

May, 2010**Condominium vs. TIC Analysis****Summary**

1. Tenants-in-Common (TICs) is now about 20% of the combined condo/TIC market segment.
2. TICs comprise approx. 15% of sales of the condo/TIC market segment (down from 20%) and their average selling price is approx. 5-25% less than a comparable condominium.
3. TICs comprise approx. 18% of all condo/TIC listings and their average listing price is about 12-24% less than a comparable condominium.
4. While controversy remains whenever TICs are mentioned, the data clearly shows that many buyers have decided that the price differential between condos and TICs make any potential risks worth taking in order to own a home and a piece of San Francisco.

Background

A unique segment of the San Francisco market is Tenancy-in-Common. It has developed as a market response to the strict condominium conversion lottery system which permits only 200 units (not building -- units) to win the lottery and begin the condo conversion process each year. After the February 2009 lottery it was estimated that there were approximately 1,800 units that didn't win. This number is expected to grow each year.

Active (as of 5/1/2010)

	Combined (Condos & TICs)			Condos only			TICs only			Price Difference (condo vs. TIC) (000s)
	# of Units	Avg. Listing Price (000s)	Days on Market	# of Units	Avg. Listing Price (000s)	Days on Market	# of Units	Avg. Listing Price (000s)	Days on Market	
1 bd/1ba	331	\$492	74	272	\$505	72	59	\$444	80	\$59
2bd/1ba	152	\$614	62	76	\$648	48	76	\$579	75	\$69
2bd/2ba	300	\$852	68	279	\$863	69	21	\$706	64	\$157
Total / Avg	783	\$654		627	\$681		156	\$545		
All Listings	1,270	\$795	71	1,027	\$836	69	243	\$622	78	

Pending (as of 5/1/2010)

	Combined (Condos & TICs)			Condos			TICs		
	# of Units	Avg. Listing Price (000s)	Days on Market	# of Units	Avg. Listing Price (000s)	Days on Market	# of Units	Avg. Listing Price (000s)	Days on Market
1 bd/1ba	52	\$453	75	48	\$460	71	4	\$365	125
2bd/1ba	17	\$625	46	12	\$631	31	5	\$610	82
2bd/2ba	50	\$780	70	47	\$783	65	3	\$730	147
Total / Avg	119	\$617		107	\$621		12	\$558	
All Listings	206	\$720	70	185	\$728	67	21	\$650	95

Sold (1/1/10 through 3/31/10)

	Combined (Condos & TICs)			Condos			TICs			Price Difference (condo vs. TIC) (000s)
	Units Sold	Avg. Sales Price (000s)	Days on Market	Units Sold	Avg. Sales Price (000s)	Days on Market	Units Sold	Avg. Sales Price (000s)	Days on Market	
1 bd/1ba	112	\$480	88	95	\$487	83	17	\$443	116	\$44
2bd/1ba	71	\$651	70	50	\$710	55	21	\$512	107	\$198
2bd/2ba	125	\$760	78	115	\$763	78	10	\$723	78	\$40
Total / Avg	308	\$633		260	\$652		48	\$532		
All Listings	471	\$723	78	402	\$747	75	69	\$582	98	

(Our survey covers approx. 62% of all condos and TICs in San Francisco.)



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<i>Year</i>	<i>Condos</i>	<i>TICs</i>	<i>Condos & TICs combined</i>	<i>% of TICs</i>
2000	1,833	129	1,962	7%
2001	1,637	79	1,716	5%
2002	2,462	154	2,616	6%
2003	2,887	269	3,156	9%
2004	3,224	394	3,618	11%
2005	2,923	540	3,463	16%
2006	2,540	652	3,192	20%
2007	2,349	724	3,073	24%
2008	1,892	435	2,327	19%
2009	1,727	407	2,134	19%



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