



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



587 Waller Street

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

APN: 0865-021	Lien Date: 7/1/2018
Address: 587 Waller Street	Application Date: 5/1/2018
SF Landmark No.:	Application Term: 10 Years
Applicant's Name: Chris Hansten, June Kwon	
Agt./Tax Rep./Atty: Anna Rose	Last Sale Date: 7/11/2017
Fee Appraisal Provided: No	Last Sale Price: \$2,400,000

FACTORED BASE YEAR (Roll) VALUE		INCOME CAPITALIZATION APPROACH		SALES COMPARISON APPROACH	
Land	\$1,680,000	Land	\$700,000	Land	\$1,925,000
Imps.	\$720,000	Imps.	\$300,000	Imps.	\$825,000
Personal Prop	\$0	Personal Prop	\$0	Personal Prop	\$0
Total	\$2,400,000	Total	\$1,000,000	Total	\$2,750,000

Property Description

Property Type: Single-Tenant	Year Built: 1900	Neighborhood: Hayes Valley
Type of Use: Residential	(Total) Rentable Area: 2,785	Land Area: 2,250
Owner-Occupied: Yes	Stories: 2	Zoning: RTO
Total No. of Units: 1	Parking Spaces: Underground / 2 Spaces	

Special Conditions (Where Applicable)

Owner-occupied property that was purchased in 07/11/2017 in original condition. Owner provided estimate of \$153,000 for the seismic upgrade, foundation retrofitting and facade and window restoration. Property assumed to be in similar condition as pictured in MLS listing from 7/11/2017 sale. Permit #201710100781 was issued on 11/14/2017 and outlines extensive remodeling throughout the property, replacement of the foundation and conversion of 46sf of basement space to conditioned living area.

Conclusions and Recommendations

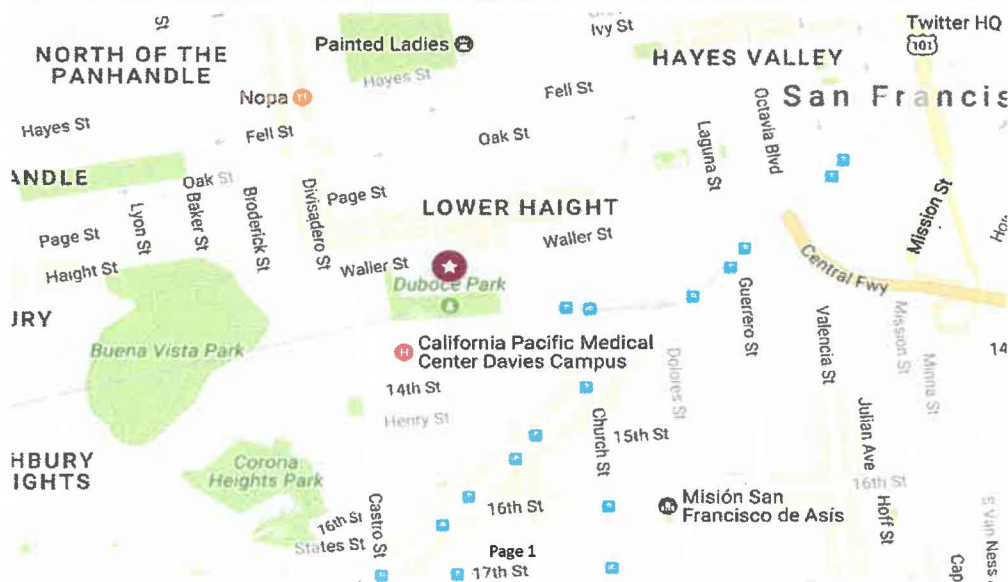
	Per SF	Total
Factored Base Year Roll	\$862	\$2,400,000
Income Approach - Direct Capitalization	\$359	\$1,000,000
Sales Comparison Approach	\$987	\$2,750,000
Recommended Value Estimate	\$359	\$1,000,000

Appraiser: Irving Pham	Principal Appraiser: Christopher Castle	Hearing Date:
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SUBJECT PHOTOGRAPHS AND LOCATOR MAP

Address: 587 Waller Street

APN: 0865-021



INCOME APPROACH

Address: 587 Waller Street
Lien Date: 7/1/2018

	<u>Monthly Rent</u>		<u>Annualized</u>		
Potential Gross Income*	\$10,000	x	12	=	\$120,000
Less: Vacancy & Collection Loss			3%		<u>(\$3,600)</u>
Effective Gross Income					\$116,400
Less: Anticipated Operating Expenses (Pre-Property Tax)**			15%		<u>(\$17,460)</u>
Net Operating Income (Pre-Property Tax)					\$98,940

Restricted Capitalization Rate

2018 interest rate per State Board of Equalization			4.0000%		
Risk rate (4% owner occupied / 2% all other property types)			4.0000%		
2017 property tax rate ***			1.1723%		
Amortization rate for improvements only					
Remaining economic life (Years)	40	0.0250	<u>0.7500%</u>		
Improvements constitute % of total property value		30%			9.9223%

RESTRICTED VALUE ESTIMATE **\$997,148**

Rounded to the nearest \$10,000 **\$1,000,000**

Notes:

- * *Potential Gross Income based on rental comps selected on next page. Rental range is selected at the lower end of the range due to assumed original condition of the subject property.*
- ** *Annual operating expenses include water service, refuse collection, insurance, and regular maintenance items. Assumes payment of PG&E by lessee.*
- *** *The 2018 property tax rate will be determined in September 2018.*

Rent Comparables

Address: 587 Waller Street

Lien Date: 7/1/2018

Rental Comp #1



Rental Comp #2



Rental Comp #3



Rental Comp #4



Listing Agent: Anthony R. Navarro, 415-305-3291
Listing Date/Source: 6/06/18 Leased, MLS
Address: 4087 17th Street
Cross Streets: Diamond Street
SF: 1,945
Layout: 3 bed, 2 BA, 1 car garage space
Monthly Rent \$7,500
Rent/Foot/Mo \$3.86
Annual Rent/Foot: \$46.27

Listing Agent: Sandy Gandolfo, 415-706-5633
Listing Date/Source: 6/11/18 Leased, MLS
Address: 157 Villa Terrace
Cross Streets: Graystone Terrace
SF: 1,675
Layout: 4 bed, 2 BA, 2 car garage space
Monthly Rent \$7,500
Rent/Foot/Mo \$4.48
Annual Rent/Foot: \$53.73

Listing Agent: Deborah Nairass, 415-609-2904
Listing Date/Source: 05/25/18 Leased, MLS
Address: 1150 Stanyan Street
Cross Streets: Grattan Street
SF: 1,752
Layout: 3 bed, 2 BA, 1 car garage space
Monthly Rent \$7,950
Rent/Foot/Mo \$4.54
Annual Rent/Foot: \$54.45

Listing Agent: Christian Buckley, 415-305-4785
Listing Date/Source: 1/14/18 Leased, MLS
Address: 1804 Laguna Street
Cross Streets: Pine Street
SF: 1,890
Layout: 3 units: 1/3/2, 1/4/1, 1/3/3 no car parking
Monthly Rent \$11,000
Rent/Foot/Mo \$5.82
Annual Rent/Foot: \$69.84

Rental Comp #5



Rental Comp #6



Rental Comp #7



Listing Agent: Mary L. Fenton, 415-205-5218
Listing Date/Source: 8/29/17 Leased, MLS
Address: 924 Clayton Street
Cross Streets: Parnassus Street
SF: 2,278
Layout: 4 bed, 2.5 BA, 1 car garage space

Listing Agent: Jessica Eva, 650-597-1864
Listing Date/Source: 07/03/18 Listing, MLS
Address: 177 Marview Way
Cross Streets: Farview Court
SF: 1,274
Layout: 3 bed, 3 BA, 2 car garage space

Listing Agent: Laila Y. Salma, 415-931-8259
Listing Date/Source: 8/1/2018 Listing, Zillow
Address: 1812 Broadway Street
Cross Streets: Octavia Street
SF: 3,022
Layout: 3 bed, 2.5 BA, 2 uncovered spaces

SALES COMPARISON APPROACH

	Subject	Sale 1		Sale 2		Sale 3	
APN	0865-021	0867 021		0867 021		0865 008	
							
Address	587 Waller Street	211 Divisadero		110 Steiner St		59 Potomac St	
		\$2,900,000		\$2,600,000		\$2,350,000	
	Description	Description	Adjust.	Description	Adjust.	Description	Adjust.
Date of Valuation/Sale	07/01/18	05/10/18		03/16/18		10/18/17	
Neighborhood	Hayes Valley	Haight Ashbury		Hayes Valley		Hayes Valley	
Proximity to Subject		0.3 Mile		0.1 Mile		443 ft	
Lot Size	2,250	2,495	(\$4,900)	1,920	\$6,600	2,247	
View	Neighborhood	Neighborhood		Neighborhood		Neighborhood	
Year Blt/Year Renovated	1900	1900		1900		1900	
Condition	Original condition	Partial Remodel	(\$72,500)	Remodeled	(\$130,000)	Original condition	
Construction Quality	N/A					Good	
Gross Living Area	2,785	2,554	\$69,300	2,850	(\$19,500)	1,800	\$295,500
Total Rooms	8	9		9		7	
Bedrooms	6	4		4		4	
Bathrooms	2	3.5	(\$75,000)	3	(\$50,000)	1	\$50,000
Stories	2	2		2		2	
Parking	Underground / 2 Spaces	2 car		1 car	\$50,000	1 car	\$50,000
Net Adjustments			(\$83,100)		(\$142,900)		\$395,500
Indicated Value	\$2,750,000		\$2,816,900		\$2,457,100		\$2,745,500
Adjust. \$ Per Sq. Ft.	\$987		\$1,103		\$862		\$1,525

VALUE RANGE: \$2,457,200 to \$2,816,900

VALUE CONCLUSION: \$2,750,000

REMARKS:

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

- * View Adjustment **2% of SP**
- *Lot Area adj. based on per square foot of **\$20** over a % variance of **0%**
- *GLA adjustment based on per square foot of **\$300** over a % variance of **0%**
- *Bathroom variance adjustment based on **\$50,000** per bath variance.
- *Parking space adjustment based on **\$50,000** per space variance.

Other types of adjustments as noted below: