

2240 Pacific Avenue

Pacific Heights | San Francisco, CA

Offering Memorandum



Accelerating success.

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Offering Summary

Situated in the desirable Pacific Heights neighborhood, 2240 Pacific Avenue presents a well-located 12-unit multifamily investment opportunity in one of San Francisco’s strongest residential corridors. Constructed in 1949, the approximately 12,138 square foot wood-frame building sits on a 5,304 square foot lot and features a consistent unit mix of twelve (12) one-bedroom, one-bathroom residences, complemented by ten (10) on-site parking spaces - a highly sought-after amenity in the submarket.

The property showcases spacious floor plans filled with natural light, highlighted by hardwood flooring, crown molding, large windows, and classic San Francisco architectural character. Kitchens are equipped with granite countertops, wood cabinetry, and modern appliances, while bathrooms feature tile flooring and updated fixtures. Building systems include a concrete foundation, stucco façade with brick at the rear, elevator service, on-site laundry, secured entry, and a recently replaced modified bitumen roof completed in 2023.

With significant in-place rents below market across the rent roll, the property offers a compelling value-add opportunity through continued rent growth and operational optimization. Its prime Pacific Heights location provides residents with immediate access to dining, retail, parks, and transit corridors, supporting long-term rental demand and investment stability.

The Property

Property Information

Address:	2240 Pacific Avenue, San Francisco CA 94115
District:	Pacific Heights
Property Type:	Multifamily
APN:	0580-007A
Building Square Feet:	12,138
Units:	12
Lot Size (SqFt):	5,304
Constructed:	1949
Zoning:	RM-1

Building Systems

Foundation:	Concrete
Structure:	Wood Frame
Façade:	Stucco Façade
Rear of Building:	Stucco
Roof Composition & Age:	Modified Bitumen (<i>Recently Redone in 2023</i>)
Gas Service:	Separately Metered
Electric Service:	Separately Metered (<i>100 Amps, Fuses at Main</i>)
Fire Protection System:	AES Intellinet System
Fire Escapes:	Front & Rear of Building
Windows:	Single Paned Wood Frame & Vinyl Double Paned
Heat Source:	Peerless Boiler System
Hot Water:	RUUD Water Heater (<i>119 Gallon Tank</i>)
Plumbing:	Mixture of Copper and Galvanized
Door Entry System:	DKS Entry System
Front Landing:	Tile
Mailboxes:	Located on Lobby Wall
Lobby:	Square Tiles
Common Area Lights:	Various Styles of Bulb Lighting
Garbage:	In Tradesman Alley
Apartment Access:	Central Staircase or Elevator
Elevator:	Atlas AC
Landing Areas:	Carpeted
Laundry:	2 Washers / 2 Dryers (<i>Leased - WASH Contract</i>)
Storage:	Yes
Security Camera:	Yes

Building Information

Unit Mix:	1 Bed, 1 Bath - 12
Parking:	10
12 - Total Units	
Kitchens:	Granite Countertops Single Basin Aluminum Sinks Wood Cabinetry Over / Under Refrigerators Dishwasher (<i>In Unit 202</i>) Laminate Flooring
Bathrooms:	Tub / Shower Combinations & Separates Tile Flooring Inlaid Mirrored Cabinet Vanities Pedestal Sinks Window Ventilation
Bedrooms / Living Rooms:	Hardwood Flooring Large Windows with Blinds Crown Molding Walk-In Closets Tremendous Natural Light

Notes

- San Francisco Soft-Story Work - **Completed**
- Building **is compliant** with the Fire Alarm Sleeping Room Ordinance (2013 - NFPA 72 Section 18.4.1)
- All front windows have been replaced
- Units 103 & 104 have decks

Financial Analysis

2240 Pacific Avenue

Financial Summary	
Price	\$6,150,000
Down Payment	\$2,460,000
Number of Units	12
Price/Unit	\$512,500
Gross Square Feet	12,138
Price/Square Foot	\$507
CAP Rate - Current	4.41%
CAP Rate - Proforma	7.70%
GRM - Current	13.27
GRM - Pro Forma	8.94
Year Built	1949
Lot Size (SqFt)	5,304

Annual Gross Income	Current	Proforma
Gross Potential Income	\$463,596	\$687,981
Vacancy (3.0%)	\$23,180	\$34,399
AGI	\$440,416	\$653,582
Expenses	\$169,112	\$180,331
NOI	\$271,305	\$473,251
Expense per Gross Income	36%	26%
Expense per Unit	\$14,093	\$15,028

Annual Operating Expenses	Current	Exp/Unit	% /Exp	Market	Exp/Unit	% /Exp	
Property Taxes	1.18268% of Sales Price	\$72,735	\$6,061	43%	\$72,735	\$6,061	40%
Special Assessment Tax	From Owner's 2024-25 Tax Bill	\$1,350	\$112	1%	\$1,350	\$112	1%
Insurance	From Owner's 2025 Financials	\$18,535	\$1,545	11%	\$18,535	\$1,545	10%
Property Management	Estimated at 5% of Gross Income	\$23,180	\$1,932	14%	\$34,399	\$2,867	19%
Repairs & Maintenance	Estimated at \$1000/unit	\$12,000	\$1,000	7%	\$12,000	\$1,000	7%
PG&E	From Owner's 2025 Financials	\$17,577	\$1,465	10%	\$17,577	\$1,465	10%
Water	Estimated Based On Current Consumption	\$9,000	\$750	5%	\$9,000	\$750	5%
Recology	From Owner's 2025 Financials	\$7,918	\$660	5%	\$7,918	\$660	4%
Telephone/Cable/Internet	From Owner's 2025 Financials	\$3,613	\$301	2%	\$3,613	\$301	2%
Pest Control	From Owner's 2025 Financials	\$750	\$63	0%	\$750	\$63	0%
Landscaping	From Owner's 2025 Financials	\$1,400	\$117	1%	\$1,400	\$117	1%
Elevator	From Owner's 2025 Financials	\$1,053	\$88	1%	\$1,053	\$88	1%
Total Operating Expenses		\$169,112	\$14,093	100%	\$180,331	\$15,028	100%

Financing	Cash Flow After Debt Service	Current	Proforma	
Loan Amount	Less Debt Service	\$3,505,500	\$202,267	\$202,267
Loan Type	Cash Flow	Interest Only	\$69,037	\$270,984
Interest Rate	Cash on Cash Return	5.77%	2.61%	10.25%
Program	Expenses as % of Gross	3/30 Year Fixed	36%	26%
Loan to Value	Expenses per Unit	57%	\$14,093	\$15,028

SLATT Capital Loan Quote: Estimated at 57% LTV at 5.77% 3/30 Interest Only
(Loan information is time sensitive & subject to change)

Rent Roll

2240 Pacific Avenue

Unit No.	Unit Type	Rents	Market Rent	Move-In Dates	Notes
101	1 Bed, 1 Bath	\$3,215.70	\$4,400	7/1/2021	
102	1 Bed, 1 Bath	\$3,073.50	\$4,400	3/8/2021	
103	1 Bed, 1 Bath	\$3,517.22	\$4,700	8/15/2022	Deck
104	1 Bed, 1 Bath	\$1,327.87	\$4,700	8/1/1976	Deck
201	1 Bed, 1 Bath	\$3,401.74	\$4,400	9/27/2013	
202	1 Bed, 1 Bath	\$3,273.60	\$4,400	7/9/2021	
203	1 Bed, 1 Bath	\$3,320.51	\$4,400	4/1/2021	
204	1 Bed, 1 Bath	\$3,495.00	\$4,400	1/14/2023	
301	1 Bed, 1 Bath	\$2,006.72	\$4,400	7/10/1986	
302	1 Bed, 1 Bath	\$3,595.00	\$4,400	2/27/2025	
303	1 Bed, 1 Bath	\$3,524.42	\$4,400	5/14/2022	
304	1 Bed, 1 Bath	\$3,650.00	\$4,400	1/24/2025	

Monthly Income	\$37,401.28	\$53,400	
Parking (10)	\$300.00	\$3,000	
Laundry	\$200.07	\$200	
Bond Passthrough	\$4.12	\$4	
CapEx Passthrough	\$263.05	\$263	
Water Reimbursement	\$100.41	\$100	
Recology Reimbursement	\$364.09	\$364	
Total Monthly Income	\$38,633.03	\$57,331.75	
Annual Income	\$463,596	\$687,981	Upside: 48%

Units

1 Bed, 1 Bath - 12

Parking - 10

12- Total Units

Notes

Market rents estimated using Rentometer.com

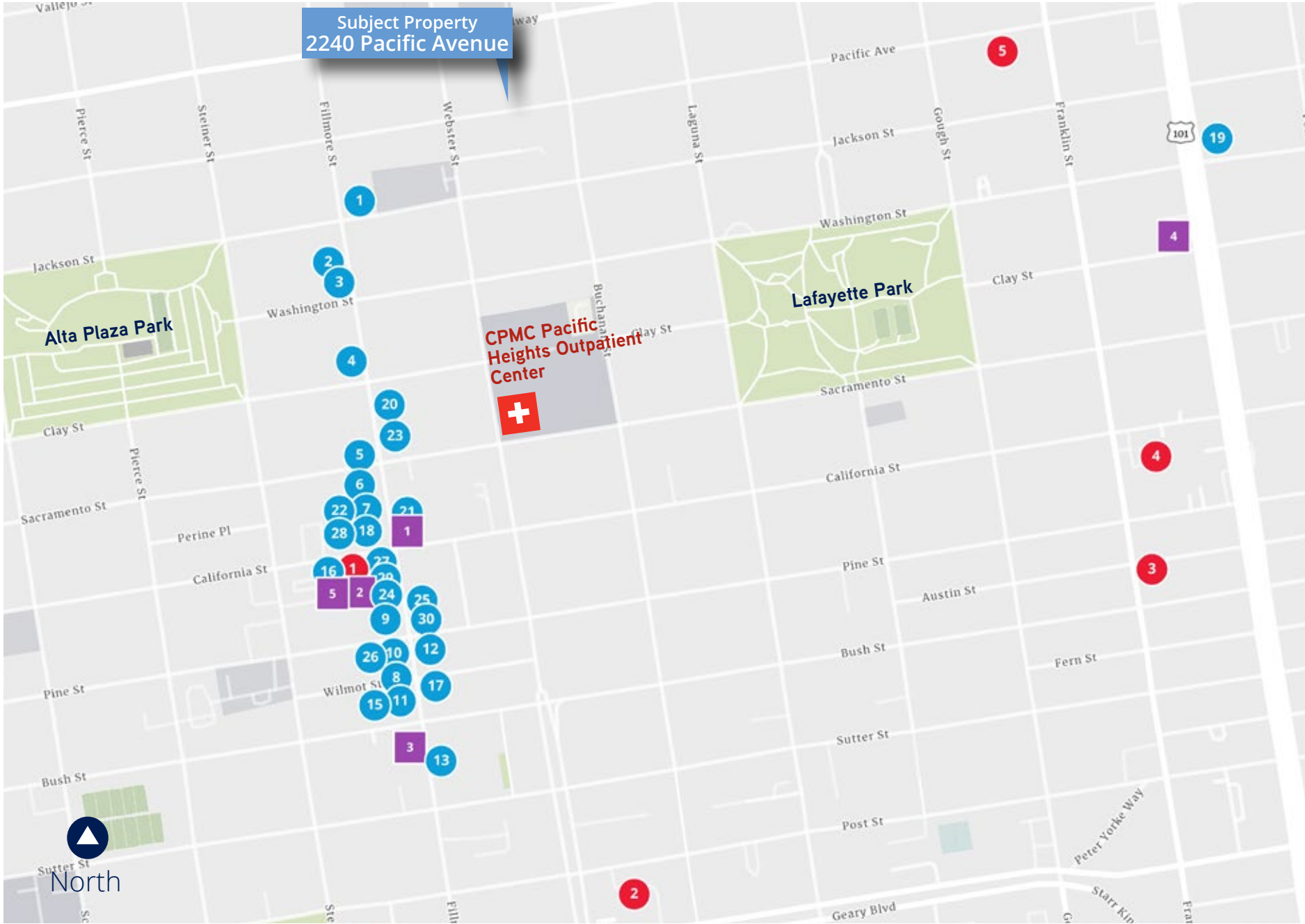
Parking projected at \$300 per space/month

Laundry income from owner's financials





Amenities Map



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

Neighborhood Amenities

- | | | | |
|--|---|--|--|
| <ul style="list-style-type: none"> 1 Jackson Fillmore Trattoria 2 Blue Bottle Coffee 3 Choquet's 4 The Snug 5 Salt & Straw 6 Peet's Coffee 7 Jane on Fillmore 8 Florio Bar & Cafe 9 Bun Mee 10 Roam Artisan Burger | <ul style="list-style-type: none"> 11 SPQR 12 Boichik Bagels 13 Fillmore Bakeshop 14 Woodhouse Fish Co 15 MATTINA 16 Starbucks 17 Compton's Coffee House 18 Pinsa Rossa 19 House of Prime Rib 20 Via Veneto | <ul style="list-style-type: none"> 21 Dumpling Story 22 Troya Resturaunt 23 La Mediterranee 24 The Tailor's Son 25 Harry's Bar 26 La Boulangerie de San Francisco 27 Bubu 28 Pizzeria Delfina 29 TacoBar 30 Little Shucker | <ul style="list-style-type: none"> 31 Mollie Stone's 32 Nijiya Market 33 Franklin Market 34 Whole Foods 35 Avenue Fine Food Market 36 Wells Fargo Bank 37 Chase Bank 38 BMO ATM 39 Citibank 40 Bank of America |
|--|---|--|--|



2240 Pacific Avenue

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Investment Opportunity | Offering Memorandum

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