

# 1257 Bush Street

Lower Nob Hill | San Francisco, CA

Investment Opportunity | Offering Memorandum



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Accelerating success.

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Multifamily Investment Services Group

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101 Second Street | Suite 1100 | San Francisco, CA





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# Offering Summary

1257 Bush Street is a 23,666 square foot multi-family property on a 4,120 square foot lot in the heart of Downtown, San Francisco. The property is comprised of thirty-four (34) studios and one (1) one bedroom/one bathroom. The units are individually metered for water & electricity.

Downtown is a prime location due to the accessibility to iconic shopping in Union Square, a lively culinary scene with an array of restaurants, cafes, and eateries, and the proximity to cultural landmarks such as The Yerba Buena Center for Arts, the Museum of Modern Art, The Olympic Club, and Grace Cathedral. The building's central positioning transforms it into a transportation nexus, with BART, buses and cable cars mere streets away. This strategic connectivity adds to the allure of Downtown, making it a dynamic and multifaceted area that seamlessly blends business, culture, and lifestyle. Discover the epitome of urban living in the vibrant heart of San Francisco at 1257 Bush Street.

This is an ideal opportunity for an investor to purchase a well maintained apartment building in a prime Downtown location.

Below, please find a list of establishments to eat, drink and shop in the area:

## Restaurants:

Sutter Pub & Restaurant  
Capurro's Restaurant  
Perry's on Union  
Fog Harbor Fish House  
The Stinking Rose  
Sai Jai Thai  
House of Prime Rib  
Sam's Tavern  
Sorella

## Bars:

Key Klub  
Shovels Bar & Grill  
The Summer Place  
Hi-Lo Club  
Harper & Rye  
Zeki's Bar  
Owl Tree  
Peacekeeper

## To Do:

Union Square  
The Yerba Buena Center for Arts  
Museum of Modern Art  
San Francisco Cable Car Museum  
Grace Cathedral  
Coit Tower  
Washington Square  
Alamo Square



**1257 Bush  
Street**

# The Property

## Property Information

Address:	1257 Bush Street
District:	Lower Nob Hill
Property Type:	Multifamily
APN:	0279-017
Building Square Feet:	23,666
Units:	35
Lot Size:	4,120
Constructed:	1965
Zoning:	RC-4

## Building Systems

Foundation:	Concrete
Structure:	Concrete
Façade:	Concrete
Rear of Building:	Concrete
Roof Composition:	Modified-Bitumen
Electrical Service:	800 Amps, Separately Metered
Gas Service:	No Gas Meters
Fire Protection System:	Hardwired Smoke Detectors (In-Units)
Windows:	Single Paned Aluminum / Double Pane Vinyl
Heat Source:	Electric Baseboard
Hot Water:	Bradford & White, 28-Gallon Storage Tank (1 Per Unit)
Plumbing:	Predominately Copper
Common Areas:	Terrazzo / Linoleum / Carpet
Elevator:	DreamRide - Overhead Traction
Door Entry System:	Mircom Entry System (Ring Central IP Phone Line)
Mailboxes:	In Lobby
Garbage:	Trash Room
Apartment Access:	Elevator & Staircase
Landing Areas:	Carpeted
Laundry:	In basement (3 Washers/ 3 Dryers)
Security:	4K Network Video Recorder w/ 2 Cameras & Remote Viewing Access. One Camera in Intercom & One in Lobby.

## Building Information

Unit Mix:	34 - Studios 1 - One Bed, One Bath
Kitchens:	Granite, Quartz, and Formica Counter Tops Single-Basin Stainless Steel Sinks Electric Stove/Ovens Wood & Melamine Cabinetry Engineered Wood Flooring Over/Under Refrigerators Dishwashers (in Unit 1A)
Bathrooms:	Tub Shower Combinations with Sliding Glass Door Large Vanity Sink w/ Storage Vanity Lighting Linoleum / Engineered Flooring
Bedrooms:	Carpeted / Engineered Wood Flooring Balconies
Decks:	34 Private Decks, Unit 1A Has Direct Patio Access

## Notes

- Shared Backyard
- Front & West Sides Repainted in 2021
- Shared Dry Sauna on Ground Floor
- Building is not compliant with the Fire Alarm Sleeping Room Ordinance (2013 - NFPA 72 Section 18.4.1) - **Has Been Contracted & Scheduled w/ Byington Electric**
- Not on the San Francisco Soft-Story List
- Ability to Upgrade Security System to 16 Cameras & to Access Remotely via Smartphone App
- New Fan Exhaust Scheduled for Installation in 30-60 Days

# Financial Analysis

## 1257 Bush Street

Financial Summary	
Price	\$7,400,000
Down Payment	\$3,700,000
Number of Units	35
Price/Unit	\$211,429
Gross Square Feet	23,666
Price/Square Foot	\$313
CAP Rate - Current	5.07%
CAP Rate - Proforma	8.54%
GRM - Current	10.48
GRM - Pro Forma	7.52
Year Built	1965
Lot Size	4,120

Annual Gross Income	Current	Proforma
Gross Potential Income	\$706,129	\$983,636
Vacancy (3.5%)	\$24,715	\$34,427
AGI	\$681,415	\$949,209
Expenses	\$305,946	\$317,046
NOI	\$375,469	\$632,163
Expense per Gross Income	43%	32%
Expense per Unit	\$8,741	\$9,058

Annual Operating Expenses		Current	Exp/Unit	% /Exp	Market	Exp/Unit	% /Exp
Property Taxes	<i>1.17769% of Sales Price</i>	\$87,149	\$2,490	28%	\$87,149	\$2,490	27%
Special Assessment Tax	<i>From Owner's 2024 Tax Bill</i>	\$1,390	\$40	0%	\$1,390	\$40	0%
Insurance	<i>From Owner's 2023 Financials</i>	\$44,201	\$1,263	14%	\$44,201	\$1,263	14%
Property Management	<i>Estimated at 4% of Gross Income</i>	\$28,245	\$807	9%	\$39,345	\$1,124	12%
On-Site Management	<i>Estimated at \$2,300 per month</i>	\$27,600	\$789	9%	\$27,600	\$789	9%
Repairs & Maintenance	<i>Estimated at \$500/unit</i>	\$17,500	\$500	6%	\$17,500	\$500	6%
Fire Protection Expenses	<i>From Owner's 2023 Financials</i>	\$1,880	\$54	1%	\$1,880	\$54	1%
Pest Control	<i>From Owner's 2023 Financials</i>	\$1,088	\$31	0%	\$1,088	\$31	0%
Landscaping	<i>From Owner's 2023 Financials</i>	\$5,145	\$147	2%	\$5,145	\$147	2%
Internet / Cable	<i>From Owner's 2023 Financials</i>	\$2,260	\$65	1%	\$2,260	\$65	1%
Telephone	<i>From Owner's 2023 Financials</i>	\$1,736	\$50	1%	\$1,736	\$50	1%
Utilities - Garbage	<i>From Owner's 2023 Financials</i>	\$19,514	\$558	6%	\$19,514	\$558	6%
Utilities - PG&E	<i>From Owner's 2023 Financials</i>	\$45,645	\$1,304	15%	\$45,645	\$1,304	14%
Utilities - Water	<i>From Owner's 2023 Financials</i>	\$22,592	\$645	7%	\$22,592	\$645	7%
<b>Total Operating Expenses</b>		<b>\$305,946</b>	<b>\$8,741</b>	<b>100%</b>	<b>\$317,046</b>	<b>\$9,058</b>	<b>100%</b>

Financing		Cash Flow After Debt Service	Current	Proforma
Loan Amount	\$3,700,000	Less Debt Service	\$229,400	\$229,400
Loan Type	Proposed New	Cash Flow	\$146,069	\$402,763
Interest Rate	6.20%	Cash on Cash Return	3.95%	10.89%
Program	3 Year Interest Only	Expenses as % of Gross	43%	32%
Loan to Value	50%	Expenses per Unit	\$8,741	\$9,058

(Loan information is time sensitive and subject to change)

# Rent Roll

## 1257 Bush Street

Unit No.	Unit Type	Rents	Market Rent	Move In Date	SqFt	Notes	Unit No.	Unit Type	Rents	Market Rent	Move In Date	SqFt	Notes
1A	Studio	\$2,690	\$2,690	11/1/2023	485		7B	Studio	\$826	\$2,300	7/1/1989	384	
2A	Studio	\$1,750	\$2,300	10/1/2020	454		7C	Studio	\$1,554	\$2,300	2/15/2021	383	
2B	Studio	\$1,813	\$2,300	7/1/2021	384		8A	Studio	\$681	\$2,300	11/1/1976	454	
2C	Studio	\$1,790	\$2,300	1/30/2022	383		8B	Studio	\$1,750	\$2,300	10/15/2021	384	
3A	Studio	\$868	\$2,300	5/1/1986	454		8C	Studio	\$1,850	\$2,300	1/22/2024	383	
3B	Studio	\$1,750	\$2,300	1/25/2023	384		9A	Studio	\$1,875	\$2,300	12/20/2021	454	
3C	Studio	\$1,750	\$2,300	11/30/2021	383		9B	Studio	\$695	\$2,300	6/1/1976	384	
4A	Studio	\$1,800	\$2,300	1/1/2017	454		9C	Studio	\$883	\$2,300	1/1/1997	383	
4B	Studio	\$1,850	\$2,300	12/1/2022	384		10A	Studio	\$888	\$2,300	9/1/1990	454	
4C	Studio	\$857	\$2,300	2/1/1992	383	Asst.	10B	Studio	\$1,850	\$2,300	2/1/2024	384	
5A	Studio	\$1,950	\$2,300	8/24/2023	454		10C	Studio	\$1,900	\$2,300	10/1/2022	383	
5B	Studio	\$1,750	\$2,300	11/1/2016	384		11A	Studio	\$1,950	\$2,300	7/1/2022	454	
<b>5C</b>	<b>Studio</b>	<b>\$2,300</b>	<b>\$2,300</b>	<b>Vacant</b>	<b>383</b>		11B	Studio	\$1,950	\$2,300	7/28/2023	384	
6A	Studio	\$1,825	\$2,300	10/1/2020	454		11C	Studio	\$1,694	\$2,300	3/5/2021	383	
6B	Studio	\$1,774	\$2,300	5/1/2019	384		12A	Studio	\$1,750	\$2,300	10/1/2021	454	*
6C	Studio	\$1,875	\$2,300	11/13/2023	383		12B	Studio	\$1,813	\$2,300	5/7/2021	384	
7A	Studio	\$2,300	\$2,300	7/21/2023	454	MGR	12C	Studio	\$1,319	\$2,300	5/1/2010	383	
							PH	1 Bed, 1 Bath	\$2,450	\$2,700	9/18/2022	666	
							<b>Monthly Income</b>	<b>\$58,370</b>	<b>\$81,290</b>				
							Laundry	\$319	\$525				
							Misc. Income	\$155	\$155				
							<b>Total Monthly Income</b>	<b>\$58,844</b>	<b>\$81,970</b>				
							<b>Total Annual Income</b>	<b>\$706,129</b>	<b>\$983,636</b>	<b>Upside: 39%</b>			

### Units

Studio - 34  
1 Bed, 1 Bath - 1

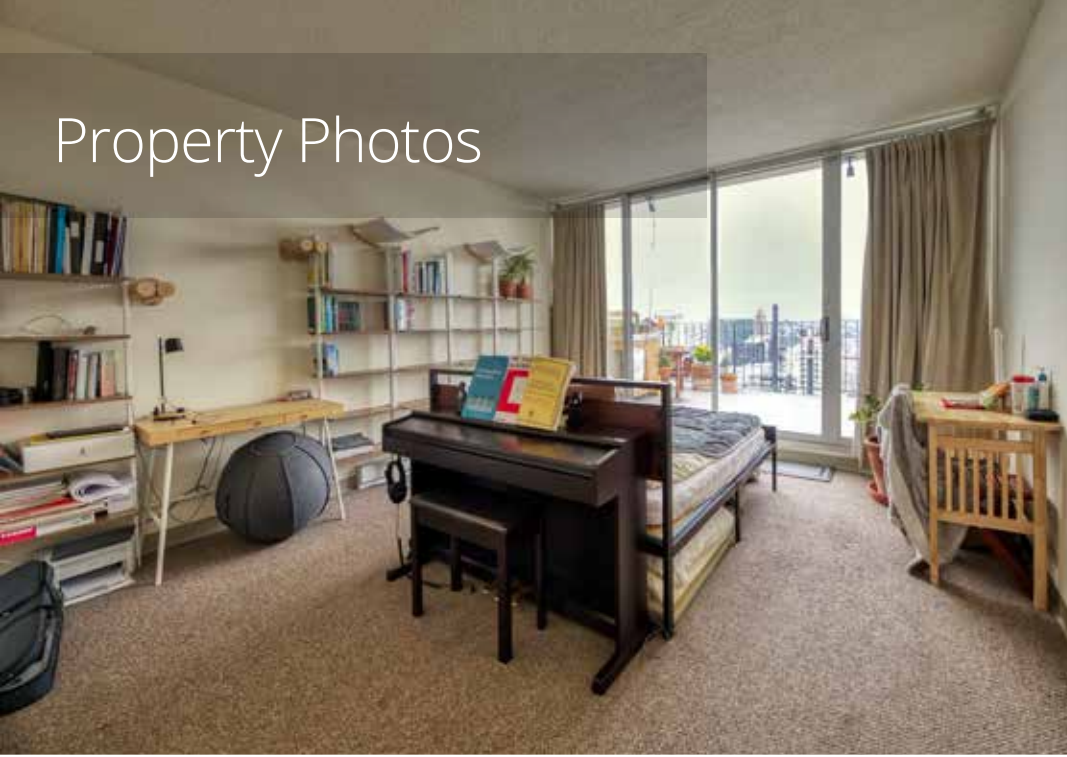
### Notes

Market rents estimated using Rentometer.com  
Laundry projected at \$15 per unit/month  
\*Lease Signed at \$1,800, reduction for ceiling damage



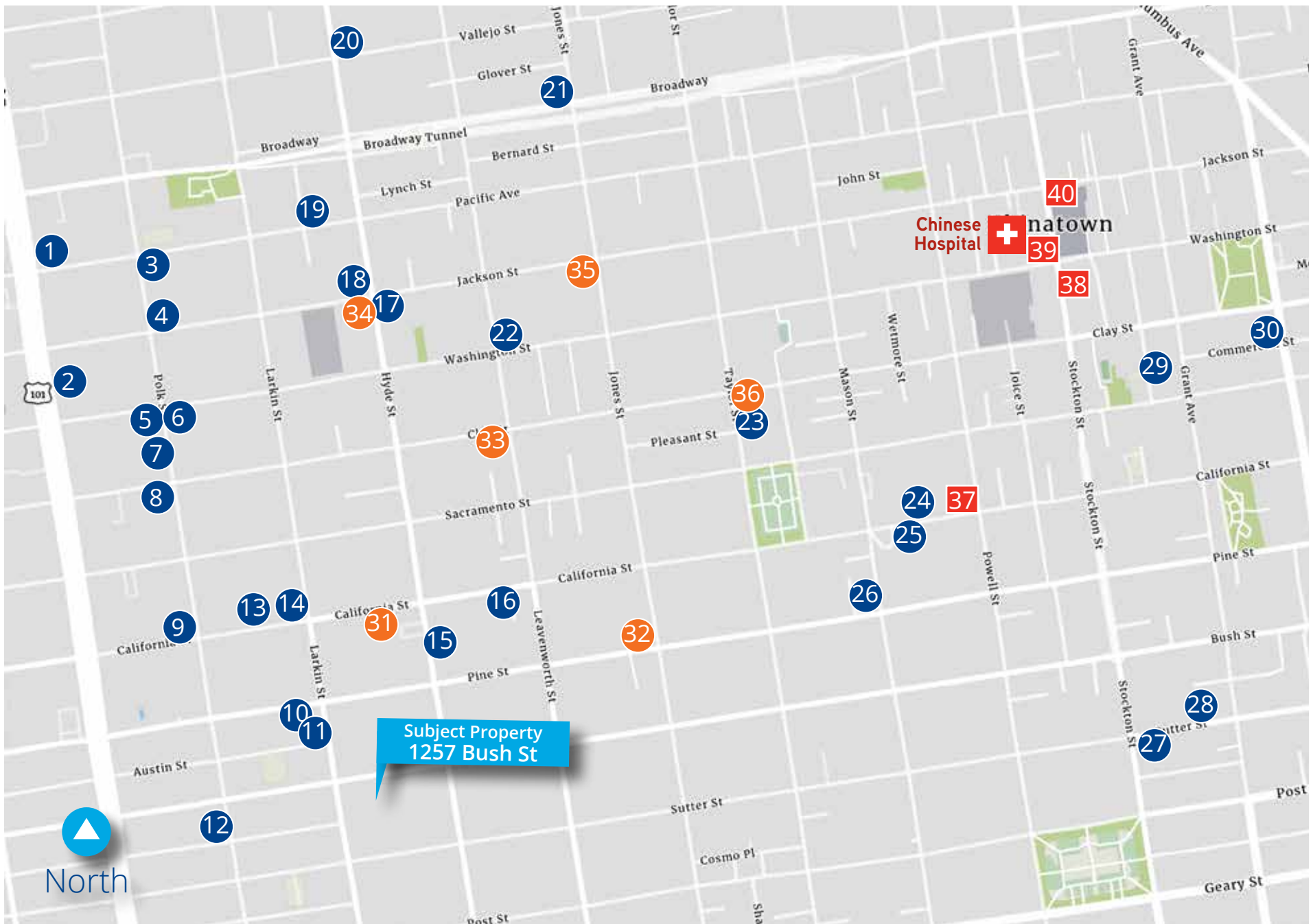


# Property Photos





# Amenities Map



 Restaurants & Bars

 Convenience & Grocery Stores

 Banks & ATM's

 Hospitals/Clinics

## Neighborhood Amenities

<b>1</b> Harris' Steak House	<b>11</b> Ben Thai Cafe	<b>21</b> Serafina	<b>31</b> Trader Joe's
<b>2</b> House of Prime Rib	<b>12</b> Mayes Oyster House	<b>22</b> Sushi Rapture	<b>32</b> Pine & Jones Market
<b>3</b> Cafe Reveille	<b>13</b> Nob Hill Pizza & Shawarma	<b>23</b> Nob Hill cafe	<b>33</b> Le Beau Market
<b>4</b> Bell Tower	<b>14</b> Mymy	<b>24</b> Tonga Room & Bar	<b>34</b> J & H Grocery
<b>5</b> The Crepe House	<b>15</b> Nourish Cafe	<b>25</b> Top of the Mark	<b>35</b> Jackson Market
<b>6</b> Amelie San Francisco	<b>16</b> Zeki's Bar	<b>26</b> Rue Lepic French Restaurant	<b>36</b> V J Grocery
<b>7</b> The Cinch Saloon	<b>17</b> Hot Sauce & Panko To Go	<b>27</b> Campton Place Bar & Bistro	<b>37</b> US Bank
<b>8</b> Harper & Rye	<b>18</b> Hyde Street Seafood & Bar	<b>28</b> E & O Kitchen & Bar	<b>38</b> Bank of America
<b>9</b> Ti Piacera Ristorante	<b>19</b> Ristorante Milano	<b>29</b> Mister Jiu's	<b>39</b> Wells Fargo Bank
<b>10</b> Grubstake Diner	<b>20</b> The Soapbox Cafe	<b>30</b> R & G Lounge	<b>40</b> First Republic Bank

# Public Transportation

**1BX** **1** CLAYS ST, SACRAMENTO ST

**47** **49** VAN NESS AVE

**41** **45** UNION ST

**2** **3** SUTTER ST

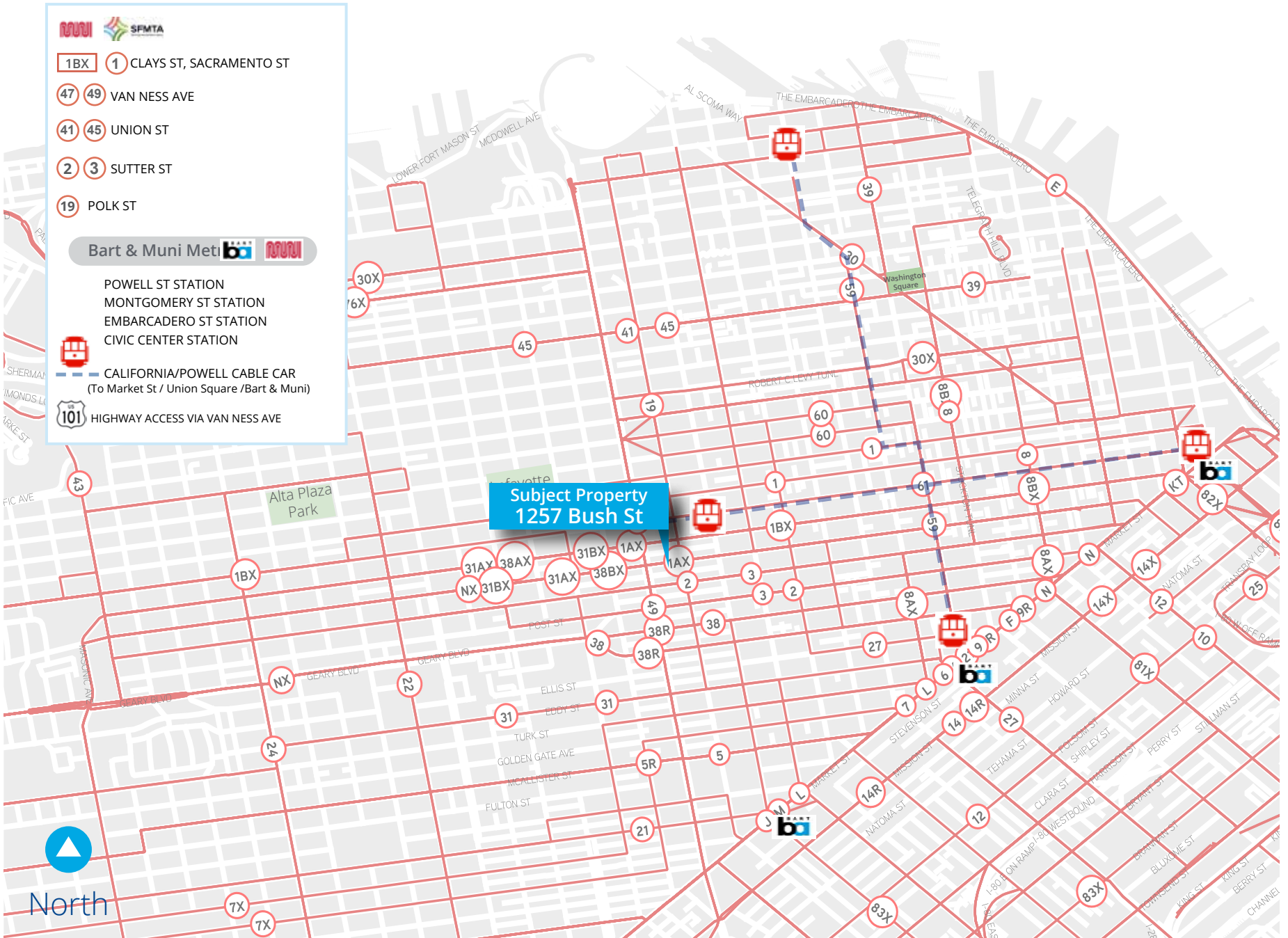
**19** POLK ST

**Bart & Muni Metro**

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 1257 Bush 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 Bush, Pine & California 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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This Offering Memorandum contains select information pertaining to the business and affairs of the Property at 1257 Bush Street San Francisco, CA 94109. 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 1257 Bush 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 1257 Bush 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.

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 1257 Bush 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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