



**Office of the Assessor / Recorder - City and County of San Francisco
2017 Mills Act Valuation**



627 Waller Street

**OFFICE OF THE ASSESSOR-RECORDER - CITY & COUNTY OF SAN FRANCISCO
MILLS ACT VALUATION**

APN:	0864 022	Lien Date:	7/1/2017
Address:	627 Waller Street	Application Date:	5/1/2017
SF Landmark No.:	N/A	Valuation Date:	7/1/2017
Applicant's Name:	John Hjelmstad & Allison Bransfield	Valuation Term:	12 Months
Agt./Tax Rep./Atty:	None	Last Sale Date:	11/4/2013
Fee Appraisal Provided:	No	Last Sale Price:	\$3,500,000

FACTORED BASE YEAR (Roll) VALUE		INCOME CAPITALIZATION APPROACH		SALES COMPARISON APPROACH	
Land	\$2,587,801	Land	\$900,000	Land	\$ 2,220,000
Imps.	\$1,109,057	Imps.	\$600,000	Imps.	\$1,480,000
Personal Prop	\$0	Personal Prop	\$0	Personal Prop	\$0
Total	\$3,696,858	Total	\$1,500,000	Total	\$ 3,700,000

Property Description

Property Type:	SFR w/In-Law Unit	Year Built:	1900	Neighborhood:	Hayes Valley
Type of Use:	SFR	(Total) Rentable Area:	3333	Land Area:	2,160
Owner-Occupied:	Yes	Stories:	3	Zoning:	RH-3
Unit Type:	Residential	Parking Spaces:	1+ Car Garage		

Total No. of Units: 2

Special Conditions (Where Applicable)

Main house was reported as owner-occupied. The in-law unit was reported as tenant occupied. Building area measurements were based on calculated living areas from building plans for completed DBI Permit #201206061946

Conclusions and Recommendations

	Per Unit	Per SF	Total
Factored Base Year Roll Value	\$1,848,429	\$1,109	\$ 3,696,858
Income Approach - Direct Capitalization	\$750,000	\$450	\$ 1,500,000
Sales Comparison Approach	\$1,850,000	\$1,110	\$ 3,700,000
Recommended Value Estimate	\$ 750,000	\$ 450	\$ 1,500,000

Appraiser: Bryan Bibby

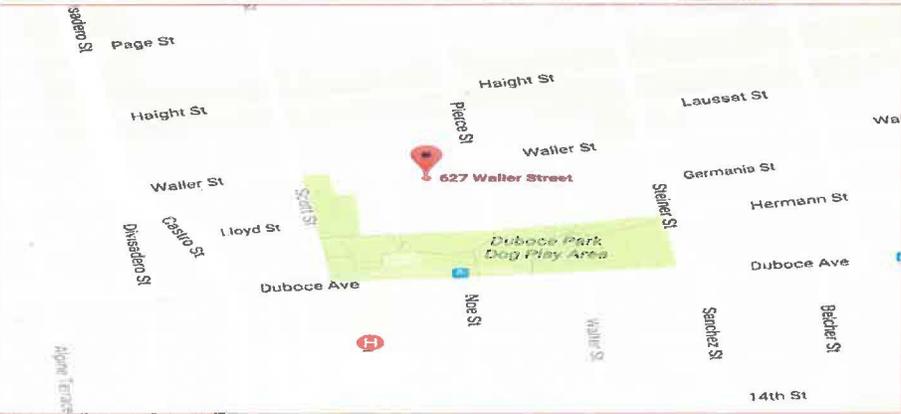
Principal Appraiser: Greg Wong

Date of Report: 7/27/2017

SUBJECT PHOTOGRAPHS AND LOCATOR MAP

Address: 627 Waller Street

APN: 0864 022



WALLER		CARMELITA		PIERCE	
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216	218	216	215	214	213
217	219	217	2		

INCOME APPROACH

Address: 627 Waller Street

Lien Date: 7/1/2017

	<u>Monthly Rent</u>	x	<u>Annualized</u>		
Potential Gross Income	\$14,100		12		\$169,200
Less: Vacancy & Collection Loss			3%		(\$5,076)
Effective Gross Income					\$164,124
Less: Anticipated Operating Expenses (Pre-Property Tax)'			15%		(\$24,619)
Net Operating Income (Pre-Property Tax)					\$139,505

Restricted Capitalization Rate

2017 interest rate per State Board of Equalization	3.7500%
Risk rate (4% owner occupied / 2% all other property types)	3.6976%
2016 property tax rate **	1.1792%
Amortization rate for improvements only	
Remaining economic life (Years)	60
Improvements constitute % of total property value	0.0167
	0.6667%
	9.2934%

RESTRICTED VALUE ESTIMATE

\$1,501,117

Rounded Value

\$1,500,000

Rent Roll as of 7/1/2017

<u>Unit</u>	<u>Bdrm/Ba</u>	<u>SF</u>	<u>Move In Date</u>	<u>Monthly Contract Rent***</u>	<u>Annual Rent</u>	<u>Annual Rent / Foot</u>
In-Law Apartment	1/1	504	5/5/2017	\$2,600	\$31,200	\$61.90
Main House	3/2	<u>2,829</u>	Owner Occupied	<u>\$11,500</u>	<u>\$138,000</u>	<u>\$48.78</u>
Total:		3,333		\$14,100	\$169,200	\$50.77

Notes:

- * Annual operating expenses include water service, refuse collection, insurance,
- ** The 2017 property tax rate will be determined in September, 2017.

<u>Unit #</u>	<u>SF GLA</u>	<u>Occupancy</u>	<u>Weight</u>	<u>Risk Factor</u>		<u>Overall</u>
In-Law Apartment	504	Tenant	15.12%		2.00%	0.302%
Main House	<u>2,829</u>	Owner	<u>84.88%</u>		4.00%	<u>3.40%</u>
	3,333		100.00%			3.698%

***Mills Act valuation for the main dwelling was based on market rents & the projected rent was concluded to be \$11,500/month. All comps were considered in the market rent conclusion. The rental comps provided on the following page bracket the projected rent amount for the main house. Rent amount for the In-Law Unit was based on the contract rent of \$2,600/month. This amount was concluded to be within the range of apartment unit market rents as indicated on the following page. Of note, Comp #6 rent amount includes a SFR with in-law unit. Comp #6 supports the indicated rent amount total listed above. The contract rent amount and tenant occupancy as shown in the grid above was confirmed in a telephone conversation with the owner on July 24, 2017. Overall building features and GLA of the main house and in-law unit were based on building plans for completed DBI Permit #201206061946.

Rent Comparables

Address: 627 Waller Street
Lien Date: 7/1/2017

Main House Rent Comparables

Rental Comp #1



Property Rental Type: Entire Building
Listing Agent: Azari Property Management
Address: 3969 23rd Street
Cross Streets: Noe Street
SF: 3,024
Layout: SFR:9/4/3.5, 2 car parking
Monthly Rent: \$11,500
Rent/Foot/Mo: \$3.80
Annual Rent/Foot: \$45.63

Rental Comp #2



Property Rental Type: Entire Building
Listing Agent: Vanguard Properties
Address: 1709 Broderick Street
Cross Streets: Pine Street
SF: 2,484
Layout: SFR:11/3/3.5, 1 car parking
Monthly Rent: \$13,950
Rent/Foot/Mo: \$5.62
Annual Rent/Foot: \$67.39

Rental Comp #3



Property Rental Type: Entire Building
Listing Agent: Zillow Rental Network
Address: 451 Roosevelt Way
Cross Streets: Clifford Terrace
SF: 4,029
Layout: SFR: 12/6/5, 3 car parking
Monthly Rent: \$12,000
Rent/Foot/Mo: \$2.98
Annual Rent/Foot: \$35.74

Rental Comp #4



Property Rental Type: Entire Building
Listing Agent: Sotheby's International Realty
Address: 1918 Dvisadero Street
Cross Streets: California Street
SF: 3,460
Layout: SFR: 9/4/3.5, 2 car parking
Monthly Rent: \$13,750
Rent/Foot/Mo: \$3.97
Annual Rent/Foot: \$47.69

Rental Comp #5



Property Rental Type: Entire Building
Listing Agent: James Wavro
Address: 144 Central Avenue
Cross Streets: Page Street
SF: 3,870
Layout: SFR:11/5.5/5.5, 2 car parking
Monthly Rent: \$12,500
Rent/Foot/Mo: \$3.23
Annual Rent/Foot: \$38.76

Rental Comp #6



Property Rental Type: Entire Building: 2 Units
Listing Agent: Azari Property Management
Address: 1804 Laguna Street
Cross Streets: Bush Street
SF: 2,690
Layout: SFR w/In-Law Unit:13/4/3.5, 1 car parking
Monthly Rent: \$14,000
Rent/Foot/Mo: \$5.20
Annual Rent/Foot: \$62.45

Rental Comp #7



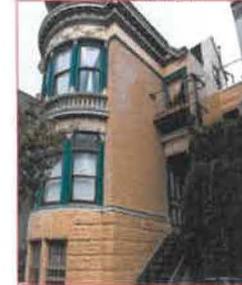
Property Rental Type: Individual Apartment Unit
Listing Agent: Cornale & Co.
Address: 1456 Waller Street, Apt #1
Cross Streets: Clayton Street
SF: 738
Layout: 3/0/1, no car parking
Monthly Rent: \$2,500

Rental Comp #8



Property Rental Type: Individual Apartment Unit
Listing Agent: Onsite Property Systems
Address: 654 Clayton Street, Unit #B
Cross Streets: Waller Street
SF: 855
Layout: 3/1/1, no car parking
Monthly Rent: \$2,595

Rental Comp #9



Property Rental Type: Individual Apartment Unit
Listing Agent: Zillow Rental Network
Address: 42 Castro Street, Apt. 4
Cross Streets: Duboce Avenue
SF: 466
Layout: 3/0/1, no car parking
Monthly Rent: \$2,600

SINGLE FAMILY MARKET ANALYSIS

	Subject-A	Sale 1-B	Sale 2-C	Sale 3-D			
APN	0864 022	6543 010	2773 015C	1184 015			
							
Address	627 Waller Street	4545 25th Street	689 Douglass Street	1558 Grove Street			
Sales Price	\$3,500,000	\$3,800,000	\$3,100,000	\$3,500,000			
Sale Price / Square Foot	\$1,050	\$994	\$1,813	\$1,620			
	Description	Description	Adjust.	Adjust.	Description	Adjust.	
Date of Valuation/Sale	07/01/17	05/12/17		6/16/2017	02/27/17		
Neighborhood	Hayes Valley	Noe Valley		Noe Valley	North Panhandle		
Proximity to Subject	-	Reasonable Proximity		Reasonable Proximity	Reasonable Proximity		
Land Area	2,160	3,746	(63,000)	1,999	6,000	3,436	(51,000)
View Type	City Lights	City Lights		City Lights/Hills	(\$62,000)	Extended Neighborhood	
Year Built	1900	1900		1914		1900	
Condition Type	Good/Updates	Good/Updates		Good/Updates		Good/Updates	
Traffic	Typical	Typical		Typical		Typical	
Building Area	3,333	3,824	(196,000)	1,710	649,000	2,160	469,000
Total Number of Rooms	12	10		14		8	
Bedroom Count	4	4		5		3	
Bath Count	4.0	4.5	(\$20,000)	4		3	\$40,000
Number of Stoires	3	2		3		3	
Parking Type/Count	1+ Car Garage	Similar to Subject		Similar To Subject		3 Car Garage	(\$100,000)
Bonus Living Area	Incl. In GLA Above/In-Law Unit	Incl. In GLA Above	\$100,000	Attic Conversion	Offset	Unfin. Attic & Fin. Basement Areas	Offset
Other Amenities	Roof Deck	Decks		Decks		Decks	
Net Adjustments			(\$179,000)		\$593,000		\$358,000
Indicated Value	\$3,700,000	\$3,621,000		\$3,693,000		\$3,858,000	
Adjust. \$ Per Sq. Ft.	\$1,110		\$1,086		\$1,108		\$1,158

Value Range:	Low	High	VALUE CONCLUSION:	\$3,700,000	\$1,110
Adjust. \$ Per Sq. Ft.	\$1,086	\$1,158			

REMARKS: The subject's property features were based on listing data & recent building plans/permits from DBI. Permit history shows the subject property as a two unit building comprising of one main multi-floor dwelling with one small one floor three room in-law unit on the garage level. Most recent listing marketed property as a single family home with an in-law unit. Living (building) area size was derived from measurements calculated from building plans for DBI Permit #201206061946.

Adjustments are made to the comparables. (Rounded to the nearest \$1,000.)

- *Lot Area adj. based on per square foot of \$ 40
- *GLA adjustment based on per square foot of \$ 400
- *Bathroom variance adjustment based on \$ 40,000 per bath variance. Half bath variance adj. based on 1/2 of the full bath adj. amount.
- *Parking space adjustment based on \$ 50,000 per space variance.

Other types of adjustments as noted below:

View adj. for Comp #2's City Lights/Hills view. Adj. at 2% of the sales price.

Bonus living area adj. warranted for Comp #1 due to lack of flex space amenity of the in-law unit for the subject. Adj. at \$100,000.

All comps were given equal consideration in the final value conclusion. Comps #1 and 2 were recent sales to the subject's event date. Comp #3 was located in a competing neighborhood of the subject's neighborhood within SFAR MLS District #6.

MARKET VALUE

LAND	\$2,220,000
IMPROVEMENTS	\$1,480,000
TOTAL	\$3,700,000
Market Value / Foot	\$1,110

ASSESSED VALUE

LAND	\$2,587,801
IMPROVEMENTS	\$1,109,057
TOTAL	\$3,696,858
Assessed Value / Foot	\$1,109



SAN FRANCISCO PLANNING DEPARTMENT

PRE-APPROVAL INSPECTION REPORT

Report Date: May 31, 2017
Inspection Date: May 31, 2017; 8:30am
Case No.: 2017-005880MLS
Project Address: 627 Waller Street
Zoning: RTO (Residential Transit Oriented District)
Height & Bulk: 40-X
Block/Lot: 0864/012
Eligibility: Duboce Park Historic District Contributor
Property Owner: John Hjelmstad & Allison Bransfield
Address: 627 Waller
San Francisco, CA 94117
johnfargo@gmail.com
Staff Contact: Shannon Ferguson – (415) 575-9074
shannon.ferguson@sfgov.org
Reviewed By: Tim Frye – (415) 575-6822
tim.frye@sfgov.org

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

PRE-INSPECTION

- Application fee paid
- Record of calls or e-mails to applicant to schedule pre-contract inspection

5/18/17: email property owner to schedule site inspection

5/23/17: follow up email to property owner to schedule site inspection; respond to email from property owner and historic preservation consultant regarding site visit; provide comments on rehabilitation and maintenance plan.

5/25/17: follow up email with property owner and historic preservation consultant regarding site visit scheduling.

5/25/17: phone call with historic preservation consultant regarding site visit and rehab and maintenance plans.

5/30/17: email to property owner and historic preservation consultant to confirm site visit and receipt of revised rehab and maintenance plan.

INSPECTION OVERVIEW

Date and time of inspection: May 31, 2017; 8:30am

Parties Present: Erin Ouborg (Page & Turnbull), Shannon Ferguson (SF Planning)

- Provide applicant with business cards
- Inform applicant of contract cancellation policy
- Inform applicant of monitoring process

Inspect property. If multi-family or commercial building, inspection included a:

- Thorough sample of units/spaces
- Representative
- Limited
- Review any recently completed and in progress work to confirm compliance with Contract.
- Review areas of proposed work to ensure compliance with Contract.
- Review proposed maintenance work to ensure compliance with Contract.
- Identify and photograph any existing, non-compliant features to be returned to original condition during contract period. **n/a**

- Yes** **No** Does the application and documentation accurately reflect the property's existing condition? If no, items/issues noted:
- Yes** **No** Does the proposed scope of work appear to meet the Secretary of the Interior's Standards? If no, items/issues noted:
- Yes** **No** Does the property meet the exemption criteria, including architectural style, work of a master architect, important persons or danger of deterioration or demolition without rehabilitation? If no, items/issues noted:
- Yes** **No** Conditions for approval? If yes, see below.

NOTES AND RECOMMENDATIONS

- Please number all scopes of work.
- For “Contract year for work completion”, please use a date, such as 2020.
- Please list Rehabilitation scopes of work first, followed by Maintenance scopes of work. See attached pdf clarifying which scopes of work are considered rehabilitation or maintenance. I’m happy to help or answer any questions. It can be confusing.
- Please list scopes of work in order of completion date. Start with recently completed work, followed by scopes of work that you plan to complete in 2018, 2019, etc.
- Unfortunately, landscaping, retaining wall, lighting and reconfiguring the rear stairs are not qualifying scopes of work.
- Adding ogee lugs to the existing windows is not a qualifying scope of work. Replacing existing windows with windows more in character with the house would be a qualifying scope of work.
- It is unlikely that 627 Waller had ornamentation at second and third levels. 611-617 Waller appears to be 627 Waller’s almost identical twin. This building does not have ornamentation at second and third levels. Please remove ornamentation restoration scope of work, unless historic photos can be located and show ornamentation existed.
- Please be aware that only exterior scopes of work can be included in the rehabilitation and maintenance plans. Repairing water damage at the rear of the house would be limited to just the exterior. Even though there is warped flooring inside as a result of the water damage, only exterior repairs would be qualifying scopes of work.
- suggest replacing the concrete in front of the garage with permeable paving and landscaping

CONDITIONS FOR APPROVAL

None

PHOTOGRAPHS



