This area, consisting of some 26 irregularly-shaped blocks, is 95% developed and consists of what is known as Merritt Terrace, West Portal Park, and Claremont Court. These three tracts were subdivided in 1915, however, there was but little building activity prior to 1920. These three tracts surround the western portal of the Twin Peaks Tunnel. The first three blocks on West Portal Avenue from the entrance of the tunnel are zoned for commercial purposes, two blocks of which have been built up with stores comprising a very high-class community business center, with theaters, excellent food shops, etc.

This well-developed little business center has a good influence on residential property values, even on those immediately adjoining the stores. This area is made up largely of one-story, five and six-room, detached homes, having a cost range of from $4,000 to $7,500, with 80 to 90% owner-occupancy and few vacancies. The majority of the buildings in this area were erected between eight and twelve years ago. The residents in this area are made up of small business and professional men, office workers, and junior executives, having an income range from $2200 to $5,000. This area is restricted to single-family dwellings, both by deed and zoning. This section is very popular, partly due to being conveniently located to excellent schools, shops and transportation facilities. Maintenance of property in the area is notably good, and there are no known detrimental influences or threats. A standard six-room house in this area would have sold for $9500 in 1929, $6600 in 1933, and is currently selling for $8500. The same home would have rented for $95 per month in 1929, $60 per month in 1933, and $75 per month now.