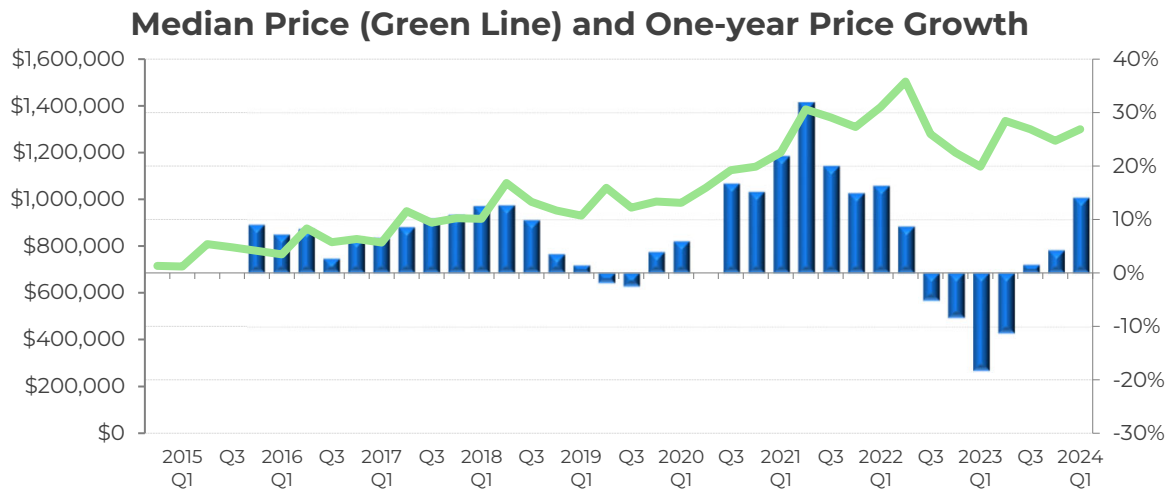


# San Francisco-Oakland-Hayward Area

## Local Market Report, First Quarter 2024

### Today's Market...



Local Price Trends			
Price Activity	San Francisco	U.S.	Local Trend
Current Median Home Price (2024 Q1)	\$1,300,000	\$385,100	Prices continue to grow relative to last year
1-year (4-quarter) Appreciation (2024 Q1)	14.0%	5.1%	
3-year (12-quarter) Appreciation (2024 Q1)	8.3%	21.2%	
3-year (12-quarter) Housing Equity Gain*	\$100,000	\$67,467	Gains in the last 3 years have extended the trend of positive price growth after the recession
7-year (28 quarters) Housing Equity Gain*	\$485,000	\$154,400	
9-year (36 quarters) Housing Equity Gain*	\$586,200	\$181,700	

\*Note: Equity gain reflects price appreciation only

	San Francisco	U.S.	
<b>Conforming Loan Limit**</b>	\$1,149,825	\$1,149,825	Government-backed financing is limited in this market, hampering home sales
<b>FHA Loan Limit</b>	\$1,149,825	\$1,149,825	
<b>Local Median to Conforming Limit Ratio</b>	113%	not comparable	

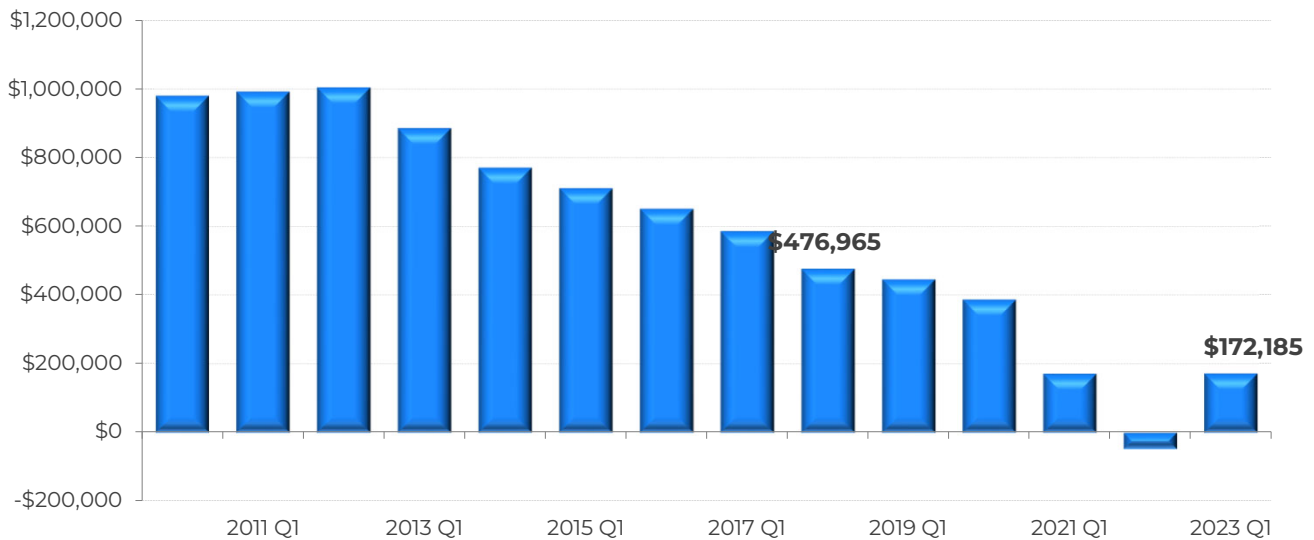
Note: limits are current and include the changes made on January 1st 2024.

#### Local NAR Leadership

The San Francisco-Oakland-Hayward market is part of region 13 in the NAR governance system, which includes all of California, Hawaii, and Guam. The 2024 NAR Regional Vice President representing region 13 is Jennifer Branchini.

## Benefits of Ownership: Total Equity Appreciation

**Total Equity Accrued to Owner by Year and Quarter of Purchase**



<b>Total Equity Gained** through 2024 Q1 from quarter in which home was of purchased</b>			
<b>Price Activity</b>	<b>San Francisco</b>	<b>U.S.</b>	<b>Local Trend</b>
1-year (4-quarter)	\$172,185	\$22,451	Price appreciation and principle payments in the last 3 years have boosted total equity growth since the recession
3-year (12-quarter)*	\$171,492	\$86,390	
5-year (20-quarter)*	\$446,564	\$152,868	
7-year (28 quarters)*	\$585,871	\$182,953	
9-year (36 quarters)*	\$711,596	\$217,432	

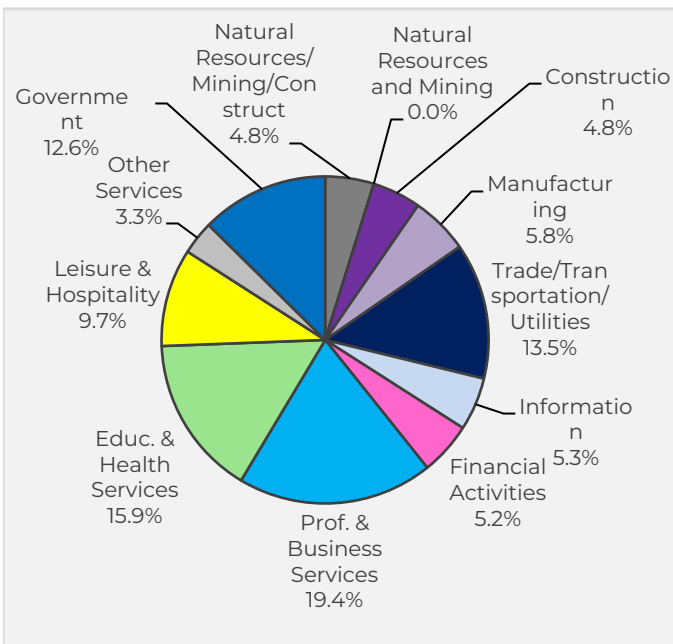
\*Note: Equity gain reflects price and principle payments since purchase, prevailing 30-year fixed rate mortgage at time of purchase and a 10% downpayment. Downpayment is not included in total equity

## Drivers of Local Supply and Demand...

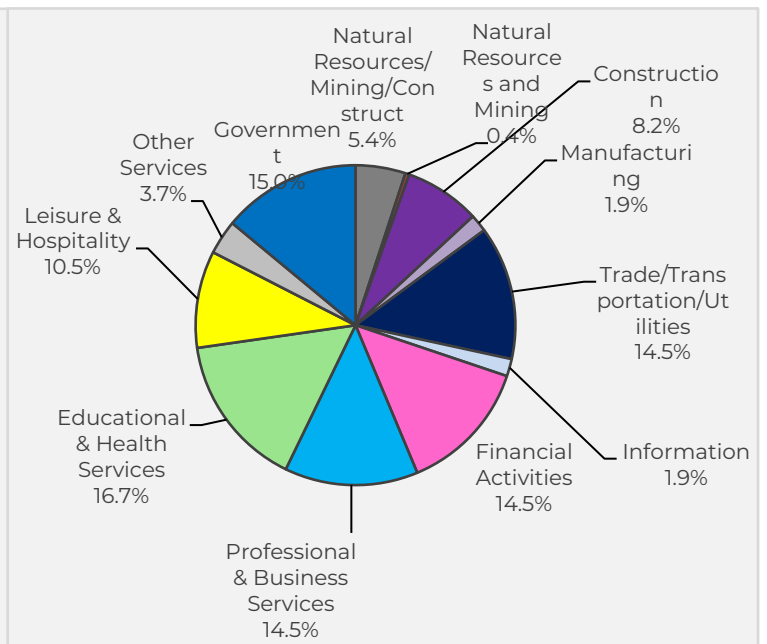
Local Economic Outlook	San Francisco	U.S.	
12-month Job Change (Mar)	2,200	Not Comparable	Employment has held up and is on an upward trend
12-month Job Change (Feb)	-3,300	Not Comparable	
36-month Job Change (Mar)	191,900	Not Comparable	San Francisco's unemployment situation is worse than the national average and weighs on confidence
Current Unemployment Rate (Mar)	4.2%	3.8%	
Year-ago Unemployment Rate	3.3%	3.5%	Local employment growth is poor and needs to improve
1-year (12 month) Job Growth Rate	0.1%	2.1%	

## Share of Total Employment by Industry

San Francisco-Oakland-Hayward Area



U.S.

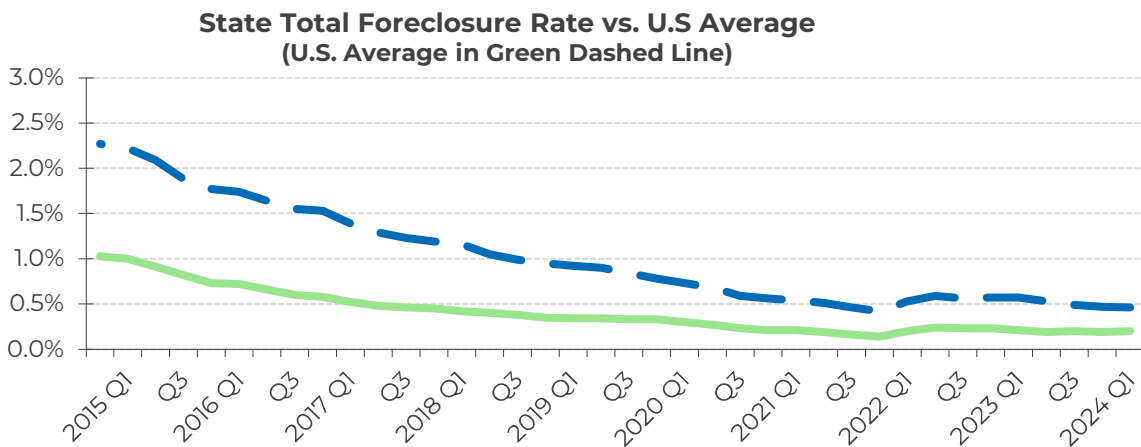
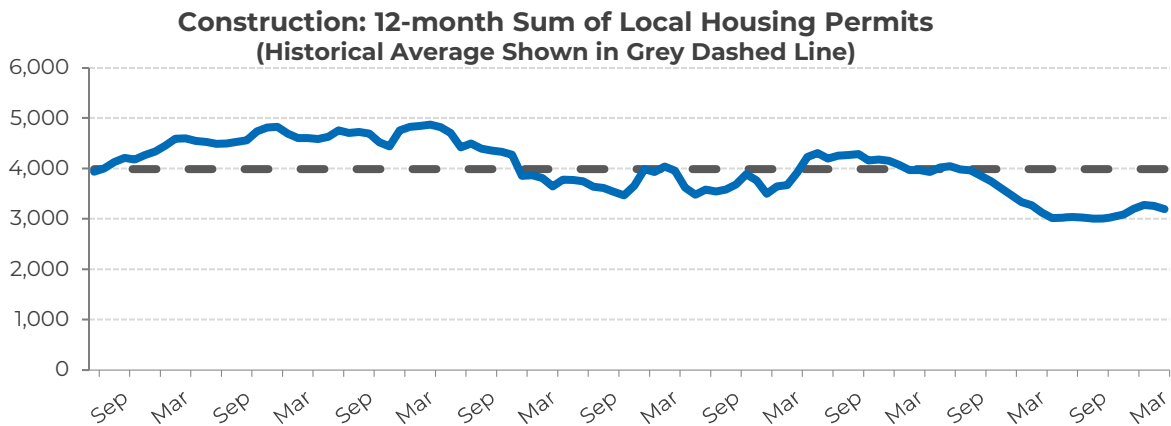


## 12-month Employment Change by Industry (Mar - 2024)

Goods Producing	NA	Information	-16,600
Natural Resources/Mining/Construction	-3,200	Financial Activities	-4,700
Natural Resources and Mining	0	Prof. & Business Services	-12,300
Construction	-3,200	Educ. & Health Services	20,800
Manufacturing	-4,200	Leisure & Hospitality	8,800
Service Providing Excluding Government	NA	Other Services	1,700
Trade/Transportation/Utilities	-1,500	Government	7,900

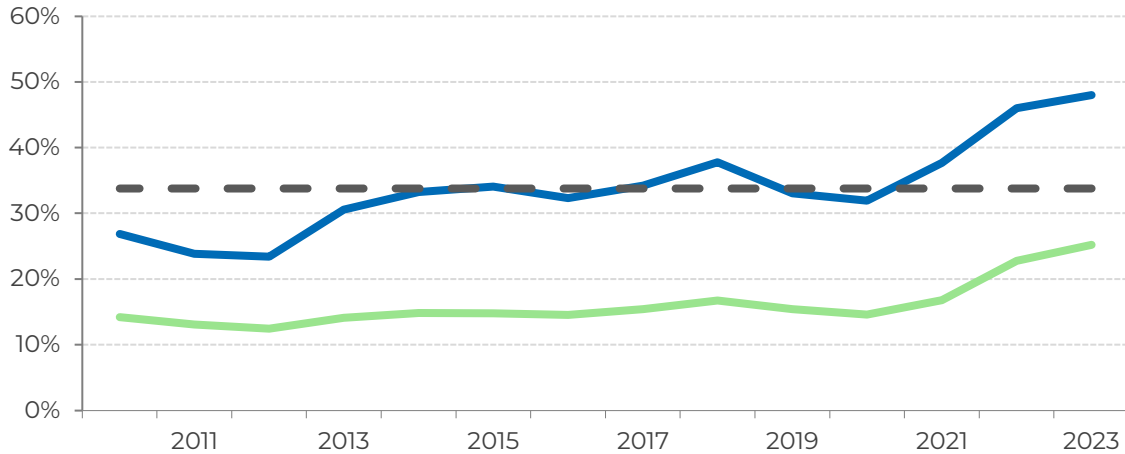
State Economic Activity Index	California	U.S.	
12-month change (2024 - Mar)	1.6%	2.9%	The economy of California is growing more slowly than the rest of the nation, but improved modestly from last month's 1.56% change
36-month change (2024 - Mar)	16.5%	12.9%	

New Housing Construction			
Local Fundamentals	San Francisco	U.S.	
12-month Sum of 1-unit Building Permits through Mar	3,195	not comparable	The current level of construction is 20.0% below the long-term average
8-year average for 12-month Sum of 1-Unit Building Permits	3,991	not comparable	Reduced construction will limit new supply to the market, allowing demand to catch up with inventory more quickly
Single-Family Housing Permits (Mar) 12-month sum vs. a year ago	2.3%	8.8%	Construction is on the rise relative to last year, suggesting that the local inventory has stabilized



# Affordability

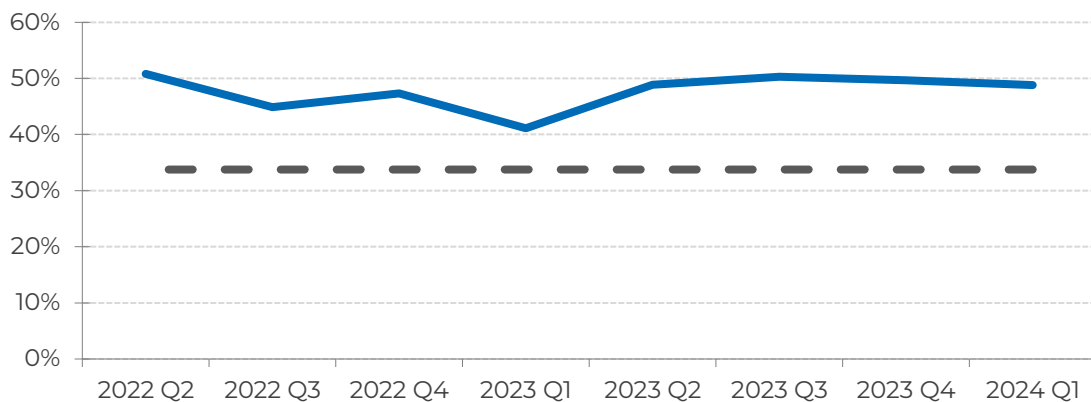
**Long-Term Trend: Ratio of Local Mortgage Servicing Cost to Income**  
(Local Historical Average Shown in Grey, U.S. Average in Green)



Monthly Mortgage Payment to Income*	San Francisco	U.S.	
Ratio for 2023	48.0%	25.2%	Weak by local standards, but better than the fourth quarter of 2023
Ratio for 2024 Q1	48.8%	23.7%	
Historical Average	33.8%	17.0%	Weaker affordability than most markets

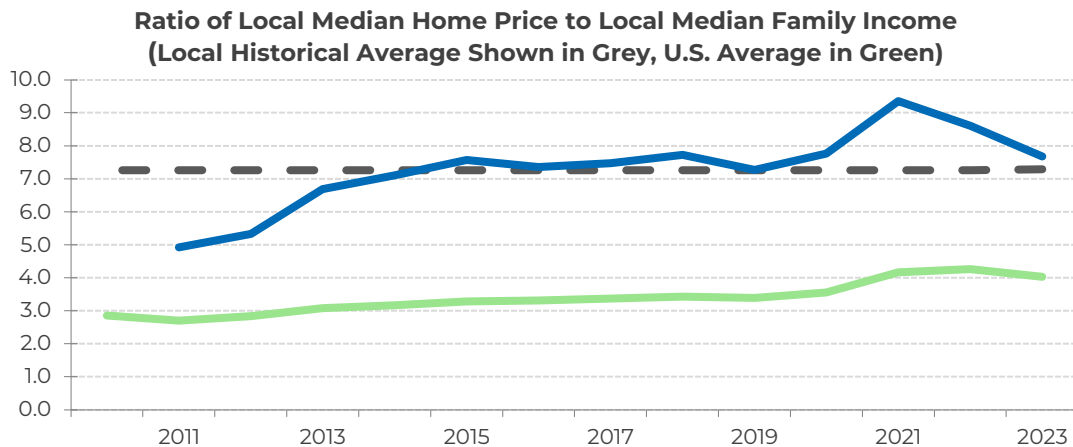
\*The median family Income was included for the calculation of the mortgage payment to income ratio

**Recent Trend - Local Mortgage Servicing Cost to Income**  
(Historical Average Shown in Grey Dashed Line)

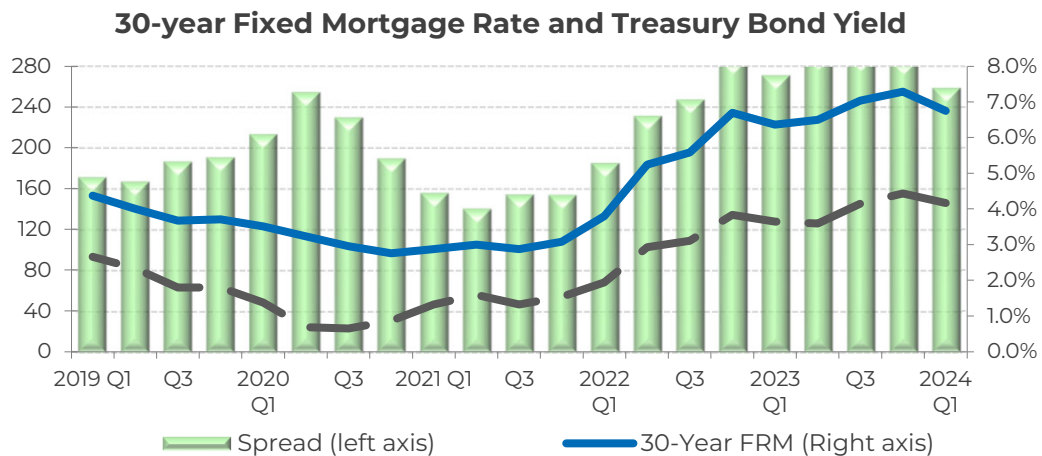


Median Home Price to Income*	San Francisco	U.S.	
Ratio for 2023	7.7	4.0	The price-to-income ratio is high by historic standards and getting worse
Ratio for 2024 Q1	7.8	3.8	
Historical Average	7.3	3.4	Less affordable than most markets

\*The median family Income was included for the calculation of the median home price to income ratio



## The Mortgage Market



During the first quarter of the year, housing affordability improved as mortgage rates fell below 7%. Steady interest rates from the Federal Reserve helped mortgage rates to ease in the first three months of the year. Nevertheless, even with this decrease, mortgage rates continued to be higher than a year ago. According to the mortgage provider Freddie Mac, the 30-year fixed mortgage rate rose to 6.75% in the first quarter from 6.36% a year earlier.

With lower interest rates on the horizon, mortgage rates are expected to ease later this year, thereby enhancing affordability for potential homebuyers. NAR forecasts the 30-year fixed mortgage rate to average 6.5% at the last quarter of the year.

## Geographic Coverage for this Report

The San Francisco area referred to in this report covers the geographic area of the San Francisco-Oakland-Hayward metro area as officially defined by the Office of Management and Budget of the U.S. Government. The official coverage area includes the following counties:

Alameda County, Contra Costa County, Marin County, San Francisco County, and San Mateo County

More information on the OMB's geographic definitions can be found at  
[https://obamawhitehouse.archives.gov/omb/bulletins\\_default/](https://obamawhitehouse.archives.gov/omb/bulletins_default/)