

855-857 Valencia Street

Inner Mission | San Francisco, CA

Investment Opportunity | Offering Memorandum



Colliers



855-857
Valencia Street

Exclusive Listing Agents

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

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

Showings by Appointment
Please Call Listing Agent

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





855-857
Valencia Street

Table of Contents

04

Aerial of Property

06

Property Overview

08

Property Information

09

Financial Overview

12

Property Photos

18

Amenities Map

20

Transportation Map

Offering Summary

Colliers International is pleased to present 855-857 Valencia Street (located between 19th & 20th Streets) in the Inner Mission neighborhood of San Francisco. Its sunny and warm micro-climate and the eclectic mix of trendy restaurants, popular bars, cafes, and coffee shops contribute to the area's immense popularity.

This mid-block apartment building is conveniently located two blocks from Mission Dolores Park and is in the midst of the Valencia Street corridor. 855-857 Valencia Street is minutes from the 16th Street and the 24th Street Mission Bart Stations, in addition to several bus lines providing easy access to all areas of the City.

The building is comprised of five (5) units - four (4) - 1 BD / 1 BA and one (1) commercial unit. The units feature hardwood floors, bay windows allowing in an abundance of natural light and various period and modern finishes. The building is separately metered for gas & electricity. There is a shared backyard and a washer & dryer in the laundry room for the tenants.

855-857 Valencia Street is an excellent opportunity for an owner/ user or investor to purchase a well-maintained building in a coveted location.



The Property

Property Information
Address: 855-857 Valencia Street, San Francisco, CA 94110
District: Inner Mission
Property Type: Mixed-Use
APN: 3596-091
Building Square Feet: 4,416 SqFt
Units: 5
Lot Size: 1,999
Constructed: 1938
Zoning: NCT
Building Systems
Foundation: Concrete
Structure: Wood Frame
Façade: Stucco
Roof Composition: Modified Bitumen
Electrical Service: Separately Metered (800 Amps)
Gas Service: Separately Metered
Fire Protection System: Local Hardwired Fire Alarm System
Fire Escapes: Front & Rear of Building
Heat Source: Gas Wall Heat
Hot Water: Bradford White Eco-Defender (40-Gallon Tank)
Plumbing: Mix of Copper & Galvanized
Common Area Lights: Sconce Lighting
Door Entry System: Lock & Key
Front Landing: Concrete
Mailboxes: Inside Entry Gate
Common Areas: Carpeted
Lobby: Tile Flooring
Apartment Access: Carpeted Staircase
Windows: Dual Paned Vinyl & Single Paned Wood Frame Windows
Garbage: Off the Central Stairwell, Chute System
Laundry: Maytag Washer & Dryer in Laundry Room (Coin-Operated)
Storage: N/A
Seismic Work: The Building is Not Listed on the City's Soft-Story Ordinance List

Building Information
Unit Mix: 4 - 1 BD / 1 BA
1 - Commercial
5 - Total Units
Kitchens: Gas Stoves and Ovens
Wood Cabinetry
Single Basin Sinks
Freezer Over Refrigerator
Dome Lighting
Tile Flooring
Formal Dining Room off of Kitchen
Bathrooms: Tile Flooring
Tile Surrounds
Inlaid Mirrored Cabinet Vanities
Tub/Shower Combination
Window Ventilation
Bedrooms: Hardwood Floors
Blinds
Generous Closet Spaces
Ample Natural Light
Generous Closet Spaces
Center Mount Pendant Lighting
Dining/Living Room: Hardwood floors
Bay Window w/ Blinds
Sconce Lighting w/ Period Details
Notes
- Shared Backyard

Financial Summary

Financial Summary	Annual Gross Income	Current	Proforma	
Price	\$1,995,000	Gross Potential Income	\$181,248	\$215,958
Down Payment	\$698,250	Vacancy (5.0%)	\$9,062	\$10,798
Number of Units	5	AGI	\$172,185	\$205,160
Price/Unit	\$399,000	Expenses	\$51,108	\$52,843
Gross Square Feet	4,416	NOI	\$121,078	\$152,317
Price/Square Foot	\$452			
CAP Rate - Current	6.07%			
CAP Rate - Proforma	7.63%			
GRM - Current	11.01			
GRM - Pro Forma	9.24			
Year Built	1938			
Lot Size	1,999			

Financing	Cash Flow After Debt Service	Current	Proforma
Loan Amount	Less Debt Service	\$92,298	\$92,298
Loan Type	Cash Flow	\$28,780	\$60,019
Interest Rate	Cash on Cash Return	4.12%	8.60%
Program	Expenses as % Of Gross	28%	24%
Loan to Value	Expenses per Unit	\$10,222	\$10,569

Loan Quote: Estimated 65% LTV at 5.90% Fully Amortized 5/30 Year Fixed-Rate (Loan information is time sensitive & subject to change)

Operating Expenses

Annual Operating Expenses		Current	Exp/Unit	% /Exp	Market	Exp/Unit	% /Exp
Property Taxes	<i>1.17769% of Sales Price</i>	\$23,495	\$4,699	46%	\$23,495	\$4,699	44%
Special Assessment Tax	<i>From Owner's 2023-24 Tax Bill</i>	\$1,916	\$383	4%	\$1,916	\$383	4%
Insurance	<i>From Owner's 2023 Financials</i>	\$5,372	\$1,074	11%	\$5,372	\$1,074	10%
Property Management	<i>Estimated at 5% of Gross Income</i>	\$9,062	\$1,812	18%	\$10,798	\$2,160	20%
Repairs & Maintenance	<i>Estimated at \$750/unit</i>	\$3,750	\$750	7%	\$3,750	\$750	7%
Life-Safety	<i>From Owner's 2023 Financials</i>	\$76	\$15	0%	\$76	\$15	0%
Inspections	<i>From Owner's 2023 Financials</i>	\$903	\$181	2%	\$903	\$181	2%
Electricity and Gas	<i>From Owner's 2023 Financials</i>	\$2,238	\$448	4%	\$2,238	\$448	4%
Garbage	<i>From Owner's 2023 Financials</i>	\$3,948	\$790	8%	\$3,948	\$790	7%
Permits and Fees	<i>From Owner's 2023 Financials</i>	\$348	\$70	1%	\$348	\$70	1%
Total Operating Expenses		\$51,108	\$10,222	100%	\$52,843	\$10,569	100%

Gross Potential Income	\$181,248	\$215,958
Vacancy (5.0%)	\$9,062	\$10,798
AGI	\$172,185	\$205,160
Expenses	\$51,108	\$52,843
NOI	\$121,078	\$152,317

Expenses as % of Gross Income	28%	24%
Expense per Unit	\$10,222	\$10,569

Rent Roll

Unit No.	Unit Type	Rents	Market Rents	Move in Date
1	1 Bed, 1 Bath	\$2,097.15	\$2,850	10/10/2019
2	1 Bed, 1 Bath	\$2,216.56	\$2,850	7/11/2010
3	1 Bed, 1 Bath	\$2,134.41	\$2,850	9/25/2022
4	1 Bed, 1 Bath	\$2,069.74	\$2,850	7/15/2022
855	Commercial	\$6,000.00	\$6,000	10/10/2019
Monthly Income		\$14,517.86	\$17,400	
Rent Board Fee		\$14.75	\$15	
Bond-General (Tax)		\$481.74	\$482	
Laundry		\$89.63	\$100	
Total Monthly Income		\$15,103.98	\$17,996.49	
Annual Income		\$181,248	\$215,958	Upside: 19%

Units

1 Bed, 1 Bath - 4
Commercial - 1
Total Units - 5

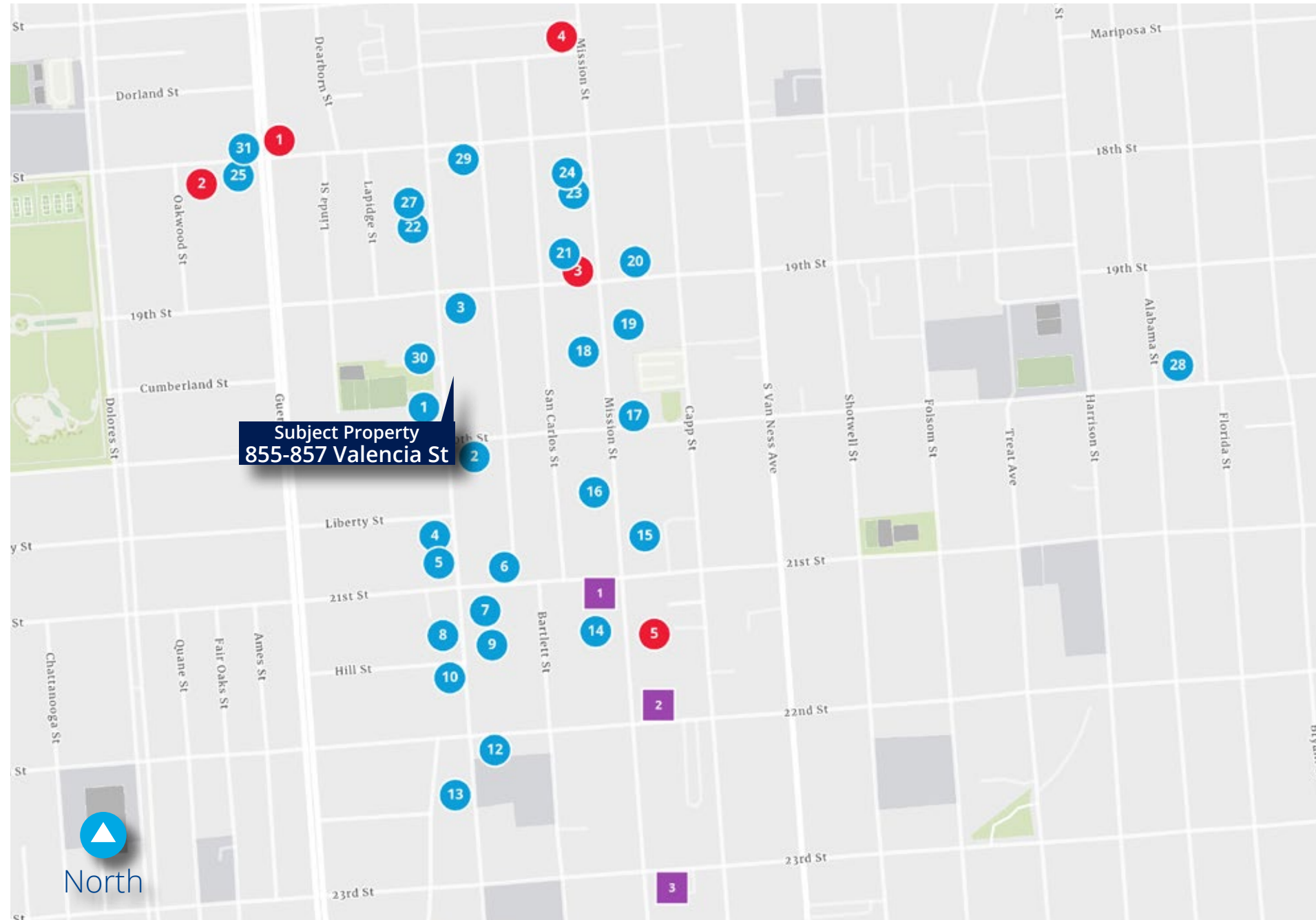
Notes

Market Rents Estimated Using Rentometer.com
Laundry Projected at \$20 per Unit/Month
Other Income from Owner's 2023 Financials





Amenities Map

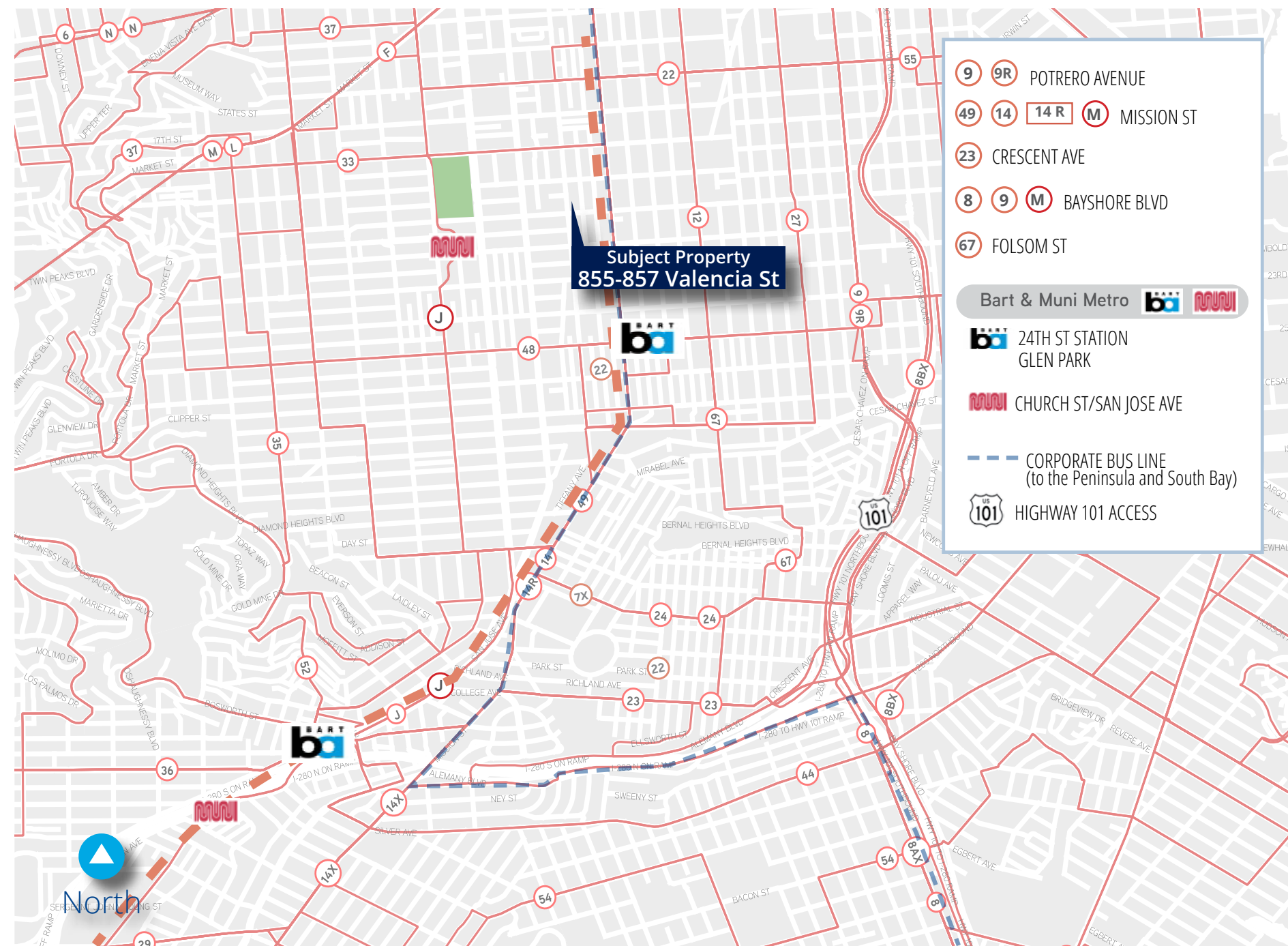


- Restaurants & Bars
- Convenience & Grocery Stores
- Banks & ATM's
- + Clinics

Neighborhood Amenities

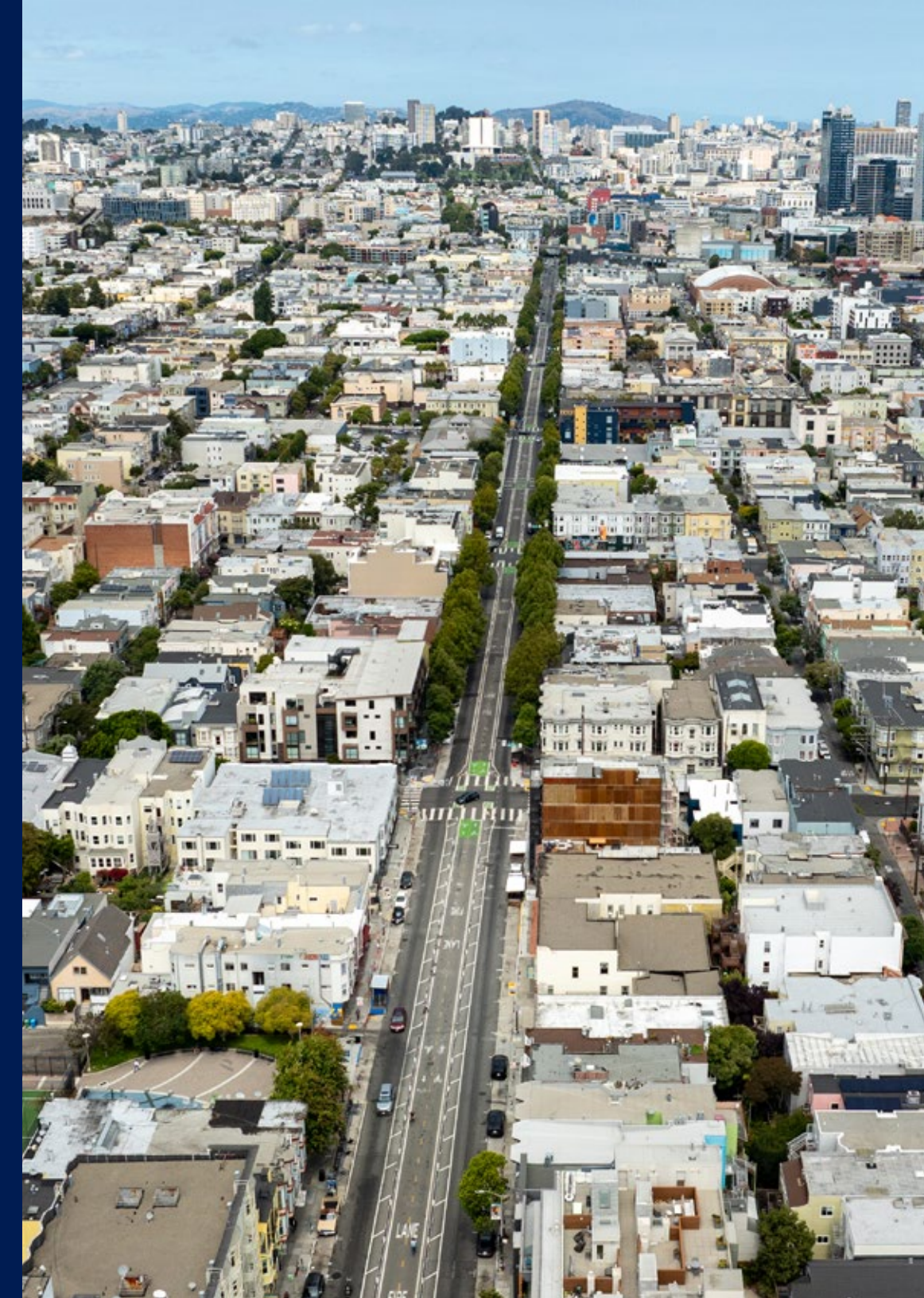
- | | | |
|--|---|--|
| <ul style="list-style-type: none"> 1 Cafe Ethiopia 2 Mixt 3 Chic n' Time 4 Lolo 5 Senor Sisig 6 Serrano's Pizza 7 Udupi Palace 8 Ritual Coffee Roasters 9 Aslam's Rasoi 10 Alnico 11 Aditi Indian Cuisine 12 Esperpento 13 Deccan House | <ul style="list-style-type: none"> 14 Foreign Cinema 15 Cafe La Taza 16 Mission Curry House 17 Pete's Bar B-Que 18 Little Heaven 19 Cha Cha Cha 20 Kimbara 21 Lazy Bear 22 Souvla 23 Mission Chinese Food 24 Prubechu 25 Tartine Bakery 26 Liholiho Yacht Club | <ul style="list-style-type: none"> 27 Dandelion Chocolate 28 Flour+Water Pizzeria 29 Regalito Rosticera 30 Beehive 31 The Handroll Project 32 Pay & Save Grocery 33 Bi-Rite Market 34 City & Discount Grocery 35 Mission Grocery & Liquor 36 Evergreen Market 37 Chase Bank 38 Wells Fargo Bank 39 Bank of America |
|--|---|--|

Public Transportation



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

The area around 855-857 Valencia 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 Manhattan 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. 629 Guerrero Street is within walking distance of a variety of public transit, including the 16th & 24th Street Bay Area Rapid Transit Systems (BART), the underground MUNI, and street-level rail—all 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.





Confidentiality & Disclaimer Statement

This Offering Memorandum contains select information pertaining to the business and affairs of the Property at 855-857 Valencia Street, San Francisco, CA 94110. 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 855-857 Valencia 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 or 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 855-857 Valencia 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 855-857 Valencia 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.

855-857 Valencia Street

Inner Mission | San Francisco, CA

Investment Opportunity | Offering Memorandum

Exclusive Listing Agents

Dustin Dolby

Executive Vice President

+1 415 288 7869

dustin.dolby@colliers.com

Brad Lagomarsino

Vice Chair

+1 415 288 7847

brad.lago@colliers.com

Multifamily Investment Services Group

www.thedlteam.com

101 Second Street | Suite 1100 | San Francisco, CA



This document has been prepared by Colliers for advertising and general information only. Colliers makes no guarantees, representations or warranties of any kind, expressed or implied, regarding the information including, but not limited to, warranties of content, accuracy and reliability. Any interested party should undertake their own inquiries as to the accuracy of the information. Colliers excludes unequivocally all inferred or implied terms, conditions and warranties arising out of this document and excludes all liability for loss and damages arising there from. This publication is the copyrighted property of Colliers and /or its licensor(s). © 2022. All rights reserved. This communication is not intended to cause or induce breach of an existing listing agreement.