



2965-2967 MISSION ST

MIXED-USE VALUE-ADD OR OWNER-USER OPPORTUNITY | SAN FRANCISCO MISSION DISTRICT

SAN FRANCISCO, CA



CAPITAL PACIFIC



2965-2967
MISSION ST

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Investment Summary



2965-2967 MISSION ST

2965-2967 MISSION ST SAN FRANCISCO, CA 94110 

\$1,995,000

PRICE

4.06%

CAP RATE (PROFORMA)

PRICE/SF:

\$586.42

GROSS SQUARE FEET:

3,402 SF

LAND AREA:

2,875 SF

PARKING:

STREET PARKING

SUBMARKET VACANCY:

2.2%

ZONING:

NCT

YEAR BUILT:

1922

**IMMEDIATE UPSIDE WITH TWO GROUND FLOOR
RETAIL SPACES AND A NON-CONFORMING
2BR/2B APARTMENT BEING DELIVERED VACANT**

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Investment Highlights



THE OFFERING

2965-2967 Mission Street is a 100% fee simple interest investment opportunity located in San Francisco's prosperous outer Mission District. The subject property is a two-story mixed-use building which features two ground floor retail spaces (1,150 SF and 1,460 SF), in addition to a second floor 2BR/2B non-conforming apartment unit in the rear of the building. 2965-2967 Mission Street will be delivered vacant, creating flexibility for value-add or owner-user buyers.

The subject property benefits from an array of commuter-friendly transportation options, as well as an influx of nearby commercial developments which have been attracting businesses and residents. The adjacent Mission St & 26th St bus stop to 2965-2967 Mission Street serves the 49 Van Ness/Mission and 14 Mission SF MUNI bus lines, which connect commuters to the Financial District and Fisherman's Wharf. Additionally, the 24th St Mission BART Station is less than two blocks from the subject property, and drivers have ease of access to U.S. Highway 101. Please see page 13 for information on nearby development projects.

HIGHLIGHTS

- Rare investment opportunity in San Francisco's renowned Mission District
- Immediate value-add potential

DESIRABLE LOCATION

- Sought after neighborhood for businesses and renters (2.2% submarket vacancy rate)
- Commuter-friendly for working professionals in the nearby Financial District

Income & Expense

INVESTMENT PROFORMA		
Price:		\$1,995,000
Capitalization Rate:		4.06%
Price Per Square Foot:		\$586.42
Down Payment	40%	\$798,000
Total Gross Area (SF):	100.00%	3,402
INCOME	P/SF	\$586.42
Proforma Retail Income (\$2.20 IG)	\$20.25	\$68,904
2 Bed 2 Bath Proforma Income		\$43,200
CAM Reimbursement		\$6,500
EFFECTIVE GROSS INCOME		\$118,604
ADJUSTED GROSS INCOME		\$118,604
EXPENSE (Proforma)	P/SF	
Property Tax (1.1801% + \$720.50 Special Assessment)		\$24,263.50
Insurance		\$4,500.00
Roof Repairs		\$1,800.00
Fire Safety		\$350.00
Gas & Electric		\$2,100.00
HVAC		\$150.00
Water		\$600.00
MGMT		\$2,500.00
Trash		\$1,300.00
TOTAL OPERATING EXPENSES	\$11.04	\$37,563
NET OPERATING INCOME		\$81,041

PROPOSED FINANCING/CASH FLOW

PROPOSED	
Proposed Loan Amount	\$1,197,000
Loan To Value	60%
Interest Rate (Fixed)	3.50%
Amortization	30
Term	7 Years
Lender Type	Conventional
Net Operating Income	\$81,041
Debt Service	(\$64,501)
Pre-Tax Cash Flow	\$16,540
Debt Coverage Ratio	1.26
Cash-on-cash Return	2.07%
Principal Pay down (Year 1)	\$22,972
Total Return	\$39,512
Yield	4.95%

Rent Roll

TENANT SUMMARY				RENT SUMMARY		LEASE STRUCTURE		COMMENTS
Suite	TENANT	SQ. FT.	PERCENT OF GLA	MARKET RENT	MARKET ANNUAL RENT	LEASE TYPE	INCREASES	
2965	Delivered Vacant	1,150	33.80%	\$2,530.00	\$30,360.00	IG	CPI	Market Rent is Estimated to be \$2.20/Mo PSF, Premier Architectural Buildout and Highly Desirable due to the Small footprint and glass
2967	Delivered Vacant	1,460	42.92%	\$3,212.00	\$38,544.00	IG	CPI	Market Rent is Estimated to be \$2.20/Mo PSF, Premier Architectural Buildout and Highly Desirable due to the Small footprint and glass storefront.
2 Bed 2 Bath (Not Legal)	Delivered Vacant	792	23.28%	\$3,600.00	\$43,200.00	Gross	1.25% Annual	Due to the illegal unit, buyer will not be able to rent out the space until the unit is legalized.
Building Rentable Square Footage Totals:		3,402	100.00%					
								2021 Total Potential Monthly \$9,342.00
	Vacant	3,402	100.00%					2021 Total Annual Gross Rent: \$112,104.00

Parcel Map

SF

3,402
TOTAL GROSS
SQUARE FOOTAGE

Zoning

**NCT - MISSION
STREET
NEIGHBORHOOD
COMMERCIAL
TRANSIT**

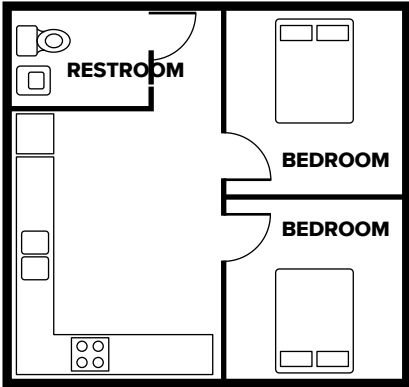
**[CLICK HERE FOR
MORE INFO](#)**



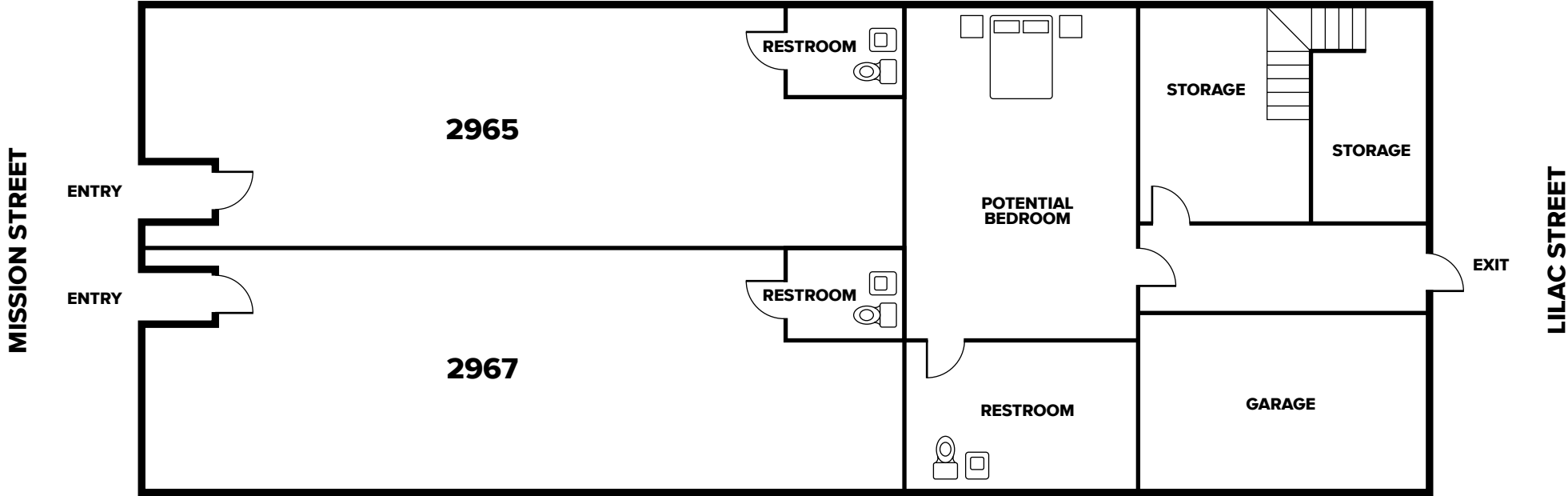
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Existing Floor Plan

UPPER LEVEL FLOOR PLAN



LOWER LEVEL FLOOR PLAN



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Redevelopment Renderings



THE CURRENT OWNER RECENTLY WORKED WITH ARCHITECTS AND ENGINEERS TO PRODUCE REDEVELOPMENT OPTIONS FOR THE SUBJECT PROPERTY TO BUILD A THREE-STORY MIXED-USE PROJECT TOTALING 13,000 SF. CONTACT BROKER FOR DETAILS.

Subject Property



Surrounding Area

DOWNTOWN
SAN FRANCISCO

ZUCKERBERG
SAN
FRANCISCO
GENERAL
HOSPITAL

101



PROPOSED
21 HOUSING
UNITS

24TH STREET

25TH STREET

APPROVED
75 HOUSING
UNITS

MISSION STREET

2965-2967
MISSION ST

17,364
VPD

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Surrounding Area

101

BERNAL
HEIGHTS PARK

COMPLETED
2020
94 HOUSING
UNITS

PROPOSED
163 HOUSING
UNITS

PROPOSED
58 HOUSING
UNITS

33,927
VPD

2965-2967
MISSION ST

CESAR CHAVEZ

PROPOSED
8 HOUSING
UNITS

26TH STREET

17,364
VPD

MISSION STREET

APPROVED
75 HOUSING
UNITS

CHASE

25TH STREET

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New Housing Developments

OVER 690 APARTMENT UNITS were either recently delivered, are currently under construction, or are pending approval within the immediate area of the subject property

- 1. 2918 MISSION ST.** Approved – 75 Units
- 2. 2976 MISSION ST.** Proposed – 8 Units
- 3. 3620 CESAR CHAVEZ** Delivered in 2020 – 24 Units
- 4. 1515 S VAN NESS AVE.** Proposed – 163 Units
- 5. 1296 SHOTWELL ST.** Delivered in 2020 – 94 Units
- 6. 3314 CESAR CHAVEZ** Proposed – 58 Units
- 7. 1298 VALENCIA ST.** Proposed – 35 Units
- 8. 3236 24TH ST.** Proposed – 21 Units
- 9. 3001-3024 24TH ST.** Proposed – 45 Units
- 10. 2600 HARRISON ST.** Under Construction – 20 Units
- 11. 2588 MISSION ST.** Proposed – 129 Units
- 12. 606 CAPP ST.** Delivered in 2019 – 20 Units



Transportation & Amenities

Located in the heart of the city, the Mission is connected to the surrounding neighborhoods and the greater Bay Area by a strong transit system.

WALKING

The subject property is situated on a major retail corridor with popular restaurants, nightlife, and shopping, as well as high-density residential with over 85,000 people within a 1-mile radius.

BIKE

San Francisco has over 447 miles within its bicycle network (protected bikeways, and shared bike/vehicle lanes). Approximately 22,000 of commute trips by city residents, were bike trips in 2018.

BUS

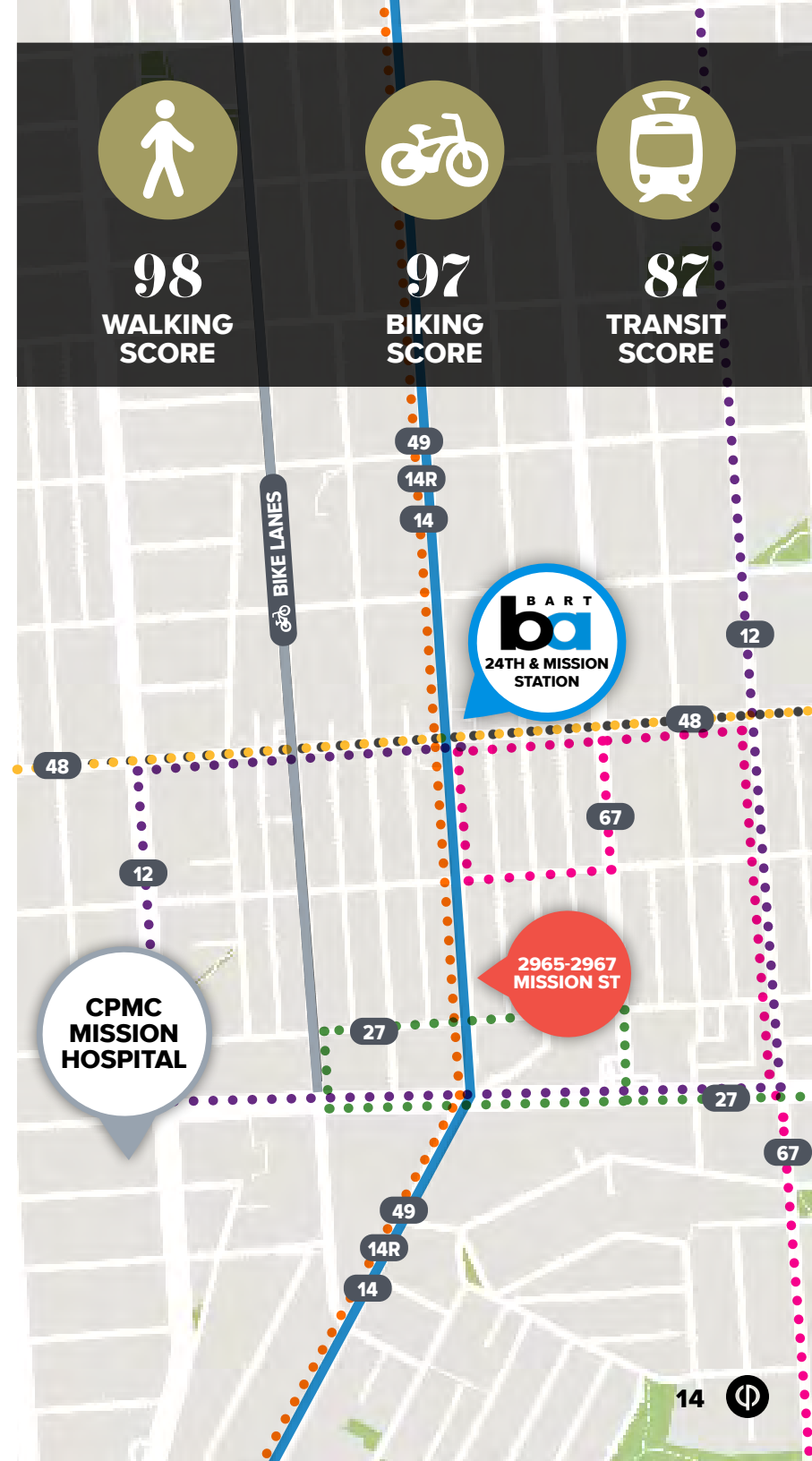
San Francisco boasts a robust bus system (MUNI), including six bus lines with stops within two blocks of the subject property. The Mission Street Corridor features designated bus lanes for rapid service.

LIGHT RAIL

MUNI Metro is the US' third-busiest light rail system, operating a fleet of 151 light rail vehicles with an average weekday ridership of 173,500 passengers. The J line runs along the western edge of the Mission District providing service to downtown as well as connections to all other light rail lines and BART.

BART (BAY AREA RAPID TRANSIT)

Bay Area Rapid Transit (BART) connects the San Francisco Peninsula with Berkeley, Oakland, Fremont, Walnut Creek, Dublin/Pleasanton and other cities in the East Bay. The Mission District is home to two BART Stations, 16th and Mission and 24th and Mission.



The Mission District

THE MISSION DISTRICT, one of San Francisco's most vibrant and diverse neighborhoods, is host to an eclectic mix of restaurants, markets, performance spaces, shops, and nightspots.

The Mission Dolores Basilica, San Francisco's oldest building, was founded in 1776 by Francisco Palóu, a Spanish missionary, and played a central role in the early development of the neighborhood and growth of the community.

The Mission has a long and storied history that is rooted in Latin American heritage and traditions. Once upon a time the neighborhood belonged primarily to working class Hispanic families, but today it is shared with college students, young professionals and startup visionaries.

Encompassing nearly 16 acres, Mission Dolores Park is one of San Francisco's largest and most popular parks. The park is home to lush green lawns shaded by tall palm trees, six tennis courts, one basketball court, a playground, two dog play areas, and spectacular views of the city's skyline and beyond.

56,000

**MISSION DISTRICT
POPULATION**

\$160,000+

**MISSION DISTRICT
AVERAGE HOUSEHOLD
INCOME**



24TH AND MISSION STREETS



24TH AND SHOTWELL STREET MURAL



MISSION DOLORES PARK



Aerial



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Demographics



POPULATION

	1-MILE	3-MILES	5-MILES
2010	81,172	508,403	849,805
2019	85,490	567,362	927,625
2024	86,285	595,000	965,302

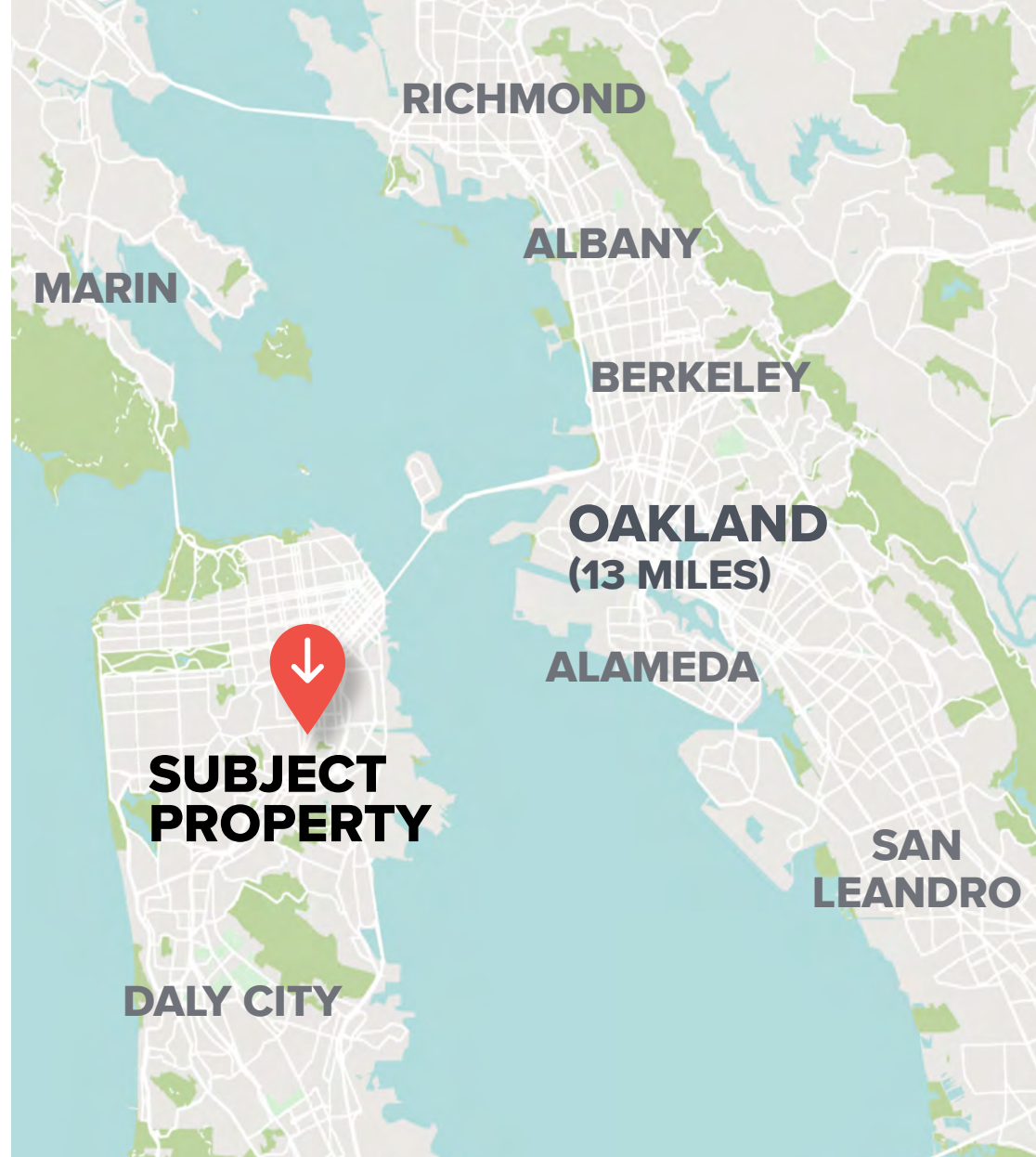


2019 HH INCOME

	1-MILE	3-MILES	5-MILES
Average	\$196,060	\$167,979	\$166,735
Median	\$149,499	\$114,163	\$115,124

TOP EMPLOYERS

EMPLOYER	# OF EMPLOYEES
Salesforce	8,000
Wells Fargo	7,740
Kaiser Permanente	6,650
Sutter Health	5,360
Uber	5,000



OVER 927K RESIDENTS WITH AVERAGE HOUSEHOLD INCOMES OVER \$166K WITHIN A 5-MILE RADIUS

SAN FRANCISCO, CALIFORNIA



SAN FRANCISCO is the cultural, commercial, and financial center of Northern California. Bordered by the San Francisco Bay to the north and east, and the Pacific Ocean to the west, the city is 49 square miles.

San Francisco is famous for its Victorian and Edwardian houses, cable cars, the iconic Golden Gate Bridge and its many hills. It is also one of the primary financial centers on the west coast and home to the headquarters of major companies, including Wells Fargo, Salesforce, Twitter, Yelp, AirBnB, Dropbox, Uber, and numerous others. The city 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.

THE SAN FRANCISCO BAY AREA is located along the California coast and consists of nine diverse counties in Northern California stretching from wine country to Silicon Valley and centered around the San Francisco Bay, San Pablo Bay, and Suisun Bay. The Bay Area is often divided into five sub-regions: the East Bay, North Bay, South Bay, Peninsula, and the city of San Francisco.

Two of the region's metros - San Francisco-Oakland-Hayward and San Jose-Sunnyvale-Santa Clara - ranked as the best economies in the county. The Bay Area's annual economic growth rate of 4.3% over the past three years was nearly double that of the U.S. as a whole, bringing the region's gross domestic product to \$748 billion, behind only 18 countries.

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