

1040 Fulton Street

Alamo Square | San Francisco, CA

Investment Opportunity | Offering Memorandum



Colliers



**1040 Fulton
Street**

Brad Lagomarsino
Vice Chair
+1 415 288 7847
brad.lago@colliers.com

Dustin Dolby
Executive Vice President
+1 415 288 7869
dustin.dolby@colliers.com

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Please Call Listing Agent

Multifamily Investment Services Group
www.thedlteam.com
101 Second Street | Suite 1100 | San Francisco, CA





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Street

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Offering Summary

1040 Fulton Street, San Francisco, is a 18-unit apartment building located in the Alamo Square District of San Francisco (cross streets Fulton & Steiner Streets). This mid-block building has been well-preserved and possess' many of the quality finishes from its era of construction. The building is comprised of one (1) studio, seventeen (17) - 1 BD/1 BA, five (5) artist studios, and an enclosed garage which has (3) car parking spaces.

Alamo Square Park, the neighborhood's focal point and namesake, consists of four city blocks at the top of a hill overlooking much of downtown San Francisco, with a several significant and architecturally distinctive mansions along the perimeter, including the "Painted Ladies", a well-known postcard motif. Victorian homes, Alamo Square Park, eclectic shopping, fine eateries, extraordinary weather, and its central location contribute to this location's desirability.

This is a fantastic opportunity for an investor to purchase an easy to manage multi-family property with tremendous income upside potential in the City.





Property Information

Property Information

Address:	1040 Fulton Street, San Francisco CA 94117
District:	Alamo Square
Property Type:	Apartment Building
APN:	0778-007
Building Square Feet:	16,752 square feet <i>(per tax records)</i>
Units:	18
Lot Size:	7,563 square feet <i>(per tax records)</i>
Constructed:	1912
Zoning:	RH-3

Building Systems

Foundation:	Concrete Foundation
Structure:	Wood-Frame Building
Façade:	Wood Façade
Roof Composition:	Modified Bitumen
Electrical Service:	Separately Metered – Circuit Breakers in Tradesman
Gas Service:	Separately Metered
Fire Protection System:	ESL 1500 Series, Local Fire Alarm System
Fire Escapes:	Fire Escape <i>(North Side of Building)</i>
Heat Source:	Gas Wall Heat System
Water Heater:	Lochinvar Boiler System, Solar Panels on Roof, 2X82 Gallon Squire Storage Tanks, Six Solar River Water Heater
Plumbing:	Predominantly Converted to Copper Plumbing
Common Area Lights:	Decorative Period Fixtures and Center Mount <i>(Timer System)</i>
Door Entry System:	Siedle Buzzer System/Key Entry
Front Entry:	Marble Steps, Hexagon Tile Landing
Lobby:	Mirrored, Wood Paneled Walls, Hexagon Tiles
Lobby/Common Area Lighting:	Center Mount and Period Lighting
Mailboxes:	Lobby Wall
Common Areas:	Carpeted
Apartment Access:	Central Staircase
Windows:	Wood Frame Windows
Garbage:	Tradesman
Laundry:	2 Washers, 2 Dryers <i>(Building Owned)</i>
Storage:	Building Storage in Several Areas of the Basement <i>(3 Storage Areas)</i>
Seismic Work:	The building is compliant with the City's Soft-Story Ordinance Removed and No Further Action Letter Issued
UST:	Removed and No Further Action Letter Issued

Building Information

Unit Mix :	One (1) Studio Seventeen (17) - 1 BD, 1 BA
18 - Total Units	
	Five (5) Artist Studios
	Three (3) Parking Spaces
	Six (6) Storage Spaces
Kitchens:	Gas Stoves and Ovens Granite Counters Over Maple Cabinets/ Some Original Single Basin Stainless Steel Sinks Freezer Over Refrigerator Ample Natural Light Rolled Vinyl Flooring Some Dishwashers
Bathrooms:	Hexagon Tile Flooring Tile Surrounds Cabinet Vanities / Pedestal Sinks Tub Shower Combinations Window Ventilation
Bedrooms:	Softwood Floors Blinds/Curtains Wood-Frame Windows Ample Natural Light Generous Closet Spaces Center Mount Lighting
Living Room Area:	Softwood Floors Wood-Frame Windows Tremendous Natural Light Period Molding Throughout Center Mount Lighting

Financial Overview

Financial Summary		Annual Gross Income	
		Current	Proforma
Price	\$5,700,000	Gross Potential Income	\$506,653
Down Payment	\$2,565,000	Vacancy (5.0%)	\$25,333
Number of Units	18	AGI	\$481,321
Price/Unit	\$316,667	Expenses	\$191,927
Gross Square Feet	16,752	NOI	\$289,393
Price/Square Foot	\$340		
CAP Rate - Current	5.08%		
CAP Rate - Proforma	7.92%		
GRM - Current	11.25		
GRM - Pro Forma	8.30		
Year Built	1912		
Lot Size	7,563		

Financing		Cash Flow After Debt Service	
		Current	Proforma
Loan Amount	\$3,135,000	Less Debt Service	\$219,540
Loan Type	Fully Amortized	Cash Flow	\$69,853
Interest Rate	5.75%	Cash on Cash Return	\$0
Program	5/30 Year Fixed	Expenses as % Of Gross	\$5,700,000
Loan to Value	55%	Expenses per Unit	\$2,565,000

Loan Quote: Estimated at 55% LTV at 5.75% 5/30 Year Fixed (Loan information is time sensitive & subject to change)

Expenses

Annual Operating Expenses		Current	Exp/Unit	% /Exp	Market	Exp/Unit	% /Exp
Property Taxes	1.17769% of Sales Price	\$67,128	\$3,729	35%	\$67,128	\$3,729	33%
Special Assessment Tax	From Owner's 2023-24 Tax Bill	\$1,658	\$92	1%	\$1,658	\$92	1%
Insurance	Commercial Coverage Indicator	\$28,800	\$1,600	15%	\$28,800	\$1,600	14%
Repairs & Maintenance	Estimated at \$750/unit	\$13,500	\$750	7%	\$13,500	\$750	7%
Management (Off-Site)	Estimated at 5% of Gross Income	\$25,333	\$1,407	13%	\$34,332	\$1,907	17%
On-Site Management	\$1,225 per month	\$14,700	\$817	8%	\$14,700	\$817	7%
Electricity & Gas	Owner's Statement (2024)	\$5,558	\$309	3%	\$5,558	\$309	3%
Garbage	Owner's Statement (2024)	\$10,084	\$560	5%	\$10,084	\$560	5%
Water	Owner's Statement (2024)	\$15,527	\$863	8%	\$15,527	\$863	8%
Janitorial	Owner's Statement (2024)	\$2,200	\$122	1%	\$2,200	\$122	1%
Pest Control	Owner's Statement (2024)	\$1,211	\$67	1%	\$1,211	\$67	1%
Inspections	Owner's Statement (2024)	\$918	\$51	0%	\$918	\$51	0%
Advertising	Owner's Statement (2024)	\$160	\$9	0%	\$160	\$9	0%
Permits & Fees	Owner's Statement (2024)	\$5,152	\$286	3%	\$5,152	\$286	3%
Total Operating Expenses		\$191,927	\$10,663	100%	\$200,926	\$11,163	100%
Expenses as % of Gross Income		38%		29%			
Expense per Unit		\$10,663		\$11,163			

Rent Roll

Unit No.	Unit Type	Rents	Parking	Floor Storage	Basement Storage	Market Rent	Move In Date
1	1 Bed, 1 Bath*	\$2,494.41		Included	Included	\$3,300	2/1/2010
2	1 Bed, 1 Bath	\$2,695.00				\$3,000	2/1/2024
3 (MGR)	1 Bed, 1 Bath	\$1,351.21			\$132.48	\$3,000	9/1/2005
4	1 Bed, 1 Bath	\$3,382.94				\$3,000	9/21/2015
5	1 Bed, 1 Bath	\$1,661.27	Included	Included	\$500.00	\$3,000	7/1/2008
6	Studio	\$997.18				\$2,400	3/12/1994
7	1 Bed, 1 Bath	\$2,740.82				\$3,000	6/1/2023
8	1 Bed, 1 Bath*	\$2,538.73				\$3,300	8/1/2009
9	1 Bed, 1 Bath	\$2,895.62				\$3,000	2/1/2023
10	1 Bed, 1 Bath	\$921.83	Included			\$3,000	8/1/1983
11	1 Bed, 1 Bath	\$2,745.90				\$3,000	7/1/2023
12	1 Bed, 1 Bath	\$2,995.00				\$3,000	2/24/2024
14	1 Bed, 1 Bath*	\$1,541.49	Included			\$3,300	6/1/1990
15	1 Bed, 1 Bath*	\$1,796.71		Included		\$3,300	2/1/1995
16	1 Bed, 1 Bath	\$2,827.76				\$3,000	2/1/2021
17	1 Bed, 1 Bath	\$1,839.20				\$3,000	10/15/2006
18	1 Bed, 1 Bath	\$2,995.00				\$3,000	8/19/2023
19	1 Bed, 1 Bath	\$2,209.76		Included		\$3,000	10/1/2010
Monthly Income		\$40,629.83	\$0.00	\$0.00	\$632.48	\$54,600	
Rent Board Fee		\$34.42				\$34	
Bond-General		\$395.24				\$395	
Reimbursements		\$30.17				\$30	
Parking (3)		\$0.00				\$900	
Storage (3)		\$0.00				\$300	
Artist-Studio (4)		\$632.48				\$400	
Vacant Artist-Studio (2)		\$200.00				\$200	
Laundry		\$298.96				\$360	
Total Monthly Income		\$42,221.10				\$57,219.83	
Annual Income		\$506,653				\$686,638	Upside: 36%

Units

Studio - 1
 1 Bed, 1 Bath - 17
 Parking - 3
 Storage - 6
 Artist-Studio - 6
Total Units - 18

Notes

Market rents projected using Rentometer.com
 Parking projected at \$300 per space/month
 Storage / Artist-Studio projected at \$100 per month
 Laundry projected at \$20 per tenant/month
 *1 Bed, 1 Bath units with a double parlor and dining room
 Other income from Owner's 2024 Financials

Property Photos

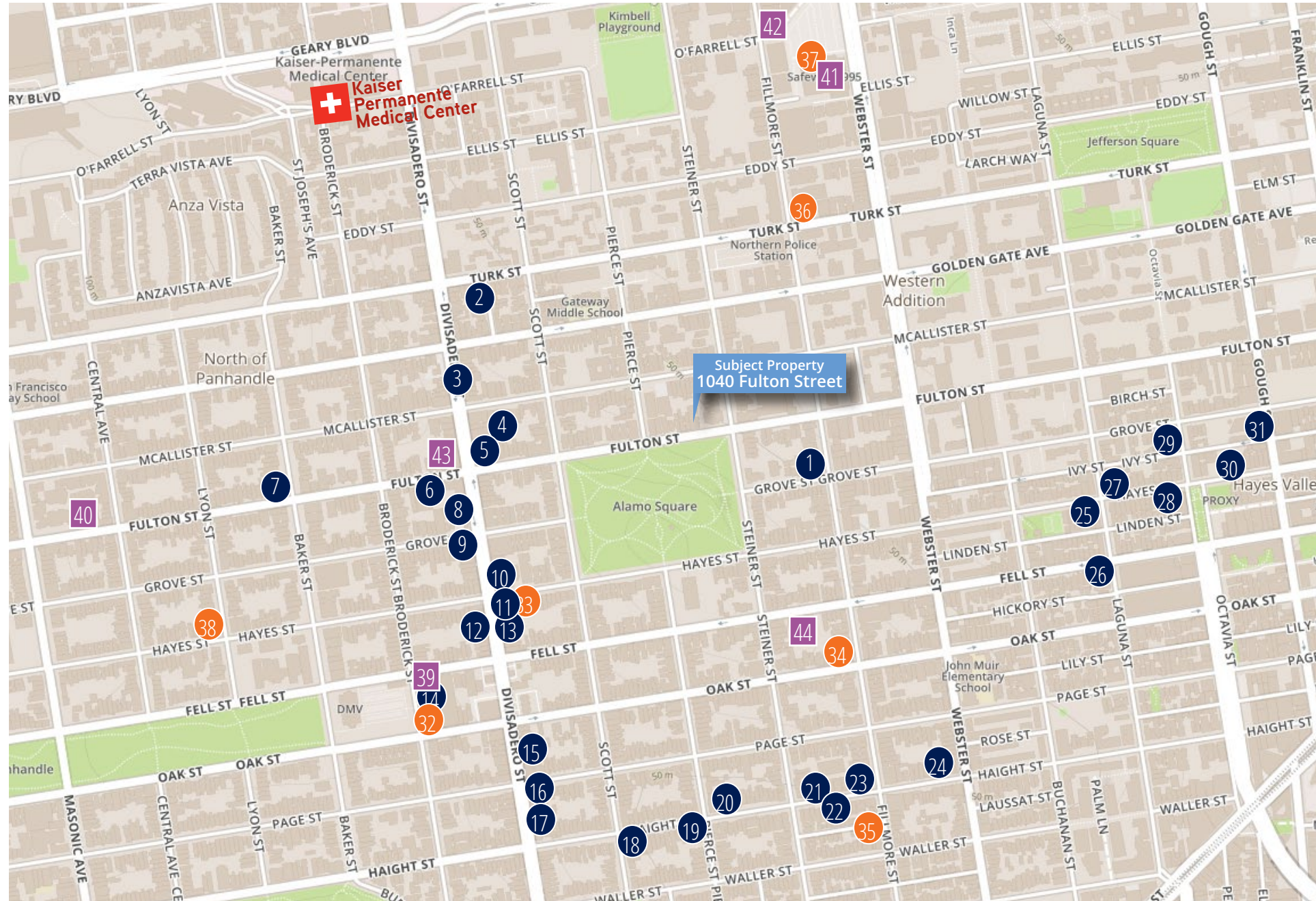








Amenities Map

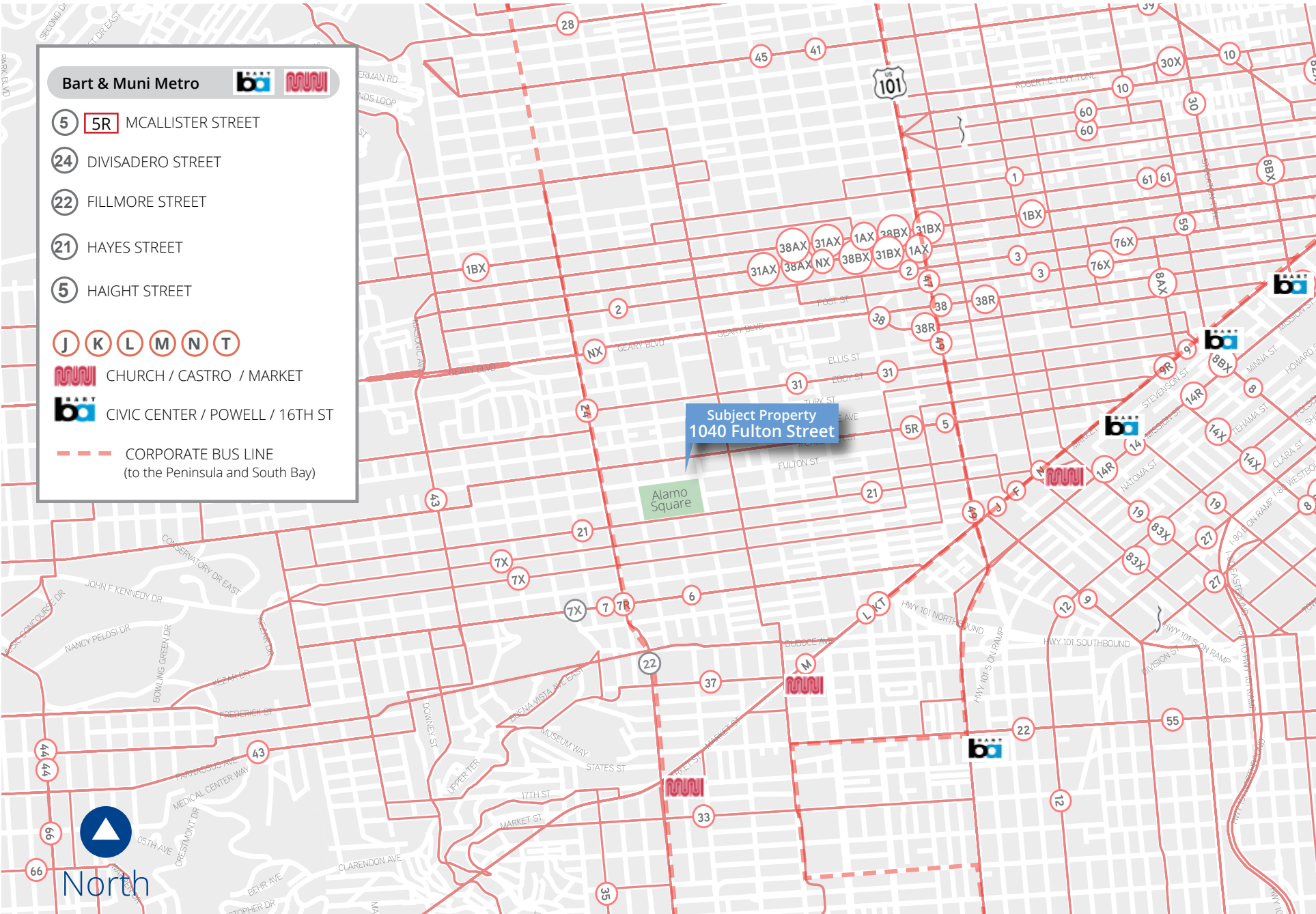


- Restaurants & Bars
- Convenience & Grocery Stores
- Banks & ATM's
- + Hospitals

Neighborhood Amenities

- | | | | |
|---|--|--|--|
| <ul style="list-style-type: none"> 1 Alamo Square Grill 2 Primo Pizza 3 Brenda's Meat & Three 4 Che Fico 5 Eddie's Cafe 6 Ju-Ni 7 Bob's on Baker Street 8 4505 Burgers & BBQ 9 Beretta 10 Emporium San Francisco 11 Nopa | <ul style="list-style-type: none"> 12 Souvla 13 Horsefeather 14 Nopalito 15 Mangrove Kitchen 16 The Page 17 Powder 18 The Grind 19 Fort Point Lower Haight 20 Otra 21 Uva Enoteca 22 Toronado | <ul style="list-style-type: none"> 23 Nara 24 Kibatsu 25 Suppenkuche 26 Falafel Boy 27 Salt & Straw 28 Souvla 29 Na Ya Dessert Cafe 30 a Mano 31 Absinthe Brasserie & Bar 32 Falletti Foods 33 Bi-Rite Market | <ul style="list-style-type: none"> 34 Key Food Market 35 Haight Fillmore Whole Foods 36 Third World Market 37 Safeway 38 Parkside Market 39 Bank of America 40 Chase Bank 41 Wells Fargo Bank 42 Hanmi Bank 43 ATM 44 ATM |
|---|--|--|--|

Public Transportation



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

The area around 1040 Fulton 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 McAllister, Divisadero, Fillmore & Haight Streets, 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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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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