



  
*Union Square Plaza Hotel*

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Plaza Hotel*

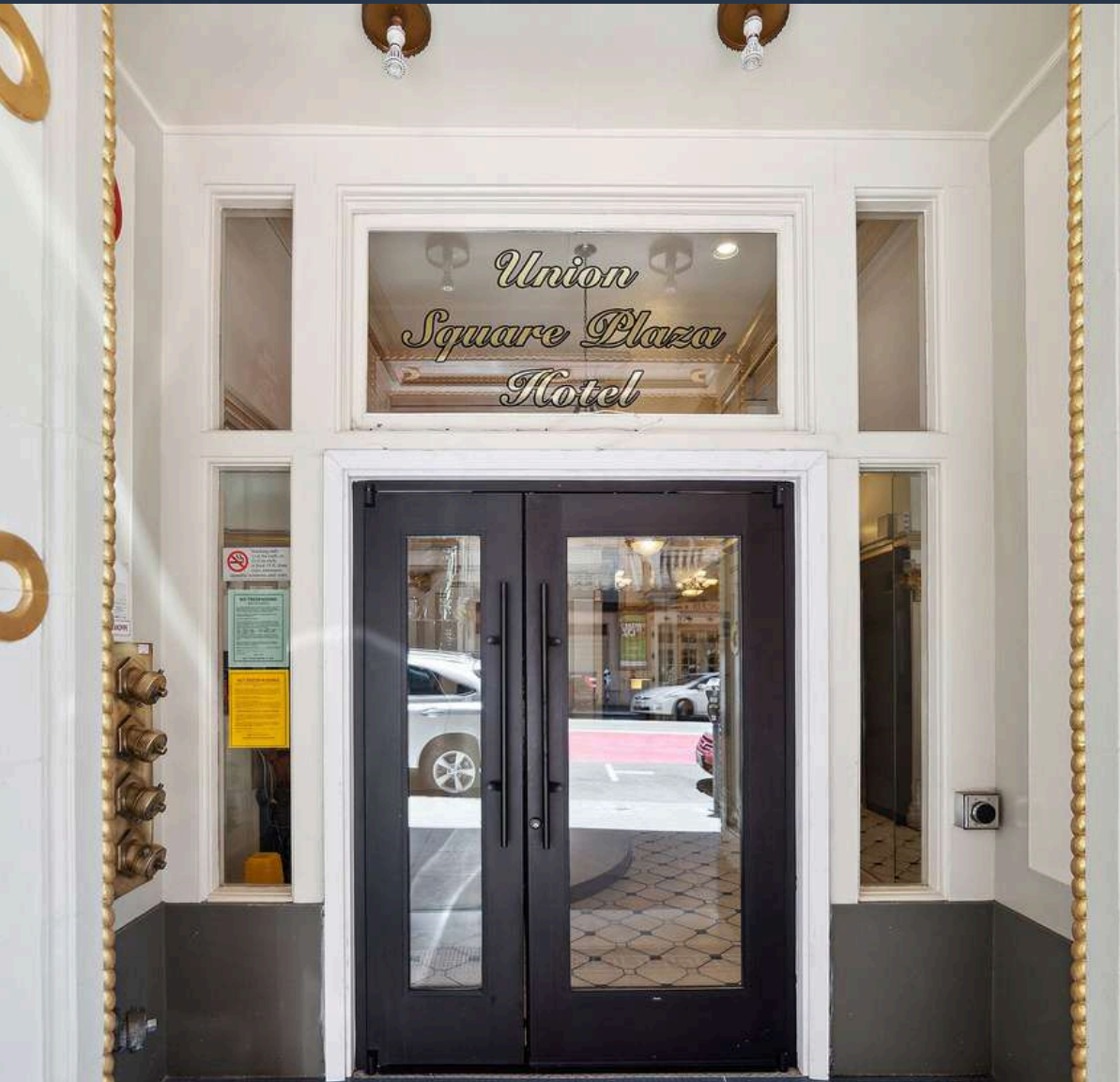
432 Geary St, San Francisco, California 94102

FOR SALE OR  
LONG TERM LEASE

OFFERING MEMORANDUM



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## LINKS

**Property Investment Strategies Website**

[www.propertyinvestmentstrategies.net](http://www.propertyinvestmentstrategies.net)

**Union Square Plaza Hotel Website**

[www.usphotel.com](http://www.usphotel.com)



# Executive Summary

## THE OFFERING

Union Square Plaza Hotel presents a rare opportunity to acquire a historically significant hospitality asset in the heart of downtown San Francisco's premier shopping and entertainment district. Situated steps from Union Square, the hotel enjoys unparalleled access to world-class retail, dining, and cultural attractions that have long defined the city as a global destination.

Originally built in 1911 and extensively upgraded in 1995 with a full seismic retrofit, the 69-room Union Square Plaza Hotel combines classic architecture with enduring demand from domestic and international travelers alike. The property also features four ground-floor retail spaces generating stable street-level income and a billboard lease for additional revenue.

Surrounded by San Francisco's vibrant theatre district and major hospitality brands, this asset offers immediate cash-flow and compelling long-term appreciation potential within one of the nation's most supply-constrained urban markets.



*Union Square Plaza Hotel*

# Property Description

## PROPERTY HIGHLIGHTS

<i>Address</i>	418-432 Geary Street San Francisco, CA 94102
<i>Lot Size</i>	≈ 4,125 SF
<i>Gross Building Area</i>	≈ 31,405 SF
<i>Guestrooms</i>	69, All Private Bathrooms
<i>Manager's Apartment</i>	Yes
<i>Room Mix and Square Footage</i>	30 Queen rooms, 10 Queen Deluxe Rooms, 17 Double Rooms, 12 Double Double Rooms. Rooms range from approximately 161 SF to 258 SF
<i>Tourist Licenses</i>	8
<i>Retail Units</i>	4 street-level tenants (total ≈ 5,800 SF plus a basement and a monument sign)
<i>Year Built</i>	1911
<i>Seismic Upgrade</i>	Completed 1995
<i>Construction Type</i>	Brick and Steel
<i>Utilities</i>	6 electric meters, 5 gas meters, and 2 water meters
<i>Zoning</i>	C-3-G (Downtown General Commercial)



Union Square Plaza Hotel

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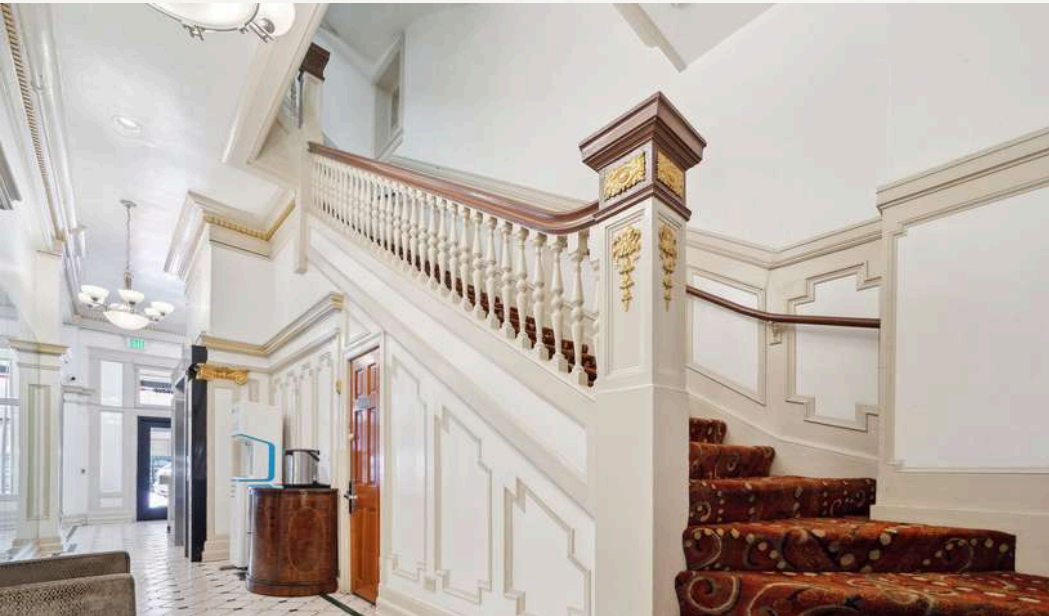
## PROPERTY HIGHLIGHTS

<i>Property Type</i>	City-listed Historic Resource Status "A"; not on State or National Register
<i>Stories</i>	7 (over basement)
<i>Parking</i>	Off-site
<i>Utilities</i>	Public
<i>HVAC</i>	Steam heat (boiler installed $\approx$ 2010)
<i>Sprinklers</i>	Fully sprinklered
<i>Condition</i>	Good interior and exterior
<i>Upgrades</i>	$\pm$ \$250,000 of electrical and plumbing upgrades in 2021
<i>Commercial Laundry On-site</i>	Yes

## PROPERTY OVERVIEW

The Union Square Plaza Hotel is a seven-story brick and steel structure comprising 69 guest rooms above approximately 5,800 square feet of ground-floor retail and a hotel lobby. A restaurant and storage area occupy the basement level. Each guest room includes a private bathroom, and the property features a commercial-grade laundry facility.

The hotel is positioned mid-block on Geary Street, a two-lane corridor with metered street parking and steady pedestrian traffic. Retail tenants include established restaurant and service operators, providing additional income diversification.



## UNION SQUARE LOCATION

Steps from the city's premier shopping, dining, and entertainment district, Union Square Plaza Hotel sits at the center of San Francisco's cultural and hospitality core. The property benefits from year-round foot traffic, world-class retail adjacency, and unmatched transit access.

## HISTORIC CHARACTER & STRUCTURAL UPGRADES

Originally constructed in 1911, the hotel showcases timeless early 20th-century architecture and underwent a seismic retrofit in 1995. Its reinforced brick-and-steel structure combines historic charm with modern safety standards—ideal for adaptive reuse or boutique repositioning.



## DIVERSE INCOME STREAMS

Featuring 69 guest rooms and four ground-floor retail units totaling approximately 5,800 SF, the property provides multiple revenue sources, including a long-term billboard lease that generates additional annual income.

## HIGH-BARRIER MARKET

Downtown San Francisco's hotel supply remains tightly constrained due to zoning, construction costs, and preservation policies. Union Square's irreplaceable location ensures consistent demand from leisure, business, and international travelers.

## SAN FRANCISCO LEADS THE US HOTEL REVIVAL

After trailing the nation post-pandemic, the market posted a sharp rebound, with RevPAR up 8.9% in 2025. Looking ahead, San Francisco is projected to maintain positive momentum through 2026.



## TRANSIT & TOURISM CONNECTIVITY

Within minutes of BART, Muni Metro, Moscone Center, and the city's major attractions, the hotel enjoys excellent connectivity for both local and visiting guests—driving steady year-round performance.

# Valuation Analysis

The Union Square Plaza Hotel benefits from an irreplaceable, trophy-location directly off Union Square—San Francisco’s highest-barrier, highest-visibility hospitality district. A 2015 “as-is” appraisal valued the asset at \$17,000,000, underscoring the long-term intrinsic value of the real estate and its air-rights-protected position. Today, the property generates >\$35,000 per month in retail income alone, independent of hotel operations, providing durable cash flow.

San Francisco led all Western U.S. MSAs in year-over-year RevPAR growth in 2025 and forecasted to extend that momentum through 2026, investors are poised to benefit from the city’s post-pandemic rebound—creating a clear path not only to regain the prior \$17M benchmark, but to surpass it as performance normalizes.

## RENT ROLL

**\$132,000/year**

for the monument sign with 1 year remaining on the lease (currently in negotiations for a long-term renewal)

**\$111,000/year**

for restaurant space with 5 years remaining on the lease, Thai Restaurant called Thong Lor

**\$72,000/year**

for restaurant space with 5 years remaining on the lease, Mexican Restaurant called La China Poblana

**\$63,600/year**

for restaurant space with 5 years remaining on the lease, Chinese Restaurant called Bento

**\$42,000/year**

for a restaurant space with 5 years remaining on the lease, Japanese Restaurant called Katana-Ya Ton Ton

**\$90,000/year**

Market Rent for currently vacant unit

**\$420,600**

Current total rent per year

**\$510,600**

Proforma rent per year

*Union Square Plaza Hotel*



# HOTEL PROFORMA

## REVENUE

Retail Rent with 5% vacancy factor	\$485,070
61 SRO Units \$1,300/month X 12 months with 10% vacancy factor	\$856,440
8 Tourist licenses RevPAR \$110 = \$40,150 per unit	\$321,200
<b>Total Revenue</b>	<b>\$1,662,710</b>

## EXPENSES

Payroll	\$165,000
Utilities	\$125,000
Insurance	\$55,000
Supplies	\$40,000
Repairs and Maintenance	\$75,000
Admin / Legal / Accounting	\$45,000
Marketing & Reservation Services	\$40,000
Taxes	\$150,000
Miscellaneous / Contingency	\$40,000
<b>Total Expenses</b>	<b>\$735,000</b>

**NOI** **\$927,710**

**Valuation** \$927,710 @ 7% cap = **\$13,253,000**

## FOR SALE OR MASTER LEASE

Owner's will consider a long-term lease with a qualified tenant

## SELLER FINANCING FOR QUALIFIED INVESTOR

Can produce more flexible terms than traditional lenders – potentially including lower down payment, below-market interest rates, reduced closing friction, and faster execution. This can allow for a Buyer to ramp-up, stabilize then refinance.






## POTENTIAL TO REPURPOSE INTO HOUSING

All units have in-suite bathrooms – Fair Market Rent for studios in downtown San Francisco is ±\$2,200 per month.

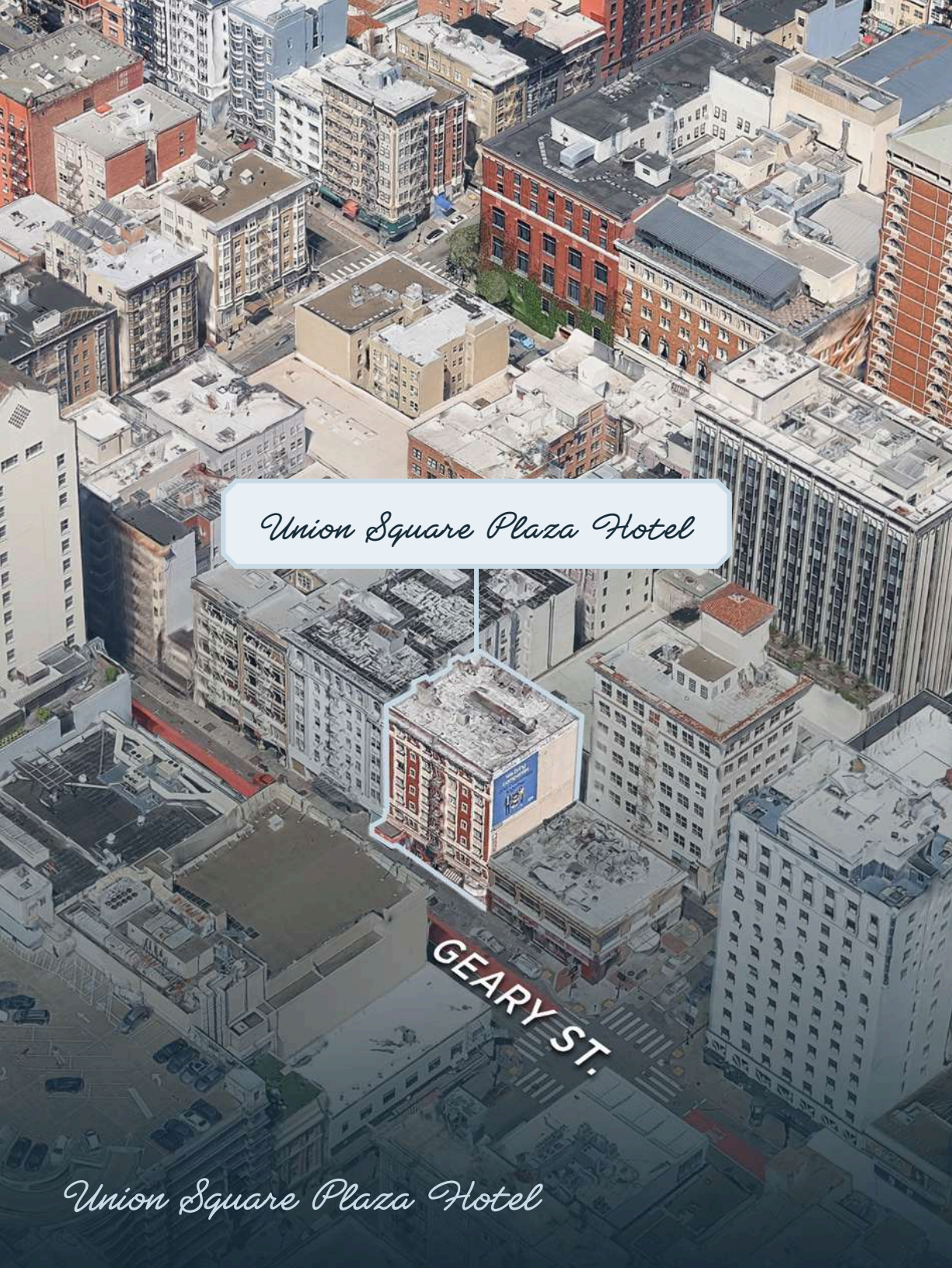
## POTENTIAL TO REPOSITION

\$17M as-is appraisal in 2015. With SF leading the Western MSAs in RevPAR growth and rising office and residential demand, there's a clear path to regain this value and surpass it.

# Sales Comparables

	Property	Keys	Sale Price	Price/Key	Sale Date	Notes
	<b>Commodore Hotel</b> <b>825 Sutter St.</b> San Francisco, CA 94109	110	\$13,100,000	\$119,091	Oct. 2025	Vacant at time of sale
	<b>Mayflower Hotel</b> <b>975 Bush St.</b> San Francisco, CA 94109	99	\$9,900,000	\$100,000	Jun. 2025	Vacant at time of sale
	<b>The Andrews Hotel</b> <b>624 Post St.</b> San Francisco, CA 94109	48	\$10,150,000	\$211,458	Mar. 2025	--
	<b>Sheldon Hotel</b> <b>629 Post St.</b> San Francisco, CA 94109	64	\$13,250,000	\$207,031	Jun. 2023	SRO, Redevelopment project
	<b>Oasis Inn</b> <b>900 Franklin St.</b> San Francisco, CA 94109	59	\$15,200,000	\$257,627	Sept. 2023	Redevelopment project

**Average Price Per Key**  
\$100,000 - \$257,627 per room



# Market Overview

## SAN FRANCISCO'S CULTURAL CORE

Union Square is one of the nation's most renowned urban shopping districts and a central hub for tourism and commerce. Surrounded by luxury retail, major hotels, and Broadway-style theatres, the area draws millions of visitors annually and anchors San Francisco's hospitality sector.

*Union Square Plaza Hotel*

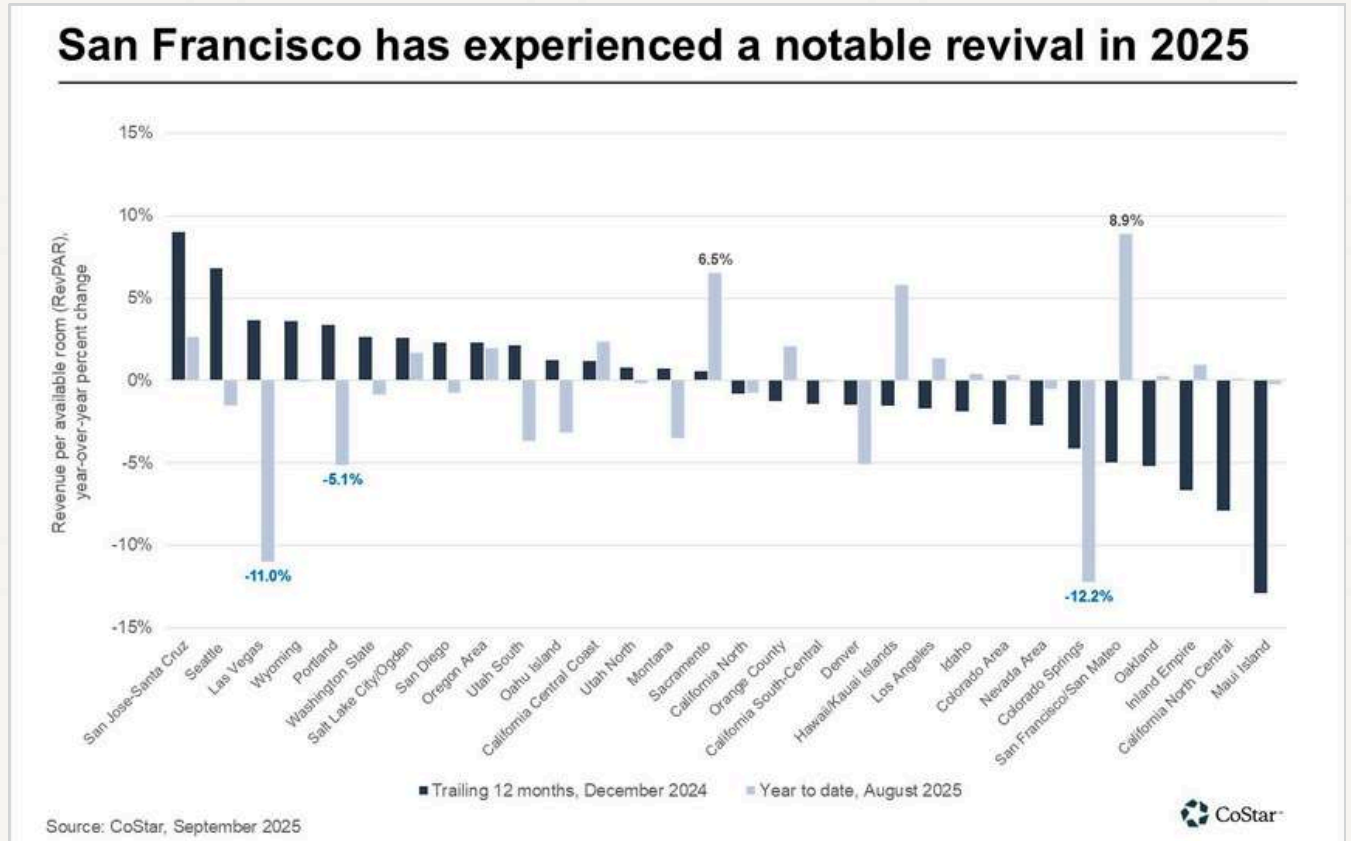
*Union Square Plaza*  
San Francisco's  
Historic Hotel  
Near Attractions

*Union Square Plaza Hotel*

# San Francisco's Notable Revival: Strong YTD Performance & Event-Driven Growth in 2025

Hotel performance trends across Western U.S. markets look markedly different in 2025 compared to 2024, with some markets rebounding on the strength of events and convention calendars, while others lose steam after strong results a year ago.

San Francisco headlines the turnaround story in the region. After trailing the nation in recovery for much of the post-pandemic period, the market posted a sharp rebound, with revenue per available room (RevPAR) up 8.9% year to date through August compared to a 5% decline in 2024. A packed events calendar powered the improvement: the return of the JPMorgan Healthcare Conference in January, the city's first NBA All-Star Weekend in February, the timing of Easter, and the April RSA Conference. These high-profile gatherings boosted occupancy and average rates, pushing the market back into positive territory.



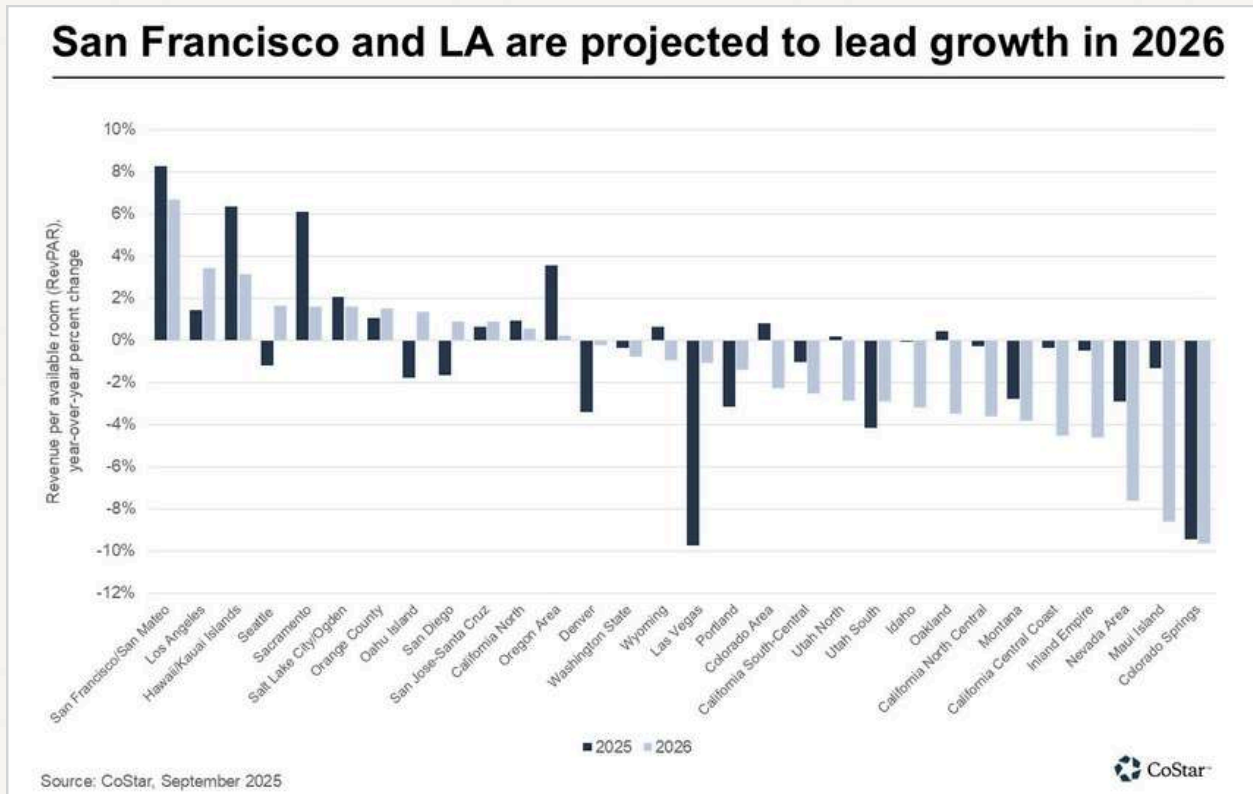
Year-to-date (YTD) Revenue per Available Room (RevPAR) change through August 2025 shows San Francisco leading most Western U.S. markets with an 8.9% increase, signifying a strong market rebound.

# Forward Outlook: San Francisco and Sacramento Projected to Lead Western U.S. Growth Through 2026

Looking ahead, performance is expected to remain uneven across Western U.S. markets. San Francisco and Sacramento are projected to maintain positive momentum into 2026 before moderating, while Los Angeles shows steady mid-single-digit growth, with major sporting events sustaining growth.

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Projected year-over-year RevPAR percentage change for 2026 shows San Francisco, Los Angeles, and Sacramento are forecasted to lead growth, while many Western markets are expected to moderate or decline.

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# Surrounded by Transformational Investments



exploratorium

FERRY BUILDING

Google

TIFFANY & Co. HERMES PARIS  
ROLEX Apple ZARA  
GUCCI PATEK PHILIPPE GENEVE NIKE

THE WESTIN ST. FRANCIS  
SAN FRANCISCO ON UNION SQUARE

SF MO MA  
San Francisco Museum of Modern Art

THE DONATELLO  
JW MARRIOTT  
SAN FRANCISCO UNION SQUARE

macys

GIVENCHY

MOSCONE CENTER

Union Square Plaza Hotel

TONI REMBE THEATER

Union Square Plaza Hotel

# Positioning Statement

Strategically located at the gateway to Union Square, the Union Square Plaza Hotel combines historic character with solid income diversification and exceptional foot traffic exposure. Its proximity to premier retail, cultural venues, and public transit positions it as an irreplaceable urban hospitality asset in one of the world's most enduring tourism markets. Investors have the opportunity to capitalize on San Francisco's continued lodging recovery through a trophy-location acquisition with strong operating fundamentals and potential for future boutique repositioning.



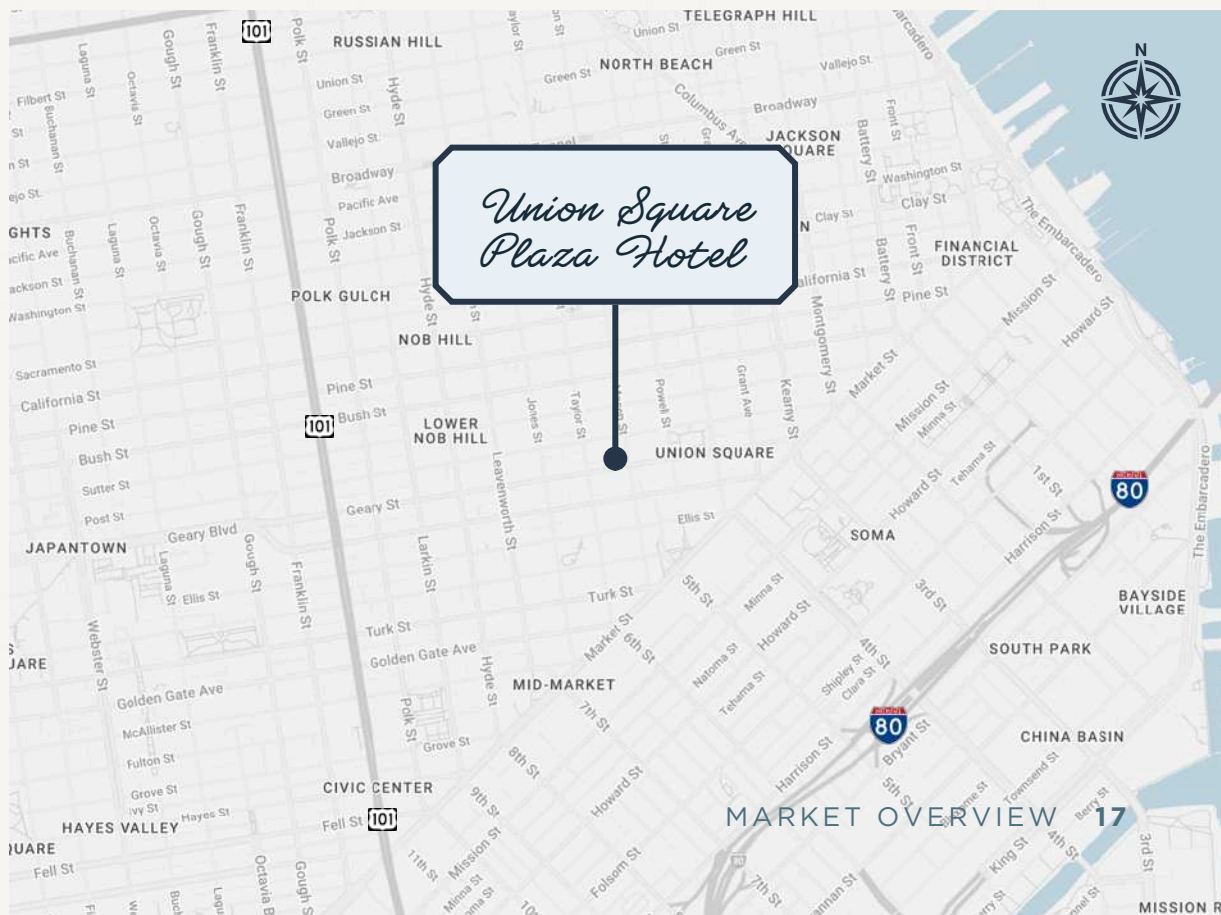
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# Market Fundamentals

Downtown San Francisco is experiencing a gradual hospitality recovery post-COVID-19, driven by leisure travel and the return of international tourism. RevPAR has trended up double-digits year-over-year, with Union Square properties recording occupancies in the 70-80% range through mid-2025.

Limited new hotel construction and historical barriers to entry continue to support asset values in this core urban submarket.



*Union Square Plaza Hotel*

# Demand Drivers



## TOURISM RECOVERY

Visitor spending in San Francisco exceeded \$8 billion in 2023 (source: SF Travel).



## CONVENTION BUSINESS

Proximity to Moscone Center and downtown corporate offices.



## RETAIL & DINING

Adjacent to Flagship stores like Neiman Marcus, Apple, and Tiffany & Co.



## CULTURAL ATTRACTIONS

Theatre district, Yerba Buena Gardens, and Museum of Modern Art.



## TRANSIT CONNECTIVITY

BART and Muni Metro stations within walking distance.



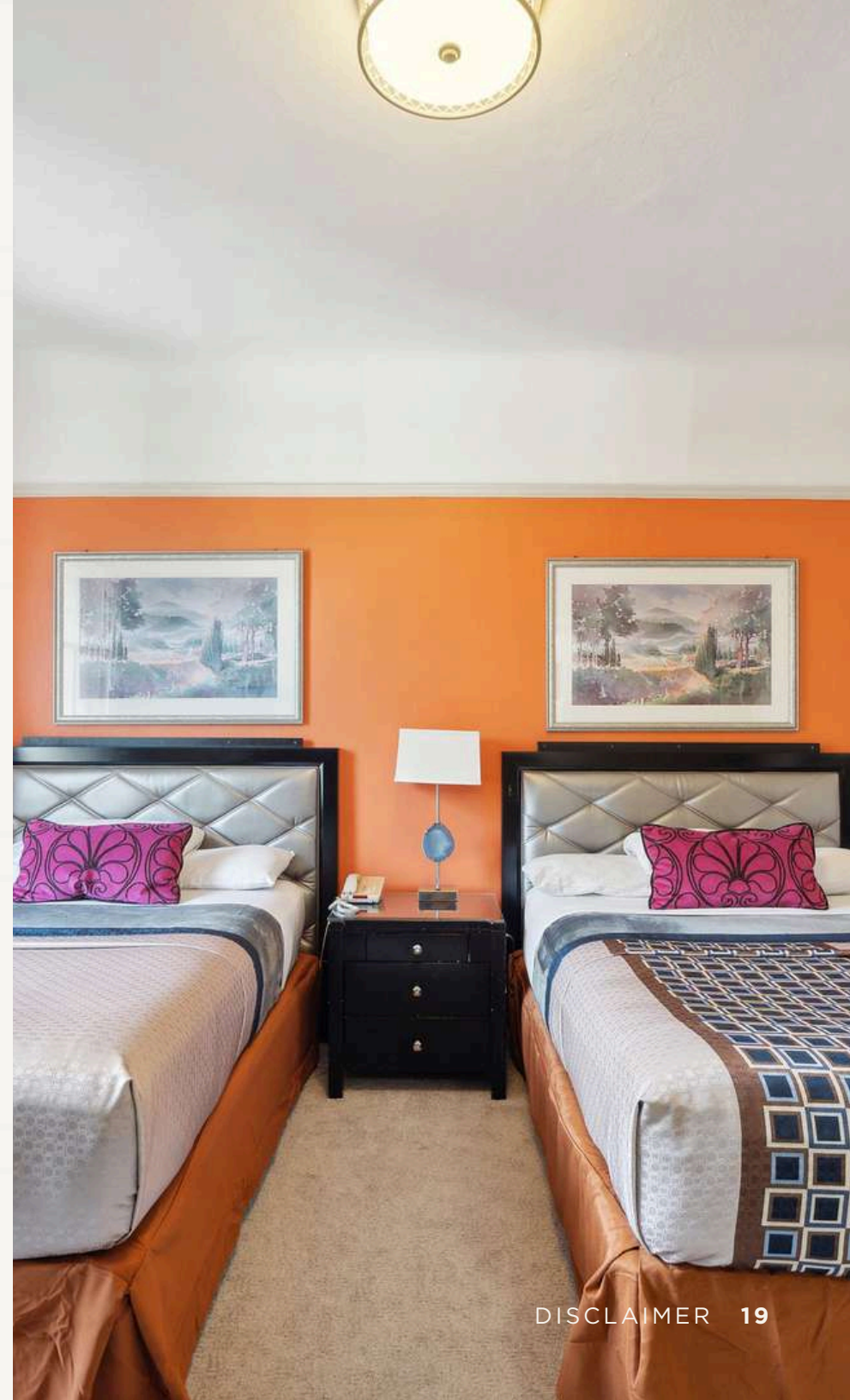
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432 Geary Street

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