Strongest Leasing Market in a Decade

WHAT IS HAPPENING

San Francisco apartments are as full as they have been at any point in the past ten years. Vacancy is 3.2%, down from 3.9% a year ago, and rents are up 13.3%, the fastest pace in a decade.[1] The median rent across all homes listed for rent is $4,495, holding near record levels, with 642 listings citywide.[2] The reason is supply: 918 units were delivered in the past year and 1,740 are under construction, less than 1% of the city's stock.[1]

VACANCY	RENT GROWTH	HOMES FOR RENT
3.2%	**+13.3%**	**642**
down from 3.9% a year ago[1]	year over year, a ten-year high[1]	active listings, all types, September[2]

MEDIAN LISTED RENT BY BEDROOM all rental types[2]

Studio	**$2,700**	+12% YoY
1 bedroom	**$4,275**	+19% YoY
2 bedroom	**$6,200**	+22% YoY
3 bedroom	**$7,500**	+22% YoY
4 bedroom	**$7,995**	+18% YoY

RENT GROWTH BY NEIGHBORHOOD [3]

South of Market	**+25.7%**
Mission Bay / China Basin	**+23.3%**
Downtown San Francisco	**+14.4%**
Sunset / Lakeshore	**+13.6%**
Richmond / Western Addition	**+13.3%**

Every city neighborhood posted growth. The slowest, Marina / Pacific Heights, was still +4.5%.[3]

WHAT IT MEANS FOR YOU

A hot market fills the unit. It does not set the price, choose the tenant, or write the lease, and in San Francisco those three decisions carry for the life of the tenancy. The busiest leasing market in a decade is also the easiest one to rush them. Reach out to see what this means for your building.

LEASING · PROPERTY MANAGEMENT · MULTIFAMILY INVESTMENT SALES

Complimentary rent analysis for San Francisco owners: current pricing, positioning, and a leasing plan.

Jackson Salamunovich AMSI · Novo Real Estate · CA DRE 02200078 · (415) 969-3694 · jackson@realestatenovo.com

Sources: 1. CoStar Group, City of San Francisco multifamily analytics, September 2026, licensed to NOVO Real Estate. 2. Zumper Rent Research, San Francisco, September 2026; medians of active listings, all rental types (apartments, flats, condos and houses). 3. CoStar Group, San Francisco Multi-Family Market Report, September 2026 (city submarkets shown), licensed to NOVO Real Estate.

For informational purposes only. Not investment advice. Forecasts are model estimates subject to revision. Sources deemed reliable; no representation is made as to accuracy or completeness.

San Francisco Apartment Building Sales

WHAT IS HAPPENING

$2.1 billion of multifamily property traded inside the city over the past twelve months, and the price paid per unit rose 7.1%.[1] Buyers price buildings on a sliding scale by size. Across 694 income-property sales on the MLS, two to four unit buildings sold for a median $762,500 per unit, five to fifteen unit buildings for $382,800 per unit, and buildings of sixteen or more units for $234,000 per unit, with cap rates stepping from 4.8% to 6.4% along the same curve.[2] Values rose within the year: two to four unit buildings went from $730,000 to $800,000 per unit between the first and second halves of the period as cap rates compressed about half a point.[2]

2 TO 4 UNITS
$762K per unit
$638 per sq ft
median of 491 sales[2]

5 TO 15 UNITS
$383K per unit
$450 per sq ft
median of 168 sales[2]

16 OR MORE UNITS
$234K per unit
$339 per sq ft
median of 31 sales[2]

BY BUILDING SIZE MLS, medians[2]

	2 to 4	5 to 15	16+
Median sale price	**$1.95M**	**$2.60M**	**$6.00M**
Gross rent multiple	**15.1x**	**11.9x**	**9.8x**
Cap rate	**4.8%**	**5.7%**	**6.4%**
Sold over asking	**59%**	**36%**	**19%**

Rent multiple and cap rate use income reported on the listing (about half of small buildings, nearly all larger ones). Median year built: 1914.

BY NEIGHBORHOOD, 2 TO 4 UNITS per unit[2]

Marina / Pacific Heights	**$1.30M**	$964/sf · 48
Noe / Castro / Haight	**$888K**	$766/sf · 91
Richmond / Lake	**$813K**	$613/sf · 113
Sunset / Parkside	**$745K**	$634/sf · 55
Nob Hill / North Beach	**$729K**	$604/sf · 47
Mission / Bernal / Potrero	**$579K**	$545/sf · 65

Larger buildings: 5 to 15 units in Marina / Pacific Heights $542K per unit, Nob Hill / North Beach $392K, Mission $306K. 16+ unit buildings cleared mostly in Nob Hill / North Beach / Downtown at $199K per unit, a 7.2% cap.

WHAT IT MEANS FOR YOU

The three numbers that value a building, price per unit, price per square foot, and the multiple of rent a buyer will pay, are hyper-local: buyers paid a median $1.3 million per unit and $964 per square foot for small buildings in the Marina, and $580,000 and $545 in the Mission. An opinion of value built on 2024 or 2025 comparables is out of date. Reach out to see where your building sits.

LEASING · PROPERTY MANAGEMENT · MULTIFAMILY INVESTMENT SALES

Complimentary, confidential broker opinion of value: current income, comparable sales, and pricing.

Jackson Salamunovich AMSI · Novo Real Estate · CA DRE 02200078 · (415) 969-3694 · jackson@realestatenovo.com

Sources: 1. CoStar Group, City of San Francisco multifamily analytics, September 2026 (city properties only; excludes San Mateo County / Peninsula), licensed to NOVO Real Estate. 2. Based on information from the San Francisco Association of REALTORS MLS as of September 22, 2026; 694 closed Residential Income sales, city of San Francisco, 10/1/2025 to 9/22/2026; not guaranteed. Size bands by unit count; medians; neighborhoods are SFAR MLS districts.

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Apartment Building Sales by District and Size

All 694 closed income-property sales inside the city of San Francisco over the trailing twelve months, by SFAR MLS district and building size. Medians, with the average price alongside. Rent multiple and cap rate use listing-reported income and appear only where at least five sales reported it; districts with fewer than five sales in a band are omitted.

2 TO 4 UNIT BUILDINGS

491 sales citywide · median $762,500 per unit · $638 per sq ft · 15.1x · 4.8% cap

	Sales	Median price	Avg price	Per unit	Per sq ft	Rent mult.	Cap rate
Marina / Cow Hollow / Pacific Heights D7	**48**	**$3.33M**	**$4.07M**	**$1.30M**	**$964**	**19.1x**	**4.0%**
Noe Valley / Castro / Haight D5	**91**	**$2.20M**	**$2.58M**	**$888K**	**$766**	**14.8x**	**4.9%**
Richmond / Lake District D1	**113**	**$1.95M**	**$2.19M**	**$812K**	**$613**	**17.0x**	**4.3%**
Sunset / Parkside D2	**55**	**$1.85M**	**$1.87M**	**$745K**	**$634**	**16.3x**	**4.8%**
Nob Hill / Russian Hill / North Beach D8	**47**	**$2.13M**	**$2.55M**	**$729K**	**$604**	**12.6x**	**5.2%**
Hayes Valley / NoPa / Western Addition D6	**36**	**$1.85M**	**$2.17M**	**$721K**	**$604**	**14.2x**	**4.9%**
Mission / Bernal / Potrero / SoMa D9	**65**	**$1.51M**	**$1.63M**	**$579K**	**$545**	**13.3x**	**5.9%**
Bayview / Excelsior / Portola D10	**24**	**$1.23M**	**$1.17M**	**$578K**	**$484**	n/a	n/a
Twin Peaks West / Forest Hill D4	**8**	**$1.76M**	**$1.82M**	**$441K**	**$543**	**14.3x**	**5.1%**

5 TO 15 UNIT BUILDINGS

168 sales citywide · median $382,800 per unit · $450 per sq ft · 11.9x · 5.7% cap

	Sales	Median price	Avg price	Per unit	Per sq ft	Rent mult.	Cap rate
Marina / Cow Hollow / Pacific Heights D7	**25**	**$3.77M**	**$4.45M**	**$542K**	**$598**	**13.2x**	**4.9%**
Noe Valley / Castro / Haight D5	**29**	**$2.58M**	**$2.71M**	**$402K**	**$451**	**11.9x**	**5.8%**
Richmond / Lake District D1	**24**	**$2.40M**	**$2.67M**	**$346K**	**$466**	**12.2x**	**5.7%**
Sunset / Parkside D2	**10**	**$1.83M**	**$1.97M**	**$287K**	**$378**	**12.2x**	**5.7%**
Nob Hill / Russian Hill / North Beach D8	**37**	**$2.76M**	**$3.15M**	**$392K**	**$455**	**11.9x**	**5.6%**
Hayes Valley / NoPa / Western Addition D6	**27**	**$2.52M**	**$2.82M**	**$383K**	**$454**	**11.5x**	**5.9%**
Mission / Bernal / Potrero / SoMa D9	**14**	**$2.00M**	**$2.12M**	**$306K**	**$367**	**9.4x**	**7.9%**

16 OR MORE UNIT BUILDINGS

31 sales citywide · median $234,000 per unit · $339 per sq ft · 9.8x · 6.4% cap

	Sales	Median price	Avg price	Per unit	Per sq ft	Rent mult.	Cap rate
Nob Hill / Russian Hill / North Beach D8	**19**	**$5.50M**	**$6.01M**	**$199K**	**$324**	**8.2x**	**7.2%**
Hayes Valley / NoPa / Western Addition D6	**5**	**$7.75M**	**$6.92M**	**$323K**	**$383**	**12.1x**	**5.9%**

WHAT THE GRID SHOWS

The Richmond is the most active small-building market in the city. The Marina and Pacific Heights carry the highest prices and lowest yields in every size band; the Mission and Bernal the highest yields, two to three points above the Marina. Sixteen-plus unit buildings cleared almost entirely in Nob Hill and North Beach at a 7.2% cap.

WHAT IT MEANS FOR YOU

Every figure in this grid is a market-wide median or average. Your building sits above or below it for reasons the table cannot see: its rent roll, its tenancies, its condition, its lot. Reach out for a complimentary, confidential read on where it lands.

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