

1640 Vallejo Street

Pacific Heights | San Francisco, CA

Investment Opportunity | Offering Memorandum



Colliers

Accelerating success.

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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 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 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

Notes:

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	5.43%
CAP Rate - Proforma	6.87%
GRM - Current	11.48
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	\$80,639	\$154,648
Cash on Cash Return	3.15%	6.04%
Expenses as % of Gross	33%	28%
Expenses per Unit	\$14,617	\$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	\$22,327	\$2,233	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%
Total Operating Expenses		\$146,171	\$14,617	100%	\$150,282	\$15,028	100%

Annual Gross Income	
Gross Potential Income	\$446,542
Vacancy (5%)	\$22,327
AGI	\$424,214
Expenses	\$146,171
NOI	\$278,044

Expenses as % of Gross Income	33%	28%
Expense per Unit	\$14,617	\$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 Bath	\$9,406.49	Included	\$30.02		\$10,000	8/1/2021	1,609
A	Studio	\$2,350.00				\$2,350	Vacant	398
B	Studio	\$2,350.00				\$2,350	Vacant	342
Monthly Income		\$35,047.35	\$0.00	\$178.16	\$11.24	\$41,300		
Occupied Parking (2)		\$0.00				\$600		
Vacant Parking (2)		\$600.00				\$600		
Bond		\$178.16				\$178		
Water Bond		\$11.24				\$11		
RUBS		\$1,087.90				\$1,088		
Laundry		\$287.14				\$287		
Total Monthly Income		\$37,211.79				\$44,064.44		
Annual Income		\$446,542				\$528,773	Upside: 18%	

Units

Studio - 2

1 Bed, 1 Bath - 3

2 Bed, 1 Bath - 4

3 Bed, 3 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



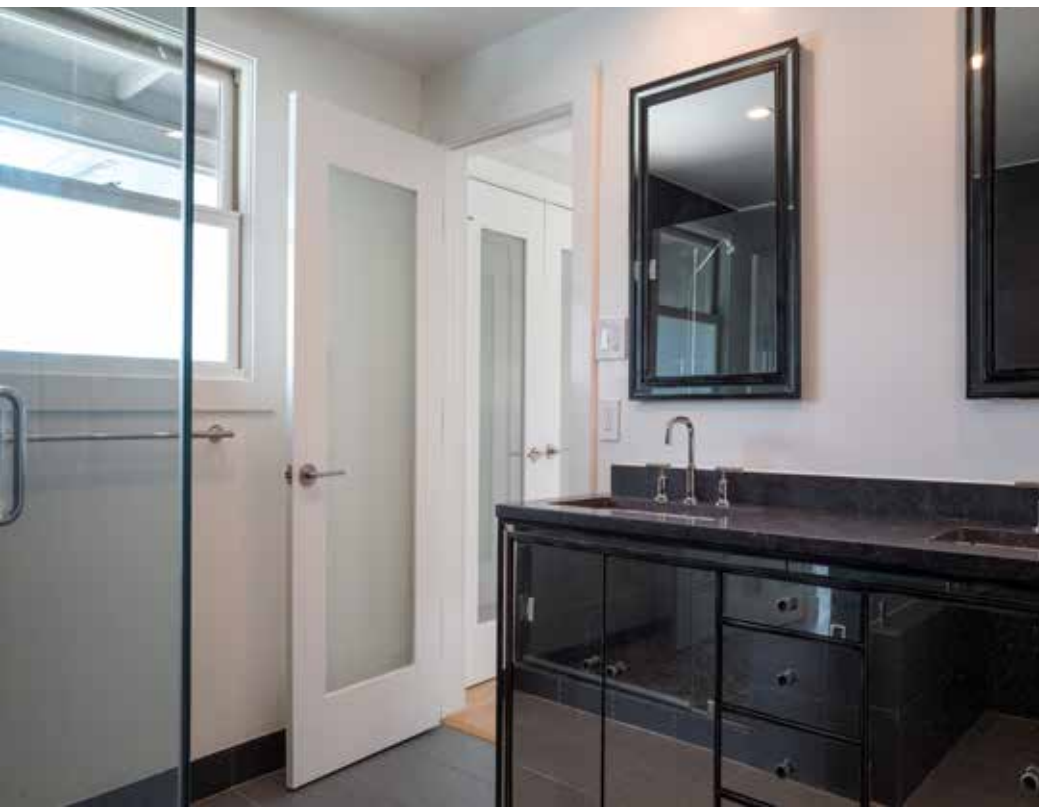
Property Photos



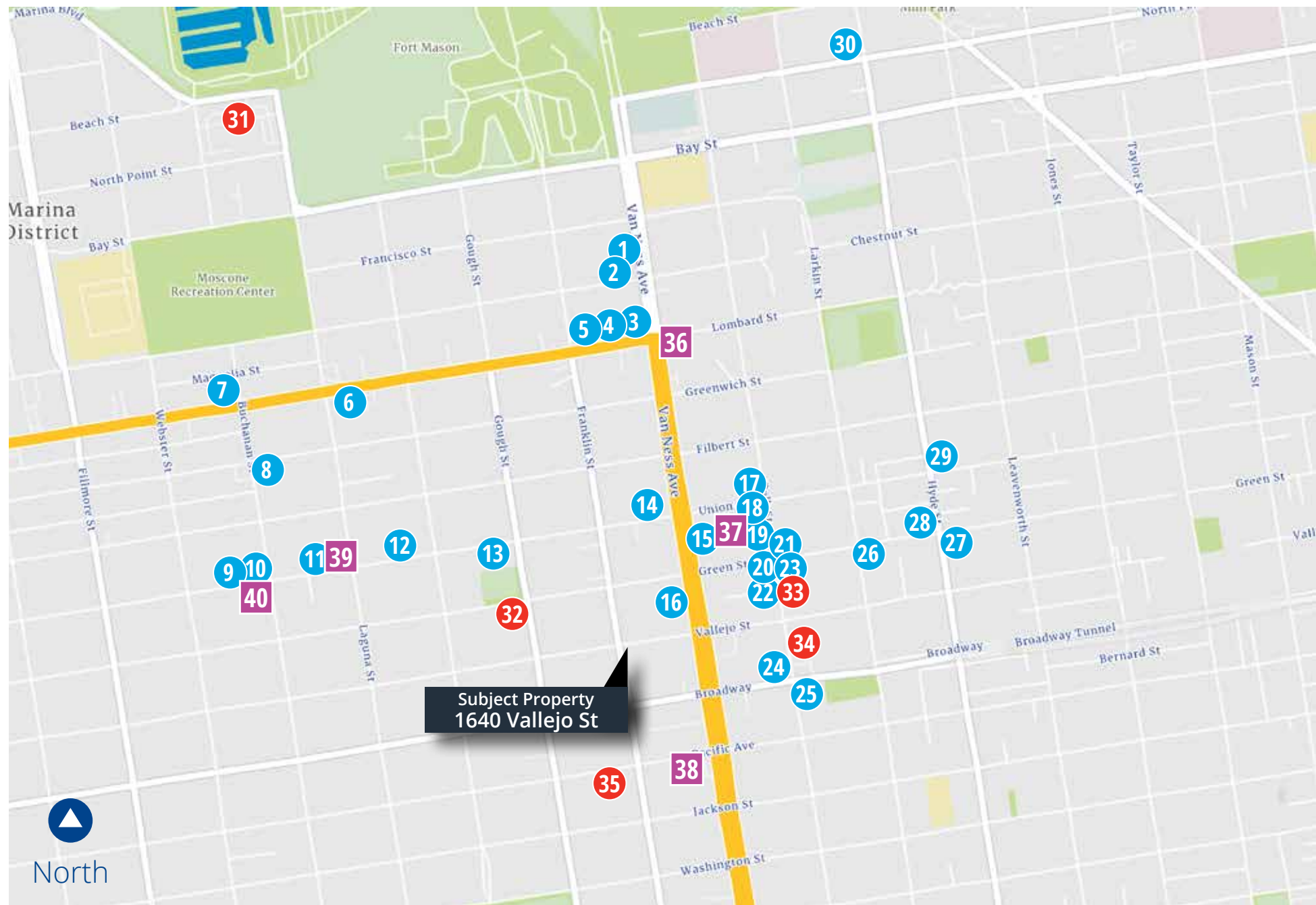
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Property Photos



Amenities Map



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

Neighborhood Amenities

1 First Cup Cafe	11 Perry's on Union	21 Bar Iris	31 Safeway
2 Chestnut Diner	12 Kaiyo Cow Hollow	22 Blue Barn	32 Blue Fog Market
3 Black Magic	13 Camino Alto	23 Philz Coffee	33 Polk Street Market
4 Kui Shin Bo	14 Black Horse London Pub	24 Berber Moroccan	34 Walgreens
5 Bobo's	15 Helmand Palace	25 Shanghai Kelly's	35 Avenue Fine Food Market
6 Ly's Vietnamese	16 Matterhorn Restaurant & Bakery	26 Amarena	36 Chase Bank
7 Jake's Steaks	17 The New Spot on Polk	27 Seven Hills	37 Bank of America
8 The Brazen head	18 Aux Delices	28 Frascatti	38 Sterling Bank & Trust
9 Palm House	19 Mezcalito	29 Abrazzo Sea Food	39 Wells Fargo Bank
10 Wild Seed	20 Woods Polk Station	30 Gary Danko	40 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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If you wish not to pursue negotiations leading to the acquisition of 1640 Vallejo Street or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

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