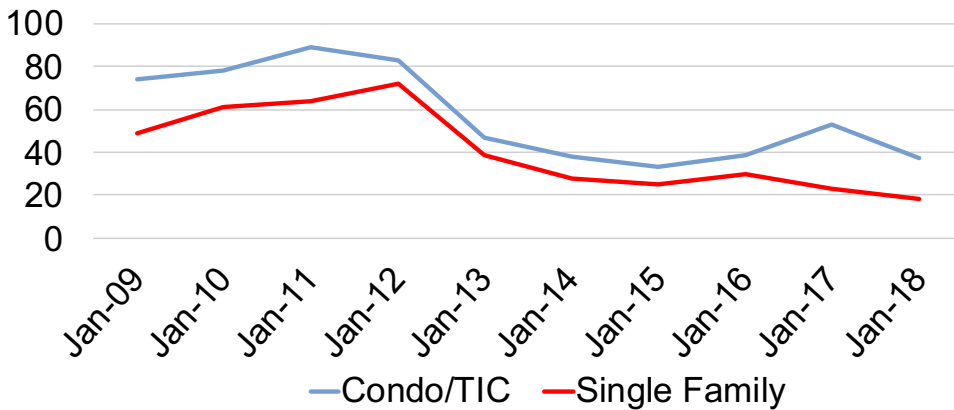


SAN FRANCISCO MARKET UPDATE FEBRUARY 2018

Single family homes continue to see the greatest pricing pressure, with purchasers paying an average of 12% over list price last month. This is a further improvement over the previous year, where purchasers paid an average of 8% over list price. The greatest overbidding occurred in the middle price tier of \$1.1MM-\$1.9MM, where purchasers paid an average of 20% over list price. In stark contrast, condominium purchasers only paid an average of 2% over list price last month. Additional market performance stats from last month have been included below.

MEDIAN MARKET TIME

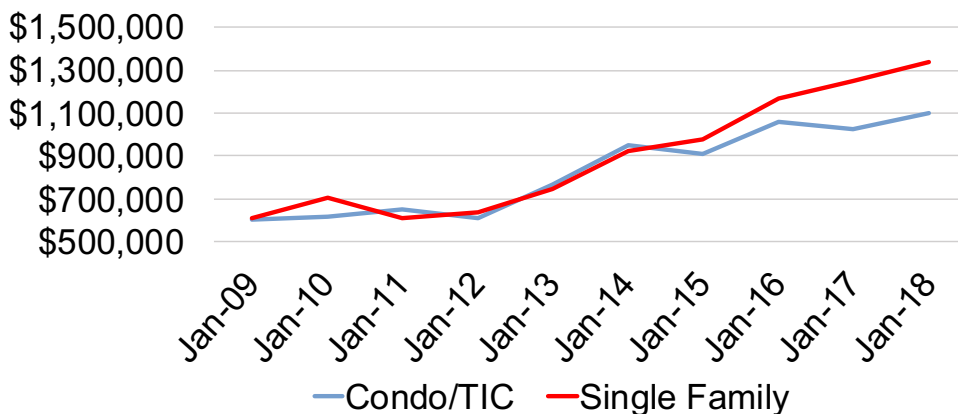


Condo/TIC
37 days
 -16 days year-over-year

Single Family
18 DAYS
 -5 days year-over-year

Median market time for condominiums improved dramatically in January, as a result of far less competition from new developments. The number of new construction units on the market is running approximately 40% less than last year. Median market time for single family homes also improved, as the inventory levels remained tight and demand ran high.

MEDIAN SALE PRICE



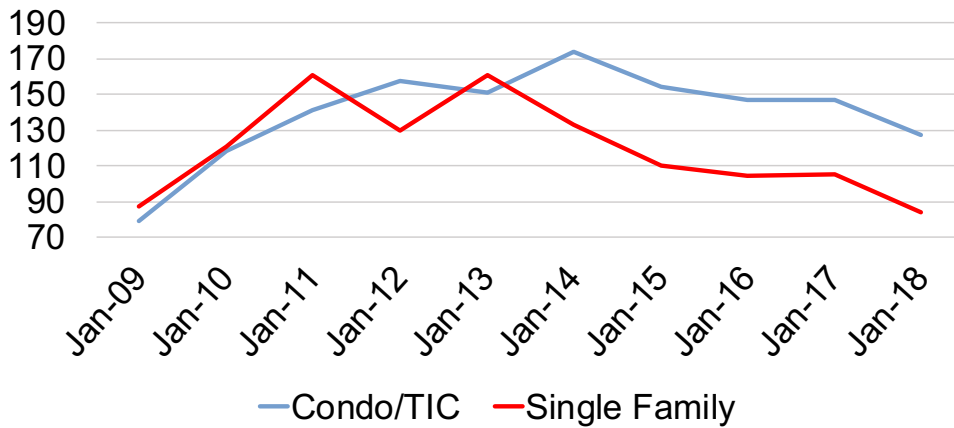
Condo/TIC
\$1,100,000
 +7% year-over-year

Single Family
\$1,340,000
 +7% year-over-year

Both the condominium and single family home sectors posted strong year-over-year median price gains. Single family home values have now risen 120% since January 2009. Condominiums have risen 82% over the same period. Both condominium and single family home values have grown an average of 7% over the last ten years.

SAN FRANCISCO MARKET UPDATE FEBRUARY 2018

NUMBER OF SALES



Condo/TIC

127

-14% year-over-year

Single Family

84

-20% year-over-year

The number of single family and condominium transactions has decreased dramatically over the last five years. This is likely due to chronically low inventory levels. The current Months Supply of Inventory measures at about one month, far less than the widely regarded equilibrium of six months.

MEDIAN AREA VALUES

Neighborhood	Single-Family	\$/SqFt	Over List \$
Pacific/Presidio Heights	\$5,900,000	\$1,455	-1%
Alamo Square/NOPA	\$3,500,000	\$946	+13%
Marina/Cow Hollow	\$3,475,000	\$1,393	+1%
Lower Pac/Laurel Hts	\$3,000,000	\$1,041	+1%
Russian Hill	\$2,967,500	\$1,204	+0%
Cole Valley/Haight	\$2,885,000	\$1,177	+3%
Castro/Duboce Triangle	\$2,700,000	\$1,158	+8%
Buena Vista/Corona Hts	\$2,600,000	\$1,125	+6%
Hayes Valley	\$2,462,500	\$1,192	+11%
Noe Valley	\$2,300,000	\$1,216	+5%
Diamond Heights	\$1,912,500	\$967	+13%
Ingleside Ter/Lakeside	\$1,810,000	\$852	+15%
Potrero Hill	\$1,725,000	\$1,086	+15%
Mission	\$1,685,000	\$943	+5%
Richmond	\$1,650,000	\$869	+15%
Bernal Hts/Glen Park	\$1,500,000	\$1,019	+15%
Sunset	\$1,368,000	\$886	+24%
Westwood Pk/Sunnyside	\$1,300,000	\$946	+19%
Excelsior/Portola	\$978,000	\$764	+19%
Bayview/Hunters Point	\$825,000	\$604	+7%

SAN FRANCISCO MARKET UPDATE FEBRUARY 2018

MEDIAN AREA VALUES

Neighborhood	Condo/TIC	\$/SqFt	Over List \$
Russian Hill*	\$1,655,000	\$1,219	+2%
Marina/Cow Hollow	\$1,580,000	\$1,155	+6%
Pacific/Presidio Hts	\$1,555,000	\$1,147	+1%
Castro/Duboce Triangle	\$1,420,000	\$1,102	+12%
Noe Valley	\$1,420,000	\$1,118	+10%
Cole Valley/Haight	\$1,364,000	\$1,100	+7%
Alamo Square/NOPA	\$1,350,000	\$1,027	+8%
Nob Hill*	\$1,300,000	\$1,206	+0%
Lower Pac/Laurel Hts	\$1,282,500	\$1,062	+4%
Hayes Valley	\$1,275,000	\$1,112	+6%
Telegraph Hill	\$1,275,000	\$1,084	+0%
Buena Vista/Corona Hts	\$1,259,000	\$1,111	+12%
Mission Dolores	\$1,247,500	\$1,075	+7%
Mission Bay	\$1,220,000	\$1,071	+0%
Potrero Hill	\$1,142,500	\$1,071	+3%
S. Beach/Yerba Buena	\$1,110,000	\$1,129	+0%
North Beach/Fisherman's	\$1,075,000	\$1,058	+0%
Dogpatch	\$1,065,000	\$920	+4%
Mission	\$1,050,000	\$1,010	+3%
Richmond	\$1,050,000	\$894	+8%
Sunset	\$1,020,000	\$837	+7%
Bernal Heights/Glen Park	\$1,002,500	\$983	+9%
SOMA	\$926,500	\$917	+0%
Diamond Heights	\$725,000	\$852	+7%
Bayview/Hunters Point	\$720,000	\$649	+0%