

1340 Kearny Street

Telegraph Hill | San Francisco, CA

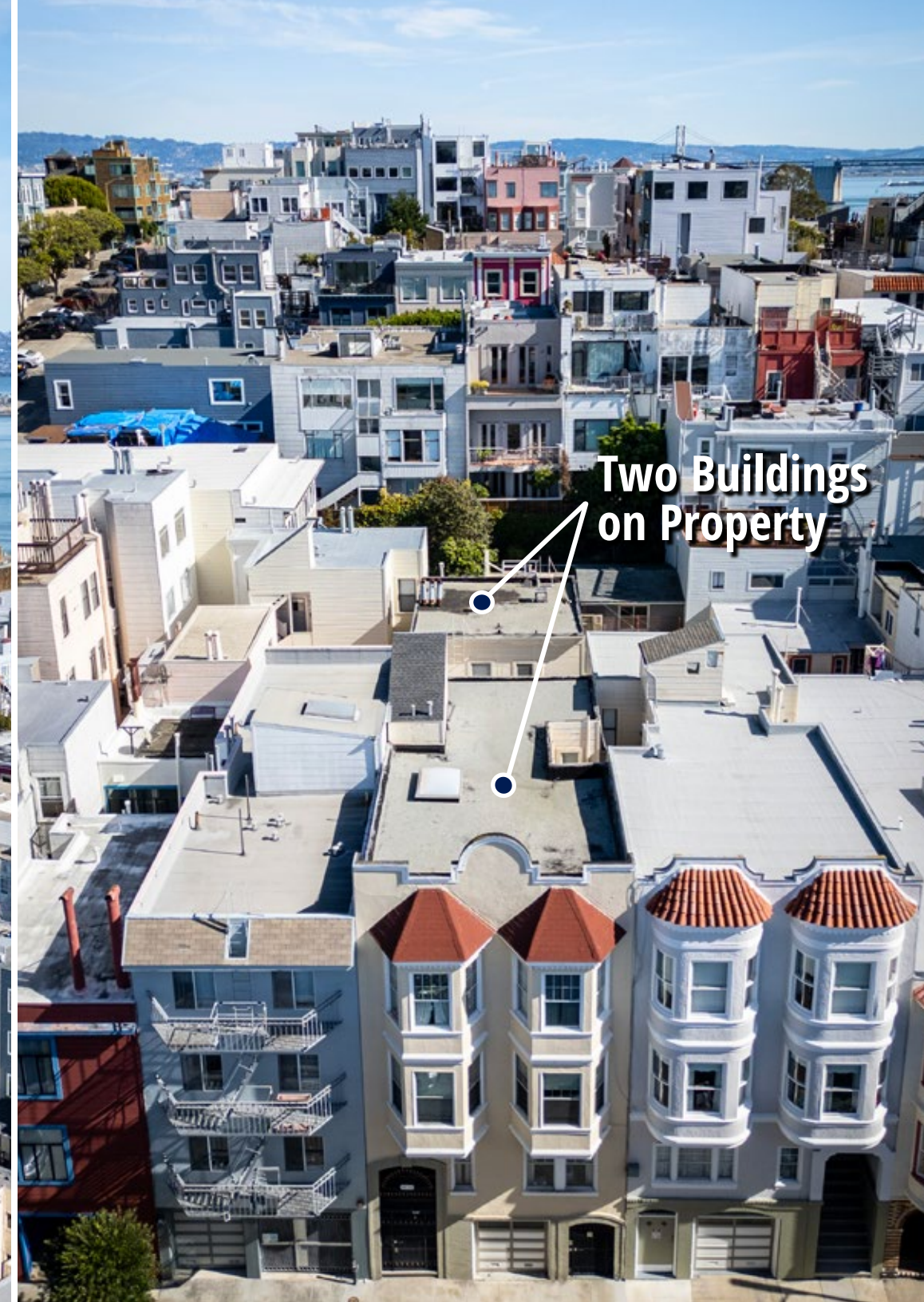
Investment Opportunity | Offering Memorandum



Colliers



1340 Kearny
Street



Two Buildings
on Property

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1340 Kearny
Street

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Offering Summary

Colliers International is delighted to showcase 1340 Kearny Street, a Marina Style building located between Union and Green Streets in the historic Telegraph Hill neighborhood. Known for its rich heritage, breathtaking views, and distinctive character, Telegraph Hill is one of the city's most iconic areas. Situated in the northeastern part of San Francisco, this neighborhood offers unparalleled viewpoints, excellent walkability, and superior weather. It also enjoys close proximity to North Beach, a lively district renowned for its vibrant nightlife, charming cafes, and diverse restaurants, which have attracted both tourists and locals for decades.

The well-maintained, six-unit property consists of two distinct buildings with a private courtyard and backyard. The front building features one - 1 BD / 1 BA unit and two - 2 BD / 1 BA units with an enclosed garage with two car tandem parking, motorcycle parking, and storage space. These units are highlighted by hardwood flooring, bay windows, period details, ample closet space, and abundant natural light. The apartments feature large eat-in kitchens with gas stoves and ovens. The back Italianate Victorian building comprises three - 1 BD / 1 BA units including eat-in kitchens with enclosed porches, two-door refrigerators, and individual gas furnaces. Additionally, the property offers a large, undeveloped vacant space at street level, presenting exciting potential for further enhancement or expansion.

With its prime location, well-preserved character, and strong investment potential, 1340 Kearny Street presents an exceptional opportunity for both owner-users and investors seeking a rare multi-unit asset in one of San Francisco's most desirable neighborhoods.





The Property

Property Information
Address: 1340 Kearny Street, San Francisco, CA 94133
District: Telegraph Hill
Property Type: Apartment Building
APN: 0114-028C
Building Square Feet: 5,250 SqFt (<i>Two Buildings on One Lot</i>)
Units: 6
Stories: 3
Lot Size: 2,574 SqFt
Constructed: 1916
Zoning: RH-3
Building Systems
Foundation: Concrete
Structure: Wood Frame
Façade: Stucco / Wood Exterior
Roof Composition & Age: Modified Bitumen
Electrical Service: Separately Metered (<i>200 Amps</i>)
Gas Service: Separately Metered
Fire Protection System: Smoke Detectors
Fire Escapes: Rear of Building
Heat Source: Gas Wall Heaters
Hot Water: Separate in Garage & Laundry
Plumbing: Mix of Copper & Galvanized
Door Entry System: Lock & Key
Mailboxes: Inside Entry Gate
Landing Areas: Terrazzo & Wood
Common Area Lights: Various Styles of Bulb Lighting
Skylight: Yes
Garbage: Off Central Stairwell
Apartment Access: Separate Entrances
Laundry: 2 Washers & 2 Dryers (<i>Laundry Room</i>)
Storage: Yes
Elevator: None
Backyard: Backyard & Courtyard

Building Information
Unit Mix: 4 - One BD, One BA
2 - Two BD, One BA
6 - Total Units
Parking: 2 - Covered Parking Spots (<i>Tandem</i>) Plus Motorcycle Parking
Kitchens: Laminate Counter Tops Single Basin Aluminum Sinks Gas Stoves/Ovens Wood Cabinetry Wood & Tile Flooring Over/Under Refrigerators Dishwashers
Bathrooms: Tub/Shower Combinations Vanity Lighting & Counter Top Tile Flooring Air Ventilation
Bedrooms: Wood & Carpeted Flooring Bay Windows with Blinds Generous Closet Space
Dining / Living Room: Wood Flooring Natural Light Built-In Cabinetry Period Details
Notes
- Not Listed on the SF Soft Story Ordinance List

Financial Summary

Financial Summary		Annual Gross Income	Current	Proforma
Price	\$2,350,000	Gross Potential Income	\$198,758	\$244,560
Down Payment	\$940,000	Vacancy (3.0%)	\$5,963	\$7,337
Number of Units	6	AGI	\$192,795	\$237,223
Price/Unit	\$391,667	Expenses	\$70,831	\$73,122
Gross Square Feet	5,250	NOI	\$121,964	\$164,102
Price/Square Foot	\$448			
CAP Rate - Current	5.19%			
CAP Rate - Proforma	6.98%			
GRM - Current	11.82			
GRM - Pro Forma	9.61			
Year Built	1916			
Lot Size	2,574			

Financing		Cash Flow After Debt Service	Current	Proforma
Loan Amount	\$1,410,000	Less Debt Service	\$84,600	\$84,600
Loan Type	Fully Amortized	Cash Flow	\$37,364	\$79,502
Interest Rate	6.00%	Cash on Cash Return	3.97%	8.46%
Program	5/30 Year Fixed	Expenses as % Of Gross	36%	30%
Loan to Value	60%	Expenses per Unit	\$11,805	\$12,187

Loan Quote From Bank of SF: 60% LTV at 6% Fixed for 5 Years. 30 Year Amt. 3 Years I/O Payments Availiable.
Deposit Requirement is \$705,000 (50% of the Loan Amount).

Operating Expenses

Annual Operating Expenses		Current	Exp/Unit	% /Exp	Market	Exp/Unit	% /Exp
Property Taxes	1.17144% of Sales Price	\$27,529	\$4,588	39%	\$27,529	\$4,588	38%
Special Assessment Tax	From Owner's 2023-24 Tax Bill	\$413	\$69	1%	\$413	\$69	1%
Insurance	From Owner's 2024 Financials	\$16,462	\$2,744	23%	\$16,462	\$2,744	23%
Property Management	Estimated at 5% of Gross Income	\$9,938	\$1,656	14%	\$12,228	\$2,038	17%
Repairs & Maintenance	Estimated at \$750/unit	\$4,500	\$750	6%	\$4,500	\$750	6%
PG&E	From Owner's 2024 Financials	\$2,137	\$356	3%	\$2,137	\$356	3%
Water	From Owner's 2024 Financials	\$7,507	\$1,251	11%	\$7,507	\$1,251	10%
Recology	From Owner's 2024 Financials	\$2,345	\$391	3%	\$2,345	\$391	3%
Total Operating Expenses		\$70,831	\$11,805	100%	\$73,122	\$12,187	100%

Gross Potential Income	\$198,758	\$244,560
Vacancy (3.0%)	\$5,963	\$7,337
AGI	\$192,795	\$237,223
Expenses	\$70,831	\$73,122
NOI	\$121,964	\$164,102

Expenses as % of Gross Income	36%	30%
Expense per Unit	\$11,805	\$12,187

Rent Roll

Unit No.	Unit Type	Rent	Market Rents	Move in Date	Notes
1340	1 Bed, 1 Bath	\$1,429.80	\$3,000	10/1/1992	
1342	2 Bath, 1 Bath	\$3,600.00	\$3,800	1/1/2025	
1344	2 Bed, 1 Bath	\$3,700.00	\$3,800	5/18/2022	Parking for \$100
1346	1 Bed, 1 Bath	\$2,628.00	\$3,000	6/1/2021	
1346A	1 Bed, 1 Bath	\$1,894.59	\$3,000	2/22/2007	
1346B	1 Bed, 1 Bath	\$2,750.00	\$3,000	1/20/2023	
Monthly Income		\$16,002.39	\$19,600		
Parking (2)		\$400.00	\$600		Tandem
Laundry		\$160.79	\$180		
Total Monthly Income		\$16,563.18	\$20,380.00		
Annual Income		\$198,758	\$244,560		Upside: 23%

Units

1 Bed, 1 Bath - 4

2 Bed, 1 Bath - 2

Parking - 2

6 - Total Units

Notes

Market rents estimated using Rentometer.com

Parking projected at \$300 per space/month

One tandem parking space delivered vacant

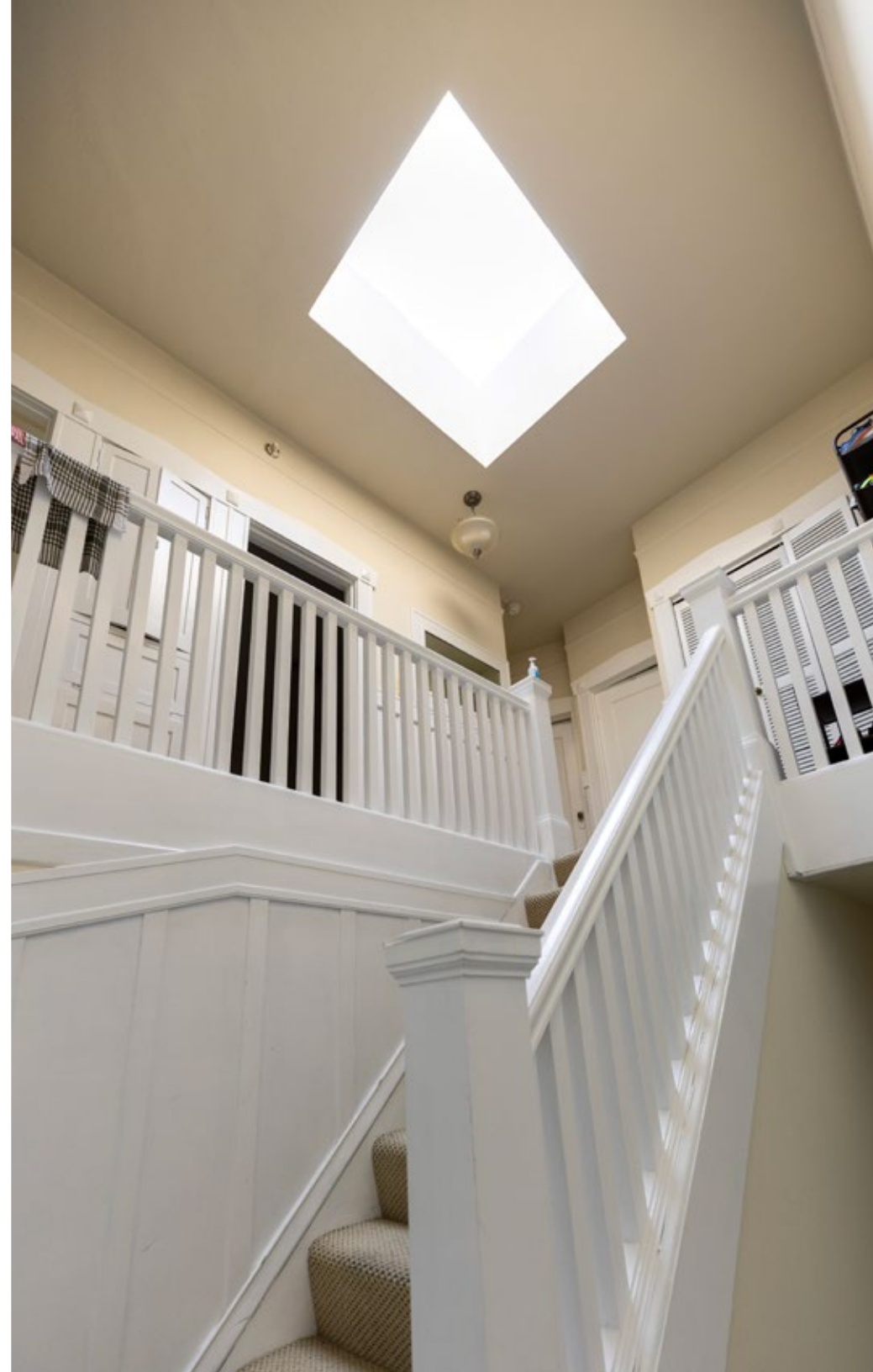
Laundry projected at \$30 per unit/month

Property Photos





Property Photos



Property Photos



Property Photos



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Property Photos

Amenities Map

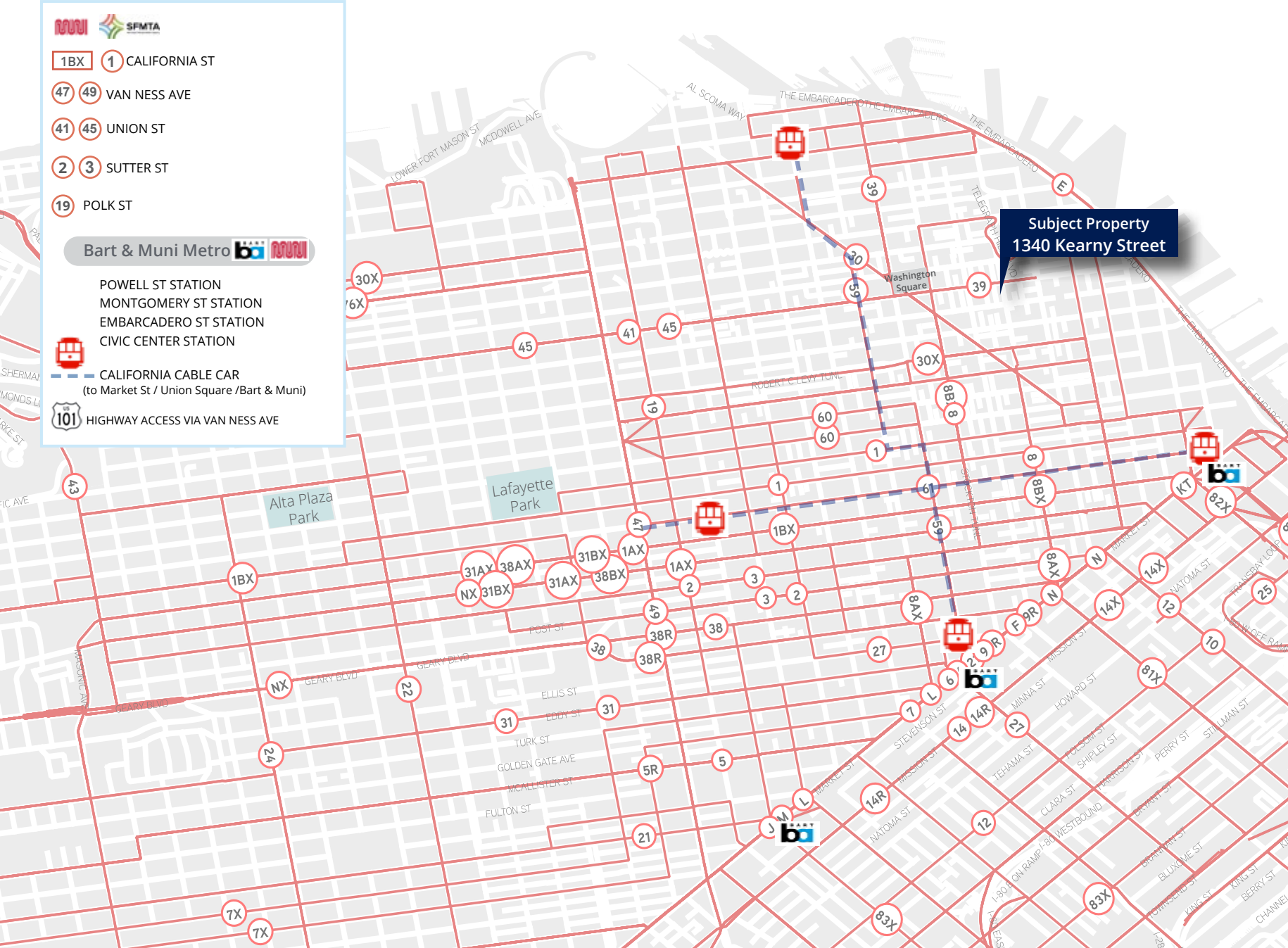


● Restaurants & Bars ● Convenience & Grocery Stores ● Banks & ATM's

Neighborhood Amenities

1 Hillstone	11 Late Night Cuisine	21 Sotomare	31 S & S Grocery
2 Hillstone Montgomery	12 Betty Lou's Seafood Grill	22 Chubby Noodle North Beach	32 Grant & Green Market
3 Fog City	13 Sam's Pizza & Burgers	23 North Beach Restaurant	33 The Nature Shop
4 Starbucks	14 Casaro Pizzeria	24 Northstar Cafe	34 North Beach Market & Deli
5 Piperade Basque	15 China Live	25 Il Pollaio	35 ABC Super Market
6 Indie Wine & Beer Bar	16 Mona Lisa Restaurant	26 Original Joe's	36 R J'S Market
7 Cotogna	17 Mo's Grill	27 Acquolina	37 Bank of the West
8 Bix	18 Stella Pastry	28 Don Pistos	38 Bank of America
9 Roka Akor	19 American Bites	29 Mama's on Washington Square	39 Chase Bank
10 Tommaso's Ristorante	20 Sodinis	30 Noren Izakaya	40 Wells Fargo Bank

Public Transportation



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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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