

# 3245 Clay Street

Pacific Heights | San Francisco, CA

Investment Opportunity | Offering Memorandum



**Colliers**

Accelerating success.



3245 Clay Street



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*Please Call Listing Agent*

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101 Second Street | Suite 1100 | San Francisco, CA







# Table of Contents

06

Offering Summary

09

Property Overview

10

Financial Overview

12

Property Photos

24

Amenities Map

26

Transportation Map

28

Aerial of property

# Offering Summary

3245 Clay Street is an exceptionally maintained, 1920's 15-unit apartment building located in Pacific Heights, one of the most prestigious neighborhoods in San Francisco, replete with multi-million dollar mansions, co-ops, and condo buildings. Ideally located a few blocks from the Presidio and Alta Plaza park, residents can enjoy unparalleled views of the surrounding city and bay, and plenty of outdoor recreation. Fillmore Street, the neighborhood's major thoroughfare regarded for its high-end boutique shopping and exceptional eateries, and Divisadero Street for shopping, bars and dining, are all within walking distance. This location is a walker's paradise and has a walk score of 98 out of 100. Residents can reach all major business districts in San Francisco via a variety of transportation lines on Divisadero Street, California Street, Geary Boulevard.

The unit mix in the building consists of fourteen (14) 1-bedrooms/1 bath and one (1) 2-bedroom/1 bath apartment. The units feature bay windows, hardwood floors, spacious living rooms and dining rooms with ample closet space, modernized kitchens with stainless steel appliances, and full bathrooms with tile floors and pedestal sinks. The garage in the building can accommodate four parking spaces. The current owners have meticulously managed the property and several recent improvements include: three ADU's, new interior paint, new windows throughout, upgraded electrical and completion of the seismic retrofit.

3245 Clay Street offers investors an extraordinary opportunity to acquire a trophy multi-family property in one of the finest locations in the City.









# The Property

## Property Information

Address	3245 Clay Street, San Francisco CA 94115
District	Pacific Heights
Property Type	Multi-family
APN:	1007-024
Building Square Feet	17,078 (per owner)
Units	15
Lot Size	7,649 (per tax record)
Constructed	1922
Zoning	RM-1

## Building Systems

Foundation	Concrete foundation
Structure	Wood-frame building
Façade	Stucco
Roof Composition & Age	Rolled composite roof system
Electrical Service	400 AMPS, separately metered – circuit breakers in apartments and at main Service
Gas Service:	Separately metered
Fire Protection System:	Upgraded system, decibel compliance completed
Sprinklered:	Partially – garage and ADU's
Fire Escapes:	North, south escapes, covered 2nd form of egress (East side of building)
Heat Source:	Steam heat – Peerless boiler
Hot Water:	MightyTherm hot water heater, American Standard tank (119-gallon)
Plumbing:	Predominantly copper plumbing
Common Area Lights:	Decorative flush mount light fixtures (timer system)
Door Entry System:	DKS phone entry system/key entry
Front entry:	Gated, marble tile Landing, marble Surrounds, flush-mount lighting
Mailboxes	Inside gate
Common Areas:	Terrazo landing, carpeted landings and floors
Lobby/common area Lighting:	Flushmount lighting throughout
Apartment Access:	Central staircase
Windows:	Dual paned vinyl windows
Garbage:	Tradesman and chute system
Laundry:	2 washers, 2 dryers (leased from WASH)
Bicycle Storage:	Garage rack system
Seismic Work:	The building is compliant with the City's soft-story ordinance issued

## Building Information

Unit Mix	14 - One bedroom, 1 bath 1 - Two bedroom, 1 bath 2+ garage parking spaces
Kitchens	Gas and electric stoves Dishwashers Disposals Quartz counters over wood cabinets Single basin stainless steel sinks Freezer over refrigerator – stainless Ample natural light Simulated wood flooring
Bathrooms	Tile flooring Tile surrounds Pedestal sinks Mirrored cabinet storage Tub shower combinations Window ventilation/fans Flushmount lighting
Bedrooms	Hardwood floors Blinds/curtains Paned wood-frame windows Ample natural light Mirrored sliding closets Center mount lighting
Dining/Living Room	Hardwood floors Flushmount and centermount lighting Tremendous natural light

## Notes:

# Financial Analysis

Financial Summary	
Price	\$9,850,000
Down Payment	\$4,925,000
Number of Units	15
Price/Unit	\$656,667
Gross Square Feet	17,078
Price/Square Foot	\$577
CAP Rate - Current	4.85%
CAP Rate - Proforma	4.88%
GRM - Current	12.94
GRM - Pro Forma	12.88
Year Built	1922
Lot Size	7,649

Cash Flow After debt Service	Current	Proforma
Less Debt Service	\$365,813	\$365,813
Cash Flow	\$111,858	\$114,865
Cash on Cash Return	2.27%	2.33%

Financing	
Loan Amount	\$4,925,000
Loan Type	Proposed New
Interest Rate	6.30%
Program	5/30 Year Fixed
Loan to Value	50%

*Loan: Chase Commercial Term lending - 5/30 Year Fixed (5 year stepdown prepayment penalty - ceiling 5% over fixed rate). Loan information is time sensitive and subject to change.*

Annual Operating Expenses		Current	Exp/Unit	% /Exp	Market	Exp/Unit	% /Exp
Property Taxes	<i>1.1797% of Sales Price</i>	\$116,200	\$7,747	47%	\$116,200	\$7,747	47%
Special Assessment Tax	<i>Estimated at 1.5% of Property Tax</i>	\$1,743	\$116	1%	\$1,743	\$116	1%
Insurance	<i>Owner's Statement (2022)</i>	\$18,319	\$1,221	7%	\$18,319	\$1,221	7%
Property Management	<i>Estimated at 5% of Gross Income</i>	\$38,074	\$2,538	15%	\$38,241	\$2,549	16%
Repairs & Maintenance	<i>Estimated at \$1,000/unit</i>	\$15,000	\$1,000	6%	\$15,000	\$1,000	6%
Fire	<i>Owner's Statement (2022)</i>	\$605	\$40	0%	\$605	\$40	0%
Janitorial-Day Porter	<i>Owner's Statement (2022)</i>	\$6,226	\$415	3%	\$6,226	\$415	3%
Landscaping-Exterior	<i>Owner's Statement (2022)</i>	\$5,200	\$347	2%	\$5,200	\$347	2%
Lobby Entry/Internet	<i>Owner's Statement (2022)</i>	\$234	\$16	0%	\$234	\$16	0%
Electricity and Gas	<i>Owner's Statement (2022)</i>	\$22,472	\$1,498	9%	\$22,472	\$1,498	9%
Garbage	<i>Owner's Statement (2022)</i>	\$10,014	\$668	4%	\$10,014	\$668	4%
Telephone	<i>Owner's Statement (2022)</i>	\$3,112	\$207	1%	\$3,112	\$207	1%
Water	<i>Owner's Statement (2022)</i>	\$7,316	\$488	3%	\$7,316	\$488	3%
Permit/Licenses/Fees	<i>Owner's Statement (2022)</i>	\$1,218	\$81	0%	\$1,218	\$81	0%
<b>Total Operating Expenses</b>		<b>\$245,734</b>	<b>\$16,382</b>	<b>100%</b>	<b>\$245,901</b>	<b>\$16,393</b>	<b>100%</b>

Annual Gross Income	
Gross Potential Income	\$761,478
Vacancy (5%)	\$38,074
AGI	\$723,405
Expenses	\$245,734
<b>NOI</b>	<b>\$477,671</b>

Expenses as % of Gross Income	32%
Expense per Unit	\$16,382

# Rent Roll

Unit No.	Unit Type	Rents	Parking	Pet Rent	Market Rent	Move In Date	Sq Ft	Notes
1	1 bed, 1 bath	\$3,700.00			\$3,700	9/1/2022	1,040	2 bonus rooms
<b>2</b>	<b>1 bed, 1 bath</b>	<b>\$3,595.00</b>			<b>\$3,595</b>	<b>Vacant</b>	<b>1,042</b>	<b>2 bonus rooms</b>
3	1 bed, 1 bath	\$4,296.60			\$4,300	1/28/2022	1,160	3 bonus rooms
4	1 bed, 1 bath	\$4,296.60			\$4,300	1/1/2022	1,160	3 bonus rooms
5	1 bed, 1 bath	\$3,695.00	\$250.00	\$100.00	\$3,750	12/27/2019	1,100	2 bonus rooms
6	1 bed, 1 bath	\$4,350.00			\$4,350	11/17/2022	1,100	2 bonus rooms
7	1 bed, 1 bath	\$4,552.35			\$4,550	2/1/2022	1,160	3 bonus rooms
8	1 bed, 1 bath	\$4,662.00	\$310.80		\$4,650	3/1/2022	1,160	3 bonus rooms
9	1 bed, 1 bath	\$4,400.00			\$4,400	8/1/2022	1,100	2 bonus rooms
10	1 bed, 1 bath	\$4,802.98			\$4,800	1/30/2022	1,042	2 bonus rooms
11	1 bed, 1 bath	\$4,595.00	\$300.00		\$4,600	8/12/2022	1,160	3 bonus rooms
12	1 bed, 1 bath	\$5,457.91	\$102.30		\$5,450	1/27/2019	1,160	3 bonus rooms
<b>101</b>	<b>1 bed, 1 bath</b>	<b>\$2,750.00</b>			<b>\$2,750</b>	<b>Vacant</b>	<b>369</b>	
<b>102</b>	<b>1 bed, 1 bath</b>	<b>\$3,250.00</b>			<b>\$3,250</b>	<b>Vacant</b>	<b>418</b>	
<b>103</b>	<b>2 bed, 1 bath</b>	<b>\$3,750.00</b>			<b>\$3,750</b>	<b>Vacant</b>	<b>675</b>	<b>with den</b>
Monthly Income		\$62,153.44	\$963.10	\$100.00	\$62,195			
Parking (4)		\$963.10			\$1,200			
Pet Rent		\$100.00			\$100			
Laundry		\$240.00			\$240			
<b>Total Monthly Income</b>		<b>\$63,456.54</b>			<b>\$63,735</b>			
<b>Total Annual Income</b>		<b>\$761,478</b>			<b>\$764,820</b>			

## Units

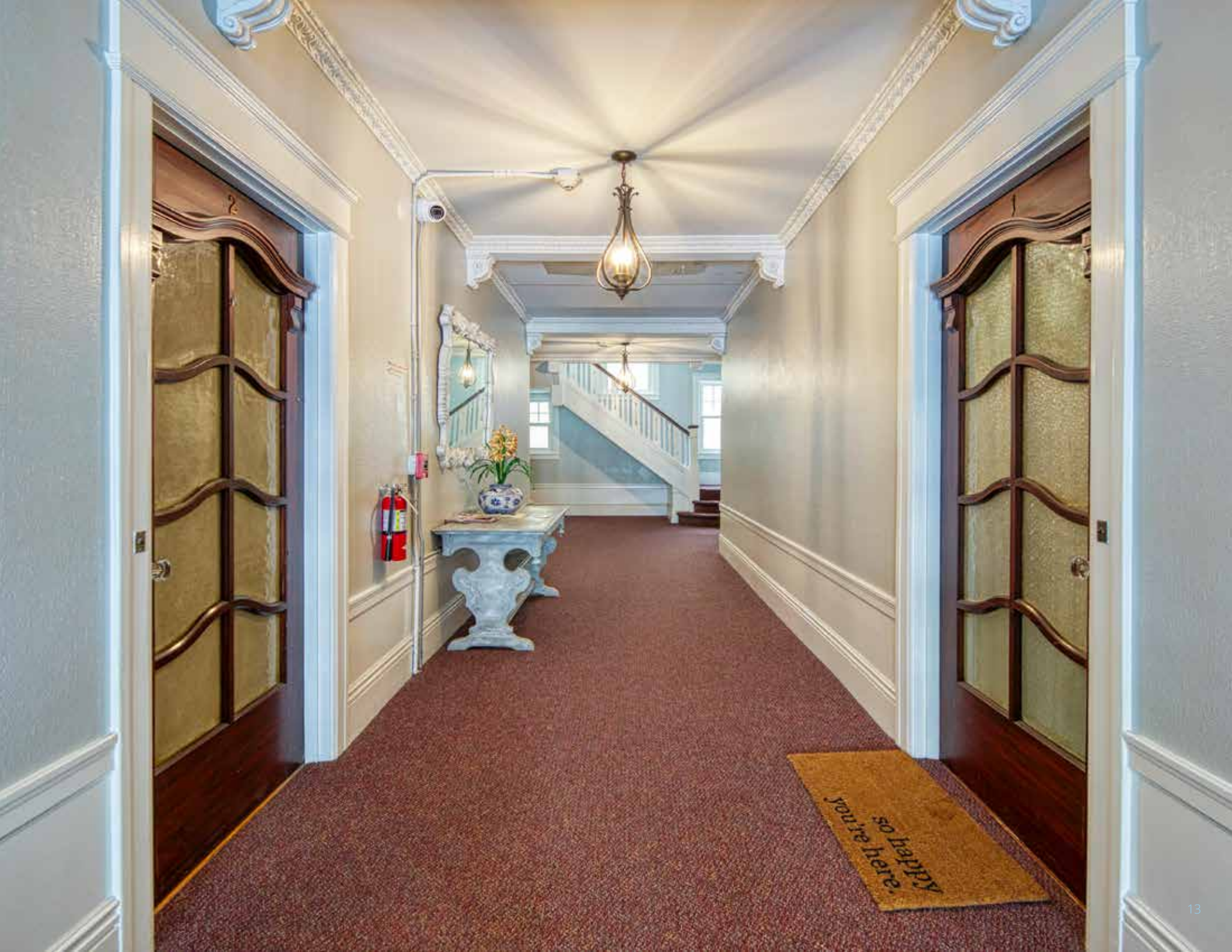
1 bed, 1 bath - 14  
 2 bed, 1 bath - 1  
 Parking - 4

## Notes

Market rents provided by property manager & estimated using Rentometer.com  
 Parking projected at \$300 per space/month  
 Laundry projected at \$20 per unit/month

# Property Photos





*so happy  
you're here.*

# Property Photos









Property Photos







# Property Photos





# Amenities Map

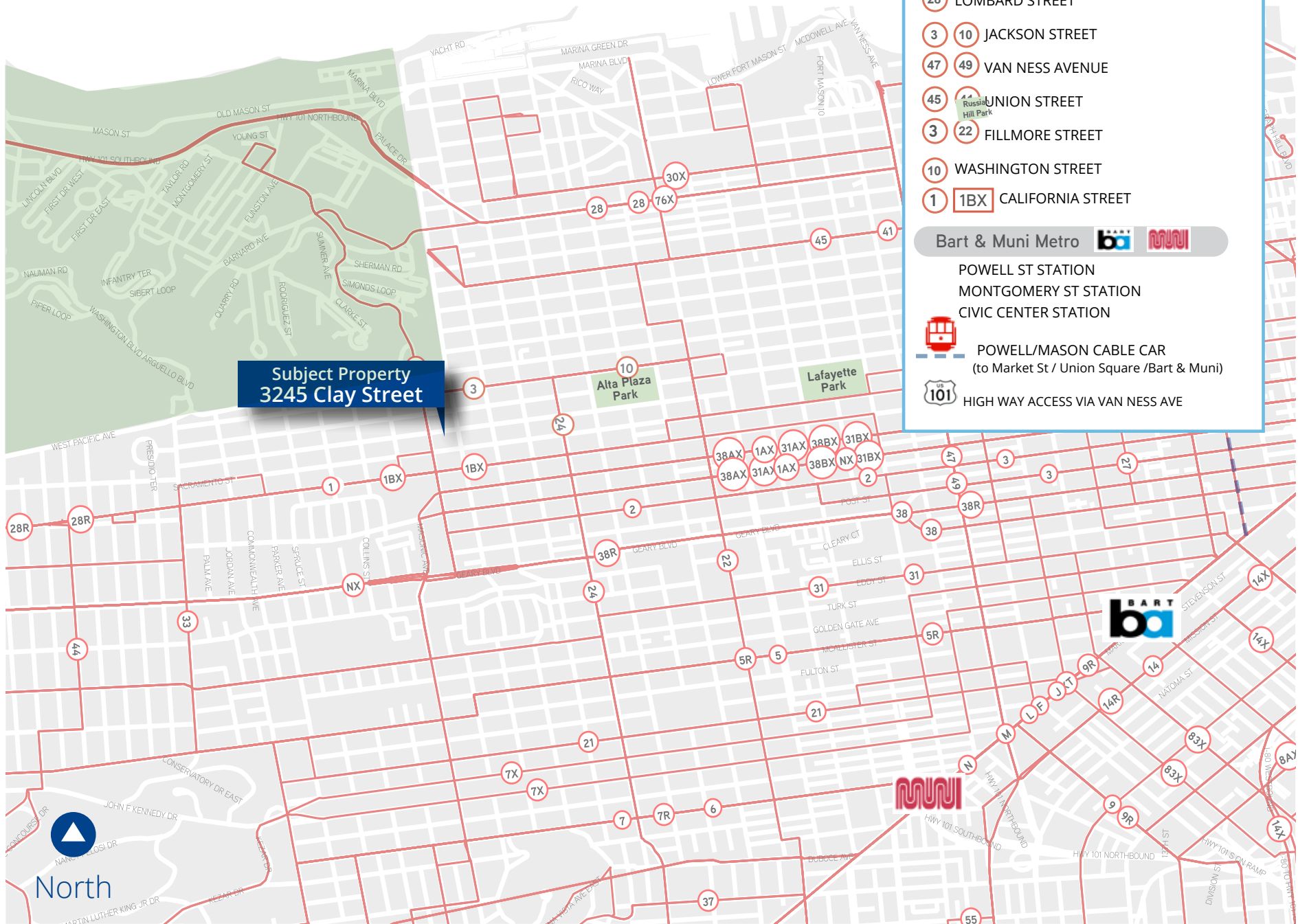


● Restaurants & Bars    
 ■ Convenience & Grocery Stores    
 ■ Banks & ATM's    
 + Hospitals/Health Care

## Neighborhood Amenities

- |                                       |   |                                   |                                    |
|---------------------------------------|---|-----------------------------------|------------------------------------|
| <b>1</b> Garibaldi's Restaurant       | <b>15</b> Opa Cafe                        | <b>29</b> La Mediterranee         | <b>41</b> California & Lyon Market |
| <b>2</b> Cafe Luna                    | <b>16</b> The Cheese Steak Shop           | <b>30</b> Troya Restaurant        | <b>42</b> Bryan's Grocery          |
| <b>3</b> Sorrel                       | <b>17</b> The San Francisco Athletic Club | <b>31</b> Curbside cafe           | <b>43</b> Walgreens Pharmacy       |
| <b>4</b> Presidio Kebab               | <b>18</b> The City Taqueria               | <b>32</b> Roam Artisan Burgers    | <b>44</b> Trader Joe's             |
| <b>5</b> As Quoted                    | <b>19</b> Eliza's                         | <b>33</b> Florio Bar & cafe       | <b>45</b> Target Grocery           |
| <b>6</b> Spruce                       | <b>20</b> Scopo Divino                    | <b>34</b> Sweet Lime Thai Cuisine | <b>46</b> Royal Market             |
| <b>7</b> Sociale                      | <b>21</b> B. on the Go                    | <b>35</b> Sweet Maple             | <b>47</b> Stewart's Grocery        |
| <b>8</b> Magic Flute                  | <b>22</b> Routier Modern French           | <b>36</b> Philmore Creamery       | <b>48</b> Mollie Stone's Market    |
| <b>9</b> Proposition Chicken          | <b>23</b> b. patisserie                   | <b>37</b> Gardenias               | <b>49</b> Wells Fargo              |
| <b>10</b> Peets                       | <b>24</b> Jackson Fillmore Trattoria      | <b>38</b> Marufuku Ramen          | <b>50</b> Chase Bank               |
| <b>11</b> Super Duper Burgers         | <b>25</b> Chouquet's                      | <b>39</b> Avery Restaurant        | <b>51</b> Bank of America          |
| <b>12</b> Anomaly SF                  | <b>26</b> The Snug                        | <b>40</b> State Bird Provisions   | <b>52</b> Sterling Bank            |
| <b>13</b> Tony's Cable Car Restaurant | <b>27</b> Palmers Tavern                  |                                   | <b>53</b> Hanmi Bank               |
| <b>14</b> Zazang Korean Noodles       | <b>28</b> Salt & Straw                    |                                   |                                    |

# Public Transportation





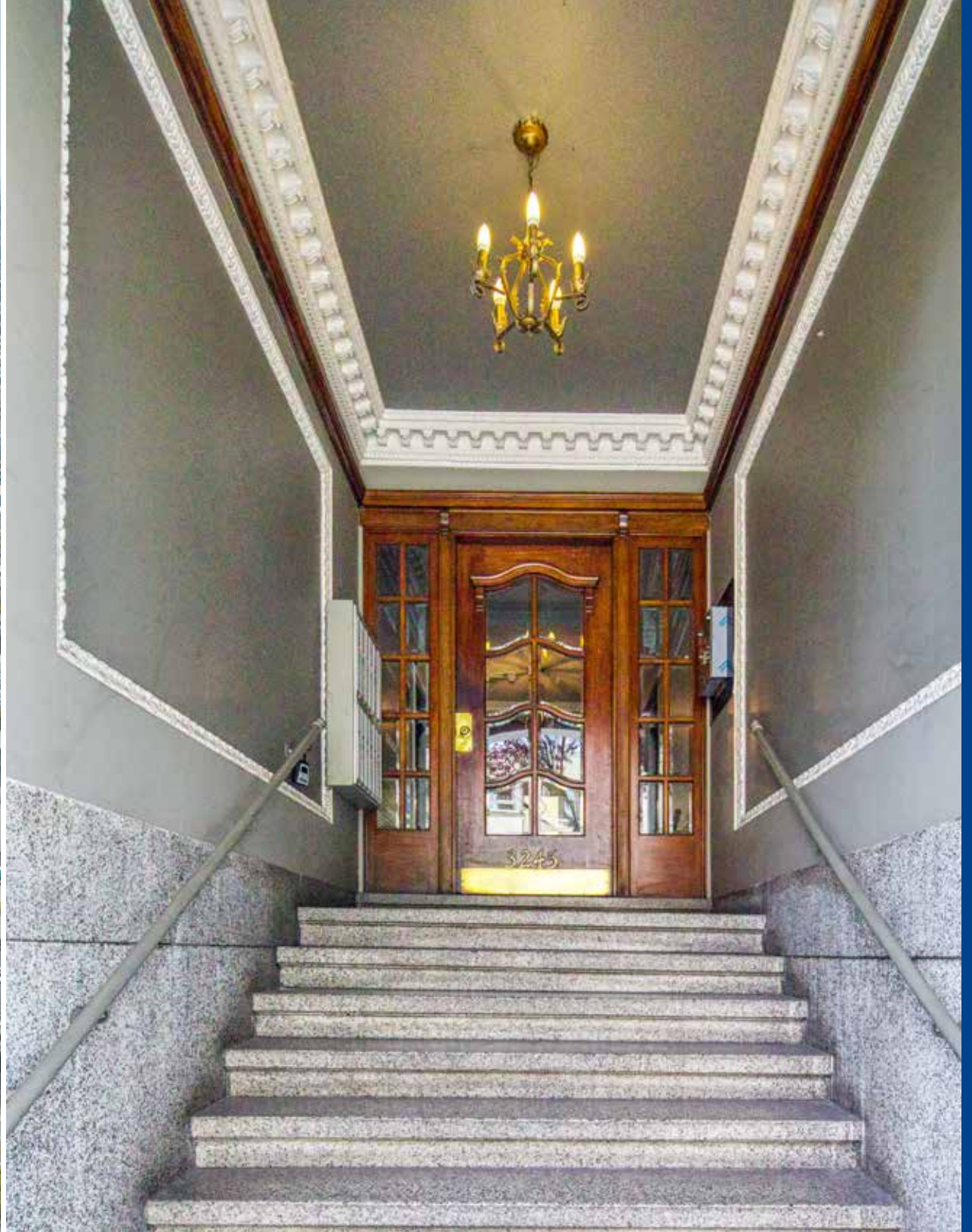
# With Immediate Access to **One of the Nation's Best Public Transit Systems**

The area around 3245 Clay 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 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.





3245  
Clay Street





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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.

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