

975 Jackson Street

Nob Hill | San Francisco, CA

Investment Opportunity | Offering Memorandum



Accelerating success.



975
Jackson
Street



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Offering Summary

Colliers International is pleased to present the Dore Apartments at 975 Jackson Street (between Mason & Powell Streets) in Nob Hill, known for its city landmarks & fabulous hotels. The building is steps from Grace Cathedral, Huntington Park, The Fairmont Hotel and the Masonic Auditorium, and within comfortable walking distance to a wonderful assortment of restaurants, nightlife, and shopping in the nearby neighborhoods of Polk Street, Downtown, North Beach and Chinatown. Transportation options are plentiful due to its central location with public transit on Mason, Powell, Clay, Sacramento and California Streets.

The unit mix in the building consists of six-studio/1 bath, three-1 bedroom/1 bath, one-1 1/2 bedroom/1 bath and three-2 bedrooms/2 bath apartments. There are 5 individual parking garages. Approx. 50% of the units have been remodeled. The units feature hardwood floors, french doors, walk-in closets in most units, coved ceilings, and large windows with plenty of natural light. The building is separately metered for gas & electricity. Major upgrades include double-paned windows and newer kitchens and bathrooms in the remodeled units, new electrical panels and seismic work completed in 2020.

This is an ideal opportunity for an investor or owner/user to purchase a well maintained apartment building in a prime Nob Hill location with tremendous income upside in rents through unit turnover and renovation (currently there is a 35% upside in rents).

DORE APARTMENTS





The Property

Property Information

Address: 975 Jackson Street, San Francisco, CA 94133
District: Nob Hill
Property Type: Multifamily
APN: 0191-022
Building Square Feet: 9,570 square feet (per tax record)
Units: 13
Lot Size: 4,120 square feet (per tax record)
Constructed: 1925
Zoning: RM-3 (Residential Mixed, Medium Density)

Building Systems

Foundation: Concrete
Structure: Wood frame
Façade: Stucco
Rear of Building: Wood siding
Roof Composition: Rolled on composite
Windows: Vinyl, aluminum & wood
Electrical Service: Separately metered
Gas Service: Separately metered
Fire Protection System: Fire alarm in lobby, and hard wired smoke detectors, sprinklers in units
Fire Escapes: In north & west side of building
Heat Source: Steam heat
Hot Water: Bradford White hot water heaters
Plumbing: Mix of copper & galvanized
Common Area Lights: Modern wall sconces
Access to Building: Call box for entry
Door Entry System: Lock & key
Front entryway: Tile flooring
Mailboxes: At entryway
Lobby/Common Areas: Carpeted
Garbage: In tradesman
Apartment Access: Central stairwell
Backyard: Private backyard (unit 4A)
Seismic Retrofit: Completed in 2020

Building Information

Unit Mix: 6 - studio, 1 bath
3 - one bedroom, 1 bath
1 - one & one half bedroom, 1 bath
3 - two bedroom, 1 bath
Parking: 5 car parking
Kitchens: *Granite counters
Wood cabinetry
*Single basin stainless steel sinks
Gas & electric stoves/ovens with hood
Sliding windows
Over-under refrigerators
(*remodeled units)
Bathrooms: Vinyl tile flooring
Tub/shower combinations with tile surrounds
*Mirrors over porcelain vanity sinks
Window ventilation
*Modern wall lighting
(*remodeled units)
Bedrooms: Hardwood floors
Aluminum/vinyl sliding windows
Walk-in closets (in most units)
Living Room Area: Hardwood floors
Coved ceilings with detail
*Modern light fixtures
Large windows with natural light
*double-paned windows in remodeled units
(*remodeled units)

Notes

Seismic retrofit complete - certificate of final completion issued
 Upgrades to some of the kitchens & bathrooms
 Private backyard and non-working fireplace in unit 4A
 The 1&2 bedroom units have a large closet off the living room that can be used as an office.

Financial Analysis

Financial Summary		Annual Gross Income	Current	Proforma
Price	\$3,800,000	Gross Potential Income	\$321,406	\$435,480
Down Payment	\$1,900,000	Vacancy (3%)	\$9,642	\$13,064
Number of Units	13	AGI	\$311,763	\$422,416
Price/Unit	\$292,308	Expenses	\$117,869	\$122,432
Gross Square Feet	9,570	NOI	\$193,895	\$299,984
Price/Square Foot	\$397			
CAP Rate - Current	5.10%			
CAP Rate - Proforma	7.89%			
GRM - Current	11.82			
GRM - Pro Forma	8.73			
Year Built	1925			
Lot Size	4,120			

Financing		Cash Flow After Debt Service	Current	Proforma
Loan Amount	\$1,900,000	Less Debt Service	\$141,126	\$141,126
Loan Type	Proposed New	Cash Flow	\$52,769	\$158,858
Interest Rate	6.30%	Cash on Cash Return	2.78%	8.36%
Program	5/30 Year Fixed	Expenses as % of Gross	37%	28%
Loan to Value	50%	Expenses per Unit	\$9,067	\$9,418

Loan Quote: Estimated at 50% LTV at 6.30% 5/30 Year Fixed (Loan information is time sensitive & subject to change)

Financial Analysis

Annual Operating Expenses		Current	Exp/Unit	% /Exp	Market	Exp/Unit	% /Exp
Property Taxes	<i>1.1797% of Sales Price</i>	\$44,829	\$3,448	38%	\$44,829	\$3,448	37%
Special Assessment Tax	<i>Estimated at 1.5% of Property Tax</i>	\$672	\$52	1%	\$672	\$52	1%
Insurance	<i>Commercial Coverage Indicator</i>	\$9,299	\$715	8%	\$9,299	\$715	8%
Property Management	<i>Estimated at 4% of Gross Income</i>	\$12,856	\$989	11%	\$17,419	\$1,340	14%
Repairs & Maintenance	<i>Estimated at \$750/unit</i>	\$9,750	\$750	8%	\$9,750	\$750	8%
PG&E	<i>Owner's Statement</i>	\$10,191	\$784	9%	\$10,191	\$784	8%
Recology Golden Gate	<i>Owner's Statement</i>	\$6,402	\$492	5%	\$6,402	\$492	5%
Water	<i>Owner's Statement</i>	\$14,647	\$1,127	12%	\$14,647	\$1,127	12%
SF Rent Board & Business Tax	<i>Owner's Statement</i>	\$742	\$57	1%	\$742	\$57	1%
Outside Services	<i>Owner's Statement</i>	\$2,615	\$201	2%	\$2,615	\$201	2%
Janitorial Services	<i>Owner's Statement</i>	\$5,615	\$432	5%	\$5,615	\$432	5%
Pest Control	<i>Owner's Statement</i>	\$250	\$19	0%	\$250	\$19	0%
Total Operating Expenses		\$117,869	\$9,067	100%	\$122,432	\$9,418	100%
Gross Potential Income		\$321,406			\$435,480		
Vacancy (3%)		\$9,642			\$13,064		
AGI		\$311,763			\$422,416		
Expenses		\$117,869			\$122,432		
NOI		\$193,895			\$299,984		
Expenses as % of Gross Income		37%			28%		
Expense per Unit		\$9,067			\$9,418		

Rent Roll

Unit No.	Unit Type	Rents	Rent Increases	Market Rent	Move in Date	Notes
1	1 bed, 1 bath	\$2,850.00		\$2,850	10/1/2022	Remodeled
2	studio	\$1,864.80	\$64.80	\$1,995	2/1/2022	Remodeled
3	studio	\$1,795.00		\$1,995	7/1/2021	Remodeled
4	2 bed, 1 bath	\$2,490.69	\$86.55	\$3,500	12/1/2010	
5	1 bed, 1 bath	\$1,103.76	\$38.35	\$2,850	N/A	
6	studio	\$1,046.47	\$36.36	\$1,995	N/A	
7	studio	\$2,095.00		\$2,095	Vacant	Remodeled
8	2 bed, 1 bath	\$2,195.84	\$76.30	\$3,500	12/1/2009	
9	1 bed, 1 bath	\$2,700.00		\$2,850	9/1/2021	Remodeled
10	studio	\$801.20	\$27.84	\$2,095	N/A	
11	studio	\$1,950.00		\$2,095	10/2/2022	Remodeled
12	2 bed, 1 bath	\$1,362.78	\$47.36	\$3,500	N/A	
4A	1.5 Bed, 1 Bath	\$3,095.00		\$3,095	Vacant	
Monthly Income		\$25,350.54	\$377.57	\$34,415		
Garage 1		\$375.00		\$375	Vacant	Included with unit 4A
Garage 2		\$137.77		\$375	12/9/2023	
Garage 3		\$300.00		\$375	10/22/2023	
Garage 4		\$148.37		\$375	12/10/2023	
Garage 5		\$300.00		\$375	9/21/2023	
Monthly Garage Income		\$1,261.14	\$9.94	\$1,875		
Rent Increases		\$172.12		\$0		
Total Monthly Income		\$26,783.80		\$36,290.00		
Annual Income		\$321,406		\$435,480		Upside 35%

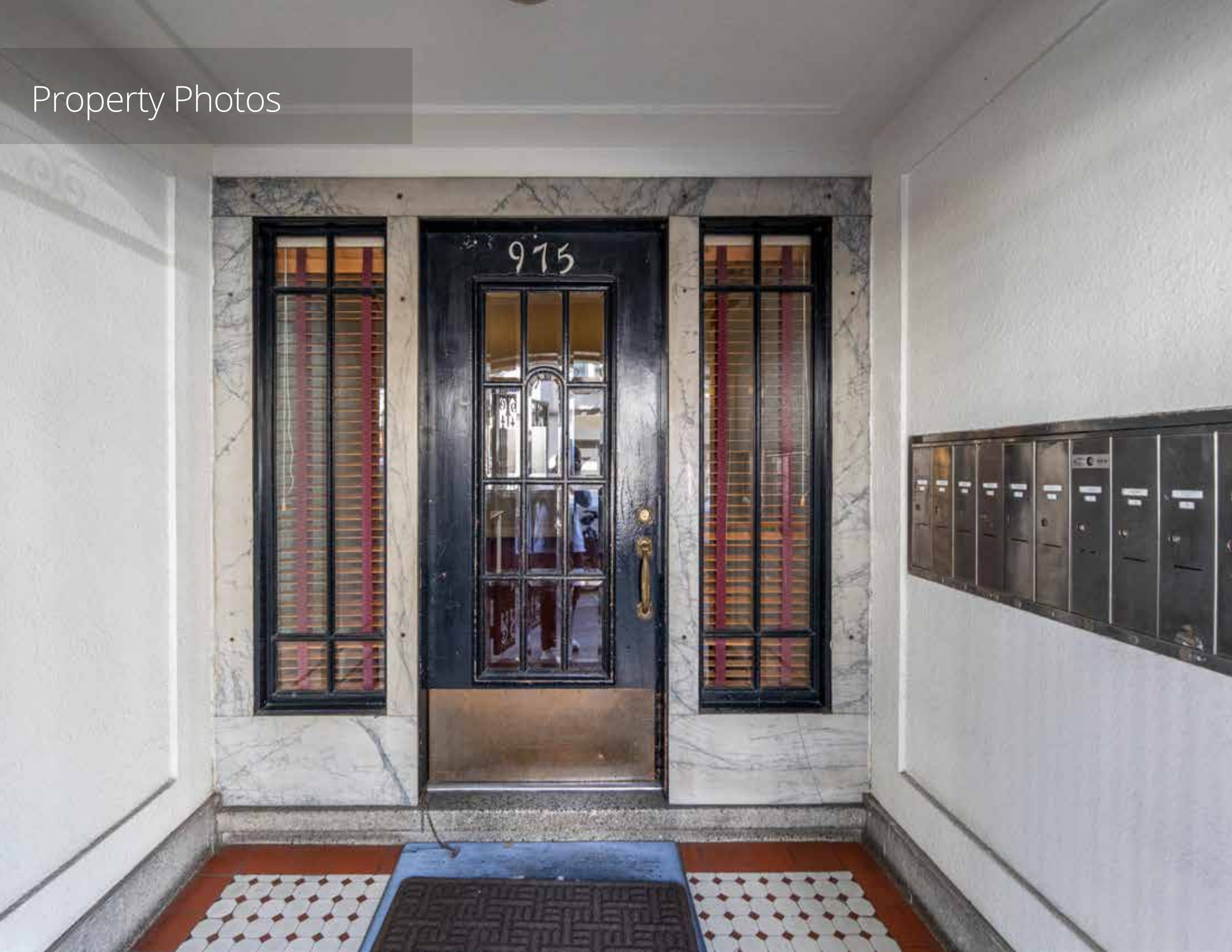
Units

Studio - 6
 1 Bed, 1 Bath - 3
 1.5 Bed, 1 Bath - 1
 2 Bed, 1 Bath - 3
 Parking - 5

Notes

Market rents estimated using Rentometer.com
 Parking projected at \$300 per space/month
 Rent Increases scheduled for 3/23/2023

Property Photos





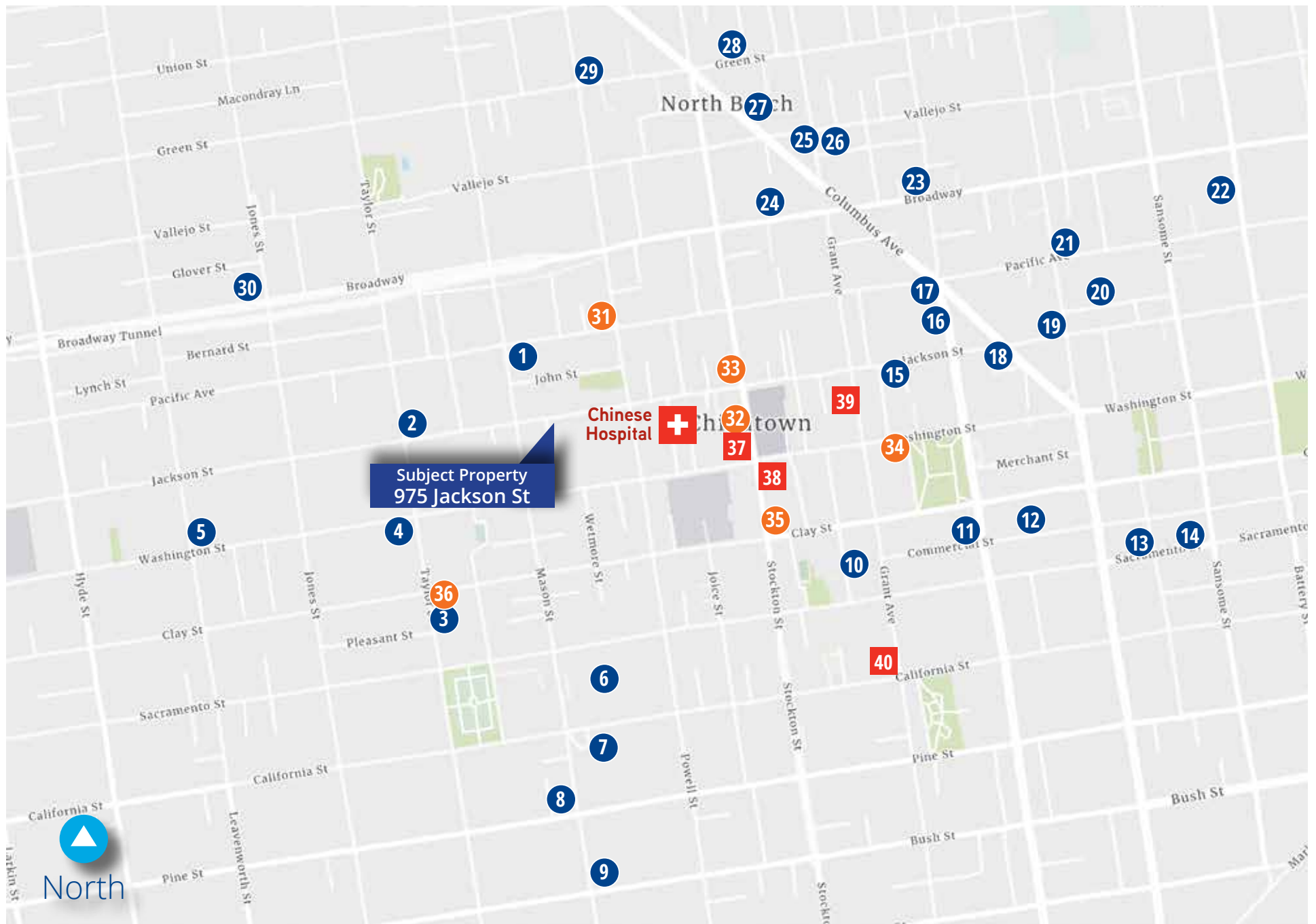


Property Photos





Amenities Map



 Restaurants & Bars

 Convenience & Grocery Stores

 Banks & ATM's

 Hospitals/Clinics

Neighborhood Amenities

1 Alto Vino	11 R & G Lounge	21 Cotogna	31 Powell Grocery
2 Cafe Isabella	12 City View	22 Battery	32 Mei's Grocery
3 Nob Hill Cafe	13 Wayfare Tavern	23 Osmanthus Dim Sum Lounge	33 Sheng Hing Market
4 Back to Back	14 Irish Times	24 China Live	34 Charming Sun Market Inc.
5 Sushi Rapture	15 Z & Y	25 Cafe Trieste	35 Long Hua's Grocery Store
6 Tonga Room & Hurricane Bar	16 House of Nanking	26 The Saloon	36 VJ Grocery
7 Nob Hill Club at Mark Hopkins	17 Comstock Saloon	27 The Stinking Rose	37 Wells Fargo
8 Rue Le Pic French	18 Trestle Restaurant	28 Sotto Mare	38 Bank of America
9 Aliment	19 Roka Akor - SanFrancisco	29 The Boardroom	39 Cathay Bank
10 Mr Jiu's	20 Bix	30 Serafina	40 Preferred Bank

Public Transportation

- 1** CLAY ST, SACRAMENTO ST
- VAN NESS AVE
- UNION ST
- SUTTER ST
- POLK ST

POWELL ST STATION
 MONTGOMERY ST STATION
 EMBARCADERO ST STATION
 CIVIC CENTER STATION

CALIFORNIA/POWELL CABLE CAR
 (to Market St / Union Square / Bart & Muni)

HIGHWAY ACCESS VIA VAN NESS AVE



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

The area around 975 Jackson 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 Clay, Sacramento & Powell 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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By acknowledging your receipt of this Offering Memorandum from 975 Jackson 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.

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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.

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