

# 2025 Year-End Commercial Real Estate Investment Report

**San Francisco  
Capital Advisors**

Superior Client Representation





# WHY DON'T ALL SELLERS ACHIEVE HIGH PRICES?

A single brokerage cannot contact (or know about) all possible property purchasers in a dynamic, constantly-evolving market.

The most-motivated purchasers have acute investment motivations (such as offshore safe-harbor need or IRC Section 1031 exchange). These purchasers often work through their own trusted agent representatives to avoid mistakes in new, unfamiliar markets.

However, many listing brokers discourage the best purchasers through non-cooperation or “shopping” offers to *their* most profitable buyer-clients. This enables covert commission payment.

Brokers can also work on too many simultaneous transactions, have competitive listings, delegate to inexperienced subordinates, and/or even be your buyer's non-disclosed business partner.

**Dual agency is a fundamental conflict-of-interest, incentivizing brokers to prioritize their receipt of multiple buyer-paid commissions over a seller's welfare.** Consequently, one-sided listing agreements—those lacking enforceable fiduciary duties of loyalty and transparency—can materially impair your financial outcome.

---

Luckily, our proven marketing process solves these problems and maximize sale prices. For information about this unique solution (banning bad broker behavior) and its efficient commission structure, please contact:

**Charlie McCabe**  
**San Francisco Capital Advisors**

(415) 770-9800  
[www.SFCAdvisors.com](http://www.SFCAdvisors.com)





# Charlie McCabe

## San Francisco Capital Advisors

### MarketView Year-End 2025

#### Commercial Investment Real Estate

**Transaction  
Volume**  
**\$3.64B**



Transaction volume more than doubled year-over-year. This was driven by the fourth highest-ever lender sale volume for REO properties and deed-in-lieu of foreclosure loans. As the market's rebound gained broader recognition, investor sentiment increasingly shifted—widespread fear gave way to expectations of future capital appreciation.

**New  
Buyers**  
**52%**



New Buyers (first time local purchasers) experienced a market share decline. Despite this pullback, their fresh perspective remains an important barometer of underlying demand. Sale prices increase when listing agents are prevented from favoring *their* most profitable buyer-clients, freeing you to engage with this ambitious capital source.

**Offshore  
Purchases**  
**9%**



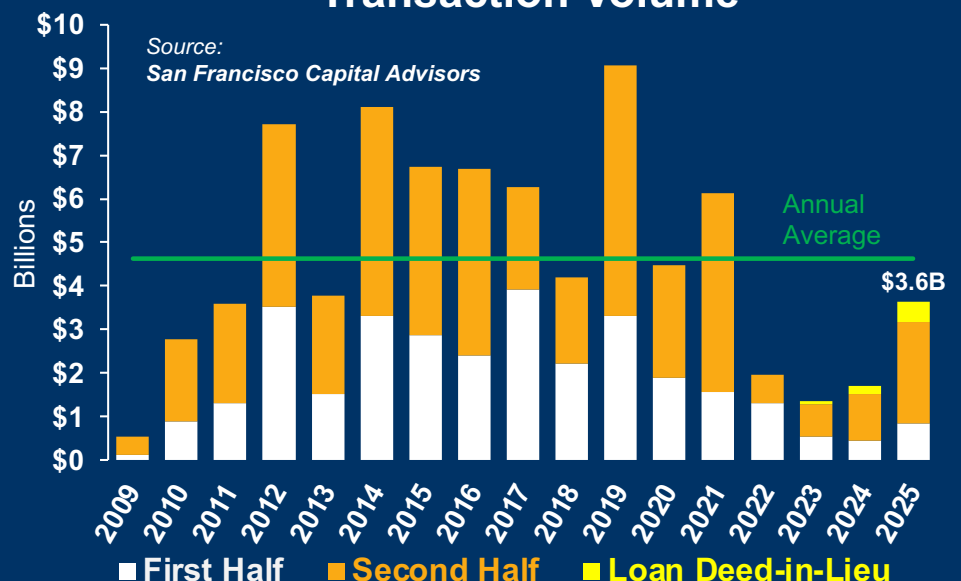
Offshore buyers' motivations remain strong, propelled by comparatively higher yields, geographic diversification, and a capital security perception. However, cross-border investment is below its potential. Contributing factors include the failure of dual-agent brokers to publicly advertise listings, and non-cooperation with other agents.

San Francisco Capital Advisors optimizes transactions through a unique marketing approach, grounded in an uncommon client commitment, ethics, innovation, and experience.

This superior representation eliminates costly brokerage conflicts-of-interest, including dual agency)

Our efficient commission rate further improves your financial outcome.

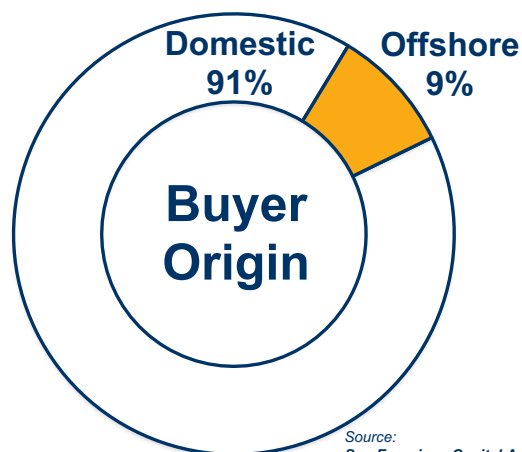
### Transaction Volume



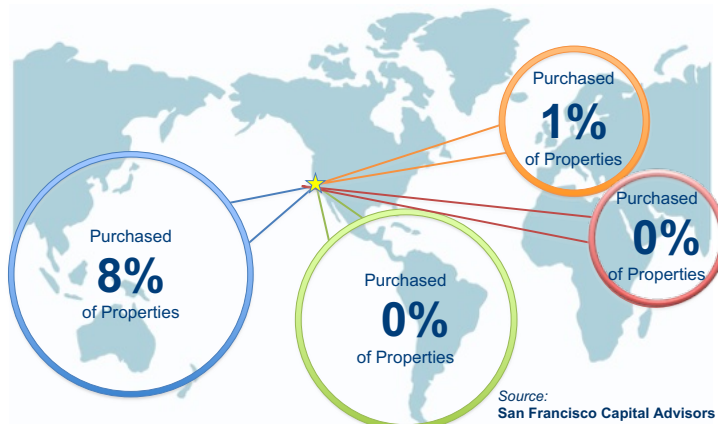
**San Francisco Capital Advisors**

**(415) 770-9800**

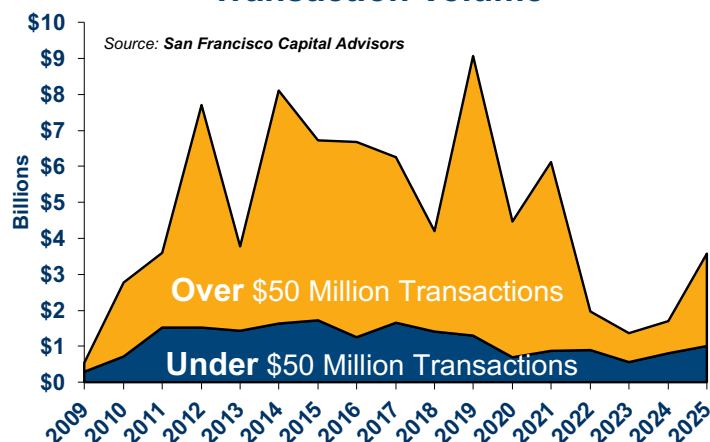
[www.SFCAdvisors.com](http://www.SFCAdvisors.com)



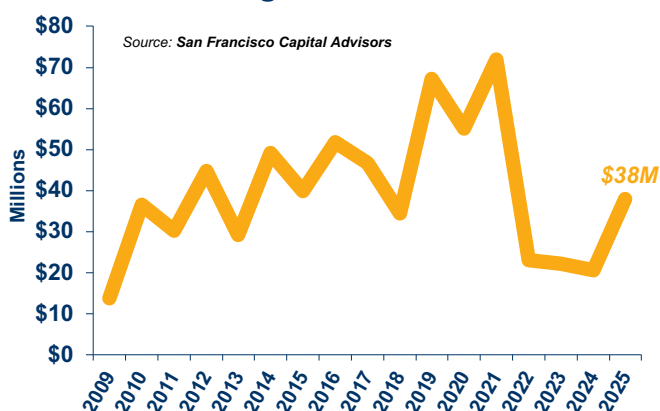
## Offshore Direct Investment Into San Francisco During 2025



## Transaction Volume



## Average Transaction Size



## Completed Transaction Size and Type Summary for YE2025

Sale Price	Office	Retail	Industrial	Land	Total
\$100M+	7	-	-	-	7
\$50M-100M	13	-	-	-	13
\$25M-50M	7	6	-	-	13
\$10M-25M	9	5	3	1	18
\$3M-10M	14	21	6	4	45
<b>Total Quantity</b>	<b>50</b>	<b>32</b>	<b>9</b>	<b>5</b>	<b>96</b>

Loan sales (when followed by deed-in-lieu ownership transfers) are included in data and charts.

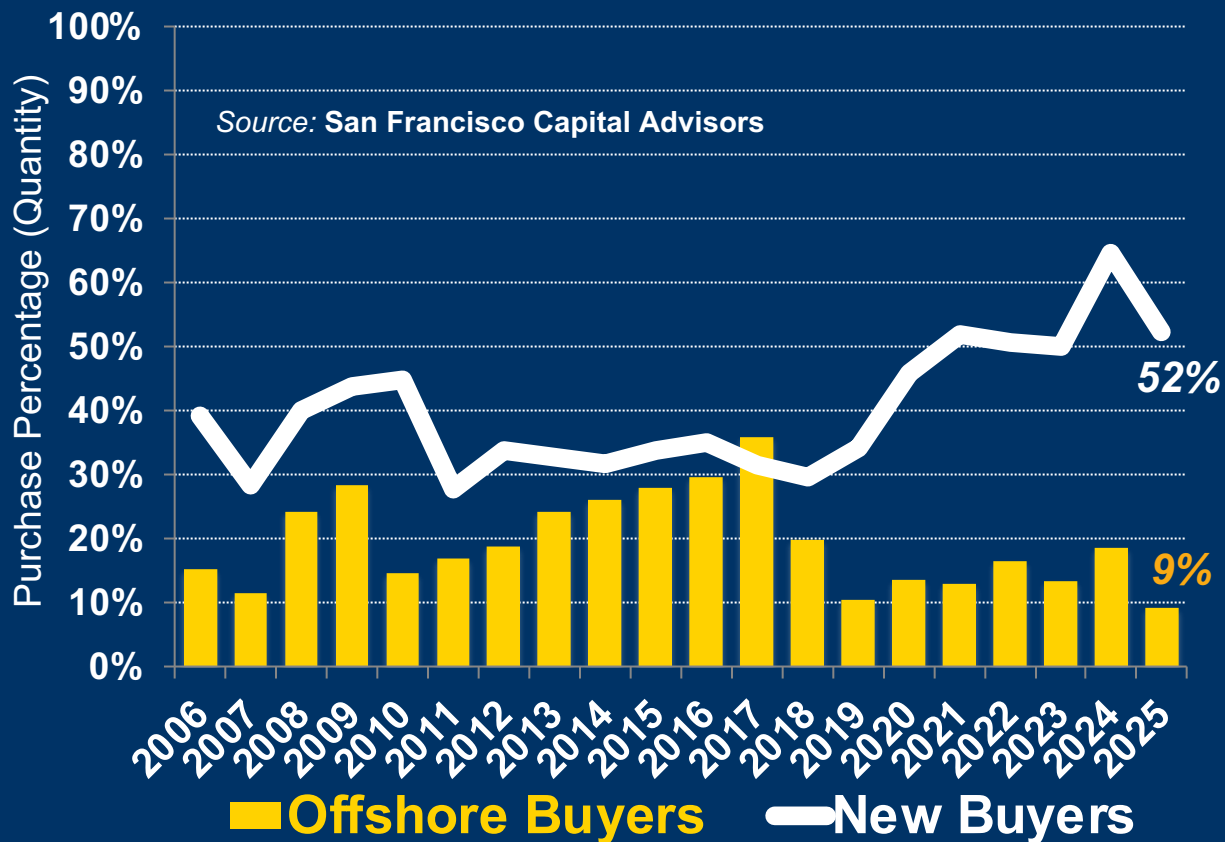
**San Francisco Capital Advisors** connects sellers with the most motivated buyers and delivers optimized transaction strategies. Contact me to learn how we can maximize your property's value while reducing transaction costs.

*Charlie*

**Charles K. McCabe**  
**San Francisco Capital Advisors**  
 (415) 770-9800  
[www.SFCAdvisors.com](http://www.SFCAdvisors.com)



# OFFSHORE AND NEW BUYERS' HISTORIC MARKET SHARE



## Seller Profit Forever Lost?

The hungriest property purchasers pay the highest prices. Historically, ravenous investment appetites are caused by distinct motivations—such as offshore capital seeking geographic diversification through “safe haven” investments. New to the local market capital sources may also identify emerging trends overlooked by incumbents or, alternatively, bring an outsized opinion of optimism. Regardless of origin or rationale, these purchasers must be identified, accessed, and engaged for realized seller revenue.

However, many sellers lose potential property profits when dual agents (simultaneously representing your buyer) ignore these best purchasers to favor their own most profitable buyer-clients. These multiple buyer-paid commission broker quests occur in a transaction’s shadows, but are permitted in many listing agreements. Luckily, it is easy to eliminate expensive and egregious conflicts-of-interest.

Requiring brokers to represent your best interests as a fiduciary, treat all buyers equally and honorably, openly advertise properties for sale, and not receive covert commissions are just some of the necessary seller protections to include in listing agreements (with a broker’s financial guarantee).

You would never allow your attorney to also represent and be paid by your transaction’s buyer, so why permit a broker when the financial stakes are even higher?

For superior representation, contact:

Charlie

**Charles K. McCabe**  
**San Francisco Capital Advisors**  
(415) 770-9800



DRE #00955699 ©





## **San Francisco Capital Advisors**

We provide transactional and advisory services with an unrivaled combination of honor, dedication, experience, tenacity, market knowledge, and enthusiasm.

Your best interests are achieved without dual representation (or other common brokerage conflicts of interest) in the most effective, economic, and ethical manner.

Our unique disposition process also features the broadest reach to the most motivated buyers, which includes offshore capital originating in Asia, Europe, and the Middle East.

A maximization of sale proceeds and the highest levels of client satisfaction and service are the result.

**(415) 770-9800**

**[www.SFCAdvisors.com](http://www.SFCAdvisors.com)**

---