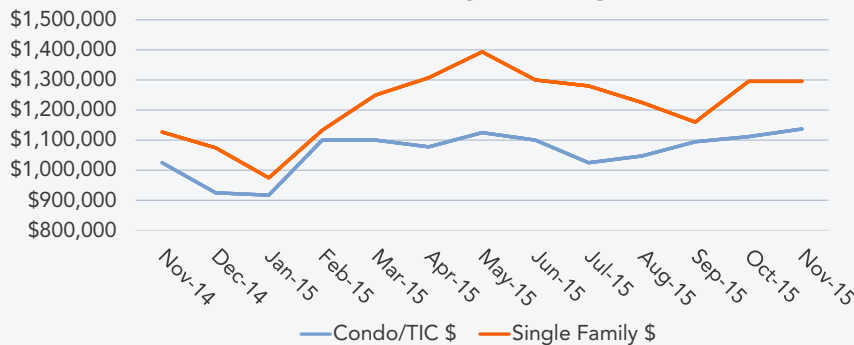


SAN FRANCISCO MARKET UPDATE DECEMBER 2015

YEAR-END OPPORTUNITY

As typical market seasonality holds, inventory levels will decrease significantly in anticipation of the Holidays. As an example, the Month Supply of Inventory (MSI) fell by nearly half, between November and December of last year. However, steadfast buying activity typically continues, as purchasers seek to take advantage of year-end tax benefits. In December 2014, there were 330 pending sales, nearly 30 percent higher than the pending sales in January 2015. The City's economic indicators remain strong, with the most recent unemployment figure clocking in at 3.4 percent. More broadly, a recent US private employer payroll Report showed significant gains in employment. It is widely anticipated that the Fed will raise rates this month, another would-be indicator of a strong national economy.

MEDIAN SALE PRICE



NOVEMBER 2015 MEDIAN

Condo/TIC
\$1,137,000
 + 11% year-over-year

Single Family
\$1,295,000
 + 15% year-over-year

MEDIAN NEIGHBORHOOD VALUES

Neighborhood	Condo/TIC \$	Condo/TIC \$/SqFt	Single Family \$	Single Family \$/SqFt
Alamo Square/NOPA	\$1,370,000	\$947	\$3,100,000	\$963
Bayview/Hunters Point	\$730,000	\$604	\$730,000	\$604
Bernal Heights/Glen Park	\$1,150,000	\$988	\$1,150,000	\$988
Buena Vista/Corona Heights	\$1,260,000	\$1,038	\$2,367,500	\$932
Castro/Duboce Triangle	\$1,275,650	\$1,034	\$2,224,376	\$1,181
Cole Valley/Haight-Ashbury	\$1,217,500	\$958	\$2,825,000	\$1,073
Diamond Heights	\$682,500	\$764	\$1,558,500	\$685
Dogpatch	\$1,290,000	\$936	N/A	N/A
Hayes Valley	\$1,292,000	\$1,055	\$2,887,500	\$897
Lower Pac Heights/Laurel Heights	\$1,237,500	\$1,034	\$2,550,000	\$933
Marina/Cow Hollow	\$1,415,000	\$1,127	\$4,600,000	\$1,456
Mission	\$1,050,000	\$1,004	\$1,660,000	\$988
Mission Dolores	\$1,181,000	\$1,060	N/A	N/A
Mission Bay	\$1,162,500	\$1,090	N/A	N/A
Nob Hill	\$1,250,000	\$1,084	N/A	N/A
Noe Valley	\$1,255,000	\$1,089	\$2,250,611	\$1,304
North Beach/Fisherman's Wharf	\$1,050,000	\$967	N/A	N/A
Pacific/Presidio Heights	\$1,312,500	\$1,167	\$5,505,000	\$1,418
Potrero Hill	\$1,100,000	\$939	\$1,535,000	\$1,129
Richmond	\$1,000,000	\$761	\$1,500,000	\$792
Russian Hill	\$1,337,500	\$1,142	\$3,650,000	\$1,407
SOMA	\$912,000	\$941	N/A	N/A
South Beach/Yerba Buena	\$1,150,000	\$1,177	N/A	N/A
Sunset	\$1,133,000	\$846	\$1,231,500	\$772

N/A results from insufficient sales data. Sources: SFAR, CEEDD, Reuters; Data from 6/1/2015 - 11/30/2015 was used for neighborhood values. Property types covered: Single-family & condo/TIC. BMRs and senior housing have been excluded from stats where possible. All information is deemed reliable, but not guaranteed for accuracy. ©2015 Vanguard Properties. All rights reserved. Equal Housing Opportunity. BRE No. 01486075