

1158-1170 Montgomery Street

Telegraph Hill | San Francisco, CA

Investment Opportunity | Offering Memorandum



Colliers



Brad Lagomarsino
Executive Vice President
+1 415 288 7847
brad.lago@colliers.com

James Devinenti
Executive Vice President
+1 415 288 7848
j.d@colliers.com

Dustin Dolby
Executive Vice President
+1 415 288 7869
dustin.dolby@colliers.com

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Multifamily Investment Services Group
www.thedlteam.com
101 Second Street | Suite 1100 | San Francisco, CA





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Aerial of Property

Offering Summary

Colliers International is pleased to present 1158-1170 Montgomery Street San Francisco, CA for purchase. The subject property is located between Green Street and Vallejo Street in the residential neighborhood of Telegraph Hill.

This well maintained 14-unit apartment building consists of fourteen (14) one-bedrooms apartments. There are five (5) parking garages in the building. Residents can enjoy the neighborhoods central location, superior weather, scenic views, and close proximity to Northbeach, with it's bustling night life, cafe's & restaurants, attracting tourists and locals alike for decades.

This is an excellent opportunity for an owner/user or investor to purchase a very well maintained asset in a phenomenal location with upside and development conversion potential.





The Property

Property Information

Address:	1158-70 Montgomery Street/275-285 Green Street
District:	Telegraph Hill
Property Type:	Apartment Building
APN:	0134-026
Building Square Feet:	9,250 square feet (per tax records)
Units:	14
Lot Size:	3,100 square feet (per tax records)
Constructed:	1912
Zoning:	RH-3

Building Systems

Foundation:	Concrete foundation
Structure:	Wood-frame building
Facade:	Wood
Roof Composition & Age:	Modified Bitumen roof system
Electrical Service:	400amp service, separately metered – circuit breakers at front and back doors of apartments
Gas Service:	Separately metered
Fire Protection System:	Local fire alarm system, in-compliance with 3.08 sleeping area fire alarm requirements
Heat Source:	Electric base board heat
Hot Water:	Two hot water storage tanks (2017), AO Smith heater
Plumbing:	Predominantly copper
Common Area Lights:	Center mount, decorative globe pendant lighting (original)
Door Entry System:	Two Sentex intercom systems (Montgomery St /Green Street entry)
Front entry:	Montgomery Street, Green Street
Mailboxes:	Lobby
Lobby/Common Areas:	Carpeted /wainscoating throughout
Apartment Access:	Central Staircase and second form of egress stairwell
Fire Escapes:	West side of building / North side of building
Skylight:	Yes
Windows:	Woodframe and some aluminum single frame windows
Garbage:	In tradesman area, chute system
Laundry:	Washer/dryer in tradesman area
Storage:	High-ceiling, un-improved basement area, some storage units occupied by tenants
Sprinklered:	Partial (chute and lobby level)
Parking:	Five (5) car individual garage parking
Seismic Retrofit:	Completed

Building Information

Unit Mix:	Fourteen - one bedroom/one bath apartments (3 room apartments) plus 5 garage parking
Kitchens:	Center mount lighting Gas stoves and ovens Laminated cabinetry Granite style counters Single basin sinks Freezer over refrigerator Ample natural light (views) and storage Some garbage disposals Large eat-in kitchens Pantry/office off kitchen
Bathrooms:	Linoleum flooring mirrored cabinet storage Wall-hung sinks Claw-foot tub/shower combinations Window ventilation
Bedrooms:	Hardwood floors Single paned wood-frame windows Ample natural light Mirrored closet sliders Center mounted lighting
Dining/Living Room Area:	Hardwood floors Single paned wood-frame windows Tremendous natural light Period wainscoating throughout Center mount lighting Closets

Notes

The building has been seismically upgraded and is in compliance with the soft-story ordinance

Roof Deck
Walking distance to the central business district & North Beach

Financial Analysis

Financial Summary		Annual Gross Income	Current	Proforma
Price	\$6,800,000	Gross Potential Income	\$416,712	\$539,640
Down Payment	\$3,400,000	Vacancy (3.5%)	\$14,585	\$18,887
Number of Units	14	AGI	\$402,127	\$520,753
Price/Unit	\$485,714	Expenses	\$138,644	\$143,561
Gross Square Feet	9,250	NOI	\$263,483	\$377,192
Price/Square Foot	\$735			
CAP Rate - Current	3.87%			
CAP Rate - Proforma	5.55%			
GRM - Current	16.32			
GRM - Pro Forma	12.60			
Year Built	1912			
Lot Size	3,100			

Financing		Cash Flow After Debt Service	Current	Proforma
Loan Amount	\$3,400,000	Less Debt Service	\$141,100	\$141,100
Loan Type	Proposed New	Cash Flow	\$122,383	\$236,092
Interest Rate	4.15%	Cash on Cash Return	3.60%	6.94%
Program	3 Year Interest Only	Expenses as % Of Gross	33%	27%
Loan to Value	50%	Expenses per Unit	\$9,903	\$10,254

Quote: First Republic Bank - (Borrower to have banking relations with FRB) Loan information is time sensitive and subject to change).

Financial Analysis

Annual Operating Expenses		Current	Exp/Unit	% /Exp	Market	Exp/Unit	% /Exp
Property Taxes	1.1825% of Sales Price	\$80,410	\$5,744	58%	\$80,410	\$5,744	56%
Special Assessment Tax	Estimated at 1.5% of Property Tax	\$1,206	\$86	1%	\$1,206	\$86	1%
Insurance	2021 Owner's Statement	\$10,298	\$736	7%	\$10,298	\$736	7%
Property Manager	Estimated at 4% Gross Income	\$16,668	\$1,191	12%	\$21,586	\$1,542	15%
Repairs & Maintenance	Estimated at \$500/Unit	\$7,000	\$500	5%	\$7,000	\$500	5%
PG&E	2021 Owner's Statement	\$3,618	\$258	3%	\$3,618	\$258	3%
Water	2021 Owner's Statement	\$12,454	\$890	9%	\$12,454	\$890	9%
Garbage	2021 Owner's Statement	\$5,269	\$376	4%	\$5,269	\$376	4%
Intercom/phone	2021 Owner's Statement	\$520	\$37	0%	\$520	\$37	0%
Janitorial	2021 Owner's Statement	\$1,200	\$86	1%	\$1,200	\$86	1%
Total Operating Expenses		\$138,644	\$9,903	100%	\$143,561	\$10,254	100%

Gross Potential Income	\$416,712	\$539,640
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AGI	\$402,127	\$520,753
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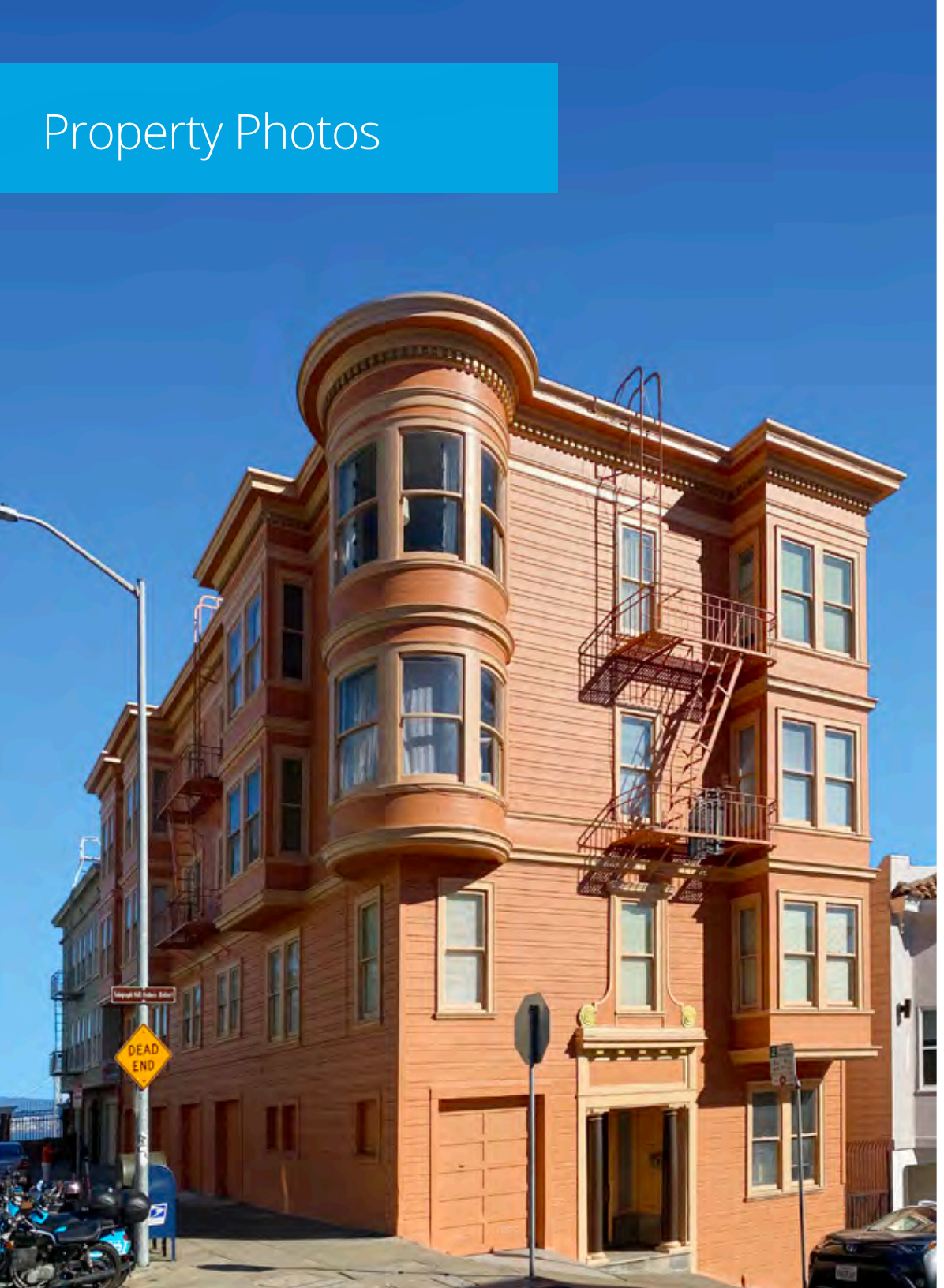
Rent Roll

Unit No.	Unit Type	Rents	Parking	Storage	Market Rent	Move in Date	Notes
1158	1 Bed, 1 Bath	\$1,825.00			\$2,400	8/15/2021	400 sqft
1160	1 Bed, 1 Bath	\$1,152.00	Included		\$3,095	9/1/1978	
1162	1 Bed, 1 Bath	\$2,300.00			\$3,095	8/16/2021	
1164	1 Bed, 1 Bath	\$2,700.00			\$3,095	3/16/2022	
1166	1 Bed, 1 Bath	\$2,825.00		\$50.00	\$3,395	4/1/2021	Remodeled
1168	1 Bed, 1 Bath	\$2,850.00			\$3,495	9/1/2012	Panoview, 4 room unit
1170	1 Bed, 1 Bath	\$2,750.00		\$50.00	\$3,095	3/25/2021	
275	1 Bed, 1 Bath	\$2,000.00			\$2,500	4/1/2022	420 sqft
277	1 Bed, 1 Bath	\$2,300.00			\$3,095	9/1/2021	
279	1 Bed, 1 Bath	\$1,359.00			\$3,095	7/1/1990	
281	1 Bed, 1 Bath	\$3,095.00			\$3,095	11/18/2017	Vacating at end of May currently paying \$2,625
283	1 Bed, 1 Bath	\$3,095.00			\$3,095	2/1/2020	Vacating at end of May currently paying \$2,650
285	1 Bed, 1 Bath	\$3,095.00			\$3,095	Vacant	
287	1 Bed, 1 Bath	\$1,405.00			\$3,095	1/1/1980	
Monthly Income		\$32,751		\$100	\$42,740		
Tenant Parking (1)		\$0			\$350		
Non-tenant Parking (4)		\$1,625			\$1,400		
Storage (2)		\$100			\$200		
Laundry		\$250			\$280		
Total Monthly Income		\$34,726			\$44,970		
Annual Income		\$416,712			\$539,640	Upside 29%	

Units
1 Bedroom - 14
Parking - 5

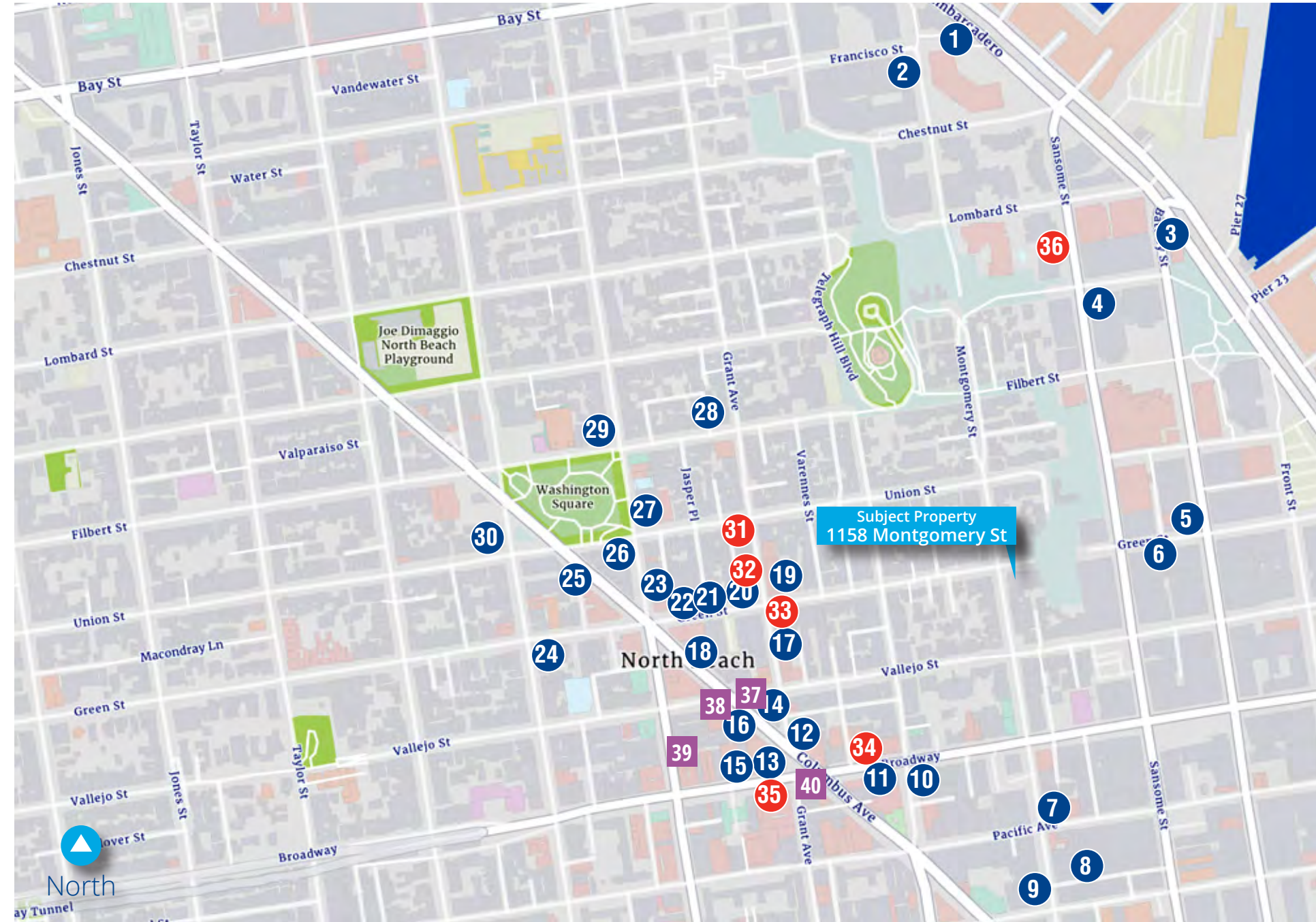
Notes
Market rents based on Rentometer rent analysis
Parking projected at \$300 per space/month
Laundry projected at \$20 per unit/month

Property Photos





Amenities Map

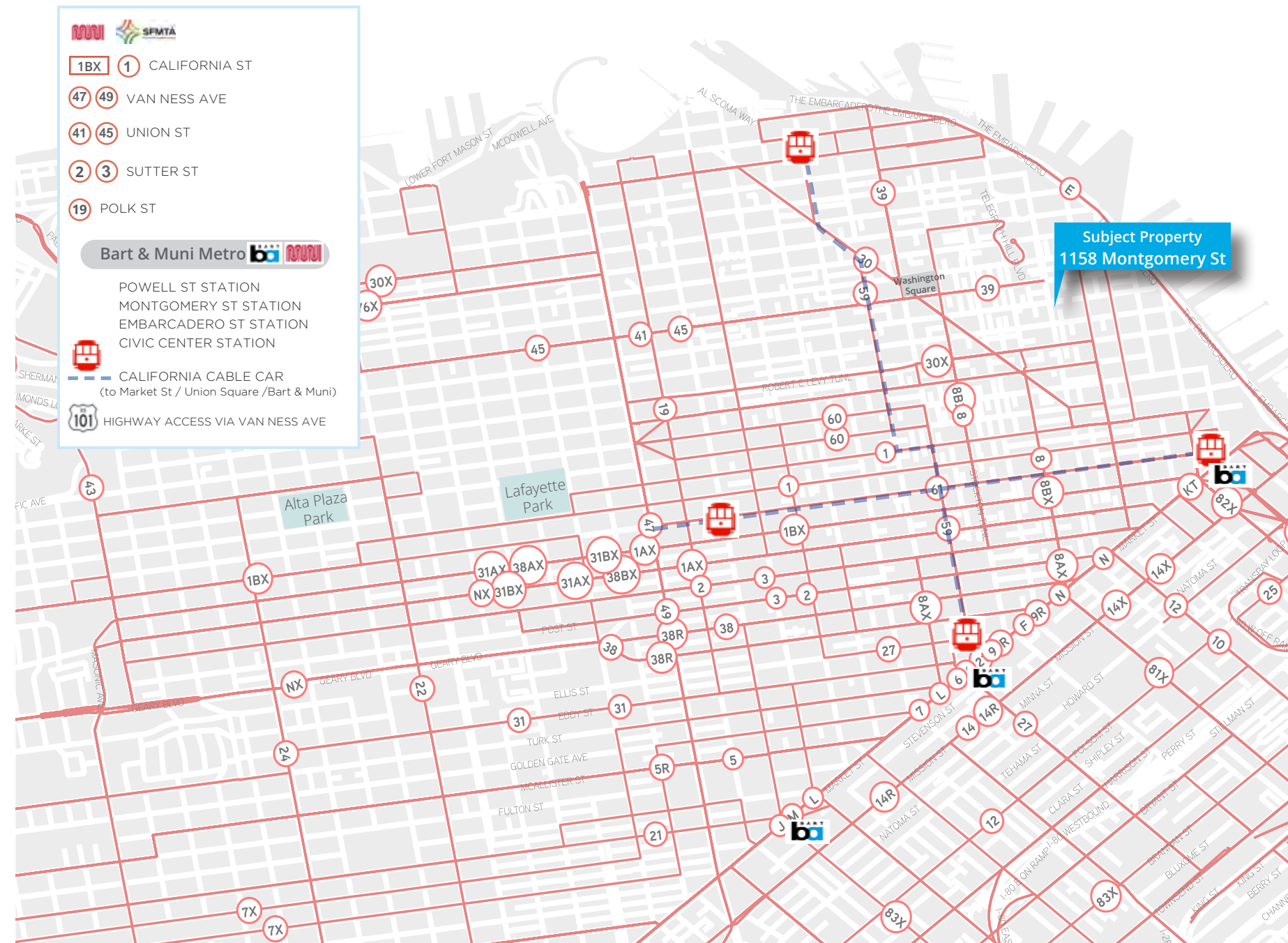


● Restaurants & Bars ● Convenience & Grocery Stores ● Banks & ATM's

Neighborhood Amenities

1 Hillstone American	11 Late Night Cuisine	21 Sotomare	31 S & S Grocery
2 Hillstone Montgomery	12 Betty Lou's Seafood Grill	22 Chubby Noodle Northbeach	32 Grant & Green Market
3 Fog City	13 Sam's Pizza & Burgers	23 North Beach Restaurant	33 The Nature Shop
4 Starbucks	14 Casaro Pizzeria	24 Northstar Cafe	34 North Beach Market & Deli
5 Piperade Basque	15 China Live	25 Il Pollaio	35 ABC Super Market
6 Indie Wine & Beer Bar	16 Mona Lisa Restaurant	26 Original Joe's	36 R J'S Market
7 Contogna	17 Mo's Grill	27 Acquolina	37 Bank of the West
8 Bix	18 Stella Pastry	28 Don Pistos	38 Bank of America
9 Roka Akor San Francisco	19 American Bites	29 Mama's on Washington Square	39 Chase Bank
10 Tommaso's Ristorante	20 Sodini'd	30 Noren Izakaya	40 Wells Fargo Bank

Public Transportation



With Immediate Access to One of the Nation's Best Public Transit Systems

The area around 1158-1170 Montgomery Street offers an extensive transportation network which ensures superior regional access throughout San Francisco and the surrounding Bay Area. Atlantic Cities' "Access Across America, Transit 2021" ranked San Francisco second only to Manhattan for public transit efficiency, based on how many jobs a resident can access within a 10 to 30 minute commute during the morning rush hours of 7am to 9am. 1158-1170 Montgomery Street is within walking distance of a variety of public transit systems, including the Civic Center/UN Plaza Bay Area Rapid Transit System (BART) station, the underground MUNI, and street-level rail—all in addition to a variety of San Francisco's caravan of 'Tech Shuttles' moving busloads of Google, Genentech, Facebook, and Apple employees from their homes in San Francisco to their job centers in Silicon Valley.





1158-1170
Montgomery
Street





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2. You will hold it and treat it in the strictest of confidence; and
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Brad Lagomarsino

Executive Vice President

+1 415 288 7847

brad.lago@colliers.com

James Devinenti

Executive Vice President

+1 415 288 7848

j.d@colliers.com

Dustin Dolby

Executive Vice President

+1 415 288 7869

dustin.dolby@colliers.com

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