

February, 2011**Condominium vs. TIC Analysis****Summary**

1. Tenants-in-Common (TICs) is now about 18% of the combined condo/TIC market segment.
2. TICs comprise approx. 12% of sales of the condo/TIC market segment and their average selling price is approx. 13-24% less than a comparable condominium.
3. TICs comprise approx. 18% of all condo/TIC listings and their average listing price is about 3-7% 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 2011 lottery it was estimated that there were over 2,000 units that didn't win. This number is expected to grow each year.

Active (as of 3/8/11)

	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	225	\$464	70	185	\$467	89	40	\$434	95	\$33
2bd/1ba	107	\$576	66	54	\$589	60	53	\$563	73	\$26
2bd/2ba	261	\$801	82	232	\$805	84	29	\$775	67	\$30
Total / Avg	593	\$631		471	\$647		122	\$571		
All Listings	1,030	\$765	83	848	\$782	84	182	\$685	77	

Pending (as of 3/8/2011)

	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	53	\$441	82	48	\$447	84	5	\$432	55
2bd/1ba	17	\$546	92	12	\$520	102	5	\$615	69
2bd/2ba	40	\$741	94	40	\$741	94	-	-	-
Total / Avg	110	\$567		100	\$571		10	\$524	
All Listings	172	\$587	80	159	\$691	83	13	\$529	54

Sold (1/1/10 through 12/31/10)

	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	564	\$481	86	487	\$490	83	77	\$424	105	\$66
2bd/1ba	224	\$649	76	216	\$692	63	78	\$529	113	\$163
2bd/2ba	519	\$793	70	555	\$800	75	34	\$693	89	\$107
Total / Avg	1,447	\$642		1,258	\$661		189	\$516		
All Listings	2,326	\$738	79	2,052	\$760	76	274	\$579	104	

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

<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%
2010	2,052	274	2,326	12%



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