

2618-2622 Gough Street

Cow Hollow | San Francisco, CA

Investment Opportunity | Offering Memorandum



Colliers

Accelerating success.

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Tour Schedule

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Offering Summary

Colliers is pleased to present 2618-2622 Gough Street (between Green and Union Streets) in the upscale Cow Hollow neighborhood of San Francisco. The asset is blocks to boutiques, trendy eateries, and the bars & coffee shops on Union Street. Other nearby destinations include Polk Street, Chestnut Street, 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.

2618-2622 Gough Street is a vintage apartment building built in 1912. Professionally managed, the building consists of spacious three (3) two bedroom/two bath apartments which feature historic detail consistent with the era of construction. Amenities include a beautiful spacious outdoor rear garden, updated bathrooms, efficient appliances, and in-unit laundry facilities for the convenience of the tenants. The building has an enclosed garage that can accommodate 2 automobiles.

This is an ideal opportunity for an owner/user or an investor to purchase a phenomenally located apartment property with income upside realized through unit turnover and development potential.

The Property

Property Information	
Address:	2618-2622 Gough Street, San Francisco, CA 94123
District:	Cow Hollow
Property Type:	Multi-family
APN:	0545-011
Building Square Feet :	4,867
Units:	3
Lot Size:	3,300
Constructed:	1912
Zoning:	RM-2

Building Systems	
Foundation:	Concrete foundation
Structure:	Wood frame building
Façade:	Shiplap façade
Rear of Building:	Shingle
Roof Composition & Age:	Rolled on composite
Electrical Service:	Separately metered, 200-amp service
Gas Service:	Separately metered (3 total meters)
Fire Protection System:	Local system
Windows:	Single-paned wood frame
Heat Source:	Forced air (Trane X890 systems)
Hot Water:	50-gallon hot water tank, 39-gallon Richmond water tank (in-unit)
Plumbing:	Mixture of copper & galvanized steel
Door Entry System:	Aiphone buzzer system
Front entryway:	Terrazzo entryway and stairs
Mailboxes	Mail slots on unit doors
Lobby/Common Areas:	N/A (no lobby or common areas)
Skylight:	No
Garbage:	In garage (no chute)
Apartment Access:	Walk-up
Laundry:	Washer & dryer in each unit (owned)
Storage:	None
Parking:	2-car enclosed garage

Building Information	
Unit Mix:	3 - two bedroom/two bath
Parking:	Garage accommodates 2 cars
Kitchens:	Gas stoves/ovens Wood cabinetry Dishwashers (all units) Tile flooring Granite counter tops with granite splash Dual-basin ceramic sinks 2-door refrigerator Eat-in kitchens Ample natural light, blinds for windows
Bathrooms:	Each unit has 1 full bath and 1 split bath Tile flooring, tile surrounds Wall-hung sinks & vanity sinks, mirrored Fan ventilation Recessed lighting Tub/shower combinations & standing showers
Bedrooms:	Hardwood floors Window blinds Dome lighting Ample natural light Coved ceilings
Dining/Living Room:	Coved ceilings and hardwood floors throughout Tremendous natural light Non-working fireplaces with mantle Units have a den off the kitchen leading to 2nd form of egress
Notes:	Spacious rear garden area The building is not on the San Francisco Soft-Story List The building is not in compliance with the San Francisco Fire Horn Ordinance

Financial Analysis

Financial Summary	
Price	\$3,590,000
Down Payment	\$2,333,500
Number of Units	3
Price/Unit	\$1,196,667
Gross Square Feet	4,867
Price/Square Foot	\$738
CAP Rate - Current	3.53%
CAP Rate - Proforma	4.12%
GRM - Current	17.00
GRM - Pro Forma	15.28
Year Built	1912
Lot Size	3,300

Cash Flow After debt Service	Current	Proforma
Less Debt Service	\$99,052	\$99,052
Cash Flow	\$27,565	\$48,939
Cash on Cash Return	1.18%	2.10%
Expenses as % of Gross	35%	32%
Expenses per Unit	\$24,678	\$25,073

Financing	
Loan Amount	\$1,256,500
Loan Type	Proposed New
Interest Rate	6.875%
Program	5/30 Year Fixed
Loan to Value	35%

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	\$42,351	\$14,117	57%	\$42,351	\$14,117	56%
Special Assessment Tax	Estimated at 1.5% of Property Tax	\$635	\$212	1%	\$635	\$212	1%
Insurance	From Owner's T-12	\$5,426	\$1,809	7%	\$5,426	\$1,809	7%
Property Management	Estimated at 5% of Gross Income	\$10,561	\$3,520	14%	\$11,748	\$3,916	16%
Repairs & Maintenance	Estimated at \$750/unit	\$2,250	\$750	3%	\$2,250	\$750	3%
Pest Control, Contract Services & Supplies	From Owner's T-12	\$6,235	\$2,078	8%	\$6,235	\$2,078	8%
Telephone	From Owner's T-12	\$1,274	\$425	2%	\$1,274	\$425	2%
PG&E	From Owner's T-12	\$1,123	\$374	2%	\$1,123	\$374	1%
Utility Recovery	From Owner's T-12	\$134	\$45	0%	\$134	\$45	0%
Water	From Owner's T-12	\$1,683	\$561	2%	\$1,683	\$561	2%
Sewer	From Owner's T-12	\$2,361	\$787	3%	\$2,361	\$787	3%
Total Operating Expenses		\$74,033	\$24,678	100%	\$75,220	\$25,073	100%

Annual Gross Income	
Gross Potential Income	\$211,210
Vacancy (5%)	\$10,561
AGI	\$200,650
Expenses	\$74,033
NOI	\$126,617

Expenses as % of Gross Income	35%	32%
Expense per Unit	\$24,678	\$25,073

Rent Roll

Unit No.	Unit Type	Rents	Bond	Parking	Market Rent	Move In Date	Sq Ft
2618	2 Bed, 2 Bath	\$4,657.95	\$44.99	\$211.97	\$5,995	2/12/2021	1,356
2620	2 Bed, 2 Bath	\$5,995.00			\$5,995	10/20/2023	1,467
2622	2 Bed, 2 Bath	\$6,041.02	\$35.67		\$6,595	8/1/2020	1,434
Monthly Income		\$16,693.97	\$80.66	\$211.97			
Parking (1)		\$211.97			\$300		
Vacant Parking (1)		\$300.00			\$300		
Bond		\$80.66			\$81		
RUBS		\$314.27			\$314		
Total Monthly Income		\$17,600.87			\$19,579.93		
Annual Income		\$211,210			\$234,959		Upside: 11%

Units

2 Bed, 2 Bath - 3
 Parking - 2

Notes

Market rents estimated using Rentometer.com
 Parking projected at \$300 per space/month
 Bond, and RUBS from owner's T-12

Property Photos



Property Photos



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Property Photos



Property Photos



Property Photos





Property Photos

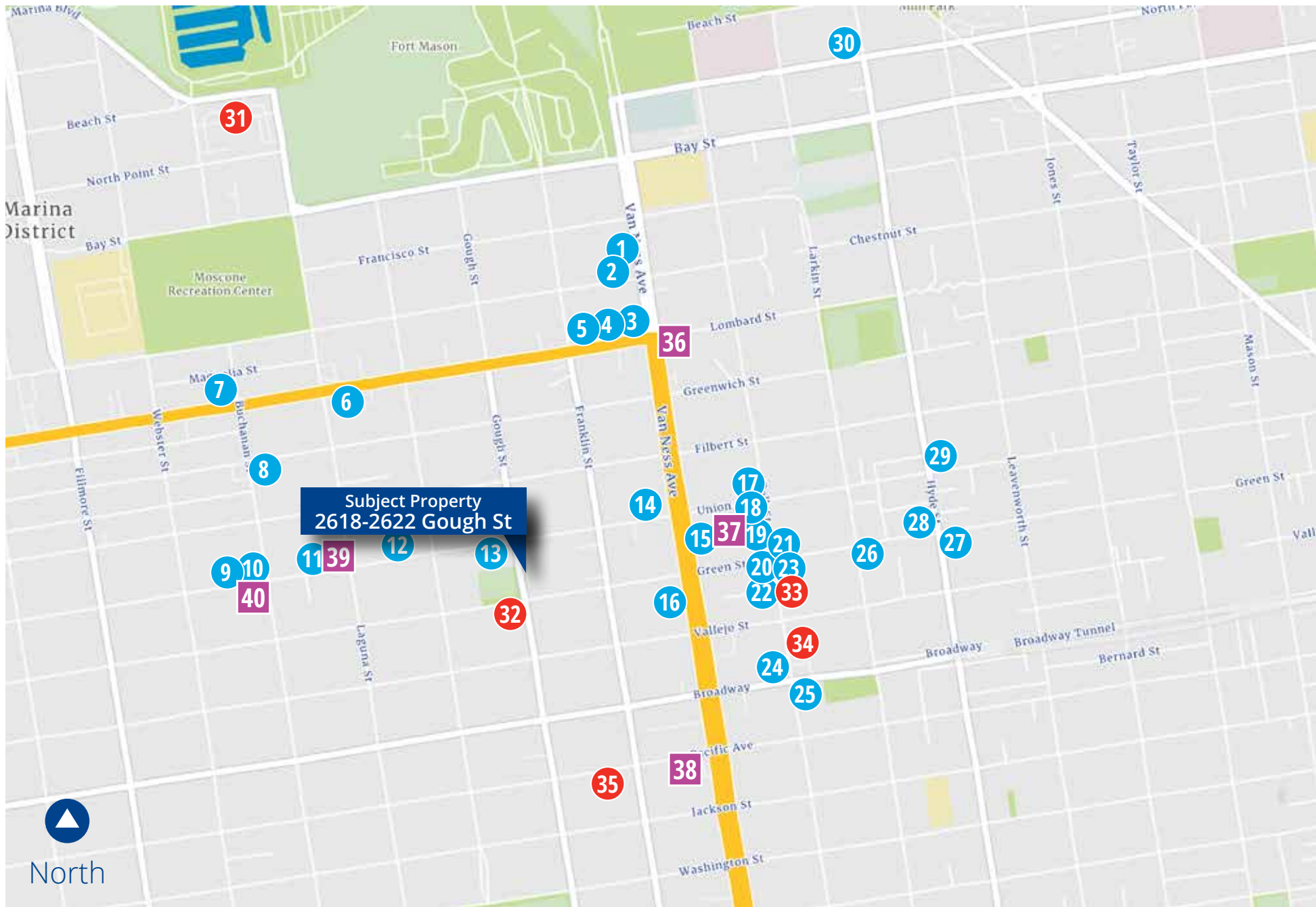




Property Photos



Amenities Map

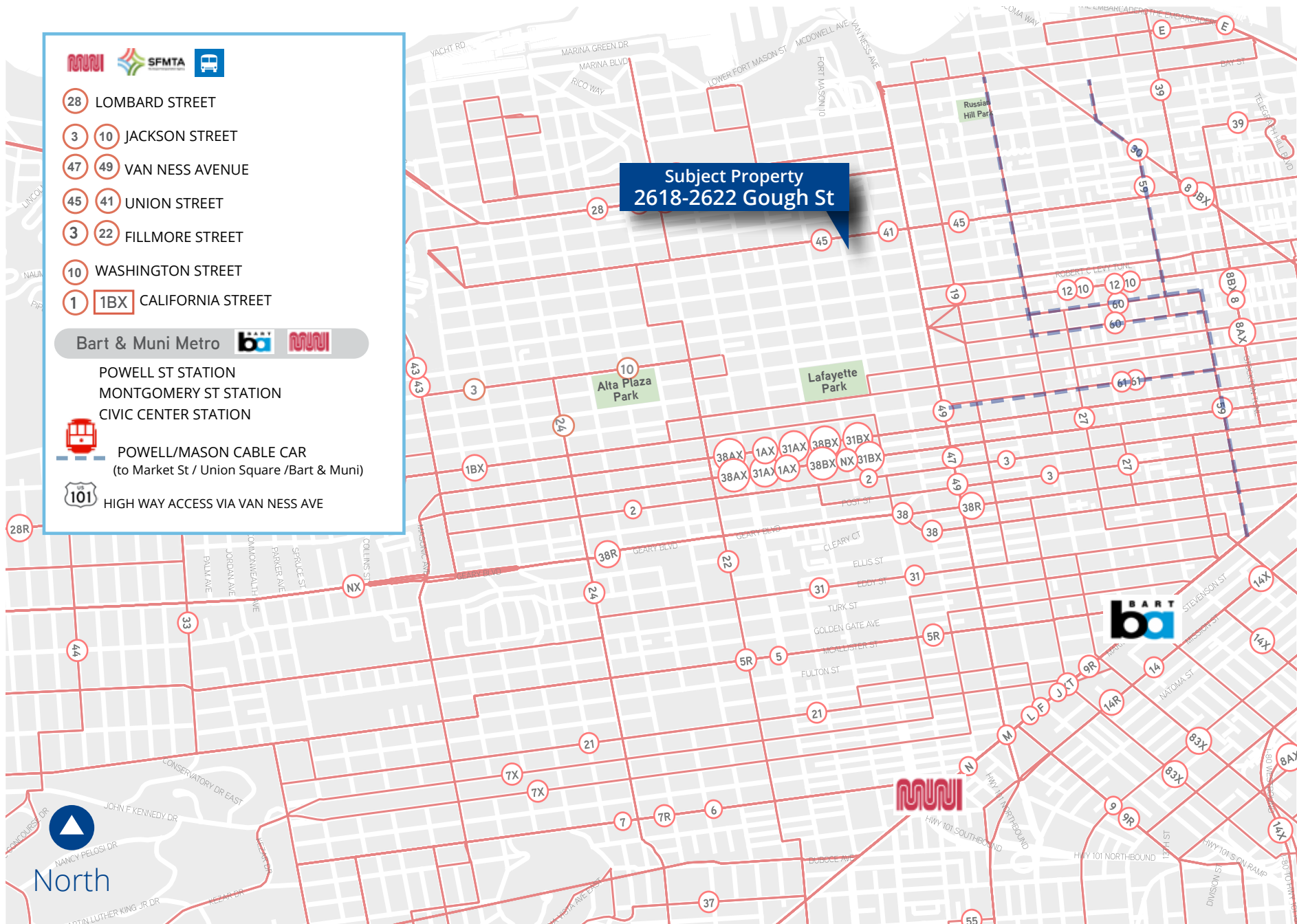


● Restaurants & Bars
 ● Convenience & Grocery Stores
 ■ Banks & ATM's

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 2618-2622 Gough 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.





2618-2622
Gough Street

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This Offering Memorandum contains select information pertaining to the business and affairs of the Property at 2618-2622 Gough Street San Francisco, CA 94123. 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 2618-2622 Gough 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 2618-2622 Gough 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.
- 4.

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 2618-2622 Gough 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.

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