

# San Francisco Real Estate in the AI Era

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San Francisco is in **one of its strongest spring markets in years**. Demand has surged on the back of the AI boom, return-to-office momentum, and improving city conditions, while for-sale inventory has fallen by roughly **38% year over year**. The result is an extreme seller's market, with one important nuance: the heat is real but **concentrated**, strongest in single-family homes and the cash-paying luxury tier, and notably softer in the high-rise condos closest to the new AI offices.

## Strongest

Single-family spring in our MLS data, which only goes back to 2016

## -38%

Active listings vs a year ago, across every property type

## 35%

Of single-family buyers paid all cash in May, an 11-year high

## Record

April 2026 had the most \$5M+ home sales of any month in our data (since 2016)

### THE MARKET BY PROPERTY TYPE — ROLLING 12-MONTH VIEW

These figures use a **rolling 12-month window** (June 2025 through May 2026) measured against the prior 12 months (June 2024 through May 2025). Looking at a full year on each side, rather than a single month, smooths out seasonal swings and gives a steadier, more reliable read of where each property type actually stands.

PROPERTY TYPE	MEDIAN PRICE (YOY)	DAYS ON MARKET	SALE VS LIST	% OVER LIST	CASH BUYERS
Single Family	\$1.77M (+9.4%)	13	114%	80%	25%
Condo / Townhouse	\$1.17M (+5.9%)	26	100%	43%	33%
Tenancy in Common	\$1.06M (-4.1%)	37	100%	50%	22%
Multi-Unit (2-4+)	\$2.0M (+6.7%)	31	100%	43%	26%

Single family is the engine of this market; the other types are firming rather than frothing. (Year-over-year change shown for price.)

In May, single-family homes sold at **124.6% of list price** with **86% closing over asking**, the median crossed **\$2.2M**, and for every active listing there was nearly one already in contract.

May 2026 month-to-date, 185 single-family and 184 condo/townhouse closings. The market accelerated into late spring rather than cooling.

### THE LUXURY SURGE (\$5M+ HOMES, \$3M+ CONDOS)

TIER (MAY)	MEDIAN	CASH	DAYS
\$5M+ Single Family	\$7.95M	64%	10
\$3M+ Condo	\$4.23M	58%	11

- Roughly **two-thirds of luxury buyers pay cash**, versus about a third market-wide, the clearest fingerprint of new AI-era wealth.
- April 2026 had the **most \$5M+ home sales of any month** in our records (since 2016), surpassing the 2021 peak.
- Ultra-prime homes are trading in roughly **1.5 weeks**; several recent sales closed well over \$10M within 9-10 days.

### THE HONEST NUANCE: WHERE IT ISN'T HOT

- The **softest condo markets in the city** are SoMa, Mission Bay, and downtown, the very neighborhoods nearest the new AI offices. There, only about **37-43% of condos sell over asking**, well below past peaks.
- So the capital is **leasing the office towers** (3.4M sq ft signed in Q1 2026, led by AI firms) but has not yet flowed back into the high-rise condos beside them.
- Tech **employment actually declined in 2025** even as AI investment surged, so today's demand is driven more by capital and equity than by broad hiring.

The takeaway: a genuinely strong market, led by single-family and luxury, with real opportunity remaining in the condo segment near the AI corridor.

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Thinking about a move, or curious what this means for your block? I'm happy to talk it through, no pressure.

Methodology & sources. Figures derived from the San Francisco Multiple Listing Service, closed sales 2016 through May 2026. Year-over-year comparisons use matched calendar windows to remove seasonal distortion; prices are medians unless noted. Cash share is of sales with reported financing. Luxury defined as \$5M+ single-family and \$3M+ condominiums (approximately the top 5% of sales). Office and employment context: CBRE, JLL, and public economic reporting (2026). Provided for general information; not a forecast or individual financial advice.