rolling average for local condos

City	Median Sale Price	MDN % Change	PPSFT	Closed Sales	Closed % Change	Pendings
Central Waterfront-Dogpatch	$1,062,500	7.32	$1,127	38	15.15	37
Cole Vly-Ashbury Hghts.	$1,532,500	0.49	$1,186	60	20	64
Cow Hollow	$1,775,000	-1.11	$1,369	73	32.73	70
Downtown San Francisco	$640,000	2.4	$841	61	3.39	67
Eureka Valley	$1,412,500	-5.83	$1,199	86	3.61	92
Hayes Valley	$1,160,000	1.98	$1,104	113	24.18	110
Inner Mission	$937,500	-1.32	$884	126	12.5	146
Inner Richmond	$1,305,000	0.38	$1,029	36	56.52	43
Lower Pacific Heights	$1,258,000	10.35	$1,115	67	26.42	67
Marina	$1,750,000	0.75	$1,322	83	36.07	81
Mission Bay	$1,200,000	13.21	$1,094	79	-11.24	82
Mission Dolores	$1,172,500	-1.05	$1,093	64	12.28	73

Source: Compass via MLS · Condo

San Francisco Neighborhoods

June 12 month rolling average for local condos

City	Median Sale Price	MDN % Change	PPSFT	Closed Sales	Closed % Change	Pendings
Noe Valley	$1,440,000	-4.32	$1,117	114	20	115
Pacific Heights	$1,750,000	7.69	$1,233	164	-4.65	168
Panhandle	$1,647,500	22.04	$1,145	48	65.52	46
Potrero Hill	$1,140,000	3.64	$1,033	85	18.06	82
Russian Hill	$1,350,000	3.77	$1,250	147	27.83	154
South Beach	$1,081,000	-10.38	$1,071	315	28.57	348
Telegraph Hill	$966,500	-18.09	$1,179	38	100	37
Van Ness-Civic Center	$755,000	16.15	$774	97	24.36	108
Western Addition	$810,000	17.65	$761	43	43.33	45
Western South of Market	$753,755	0.77	$766	70	-11.39	75
Yerba Buena	$1,100,000	22.22	$933	105	56.72	103

Source: Compass via MLS · Condo

SAN FRANCISCO 37°48'21"N 122°24'23"W

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