



FOR SALE

438-440 Broadway, San Francisco, CA 94133

INTERO
REAL ESTATE SERVICES

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PROPERTY HIGHLIGHTS

- 37 Residential Units
- Two Commercial Spaces
- Potential Gross Income \$350,000
- Prime Broadway Corridor Location
- Daily Traffic Count of 22,508 VPD
- Walker's Paradise Score: 100
- Value-Add Opportunity
- Average Household Income: \$142K+



EXECUTIVE SUMMARY

Intero Commercial Real Estate Services is pleased to present the exclusive opportunity to acquire 438-442 Broadway Street, a substantial mixed-use asset located in the heart of San Francisco. This property presents a significant value-add opportunity for visionary investors looking to capitalize on the resilience of the San Francisco real estate market. The subject property comprises 39 total units, consisting of 37 residential (hotel/SRO style) units and 2 prime commercial retail spaces on the ground floor. Currently operating with significant vacancy and operational inefficiencies, the asset offers massive upside potential through stabilization, renovation, and management optimization.

Current Income (Actual)

\$199,432

Potential Income

\$350,000

**Significant 43% income upside potential through lease-up and stabilization.*

ASKING PRICE

\$2,800,000

YEAR BUILT

1919

TOTAL UNITS

39 Units

COMMERCIAL SPACES

2 Retail Units

ZONNING

C-2

**(Community
Business)**

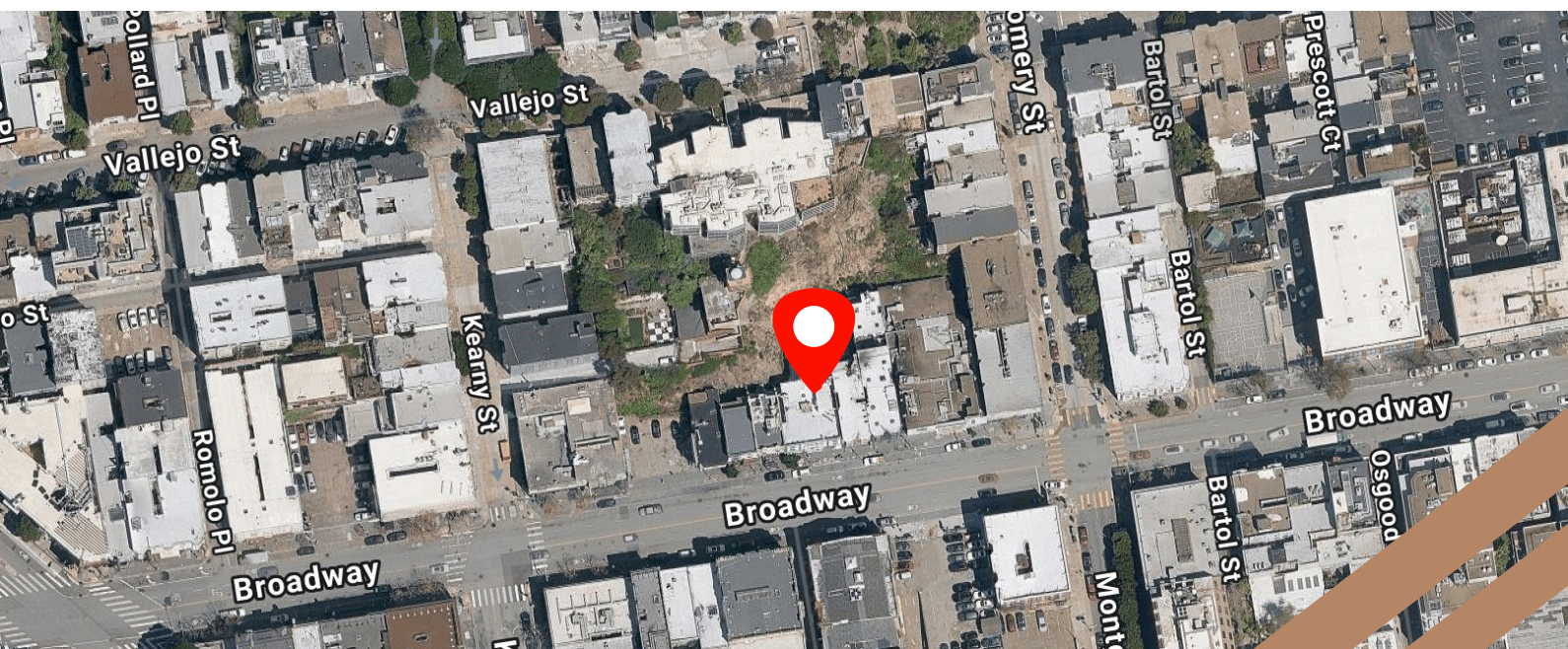


ABOUT SAN FRANCISCO

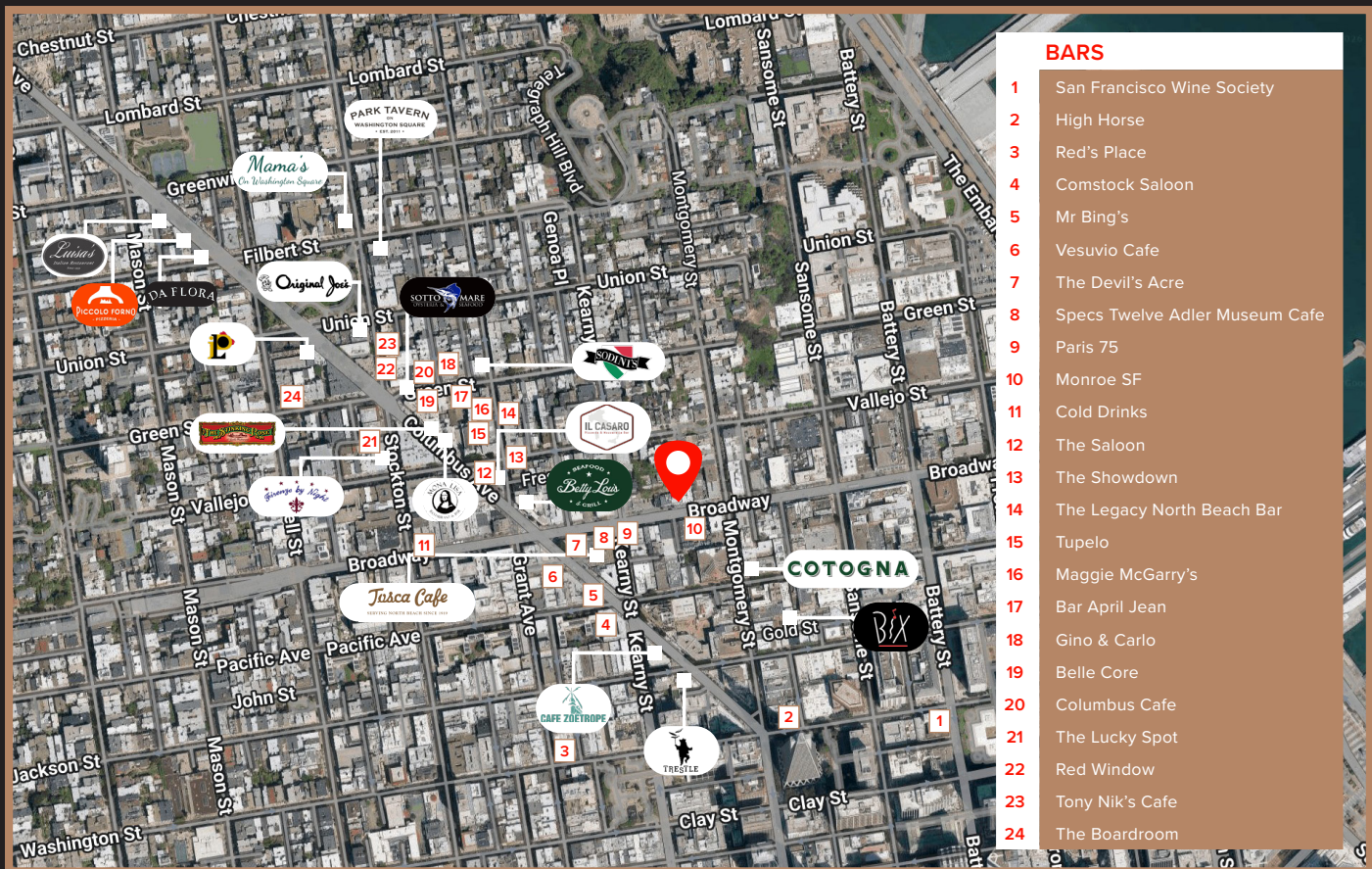
San Francisco, officially the City and County of San Francisco, is the cultural, commercial, and financial center of Northern California. San Francisco is the 16th most populous city in the United States, and the fourth most populous in California.

Situated at the north end of the San Francisco Peninsula in the San Francisco Bay Area, making it the second most densely populated large U.S. city, and the fifth most densely populated U.S. county, behind only four of the five New York City boroughs. San Francisco is the 12th-largest metropolitan statistical area in the United States. San Francisco is known for its cool summers, fog, steep rolling hills, eclectic mix of architecture, and landmarks, including the Golden Gate Bridge, cable cars, the former Alcatraz Federal Penitentiary, Fisherman's Wharf, and its Chinatown district.

San Francisco is the headquarters of five major banking institutions and various other companies such as Levi Strauss & Co., Gap Inc., Fitbit, Salesforce.com, Dropbox, Reddit, Square, Inc., Dolby, Airbnb, Weebly, Pacific Gas and Electric Company, Yelp, Pinterest, Twitter, Uber, Lyft, Mozilla, Wikimedia Foundation and Craigslist. The city, and the surrounding Bay Area, is a global center of the sciences and arts. It is home to a number of educational and cultural institutions, such as the University of San Francisco (USF), University of California, San Francisco (UCSF), San Francisco State University (SFSU), the De Young Museum, the San Francisco Museum of Modern Art, the SFJAZZ Center, and the California Academy of Sciences.



NEIGHBORHOOD AERIAL





FINANCIAL ANALYSIS

ITEM	ANNUAL AMOUNT	% OF EGI
GROSS OPERATING INCOME		
Commercial Rental Income	\$54,000	27.1%
Residential / Hotel Income	\$145,432.84	72.9%
TOTAL INCOME	\$199,432.84	100%
OPERATING EXPENSES		
Property Taxes & Licenses	\$34,224.21	17.2%
Insurance	\$56,957.31	28.6%
Utilities (Water, PG&E, Garbage)	\$64,480.56	32.3%
Repairs & Maintenance	\$13,874.46	7.0%
Professional Fees	\$3,500.00	1.8%
Salaries, Wages & Security	\$10,244.24	5.1%
Interest Expense (Current Debt)	\$144,985.25	72.7%
Other Misc. Expenses	\$9,204.12	4.6%
TOTAL EXPENSES	\$337,469.15	169.2%
NET OPERATING INCOME (LOSS)	(\$138,036.31)	-69.2%

PRO FORMA AND INVESTMENT RETURNS

Purchase Price	\$2,800,000
Loan Amount (64% LTV)	\$1,800,000
Equity Required	\$1,000,000
Interest Rate	6.5%
Annual Debt Service	\$136,555

STABILIZED METRICS

PRO FORMA NOI

\$117,206

CAP RATE

4.19%

DSCR

0.86x

STABILIZED OPERATING STATEMENT

INCOME STATEMENT ITEM	ANNUAL AMOUNT	% OF INCOME
INCOME		
Commercial Rental Income	\$72,000	
Residential Income	\$278,000.00	
POTENTIAL GROSS INCOME	\$350,000	100%
Less Vacancy & Collection Loss (5%)	(\$17,500)	-5.0%
EFFECTIVE GROSS INCOME	\$332,500.00	100%
OPERATING EXPENSES		
Property Taxes & Licenses	\$34,224.21	10.3%
Insurance	\$56,957.31	17.1%
Utilities (Water, PG&E, Garbage)	\$64,480.56	19.4%
Repairs & Maintenance	\$15,000.00	4.5%
Professional Fees	\$10,000.00	3.0%
Management Fee (5% of EGI)	\$16,635.00	5.0%
Salaries, Wages & Security	\$10,000.00	3.0%
Operating Expenses	\$8,006.00	2.4%

ITEM	ANNUAL AMOUNT	% OF EGI
TOTAL OPERATING EXPENSES	\$215,293.08	64.7%
NET OPERATING INCOME (NOI)	\$117,206.92	35.3%
Less: Annual Debt Service	(\$136,555.00)	-41.1%
CASH FLOW BEFORE TAXES	(\$19,348.08)	-5.8%

PROPERTY PHOTOS



MARKET DEMOGRAPHICS

METRIC	2 MILES	5 MILES
Total Population	226,678	583,016
Median Age	40.0	40.4
Total Businesses	34,667	63,020
Total Employees	360,534	554,800
Avg. Household Income	\$142,149	\$159,037
Household >\$200K	29%	34%
Renter Occupied	91,513	178,760
Total Consumer Spending	\$3.8 B	\$9.7 B

