

449-451 9th Street

SOMA | San Francisco, CA

Investment Opportunity | Offering Memorandum



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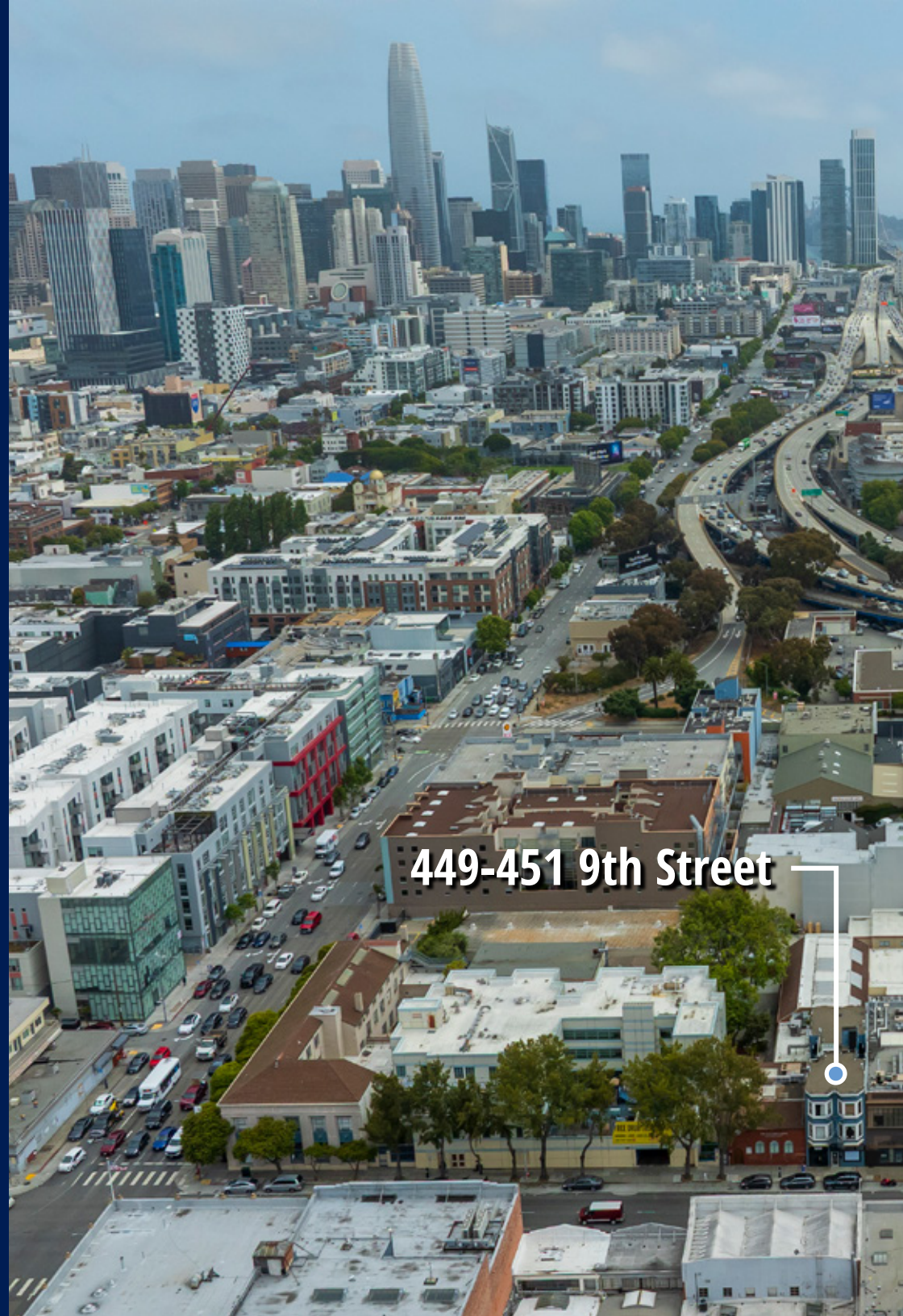
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449-451 9th Street



Table of Contents

- 05 Offering Summary
- 06 Property Profile
- 07 Financial Analysis
- 10 Property Photos
- 12 Amenities Map
- 14 Transportation Map



THE SALVATION ARMY

THE SALVATION ARMY
LIGHTHOUSE CORPS

449

451

FILM

Movies made.
Movies shared.
Movies loved.

Offering Summary

449-451 9th Street is a mixed-use, 11-unit building centrally located in the heart of San Francisco's vibrant SOMA neighborhood. Constructed in 1914 and encompassing approximately 4,765 square feet, the property features a blend of ten (10) - 1 bedroom / 1 bath apartment units and one (1) ground-floor commercial space. Units are thoughtfully designed with wood flooring, modern kitchenettes featuring quartz countertops and gas stoves, updated bathrooms, and ample natural light. Each residential unit benefits from dedicated storage space and access to a recently renovated backyard.

Situated on a 2,500-square-foot parcel zoned SCI, the building offers separately metered gas and electricity, a local hardwired fire system, and updated water heaters. The property is fully compliant with San Francisco's Fire Alarm Sleeping Room Ordinance and includes both front and rear fire escapes. While the property is not on the soft-story retrofit list, it presents an ideal candidate for long-term capital improvements.

This asset represents a strong value-add investment opportunity with approximately 36% rental upside. Current rents are notably below market, and the building offers a 6.30% cap rate with a projected pro forma cap rate of 9.05% and an impressive 11.89% cash-on-cash return. With a high-demand unit mix, strong in-place income, and location within walking distance of major transit options, tech shuttles, and downtown amenities, 449-451 9th Street delivers immediate cash flow with meaningful potential for future growth in one of San Francisco's most active rental submarkets.

The Property

Property Information

Address:	449-457 9th Street, San Francisco, CA 94103
District:	SOMA
Property Type:	Mixed-Use, Apartment Building
APN:	3757-049
Building Square Feet:	4,765
Units:	11
Lot Size:	2,500
Constructed:	1914
Zoning:	SCI

Building Systems

Foundation:	Concrete
Structure:	Wood Frame
Façade:	Wood & Stucco
Roof Composition & Age:	Tar & Gravel
Electrical Service:	Separately Metered (200 Amps)
Gas Service:	Separately Metered
Fire Protection System:	Local Hard Wired Fire System
Fire Escapes:	Front & Rear of Building
Windows:	Mix of Single & Double Paned Windows
Heat Source:	Mix of Electric & Gas Wall Heat
Hot Water:	2x - Rheem Water Heaters (50 Gallon Tanks) 1x - Rheem Water Heater (50 Gallons in Comm. Space)
Plumbing:	Mixture of Copper and Galvanized
Door Entry System:	Lock & Key + Remote Buzzing
Front Landing:	Marble
Common Area Lighting:	Various Styles of Lighting
Landing Areas:	Carpeted
Mailboxes:	Inside Entry Gate
Apartment Access:	Central Staircase
Garbage:	Tradesman Access to Basement
Laundry:	1x - Washer & 1x - Dryer
Storage:	Yes - Each Tenant has a 8x10 Storage Space
Backyard:	Yes (Recently Renovated)

Building Information

Unit Mix:	10 - 1 Bed / 1 Bath 1 - Commercial 11 - Total Units
Kitchens:	Wood Flooring Single Basin Sinks Gas Stoves / Ovens Mixed Wood Built-In Cabinetry Quartz Countertops Freezer Over Refrigerator Kitchenette
Bathrooms:	Tub / Shower Combinations Wood Flooring Inlaid Mirrors w/ Cabinet Storage Vanity Sinks
Bedrooms / Living Room:	Wood Flooring Ample Natural Light 1-2 Closets Center Mounted Pendant Lighting Studio Style Bed + Living Room

Notes

- Building **is compliant** with the Fire Alarm Sleeping Room Ordinance (2013 - NFPA 72 Section 18.4.1)
- San Francisco Soft-Story Work - **Not on List**

Financial Analysis

449-451 9th Street

Financial Summary		Annual Gross Income	Current	Proforma
Price	\$2,488,000	Gross Potential Income	\$228,026	\$308,895
Down Payment	\$995,200	Vacancy (2.5%)	\$5,701	\$7,722
Number of Units	11	AGI	\$222,326	\$301,173
Price/Unit	\$226,182	Expenses	\$58,961	\$67,008
Gross Square Feet	4,765	NOI	\$163,365	\$234,165
Price/Square Foot	\$522			
CAP Rate - Current	6.78%			
CAP Rate - Proforma	9.41%			
GRM - Current	10.91			
GRM - Pro Forma	8.05			
Year Built	1914			
Lot Size	2,500			

Financing		Cash Flow	Current	Proforma
Loan Amount	\$1,492,800	Less Debt Service	\$106,826	\$106,826
Loan Type	Fully Amortized	Cash Flow	\$56,539	\$127,339
Interest Rate	5.95%	Cash on Cash Return	5.68%	12.80%
Program	5/30 Year Fixed	Expenses as % of Gross	26%	22%
Loan to Value	60%	Expenses per Unit	\$5,360	\$6,092

*Loan Quote: Estimated at 60% LTV at 5.95% 5/30 Fully Amortized
(Loan information is time sensitive & subject to change)*

Financial Analysis

449-451 9th Street

Annual Operating Expenses		Current	Exp/Unit	% /Exp	Market	Exp/Unit	% /Exp
Property Taxes	<i>1.17144% of Sales Price</i>	\$27,834	\$2,530	47%	\$27,834	\$2,530	42%
Special Assessment Tax	<i>From Owner's 2024-25 Tax Bill</i>	\$418	\$38	1%	\$418	\$38	1%
Insurance	<i>From Owner's 2024 Financials</i>	\$5,807	\$528	10%	\$5,807	\$528	9%
Property Management	<i>From Owner's 2024 Financials</i>	\$7,059	\$642	12%	\$12,356	\$1,123	18%
Repairs & Maintenance	<i>From Owner's 2024 Financials</i>	\$2,750	\$250	5%	\$5,500	\$500	8%
Utilities	<i>From Owner's 2024 Financials</i>	\$15,094	\$1,372	26%	\$15,094	\$1,372	23%
Total Operating Expenses		\$58,961	\$5,360	100%	\$67,008	\$6,092	100%
Gross Potential Income		\$228,026			\$308,895		
Vacancy (2.5%)		\$5,701			\$7,722		
AGI		\$222,326			\$301,173		
Expenses		\$58,961			\$67,008		
NOI		\$163,365			\$234,165		
Expenses as % of Gross Income		26%			22%		
Expense per Unit		\$5,360			\$6,092		

Rent Roll

449-451 9th Street

Unit No.	Unit Type	Rent	Passthroughs	Market Rents	Move in Date	SqFt	Notes
1	1 Bed, 1 Bath	\$2,022.93	\$1.79	\$2,175	6/8/2024	350	Renovated
2	1 Bed, 1 Bath	\$2,022.93	\$2.00	\$2,175	6/1/2024	350	Renovated
3	1 Bed, 1 Bath	\$747.13	\$123.61	\$2,175		350	
4	1 Bed, 1 Bath	\$2,057.32	\$3.03	\$2,175	7/1/2023	350	Renovated
5	1 Bed, 1 Bath	\$498.38	\$123.61	\$2,175		350	
6	1 Bed, 1 Bath	\$802.80	\$123.61	\$2,175	5/1/1993	350	
7	1 Bed, 1 Bath	\$2,124.33	\$3.03	\$2,175	12/20/2023	350	Renovated
8	1 Bed, 1 Bath	\$2,194.22		\$2,175	7/1/2020	350	Renovated
9	1 Bed, 1 Bath	\$2,040.53	\$2.83	\$2,175	11/21/2020	350	Renovated
10	1 Bed, 1 Bath	\$753.68	\$123.61	\$2,175	3/18/1993	350	
451	Commercial	\$3,000.00		\$3,200	4/28/2025	500	Utility RUBS
Monthly Income		\$18,264.25		\$24,950			
Laundry		\$166.67		\$220			
Passthrough		\$507.12		\$507			
CAM		\$64.15		\$64			
Total Monthly Income		\$19,002.19		\$25,741.27			
Total Annual Income		\$228,026		\$308,895	Upside: 35%		

Units

1 Bed, 1 Bath - 10

Commercial - 1

11 - Total Units

Notes

Market rents estimated using Rentometer.com

Laundry projected at \$20 per unit/month

CAM - Rent board fee income

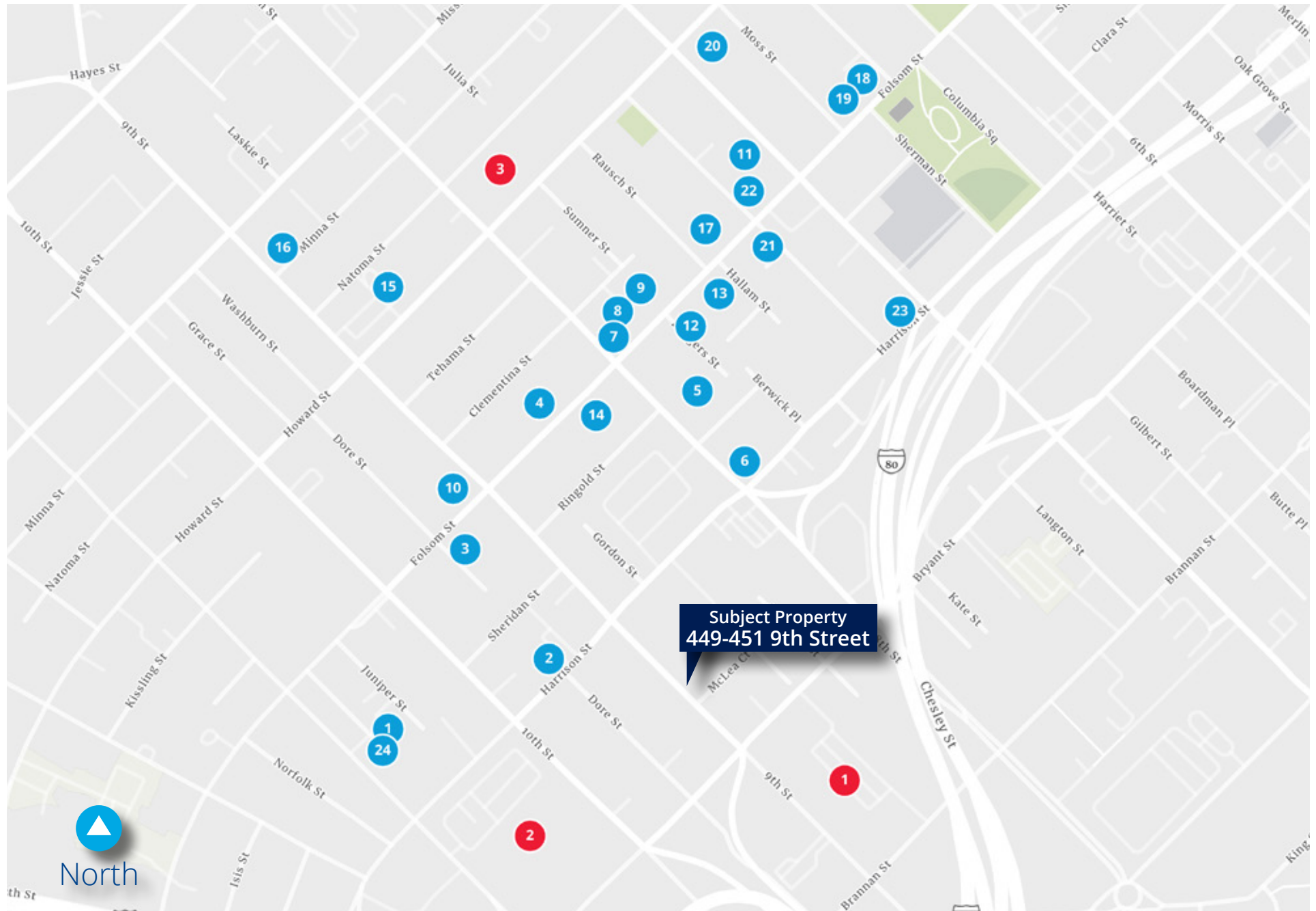
Property currently self managed, pro forma underwriting assumes 4% property management fee

Property Photos





Amenities Map



● Restaurants & Bars ● Convenience & Grocery Stores

Neighborhood Amenities

1	Californios	13	Akari Japanese Bistro	1	Trader Joe's
2	Lone Star Saloon	14	Driftwood	2	Costco
3	Dento Piano Cafe and Bar	15	Les Deux Amis Cafe and Wine Bar	3	Harvest Urban Market
4	Cafe Suspiro	16	Moya		
5	Ushi Taro Ramen	17	HK Lounge Bistro		
6	AK Subs	18	Deli Board		
7	El Capitan Taqueria	19	Extreme Pizza		
8	Cat Club	20	San Francisco Champagne Society		
9	Bay of Burma	21	The Stud		
10	Northern China BBQ	22	The Nosh Box		
11	Sightglass Coffee	23	Yossie's Cantina		
12	Basil Thai Restaurant	24	BuzzWorks		

7X DIVISADERO AT OAK ST
21 **24** DIVISADERO AT HAYES ST
7R **7** DIVISADERO AT HAIGHT ST
21 HAYES AT PIERCE ST
21 HAYES AT DIVISADERO ST
M **L** **KT** MUNI AT MARKET ST

Bart & Muni Metro

CASTRO / MARKET
 CIVIC CENTER / 16TH ST

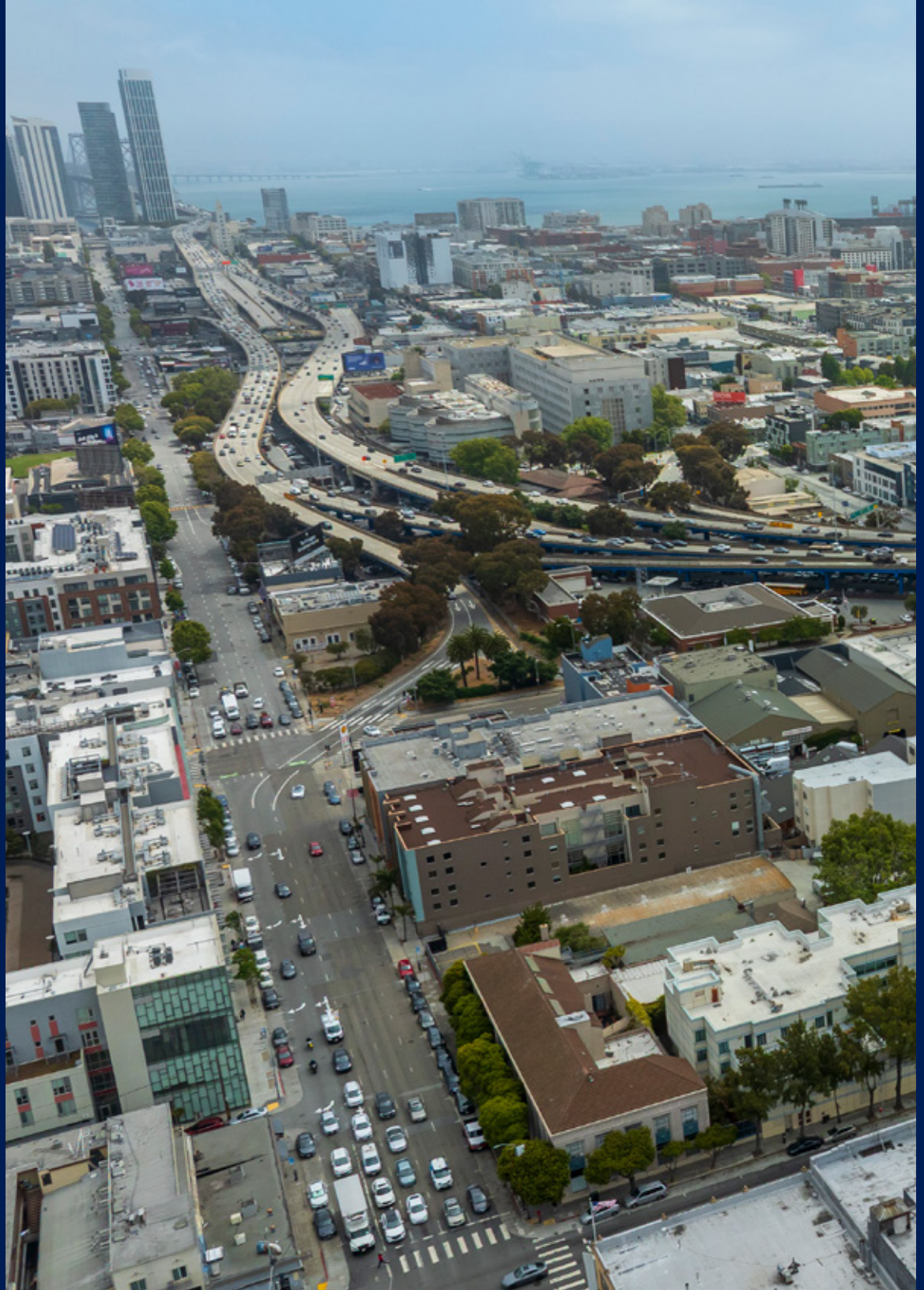
--- CORPORATE BUS LINE
 (to the Peninsula and South Bay)

Subject Property
449-451 9th Street

North

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

The area around 449-451 9th 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 2022" 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 California Street, Park Presidio & Geary Blvd, 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 Park Presidio Boulevard.





449-451 9th Street



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This Offering Memorandum contains select information pertaining to the business and affairs of the Property at 449-451 9th Street, San Francisco, CA 94103. 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 449-451 9th 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 449-451 9th 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 449-451 9th 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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