

# 1640 Vallejo Street

Pacific Heights | San Francisco, CA

Investment Opportunity | Offering Memorandum



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# Offering Summary

Colliers is pleased to present 1640 Vallejo Street (between Franklin Street and Van Ness Avenue) in the upscale Pacific Heights neighborhood of San Francisco. The asset is blocks away from boutiques, trendy eateries, and the bars & coffee shops on Union and Polk Streets. Other nearby destinations include Chestnut Street in the Marina, Fisherman's Wharf and North Beach. For residents, the new Van Ness Rapid Transit System located nearby provides a convenient and easy commute through the heart of the city.

1640 Vallejo Street offers bright and spacious floor plans. The unit mix in the building consists of 2-studios, 3-one bedroom/one bath, 4-two bedroom/one bath and 1-three bedroom/three and a half bath apartment. Some of the units have private decks with fantastic views and plenty of natural light. The apartments feature laminate wood floors and updated kitchen & baths with granite counters, sleek cabinets and stainless-steel appliances including microwaves and dishwashers. The building has four individual garages that can accommodate four automobiles. There are two washers & dryers (one stacked and one side by side laundry machine located in the garage area for the convenience of the tenants (there is a separate stacked washer/dryer in unit 8).

This is an ideal opportunity for an owner/user or an investor to purchase a phenomenally located, well maintained corner apartment property with income upside realized through unit turnover and renovation.

# The Property

## Property Information

Address:	1640 Vallejo Street, San Francisco, CA 94123
District:	Pacific Heights
Property Type:	Multi-family
APN:	0551-014
Building Square Feet :	7,866
Units:	10
Lot Size:	3,200
Constructed:	1906
Zoning:	RH-3

## Building Systems

Foundation:	Concrete foundation
Structure:	Wood frame
Façade:	Stucco & brick facade
Roof Composition:	Modified bitumen
Electrical Service:	Separately metered - 600 Amps (200 amp panel for Unit A)
Circuit Breakers:	Circuit breakers in units
Gas Service:	Separately metered
Fire Protection System:	Honeywell/Faraday fire alarm system, hard-wired smoke detectors in hallways
Sprinklers:	In basement
Heat Source:	Hydronic radiant heating/electric baseboard heat
Hot Water:	100 gallon State Select hot water heater - 50 gallon storage tank in basement (water heaters in some units)
Plumbing:	Mix of copper & galvanized
Door Entry System:	DKS Doorking intercom buzzer entry system
Front Landing:	Tile & terrazzo stairway
Mailboxes:	In lobby
Lobby:	Marble tile floor
Apartment Access:	Central staircase & elevator
Security System:	Geo Vision camera system
Landing Areas:	Carpeted
Elevator:	Single cylinder elevator (All American)
Garbage:	Trash chute (basement area)
Laundry:	2 washers/dryers (1 stacked & 1 side by side) coin operated
Fire escapes:	On west side of building
Windows:	Dual paned aluminum windows throughout

## Building Information

Unit Mix:	2 - studios
	3 - one bedroom, 1 bath
	4 - two bedroom, 1 bath
	1 - three bedroom, 3.5 bath
Parking:	4 enclosed private garages
Kitchens:	Electric stoves and ovens
	Wood cabinetry
	Granite counters with tile surrounds
	Single basin stainless steel sinks
	Over/under refrigerator
	Microwaves
	Laminate wood floors
Bathrooms:	Tile flooring
	Wood cabinetry with ceramic sinks
	Tub/shower and walk-in showers with tile surrounds
	Ceiling fan ventilation
	Vanity sinks with mirrored medicine cabinets
Bedrooms:	Carpeted floors
	Spacious closets
	Ceiling lights
	Large windows with curtains
Dining/Living Room:	Laminate wood floors
	Large windows
	Ceiling lights
<b>Notes:</b>	
Unit #8 (3 bedroom/3 bath)	Extensively remodeled kitchens, bathrooms & living areas
	Split level floors & balcony with bay & marina views
	Stacked washer/dryer in unit
	Large windows with plenty of natural light
	Modern lighting
	Spiral stairwell between levels in unit
	The building has undergone a seismic retrofit
	The building is not in compliance with the San Francisco fire horn ordinance

# Financial Analysis

Financial Summary	
Price	\$5,125,000
Down Payment	\$2,562,500
Number of Units	10
Price/Unit	\$512,500
Gross Square Feet	7,866
Price/Square Foot	\$652
CAP Rate - Current	5.36%
CAP Rate - Proforma	6.87%
GRM - Current	11.57
GRM - Pro Forma	9.69
Year Built	1906
Lot Size	3,200

Cash Flow After debt Service	Current	Proforma
Less Debt Service	\$197,404	\$197,404
Cash Flow	\$77,292	\$154,648
Cash on Cash Return	3.02%	6.04%
Expenses as % of Gross	33%	28%
Expenses per Unit	\$14,598	\$15,028

Financing	
Loan Amount	\$2,562,500
Loan Type	Proposed New
Interest Rate	6.65%
Program	5/30 Year Fixed
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	\$60,460	\$6,046	41%	\$60,460	\$6,046	40%
Special Assessment Tax	Estimated at 1.5% of Property Tax	\$907	\$91	1%	\$907	\$91	1%
Insurance	Owner's Income Statement 22-23'	\$9,466	\$947	6%	\$9,466	\$947	6%
Property Management	Estimated at 5% of Gross Income	\$22,141	\$2,214	15%	\$26,439	\$2,644	18%
Repairs & Maintenance	Estimated at \$750/unit	\$7,500	\$750	5%	\$7,500	\$750	5%
Permits & Licenses	Owner's Income Statement 22-23'	\$2,402	\$240	2%	\$2,402	\$240	2%
Maintenance Payroll-Janitorial	Owner's Income Statement 22-23'	\$8,279	\$828	6%	\$8,279	\$828	6%
Elevator Service	Owner's Income Statement 22-23'	\$1,743	\$174	1%	\$1,743	\$174	1%
Outside Services & Supplies	Owner's Income Statement 22-23'	\$6,925	\$693	5%	\$6,925	\$693	5%
Telephone	Owner's Income Statement 22-23'	\$1,631	\$163	1%	\$1,631	\$163	1%
Electricity	Owner's Income Statement 22-23'	\$4,963	\$496	3%	\$4,963	\$496	3%
Utility Recovery	Owner's Income Statement 22-23'	\$341	\$34	0%	\$341	\$34	0%
Water	Owner's Income Statement 22-23'	\$4,928	\$493	3%	\$4,928	\$493	3%
Sewer	Owner's Income Statement 22-23'	\$6,175	\$617	4%	\$6,175	\$617	4%
Garbage	Owner's Income Statement 22-23'	\$8,125	\$812	6%	\$8,125	\$812	5%
<b>Total Operating Expenses</b>		<b>\$145,985</b>	<b>\$14,598</b>	<b>100%</b>	<b>\$150,282</b>	<b>\$15,028</b>	<b>100%</b>

Annual Gross Income	
Gross Potential Income	\$442,822
Vacancy (5%)	\$22,141
AGI	\$420,680
Expenses	\$145,985
<b>NOI</b>	<b>\$274,696</b>

Expenses as % of Gross Income	33%	28%
Expense per Unit	\$14,598	\$15,028

# Rent Roll

Unit No.	Unit Type	Rent	Parking	Bond	Water Bond	Market Rent	Move In Date	Sq Ft
1	2 Bed, 1 Bath	\$440.73		\$29.88	\$3.35	\$4,100	10/15/1973	602
2	1 Bed, 1 Bath	\$2,595.00				\$3,400	12/15/2021	481
3	2 Bed, 1 Bath	\$3,766.37	Included	\$58.14	\$7.89	\$4,100	6/1/2011	883
4	2 Bed, 1 Bath	\$3,677.69		\$30.02		\$4,100	10/25/2021	847
5	1 Bed, 1 Bath	\$3,400.00				\$3,400	Vacant	489
6	2 Bed, 1 Bath	\$3,916.07		\$30.10		\$4,100	2/27/2021	883
7	1 Bed, 1 Bath	\$3,145.00				\$3,400	12/12/2022	672
8	3 Bed, 3.5 Bath	\$9,406.49	Included	\$30.02		\$10,000	8/1/2021	1,609
A	Studio	\$2,195.00				\$2,350	10/1/2023	398
B	Studio	\$2,195.00				\$2,350	10/18/2023	342
<b>Monthly Income</b>		<b>\$34,737.35</b>	<b>\$0.00</b>	<b>\$178.16</b>	<b>\$11.24</b>	<b>\$41,300</b>		
Occupied Parking (2)		\$0.00				\$600		
<b>Vacant Parking (2)</b>		<b>\$600.00</b>				<b>\$600</b>		
Bond		\$178.16				\$178		
Water Bond		\$11.24				\$11		
RUBS		\$1,087.90				\$1,088		
Laundry		\$287.14				\$287		
<b>Total Monthly Income</b>		<b>\$36,901.79</b>				<b>\$44,064.44</b>		
<b>Annual Income</b>		<b>\$442,822</b>				<b>\$528,773</b>	<b>Upside: 19%</b>	

## Units

Studio - 2  
 1 Bed, 1 Bath - 3  
 2 Bed, 1 Bath - 4  
 3 Bed, 3.5 Bath - 1  
 Parking - 4

## Notes

Market rents estimated using Rentometer.com  
 Parking projected at \$300 per space/month  
 Laundry provided from income statement



# Property Photos





# Property Photos



# Property Photos



# Property Photos





# Property Photos

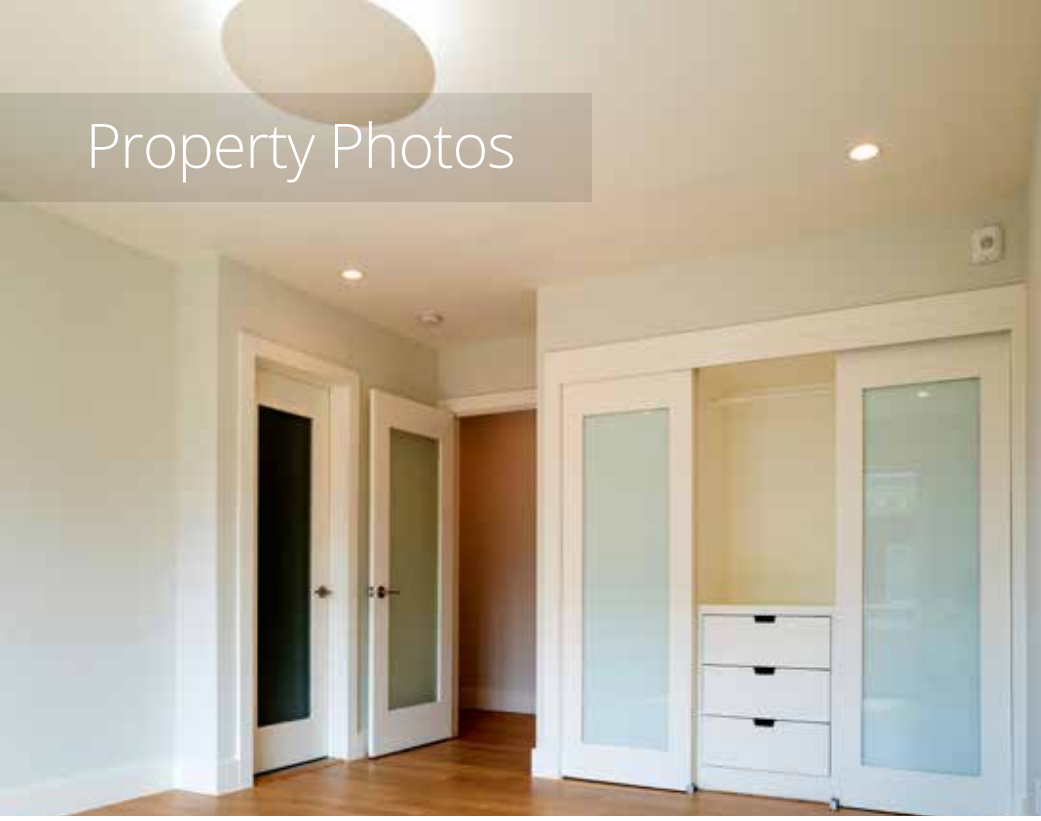




Property Photos

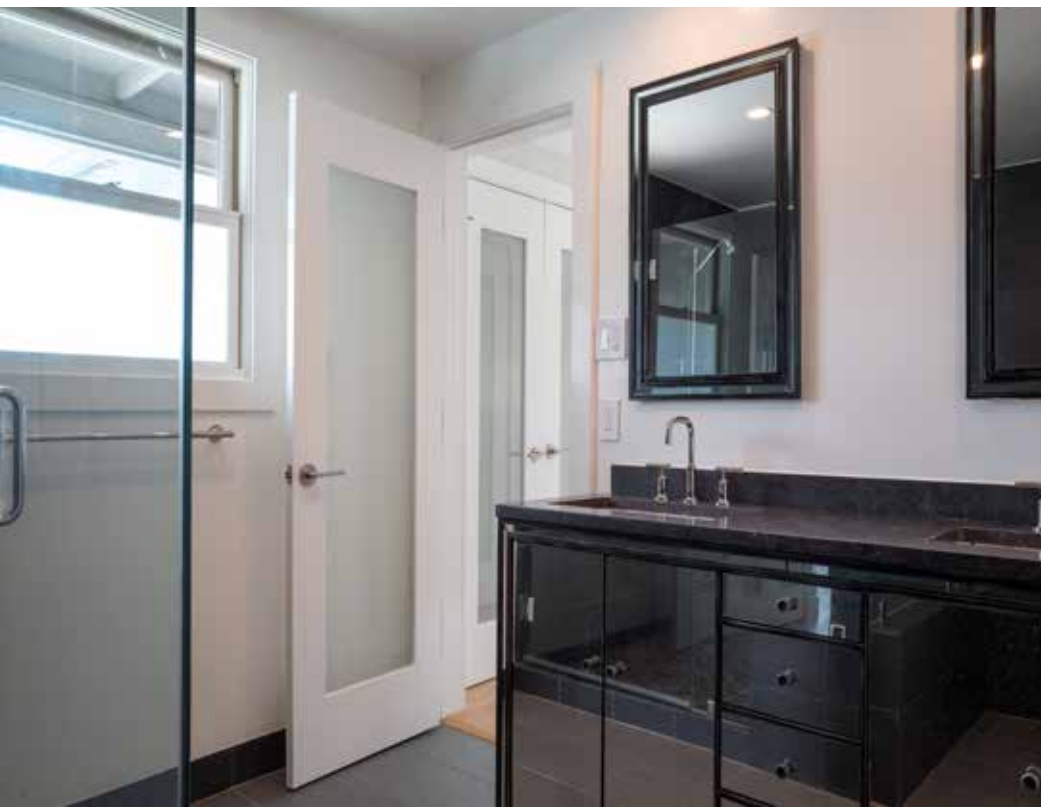


Property Photos

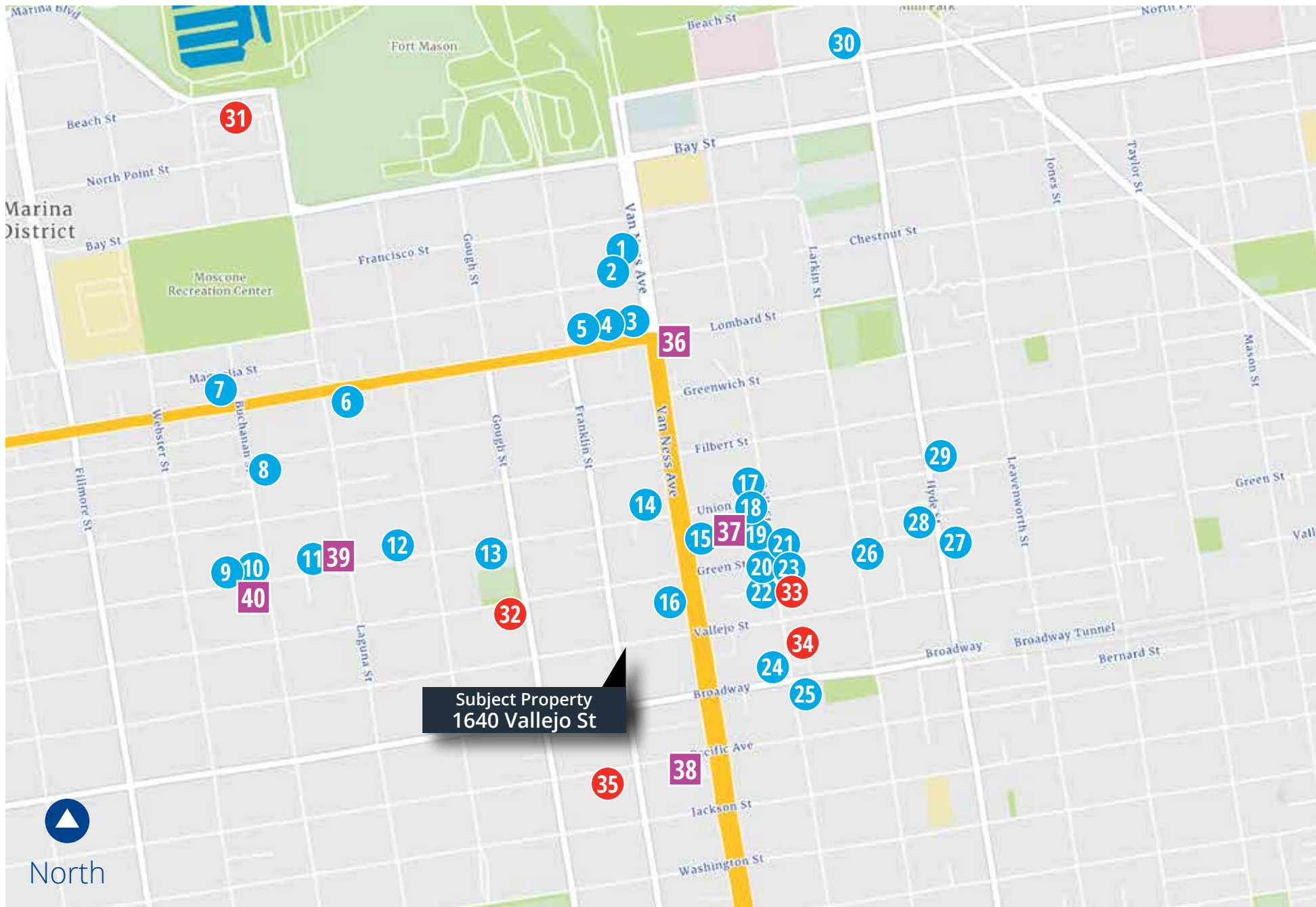




Property Photos



# Amenities Map





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

## Neighborhood Amenities

<span style="color: blue;">1</span> First Cup Cafe	<span style="color: blue;">11</span> Perry's on Union	<span style="color: blue;">21</span> Bar Iris	<span style="color: red;">31</span> Safeway
<span style="color: blue;">2</span> Chestnut Diner	<span style="color: blue;">12</span> Kaiyo Cow Hollow	<span style="color: blue;">22</span> Blue Barn	<span style="color: red;">32</span> Blue Fog Market
<span style="color: blue;">3</span> Black Magic	<span style="color: blue;">13</span> Camino Alto	<span style="color: blue;">23</span> Philz Coffee	<span style="color: red;">33</span> Polk Street Market
<span style="color: blue;">4</span> Kui Shin Bo	<span style="color: blue;">14</span> Black Horse London Pub	<span style="color: blue;">24</span> Berber Moroccan	<span style="color: red;">34</span> Walgreens
<span style="color: blue;">5</span> Bobo's	<span style="color: blue;">15</span> Helmand Palace	<span style="color: blue;">25</span> Shanghai Kelly's	<span style="color: red;">35</span> Avenue Fine Food Market
<span style="color: blue;">6</span> Ly's Vietnamese	<span style="color: blue;">16</span> Matterhorn Restaurant & Bakery	<span style="color: blue;">26</span> Amarena	<span style="color: purple;">36</span> Chase Bank
<span style="color: blue;">7</span> Jake's Steaks	<span style="color: blue;">17</span> The New Spot on Polk	<span style="color: blue;">27</span> Seven Hills	<span style="color: purple;">37</span> Bank of America
<span style="color: blue;">8</span> The Brazen head	<span style="color: blue;">18</span> Aux Delices	<span style="color: blue;">28</span> Frascatti	<span style="color: purple;">38</span> Sterling Bank & Trust
<span style="color: blue;">9</span> Palm House	<span style="color: blue;">19</span> Mezcalito	<span style="color: blue;">29</span> Abrazzo Sea Food	<span style="color: purple;">39</span> Wells Fargo Bank
<span style="color: blue;">10</span> Wild Seed	<span style="color: blue;">20</span> Woods Polk Station	<span style="color: blue;">30</span> Gary Danko	<span style="color: purple;">40</span> Comerica Bank

# Public Transportation



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

The area around 1640 Vallejo 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.







1640  
Vallejo  
Street



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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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