

744 Guerrero Street

Mission Dolores | San Francisco, CA

Investment Opportunity | Offering Memorandum



Colliers





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101 Second Street | Suite 1100 | San Francisco, CA





A vertical photograph on the left side of the page shows a nighttime cityscape with palm trees in the foreground and a pool area illuminated by a bright light. The city lights are visible in the background against a dark sky.

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Offering Summary

Colliers International & WM Properties are pleased to present 744 Guerrero Street (located between 19th & 20th Street) in the Mission Dolores neighborhood of San Francisco. It's sunny and warm micro-climate and the area's eclectic mix of trendy restaurants, popular bars, cafes and coffee shops on Valencia Street, all contribute to its growing popularity.

This Edwardian style corner apartment building is conveniently located one block from Mission Dolores Park, one of San Francisco's most popular parks, acclaimed for its spectacular city views, shaded palm trees & abundant recreation. 744 Guerrero Street is a few blocks from the 16th Street and the 24th Street Mission Bart Stations, in addition to several bus lines which operate in the area providing easy access to various parts of the City.

The unit mix in the building consists of six (6) studios and six (6) one-bedroom apartments. There are five (5) parking spaces in five individual garages. Most of the units in the building have been remodeled and feature hardwood floors, white Shaker cabinets in the kitchens and large windows that bring in plenty of natural light. The building is separately metered for gas & electricity. There is a washer & dryer (coin operated) for the convenience of the tenants.

744 Guerrero Street is an extremely well located asset that offers both owner-users and investors tremendous income upside realised through unit turnover and ADU legalization potential.

744



The Property

Property Information

Address:	744 Guerrero Street San Francisco, CA 94110
District:	Mission Dolores
Property Type:	Apartment Building
APN:	3598-003B
Building Square Feet:	8,261 square feet (per architect)
Units:	12
Lot Size:	2,726 square feet (per tax records)
Constructed:	1914
Zoning:	RM-2

Building Systems

Foundation:	Concrete
Structure:	Wood-frame
Façade:	Stucco exterior
Rear of Building:	Wood siding
Windows:	Wood-frame
Roof Composition & Age:	Tar & Gravel (20 years)
Electrical Service:	Separately metered (200 amp service)
Gas Service:	Separately metered
Fire Protection System:	Fire alarm control panel, fire extinguishers & hard-wired smoke detectors in common areas
Fire Escapes:	Front & side of building
Heat Source:	Steam heat radiators
Hot Water:	1 Peerless boiler, 1 Laars Mighty Therm2 heater & 1 Laars Bradford & White 119 Gallon storage tank
Plumbing:	Mix of copper & galvanized
Common Area Lights:	Decorative dome lighting & wall sconces
Door Entry System:	Key pad buzzer system
Front entryway:	Black tile entryway
Mailboxes:	In lobby area
Apartment Access:	Central stairway (carpeted)
Laundry:	1 washer & dryer (Coinmach)
Storage:	9 storage spaces
Elevator:	None

Building Information

Unit Mix:	Six (6) studio, 1 bath Six (6) one bedroom, 1 bath One (1) efficiency (non-conforming)
Parking:	Five (5) car parking
Kitchens:	Gas stoves/ovens Microwaves White formica kitchen counters White Shaker cabinetry Over/under refrigerators Linoleum floors Stainless steel sinks
Bathrooms:	Ceramic counters with tile back splashes Linoleum floors Tub/shower combinations with tile surrounds Mirrored medicine cabinets over vanity sinks Window ventilation
Bedrooms:	Hardwood floors Walk-in closets Dome & track lighting Crown molding
Living Room:	Hardwood floors Track lighting Tremendous natural light from large windows Crown molding

Notes

The building has been seismically upgraded and is in compliance with the soft-story ordinance
Most of the units have been remodeled
Potential to add ADU's (accessory dwelling units)

Financial Summary

Financial Summary		Annual Gross Income	Current	Proforma
Price	\$4,300,000	Gross Potential Income	\$373,173	\$449,640
Down Payment	\$2,150,000	Vacancy (3.5%)	\$18,659	\$22,482
Number of Units	12	AGI	\$354,514	\$427,158
Price/Unit	\$358,333	Expenses	\$142,218	\$145,277
Gross Square Feet	8,261	NOI	\$212,296	\$281,881
Price/Square Foot	\$521			
CAP Rate - Current	4.94%			
CAP Rate - Proforma	6.56%			
GRM - Current	11.52			
GRM - Pro Forma	9.56			
Year Built	1914			
Lot Size	2,726			

Financing		Cash Flow After Debt Service	Current	Proforma
Loan Amount	\$2,150,000	Less Debt Service	\$121,475	\$121,475
Loan Type	Proposed New	Cash Flow	\$90,821	\$160,406
Interest Rate	5.65%	Cash on Cash Return	4.22%	7.46%
Program	5 Year Interest Only	Expenses as % Of Gross	38%	32%
Loan to Value	50%	Expenses per Unit	\$11,851	\$12,106

Quote: Loan information is time sensitive and subject to change).

Operating Expenses

Annual Operating Expenses		Current	Exp/Unit	% /Exp	Market	Exp/Unit	% /Exp
Property Taxes	<i>1.1797% of Sales Price</i>	\$50,727	\$4,227	36%	\$50,727	\$4,227	35%
Special Assessment Tax	<i>Estimated at 1.5% of Property Tax</i>	\$761	\$63	1%	\$761	\$63	1%
Property Management	<i>Estimated at 4% of Gross Income</i>	\$14,927	\$1,244	10%	\$17,986	\$1,499	12%
Insurance	<i>Commercial Coverage Indicator</i>	\$8,319	\$693	6%	\$8,319	\$693	6%
Repairs & Maintenance	<i>Estimated at \$1,000/unit</i>	\$12,000	\$1,000	8%	\$12,000	\$1,000	8%
Gas & Electricity	<i>Owner's Statement (2022)</i>	\$16,151	\$1,346	11%	\$16,151	\$1,346	11%
Water and Sewer	<i>Owner's Statement (2022)</i>	\$10,658	\$888	7%	\$10,658	\$888	7%
Janitorial Expenses	<i>Owner's Statement (2022)</i>	\$9,600	\$800	7%	\$9,600	\$800	7%
Trash Removal	<i>Owner's Statement (2022)</i>	\$6,828	\$569	5%	\$6,828	\$569	5%
Administrative Expenses	<i>Owner's Statement (2022)</i>	\$4,323	\$360	3%	\$4,323	\$360	3%
Rental Commission Expenses	<i>Owner's Statement (2022)</i>	\$4,214	\$351	3%	\$4,214	\$351	3%
Business Taxes & Registration	<i>Owner's Statement (2022)</i>	\$1,322	\$110	1%	\$1,322	\$110	1%
Interest on Tenant's Security Deposit	<i>Owner's Statement (2022)</i>	\$796	\$66	1%	\$796	\$66	1%
Telephone/Intercom (Utility)	<i>Owner's Statement (2022)</i>	\$1,002	\$84	1%	\$1,002	\$84	1%
Advertising	<i>Owner's Statement (2022)</i>	\$490	\$41	0%	\$490	\$41	0%
Legal and Professional Fees	<i>Owner's Statement (2022)</i>	\$100	\$8	0%	\$100	\$8	0%
Total Operating Expenses		\$142,218	\$11,851	100%	\$145,277	\$12,106	100%
Gross Potential Income		\$373,173			\$449,640		
Vacancy (3.5%)		\$18,659			\$22,482		
AGI		\$354,514			\$427,158		
Expenses		\$142,218			\$145,277		
NOI		\$212,296			\$281,881		
Expenses as % of Gross Income		38%			32%		
Expense per Unit		\$11,851			\$12,106		

Rent Roll

Unit No.	Unit Type	Rents	Parking	Storage	Pet Deposit	Water	Market Rent	Move in Date	Notes
A	Studio	\$511.53	\$137.36				\$2,250	1/1/1988	Non-conforming efficiency
1	Studio	\$724.48		Included			\$2,250	10/16/1985	
2	1 Bed, 1 Bath	\$3,195.00	\$295.00				\$3,195	10/29/2022	
3	Studio	\$2,040.89					\$2,250	8/15/2021	
4	1 Bed, 1 Bath	\$2,995.00		Included			\$3,195	2/4/2023	
5	Studio	\$2,199.45					\$2,250	12/6/2021	
6	1 Bed, 1 Bath	\$2,895.00					\$3,195	3/30/2022	
7	Studio	\$2,040.89	\$295.00		\$250.00		\$2,250	7/21/2021	
8	1 Bed, 1 Bath	\$2,466.85		\$45.00			\$3,195	11/7/2020	
9	Studio	\$1,111.11				\$10.00	\$2,250	11/1/1995	
10	1 Bed, 1 Bath	\$2,729.50					\$3,195	10/14/2020	
11	Studio	\$2,725.66	\$295.00			\$30.00	\$2,250	1/28/2017	
12	1 Bed, 1 Bath	\$3,295.00					\$3,295	Vacant	
Monthly Income		\$28,930.36	\$1,022.36	\$45.00	\$250.00	\$40.00	\$35,020		
Occupied Parking (4)		\$1,022.36					\$1,200		
Vacant Parking (1)		\$300.00					\$300		
Occupied Storage (3)		\$45.00					\$150		
Vacant Storage (5)		\$250.00					\$250		
Building Storage (1)		\$0.00					\$0		
Pet Deposit		\$250.00					\$250		
Water Passthrough		\$40.00					\$40		
Laundry		\$260.00					\$260		
Total Monthly Income		\$31,097.72					\$37,470.00		
Annual Income		\$373,173					\$449,640		Upside 20%

Units

Studio - 6

1 Bed, 1 Bath - 6

Non Conforming Efficiency - 1

Parking - 5

Storage - 9

Notes

Market rents estimated using Rentometer.com

Parking projected at \$300 per space/month

Storage projected at \$50 per space/month

Laundry projected at \$20 per unit/month

Property Photos

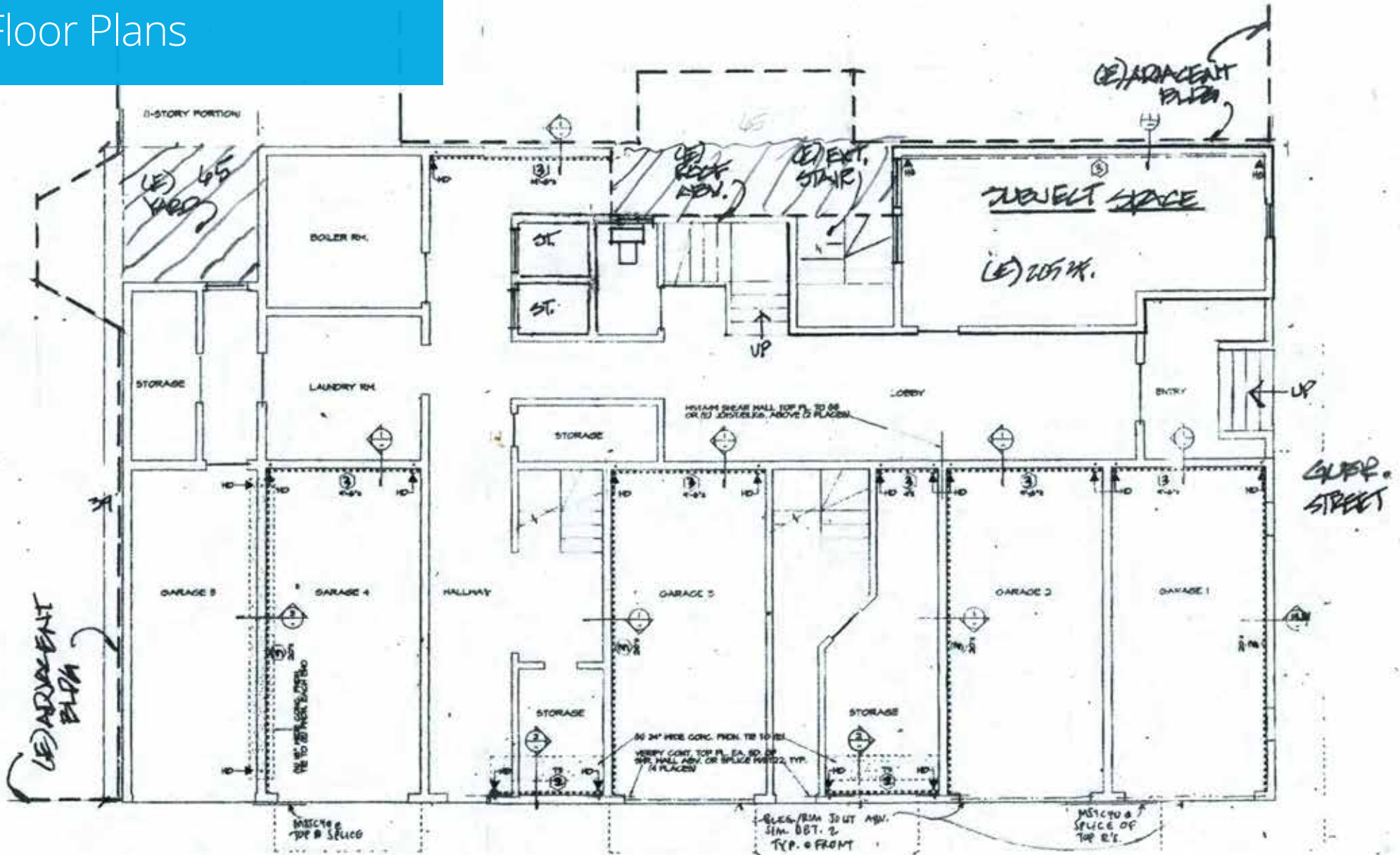


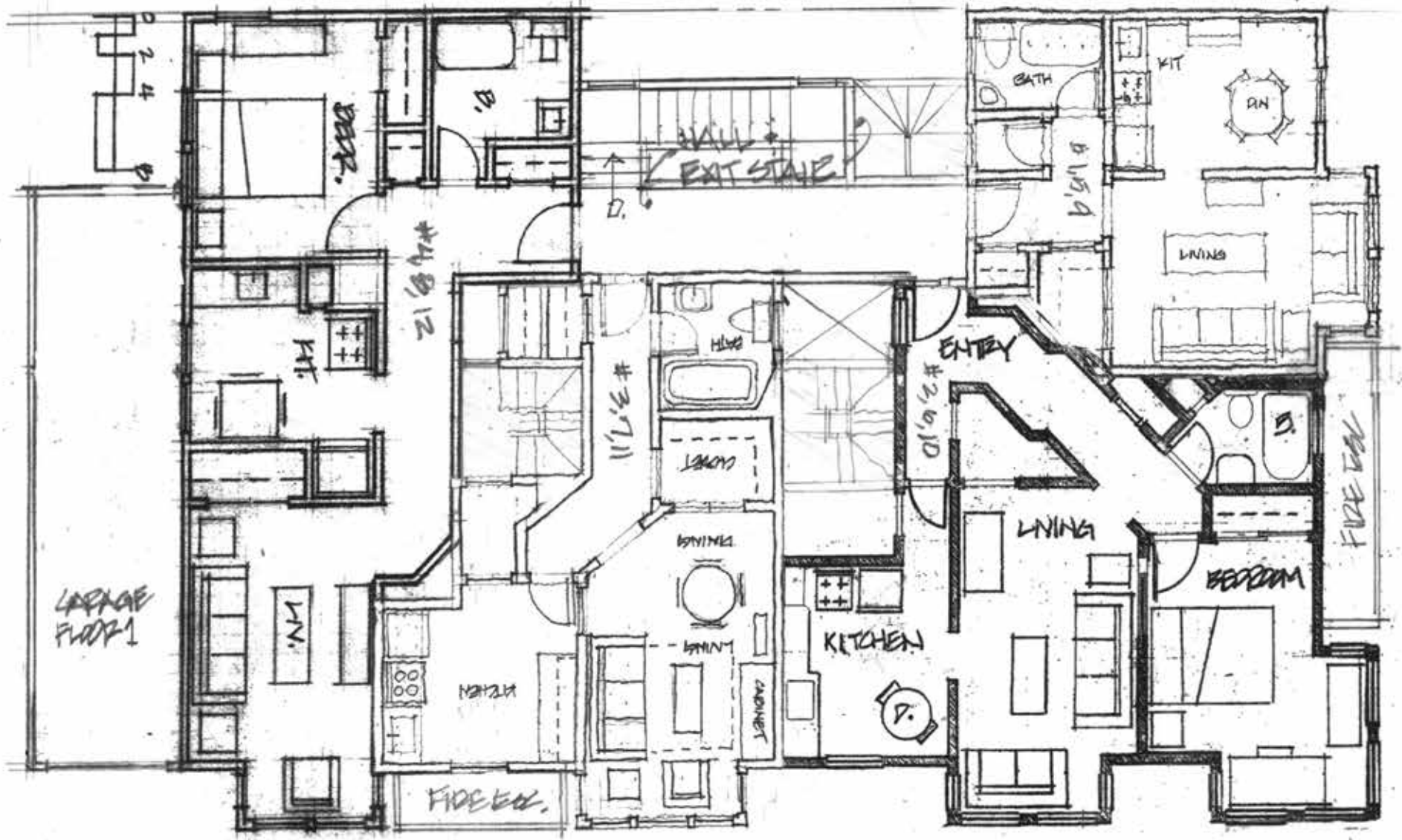






Floor Plans



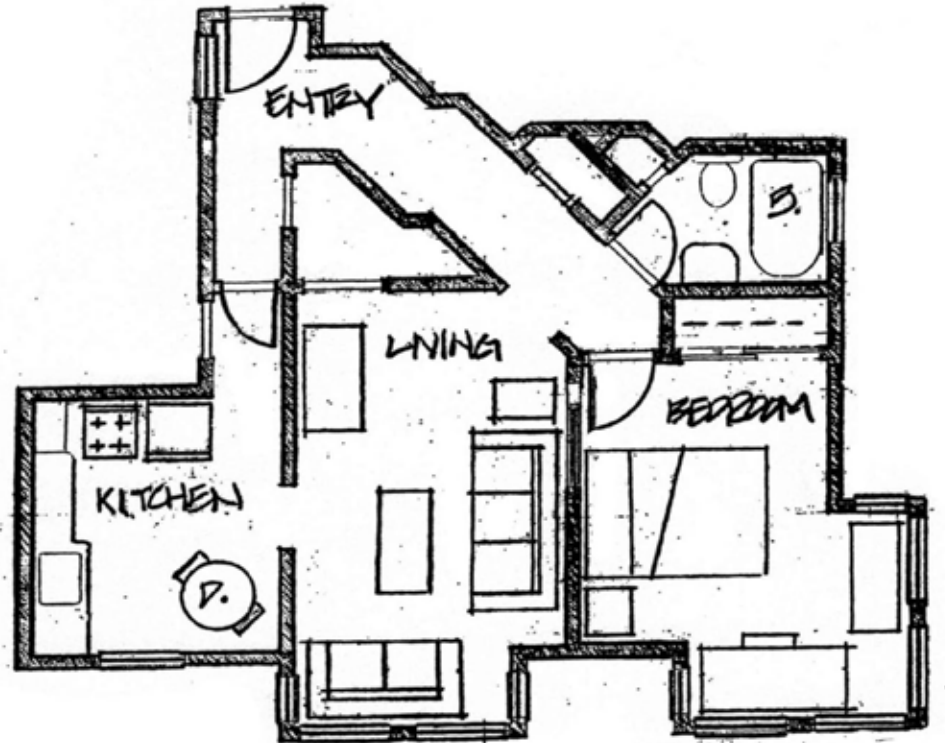
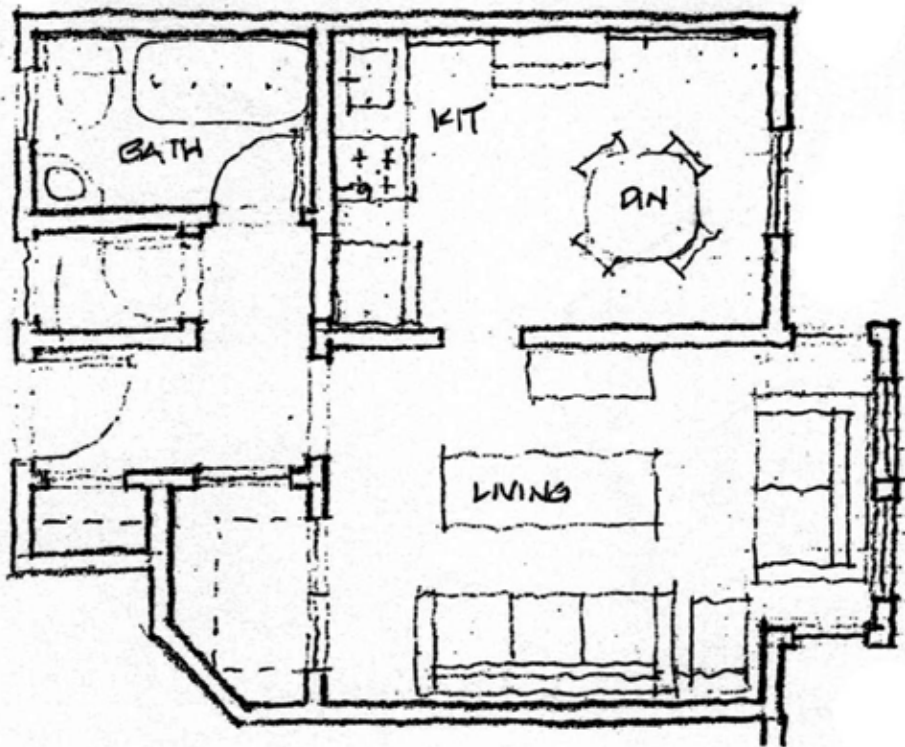


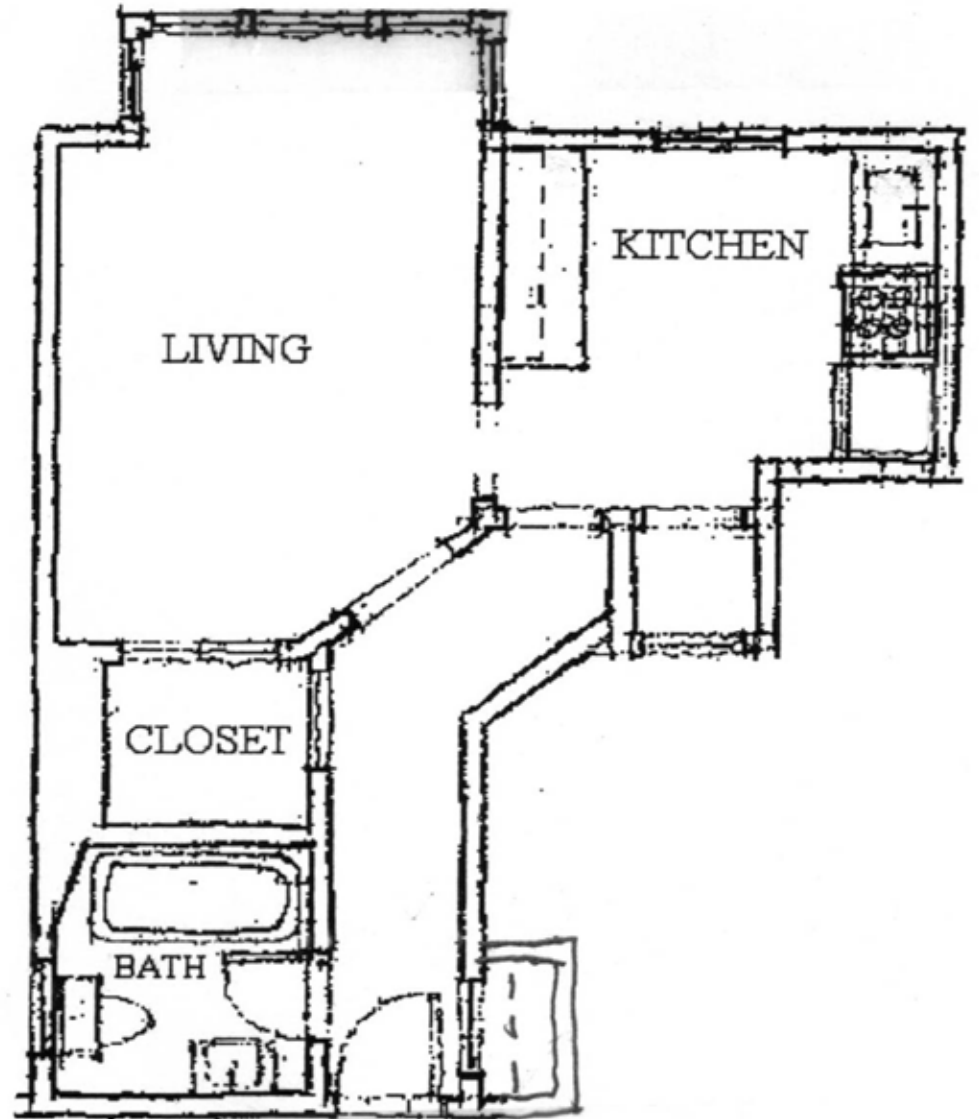
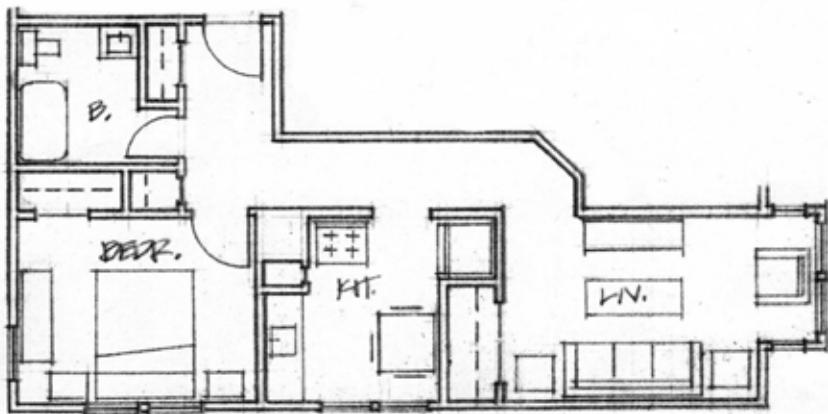
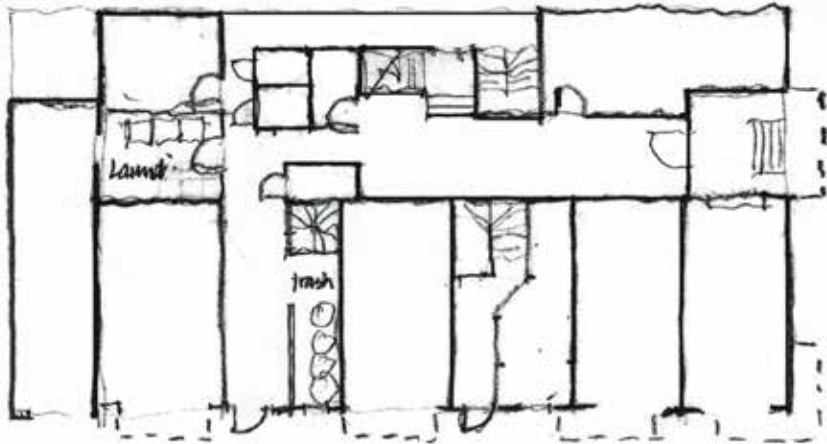
STUDIO - 430 SF

3 BEDROOM 540 SF

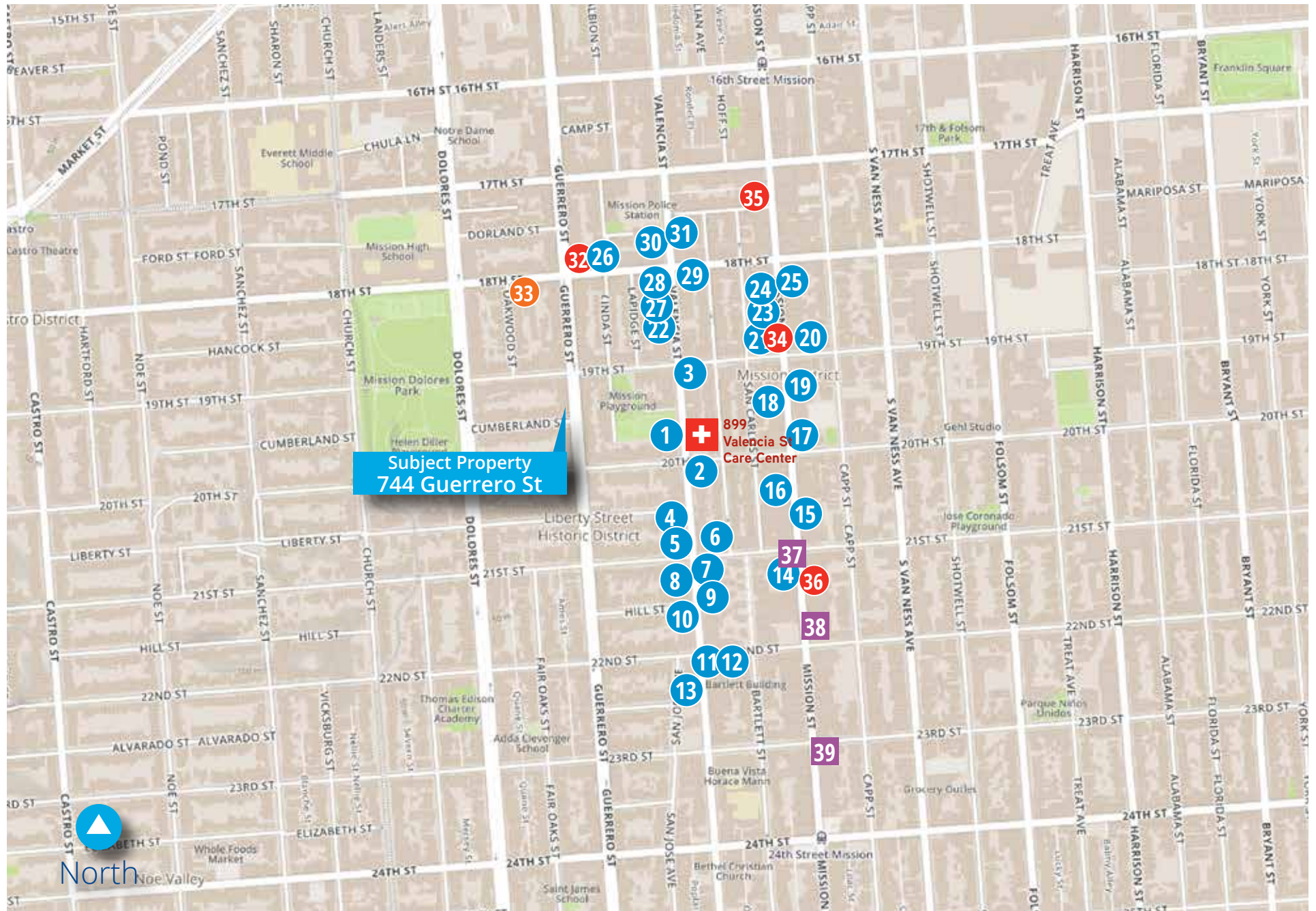
1/44 GUERREDO
 TYPICAL FLOOR PLAN - FLOORS 2-4
 EXISTING







Amenities Map

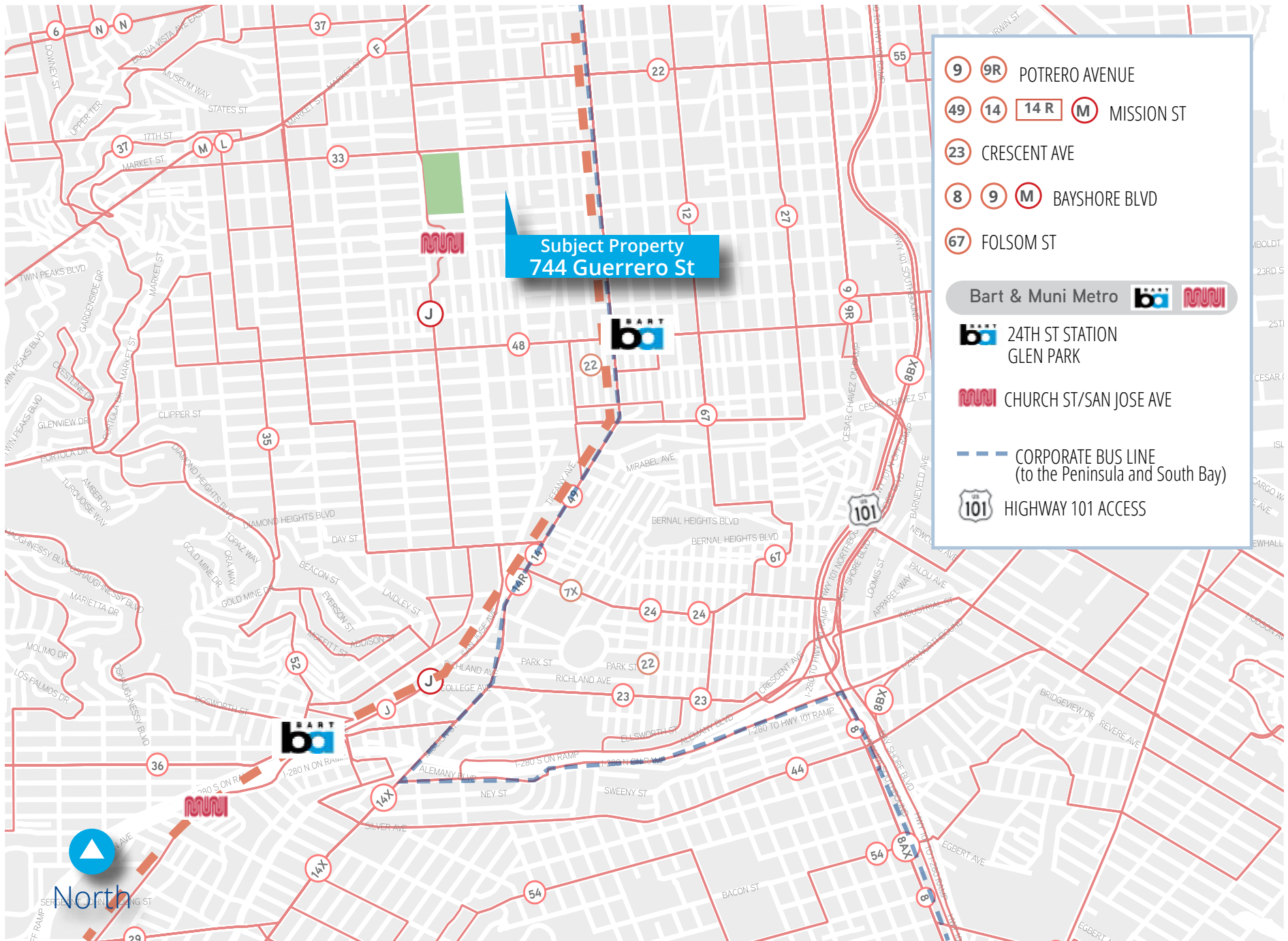


- Restaurants & Bars
- Convenience & Grocery Stores
- Banks & ATM's
- + Clinics

Neighborhood Amenities

- | | | |
|--|--|---|
| <ul style="list-style-type: none"> 1 Cafe Ethiopia 2 Mixt 3 Chic n' Time 4 Lolo 5 Senor Sisig 6 Serrano's Pizza 7 Udupi Palace 8 Ritual Coffee Roasters 9 Aslam's Rasoi 10 Alnico 11 Aditi Indian Cuisine 12 Esperpento 13 Deccan House | <ul style="list-style-type: none"> 14 Foreign Cinema 15 Cafe La Taza 16 Mission Curry House 17 Pete's Bar B-Que 18 Little Heaven 19 Cha Cha Cha 20 Kimbara 21 Lazy Bear 22 Souvla 23 Mission Chinese Food 24 Prubechu 25 Gracias Madre 26 Liholiho Yacht Club | <ul style="list-style-type: none"> 27 Dandelion Chocolate 28 Flour+Water Pizzeria 29 Regalito Rosticera 30 Hawker Fare 31 Mau 32 Pay & Save Grocery 33 Bi-Rite Market 34 City & Discount Grocery 35 Mission Grocery & Liquor 36 Evergreen Market 37 Chase Bank 38 Wells Fargo Bank 39 Bank of America |
|--|--|---|

Public Transportation



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

The area around 744 Guerrero 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. 744 Guerrero Street is within walking distance of a variety of public transit, including the 16th & 24th Street Bay Area Rapid Transit Systems (BART), 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.





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By acknowledging your receipt of this Offering Memorandum from 744 Guerrero Street, you agree:

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2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

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