



635 Ashbury Street

Haight Ashbury | San Francisco, CA

Investment Opportunity | Offering Memorandum

Colliers

Accelerating success

Brad Lagomarsino

Vice Chair

+1 415 288 7847

brad.lago@colliers.com

Dustin Dolby

Executive Vice President

+1 415 288 7869

dustin.dolby@colliers.com

James Devinenti

Vice Chair

+1 415 288 7848

j.d@colliers.com

Tour Schedule

Please Call Listing Agent

Multifamily Investment Services Group

www.thedlteam.com

101 Second Street | Suite 1100 | San Francisco, CA





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Offering Summary

635 Ashbury Street is a well maintained (8) unit apartment building located between Haight Street and Waller Street in Haight Ashbury, one of San Francisco's landmark neighborhoods. Haight Ashbury is conveniently located in the center of San Francisco. Proximity to parks is one of the major perks of living in this neighborhood. On the east, you'll find Buena Vista Park, and heading west is Golden Gate Park, the third most visited park in the country. The Panhandle spans the northern width of the neighborhood and is a favored spot among residents offering a large amount of activities and amenities for residents. The main commercial corridor is on Haight Street with its array of eclectic restaurants, bars, record shops, specialty stores, and coffee houses. Public transportation serves the area well. One can easily catch the N-Judah Muni train or one of the many bus lines that serve the area. For accessing other San Francisco neighborhoods, the 37 ambles through Upper Haight and circles to other parts of The City.

635 Ashbury Street was built in 1905 and is approximately 8,000-square-feet. This multi-story apartment building features a pink façade and a large archway entrance. The unit mix in the building consists of one (1) studio one bath & seven (7) two bedroom one bath apartments. This wood frame building is constructed over a concrete foundation, and has a wood façade. The units include wood flooring, large windows and dishwashers in the kitchens. The building is separately metered for gas and for electric with circuit breakers in the renovated units, (400 amp main service). Heating is provided by gas wall heaters and individual 30 gallon Bradford & White storage tanks provide hot water to the building. The tar & gravel roof appears to be in good condition. The laundry facility has a coin operated washer and dryer (leased). The building is not on the City of San Francisco's Soft Story Retrofit list.

635 Ashbury Street offers investors the opportunity to acquire an apartment building in a prime Haight Ashbury location. This may be ideal for an owner occupier, a TIC converter, or an investor who would like to hold long term as a rental property with upside and development conversion potential.

The Property

Property Information

Address:	635 Ashbury Street San Francisco, CA 94117
District:	Haight Ashbury
Property Type:	Apartment building
APN:	1245-003
Building Square Feet :	7,900 square feet
Units:	8
Lot Size:	2,500 square feet
Constructed:	1905 per tax record
Zoning:	RH3

Building Systems

Foundation:	Concrete/brick foundation
Structure:	Wood-frame building
Façade:	Wood façade
Roof Composition & Age:	Tar & gravel roof system (1996)
Electrical Service:	Approximately 400 amp service, 240v, separately metered
Circuit Breakers:	Circuit breaker panels in renovated units and at main service
Gas Service:	Separately metered
Fire Protection System:	Local fire alarm system, CO2/smoke detectors in apartments
Heat Source:	Gas wall heat
Hot Water:	Individual water heaters (30 gallon water heaters), various makes and models
Plumbing:	Mixture of copper and galvanized
Unit Access:	Walk-up building, Medco master key system
Door Entry System:	Buzzer/intercom entry system
Gated:	Residential entries are gated
Front Landing:	Tile
Mail Boxes:	In entryway
2nd form of egress:	2nd form of egress off kitchens of each apartment
Garbage:	At grade level in tradesman
Laundry:	One (1) washer & dryer (leased)
Soft Story Work:	Not on San Francisco soft-story list
Laundry:	1 stacked washer/dryer (garage)
Fire escapes:	Front of building
Windows:	Wood frame sliding windows

Building Information

Unit Mix:	1 - studio/office 7 - two bedroom, 1 bath
Kitchens:	Eat-in kitchens Gas stoves and ovens Wood cabinetry Granite/tile countertops Single basin sinks Disposals Dishwashers
Bathrooms:	Bath-shower combinations Tile floors Window ventilation Cabinet sinks
Bedrooms:	Large rooms Ample natural light Hardwood Floors Generous sized closet spaces Center mounted lighting fixtures
Dining/Living Room:	Hardwood floors Ample natural light Period details from era of construction

Notes:

Fire alarm horn upgrade has not been completed

Financial Analysis

Financial Summary	
Price	\$3,625,000
Down Payment	\$1,812,500
Number of Units	8
Price/Unit	\$453,125
Gross Square Feet	7,900
Price/Square Foot	\$459
CAP Rate - Current	6.06%
CAP Rate - Proforma	7.54%
GRM - Current	11.85
GRM - Pro Forma	10.00
Year Built	1905
Lot Size	2,500

Cash Flow After debt Service	Current	Proforma
Less Debt Service	\$108,750	\$108,750
Cash Flow	\$110,948	\$164,658
Cash on Cash Return	6.12%	9.08%

Financing	
Loan Amount	\$1,812,500
Loan Type	Proposed New
Interest Rate	6.00%
Program	5 Year Interest Only
Loan to Value	50%

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

Annual Operating Expenses		Current	Exp/Unit	% /Exp	Market	Exp/Unit	% /Exp
Property Taxes	1.1797% of Sales Price	\$42,764	\$5,346	60%	\$42,764	\$5,346	60%
Special Assessment Tax	Estimated at 1.5% of Property Tax	\$641	\$80	1%	\$641	\$80	1%
Insurance	Comm Cov Insurance Indication	\$8,787	\$1,098	12%	\$8,787	\$1,098	12%
Repairs & Maintenance	Estimated at \$750/unit	\$6,000	\$750	8%	\$6,000	\$750	8%
Electric - General	Annualized Owner's Statement (2023)	\$536	\$67	1%	\$536	\$67	1%
Electric Unit	Annualized Owner's Statement (2023)	\$42	\$5	0%	\$42	\$5	0%
Gas-General	Annualized Owner's Statement (2023)	\$439	\$55	1%	\$439	\$55	1%
Gas Unit	Annualized Owner's Statement (2023)	\$42	\$5	0%	\$42	\$5	0%
Water	Annualized Owner's Statement (2023)	\$1,785	\$223	3%	\$1,785	\$223	3%
Sewer	Annualized Owner's Statement (2023)	\$2,288	\$286	3%	\$2,288	\$286	3%
Telephone/Cable/Internet	Annualized Owner's Statement (2023)	\$440	\$55	1%	\$440	\$55	1%
Scavenger/Recycling/Trash	Annualized Owner's Statement (2023)	\$7,256	\$907	10%	\$7,256	\$907	10%
Total Operating Expenses		\$71,020	\$8,877	100%	\$71,020	\$8,877	100%

Annual Gross Income			
Gross Potential Income	Owner's Statement (2022)	\$306,019	\$362,556
Vacancy (5%)	Owner's Statement (2022)	\$15,301	\$18,128
AGI	Owner's Statement (2022)	\$290,718	\$344,428
Expenses	Owner's Statement (2022)	\$71,020	\$71,020
NOI		\$219,698	\$273,408

Expenses as % of Gross Income	23%	20%
Expense per Unit	\$8,877	\$8,877

Rent Roll

Unit No.	Unit Type	Rents	Pet Rent	RUBS	Market Rent	Move In Date
*1	Studio	\$2,149.67			\$2,195.00	10/25/2013
2	2 bed, 1 bath	\$3,695.00	\$50.00	\$196.50	\$3,895.00	12/15/2022
*3	2 bed, 1 bath	\$723.02			\$3,895.00	02/19/1970
*4	2 bed, 1 bath	\$3,492.41			\$3,895.00	08/27/2021
5	2 bed, 1 bath	\$3,745.00		\$150.00	\$3,895.00	06/10/2023
6	2 bed, 1 bath	\$3,895.00		\$196.50	\$3,895.00	07/01/2023
7	2 bed, 1 bath	\$3,473.09			\$3,895.00	12/20/2021
8	2 bed, 1 bath	\$3,575.39			\$3,895.00	10/01/2021
Monthly Income		\$24,748.58	\$50.00	\$543.00	\$29,460.00	
Pet Rent		\$50.00			\$50.00	
Utility RUBS Income		\$543.00			\$543.00	
Laundry		\$160.00			\$160.00	
Total Monthly Income		\$25,501.58			\$30,213.00	
Annual Income		\$306,019			\$362,556	Upside: 19%

Units

Studio, 1 bath - 1

2 bed, 1 bath - 7

Notes

Market rents projected using Rentometer.com

Laundry projected at \$20 per unit/month

Unit 4 base rent increases to \$3489 starting 9/1/23

*Units 1, 3 & 4 have a \$3 monthly amount applicable to the General Obligation bond passthrough included in the base rents



Property Photos



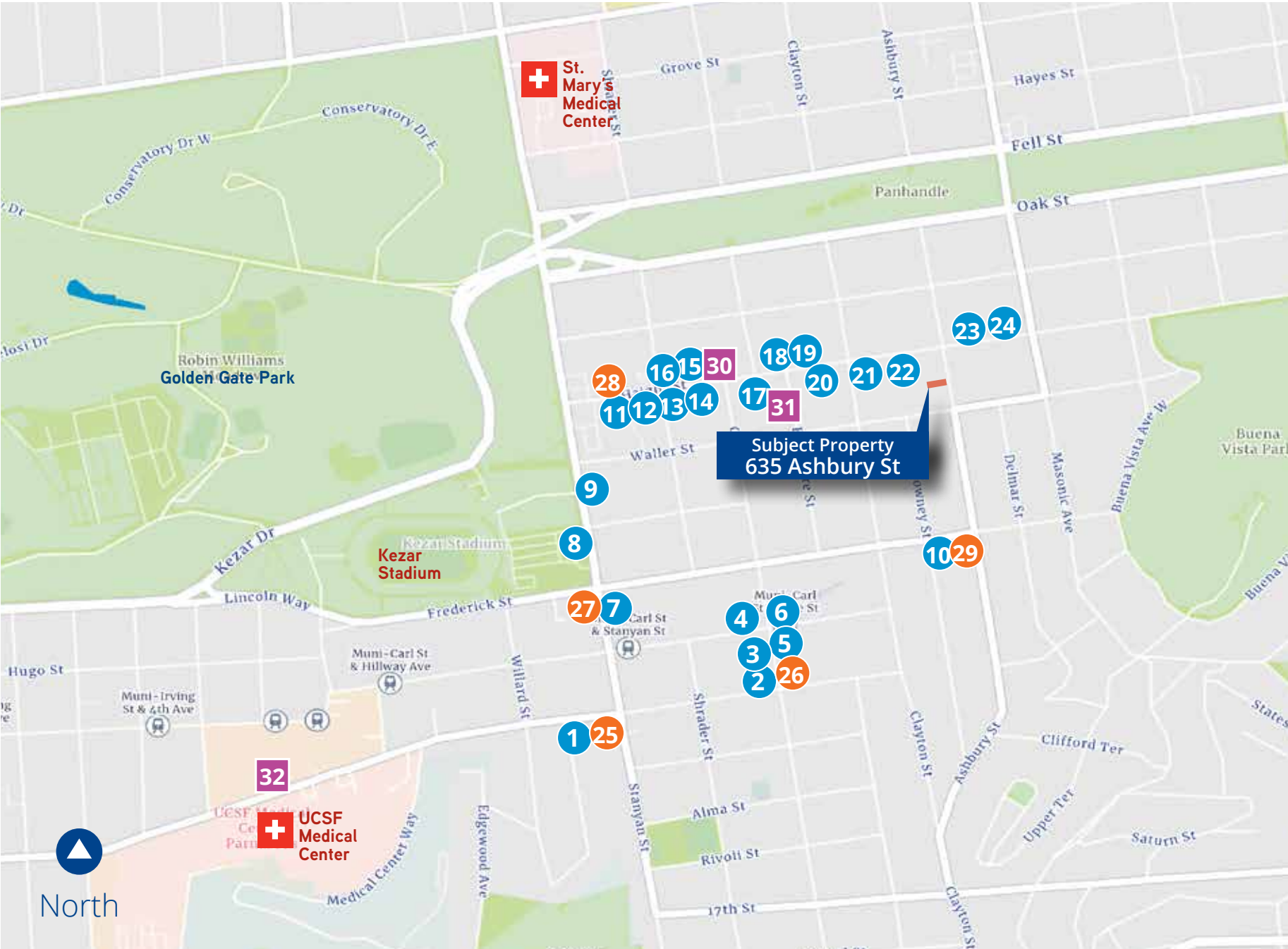
Property Photos



Property Photos



Amenities Map

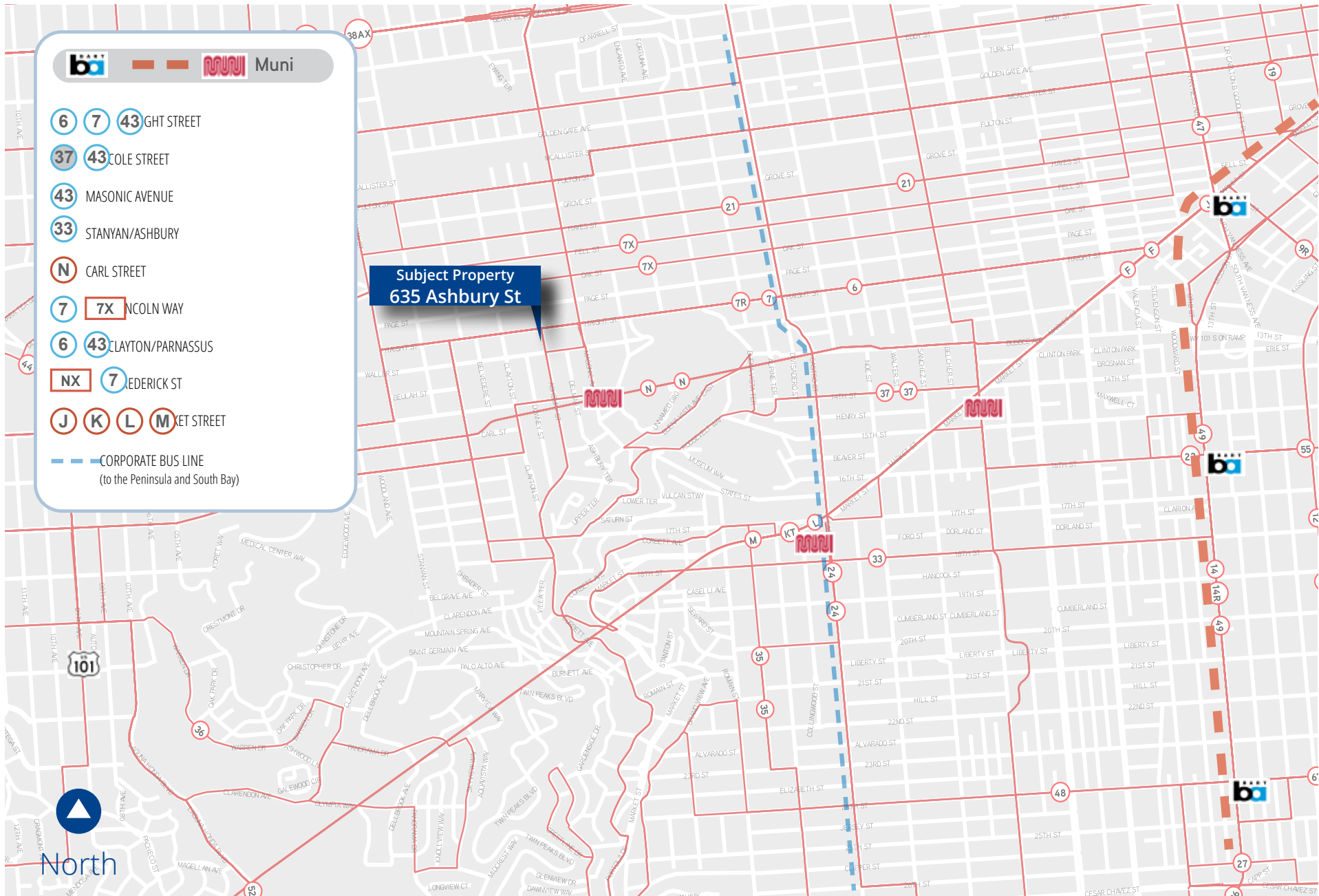


- Restaurants & Bars
- Convenience & Grocery Stores
- Banks & ATM's

Neighborhood Amenities

1 Talboun	9 The Kezar Pub	17 Dragon Eats	25 Sunny Country
2 Zazie	10 Bacon Bacon	18 Om Indian Cuisine	26 Luke's Local
3 Padrecito	11 Parada	19 Sparrow Bar & Cuisine	27 Parkview Market
4 Ino Vino	12 Cha Cha Cha	20 Street Taco	28 Whole Foods
5 Kezar Bar & Restaurant	13 Mi Familia Taqueria	21 Abu Salim Middle Eastern	29 Ashbury Market
6 Beit Rima	14 Escape From New York	22 Slice House Pizza	30 Wells Fargo Bank
7 Creola	15 What the Cluck	23 Vegan Burg San Francisco	31 Chase ATM
8 North Beach Pizza	16 Citrus Club	24 Hippie Thai Street Food	32 Bank of America ATM

Public Transportation



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

The area around 635 Ashbury 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 2022" ranked San Francisco second only to New York 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. The subject property is within walking distance of a variety of public transit systems, on Van Ness Avenue (the new Van Ness Bus Rapid Transit System), Columbus Avenue & Lombard Street, 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 via Divisadero Street and Van Ness Avenue.



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Vice Chair
+1 415 288 7847
brad.lago@colliers.com

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

James Devincenti
Vice Chair
+1 415 288 7848
j.d@colliers.com

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This Offering Memorandum contains select information pertaining to the business and affairs of the Property at 635 Ashbury Street San Francisco, CA 94117. It has been prepared by Colliers International. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Colliers International. The material is based in part upon information supplied by the Seller and in part upon financial information obtained by 635 Ashbury Street from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum from 635 Ashbury Street you agree:

1. The Offering Memorandum and its contents are confidential;
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.

Owner and Colliers International expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of 635 Ashbury Street or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Colliers International or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.