



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



60 - 62 Carmelita Street

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

APN:	0864 014	Lien Date:	7/1/2017
Address:	60 - 62 Carmelita Street	Application Date:	3/31/2017
SF Landmark No.:	N/A	Valuation Date	7/1/2017
Applicant's Name:	Patrick Mooney/Steve Tom	Valuation Term	12 Months
Agt./Tax Rep./Atty:	None	Last Sale Date:	9/18/2015
Fee Appraisal Provided:	Yes	Last Sale Price:	\$2,100,000

FACTORED BASE YEAR (Roll) VALUE		INCOME CAPITALIZATION APPROACH		SALES COMPARISON APPROACH	
Land	\$860,948	Land	\$570,000	Land	\$1,425,000
Imps.	\$1,054,250	Imps.	\$380,000	Imps.	\$950,000
Personal Prop	\$0	Personal Prop	\$0	Personal Prop	\$0
Total	\$1,915,198	Total	\$950,000	Total	\$ 2,375,000

Property Description

Property Type:	Multi-Family	Year Built:	1900	Neighborhood:	Hayes Valley
Type of Use:	Multi-Family	(Total) Rentable Area:	2720	Land Area:	2,375
Owner-Occupied:	Yes	Stories:	3	Zoning:	RH-2
Unit Type:	Residential	Parking Spaces:	0 Car Garage In Lieu Of Storage Area		

Total No. of Units: 2

Special Conditions (Where Applicable)

*Prop. 60 (base year transfer) reduction applied for 50% of the property with an event date of 9/18/2015 for the factored base year (roll) value. Further, the factored base year (roll) value included the cost of the alteration/remodel new construction done with a completion date of 9/22/2016.

Conclusions and Recommendations

	Per Unit	Per SF	Total
Factored Base Year Roll Value*	\$957,599	\$704	\$ 1,915,198
Income Approach - Direct Capitalization	\$475,000	\$349	\$ 950,000
Sales Comparison Approach	\$1,187,500	\$873	\$ 2,375,000
Recommended Value Estimate	\$ 475,000	\$ 349	\$ 950,000

Appraiser: Bryan Bibby	Principal Appraiser: Greg Wong	Date of Report: 7/27/2017
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SUBJECT PHOTOGRAPHS AND LOCATOR MAP

Address: 60 - 62 Carmelita Street

APN: 0864 014



60-62 Carmelita Street Building Frontage



62 Carmelita Street Unit Bathroom



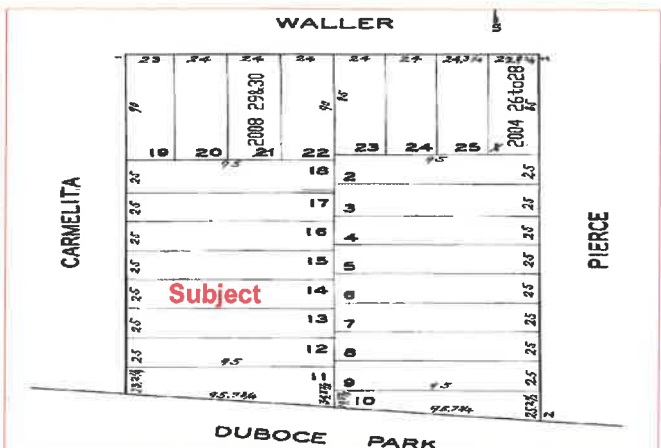
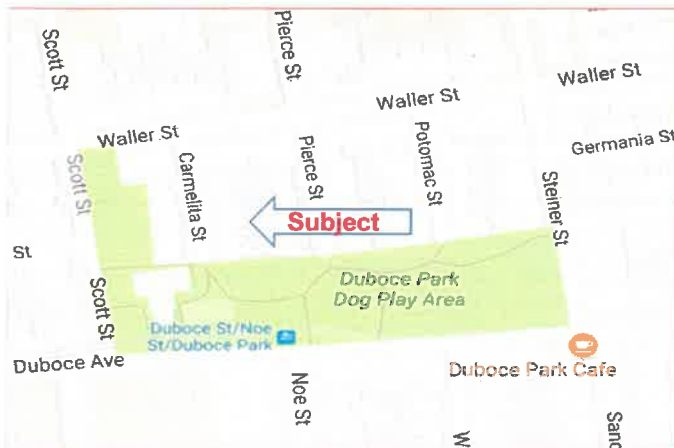
60 Carmelita Street Unit Bathroom



62 Carmelita Street Unit Kitchen



60 Carmelita Street Unit Kitchen



INCOME APPROACH

Address: 60 - 62 Carmelita Street
Lien Date: 7/1/2017

	<u>Monthly Rent</u>		<u>Annualized</u>	
Potential Gross Income	\$8,414	x	12	\$100,968
Less: Vacancy & Collection Loss			3%	<u>(\$3,029)</u>
Effective Gross Income				\$97,939
Less: Anticipated Operating Expenses (Pre-Property Tax)*			15%	<u>(\$14,691)</u>
Net Operating Income (Pre-Property Tax)				\$83,248
<u>Restricted Capitalization Rate</u>				
2017 interest rate per State Board of Equalization			3.7500%	
Risk rate (4% owner occupied / 2% all other property types)			3.1875%	
2016 property tax rate **			1.1792%	
Amortization rate for improvements only				
Remaining economic life (Years)	60	0.0167	0.6667%	
Improvements constitute % of total property value		40%		8.7834%
RESTRICTED VALUE ESTIMATE				\$947,793
ROUNDED TO				\$950,000

Rent Roll as of 7/1/2017

Unit	Bdrm/Ba	SF	Move In Date	Monthly Rent***	Annual Rent	Annual Rent / Foot
62	2/2	1,615	Owner Occupied	\$4,300	\$51,600	\$31.95
60	2/1	1,105	Established	\$4,114	\$49,368	\$44.68
Total:		2,720		\$8,414	\$100,968	\$37.12

Notes:

* Annual operating expenses include water service, refuse collection, insurance, and regular maintenance items. Assumes payment of PG&E by lessee.

** The 2017 property tax rate will be determined in September, 2017. The 2016 tax rate is the most recent established tax rate as of the reporting date and was used for this analysis.

Unit #	SF GLA	Occupancy	Weight	Risk Factor	Overall
62	1,615	Owner	59.38%	4.00%	2.375%
60	1,105	Tenant	40.63%	2.00%	0.81%
	2,720		100.00%		3.188%

*** The fair market rent for the bottom owner's Unit #62 was concluded at \$4,300/month. Individual apartment unit comps showed a monthly rental range of \$4,150 to \$4,400. All rental comps were considered in the subject's projected rent amount due to their similar living area range to the subject's living area. The contract rent for Unit #60 was based on the base amount of \$4,025.78, plus the annual SF Rent Board allowable rent increase as of 3/1/17 in the amount of 2.2% for the current year. Contact rent amount and unit & building living area measurements were based on information taken from the Mills Act Historical Property Contract packet submission by the taxpayer. Of note, the entire building rental comps ranged from an annual rent per square foot of \$35.03 to \$41.11. The subject's entire building rent conclusion of \$37.12 annual rent/square foot was supported by the entire building rental comps.

Rent Comparables

Address: 60 - 62 Carmelita Street

Lien Date: 7/1/2017

Rental Comp #1



Property Rental Type:

Listing Agent:

Address: Paragon Commercial Brokerage, Inc.

Cross Streets: 3912-3914 Cesar Chavez Street

SF: Church Street

Layout: 2 units: 2/2/1, 2 car parking

Monthly Rent: \$8,050

Rent/Foot/Mo: \$3.43

Annual Rent/Foot: \$41.11

Rental Comp #2



2 Unit Entire Building

Keller Williams

622-624 Haight Street

Pierce Street

3,000

2 units: 2/3/2; 2 car parking (+gr.flr area)

\$9,583

(income incl. unwarranted gr.flr.area)

\$3.19

\$38.33

Rental Comp #3



2 Unit Entire Building

Pacific Union International Inc.

432-434 Hugo Street

5th Avenue

2,750

2 units: 1/4/3.5, 1/3/1.5, no car parking

\$8,699

\$3.16

\$37.96

Rental Comp #4



2 Unit Entire Building

Hill & Co.

452-454 Lily Street

Buchanan Street

2,112

2 units: 1/2/1; 1/1/1, no car parking

\$6,165

\$2.92

\$35.03

Rental Comp #5



Individual Apartment Unit

Zillow Listing Manager

271 Castro Street, Apt #4

Beaver Street

1,300

Apartment Unit: 2/1, no car parking

Rental Comp #6



Individual Apartment Unit

Park North Real Estate

618 Diamond Street

Elizabeth Street

1,382

Apartment Unit: 2/1, 1 car parking

Rental Comp #7



Individual Apartment Unit

Zephyr Real Estate

1309A Hayes Street

Divisadero Street

1,740

Apartment Unit: 3/1, no car parking

Rental Comp #8



Individual Apartment Unit

McGuire Real Estate





4409 20th Street

Diamond Street

1,440

Apartment Unit: 2/1, 1 car parking

RESIDENTIAL INCOME PROPERTY MARKET ANALYSIS

APN	SUBJECT-A 0964 014	COMPARABLE SALE 1-B 0622 036	COMPARABLE SALE 2-C 3557 038	COMPARABLE SALE 3-D 2770 011
				
Address	60 - 62 Carmelita Street	929 931 Hayes Street	1931-1933 15th Street	3900-3902 22nd Street
Sales Price		\$2,710,000	\$2,395,000	\$2,300,000
\$ / GBA		\$648	\$928	\$849
\$ / Unit		\$1,355,000	\$1,197,500	\$1,150,000
Annual Gross Income (PGI)		N/A	N/A	N/A
GIM		N/A	N/A	N/A
Avg Monthly Rent/Unit		N/A	N/A	N/A
Lien Date / Date of Sale	07/01/17	06/07/17	04/12/17	04/12/17
Neighborhood	Hayes Valley	Alamo Square	Mission Dolores	Eureka Valley/Dolores Heights
Proximity to Subject		Within Reasonable Proximity	Within Reasonable Proximity	Within Reasonable Proximity
Site (sq.ft.)	2,375	3,436	1,751	1,873
Year Built	1900	1909	1905	1907
Condition	Good/Updates	Average	Good/Updates	Good/Updates
Traffic	Typical	Typical	Typical	Typical
Gross Bldg. Area	2,720	4,185	2,580	2,423
Residential Unit Breakdown	No. of Units	No. of Units	No. of Units	No. of Units
	1	1	1	1
	2	2	2	2
	3	3	3	3
Total	Room Count	Room Count	Room Count	Room Count
	Total	Total	Total	Total
	6	7	5	6
	5	6	4	3
Parking Spaces/Storage Area	0 Parking Spaces in Lieu Of Storage Area	0	2	2
	Net Adj. (total)			
	ADJ. SALES PRICE	\$2,375,000	\$2,438,000	\$2,304,000
	Adj. \$ Per Foot	\$873	\$966	\$947
REMARKS				
The subject's property features were based on listing data, recent building permits and plans with completed DBI permits as of the subject's valuation date & a taxpayer supplied appraisal report. The lower unit was recently updated with a relocated kitchen & bath and a new basement living area with new infill area and connecting internal stairs. Further, a newly converted storage area was given some value on the parking space line item for the subject's storage area amenity.				
Site size adj. warranted for all comps and was adj. at \$30/sf. GBA adj. warranted on all comps and adj. at \$300/sf. Full bath adj. based on \$40,000 each. Half bath adj. based at \$20,000 each. Comp #1 was considered in overall inferior condition to the subject's property condition. Comp #1 was adj. at 5% of the sales price to account for the condition variance. Parking space adj. based at \$40,000 each. The subject's storage area was given a value of \$20,000. This amount was taken into account on the Parking Spaces/Storage Area line item in the grid above.				
All comparables were given equal consideration in the final value conclusion. All comps bracket the sales prices and adj. sales prices of the subject's FMV conclusion.				
THE ESTIMATED MARKET VALUE AS OF:				
		1-Jul-17	IS	
			Land	\$1,425,000
			Improvements	\$950,000
			TOTAL	\$2,375,000



SAN FRANCISCO PLANNING DEPARTMENT

PRE-APPROVAL INSPECTION REPORT

Report Date: May 31, 2017
Inspection Date: May 17, 2017; 5:15pm
Case No.: 2017-004959MLS
Project Address: 60-62 Carmelita Street
Zoning: RH-2 (Residential-House-Two Family)
Height & Bulk: 40-X
Block/Lot: 0864/014
Eligibility: Duboce Park Historic District Contributor
Property Owner: Patrick Mooney
Stephen G. Tom
Address: 62 Carmelita Street
San Francisco, CA 94117
Staff Contact: Shannon Ferguson – (415) 575-9074
shannon.ferguson@sfgov.org
Reviewed By: Tim Frye – (415) 575-6822
tim.frye@sfgov.org

PRE-INSPECTION

☒ Application fee paid

☐ Record of calls or e-mails to applicant to schedule pre-contract inspection

5/10/17: email property owner to schedule site inspection

5/11/17: email to confirm site inspection

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

INSPECTION OVERVIEW

Date and time of inspection: May 17, 2017; 5:15pm

Parties present: Patrick Mooney (property owner), Shannon Ferguson and Ali Kirby (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**

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | Does the application and documentation accurately reflect the property's existing condition? If no, items/issues noted: |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | Does the proposed scope of work appear to meet the Secretary of the Interior's Standards? If no, items/issues noted: Garage; maintenance plan for exterior and terrazzo steps needed |
| <input type="checkbox"/> Yes | <input type="checkbox"/> 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: n/a |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | Conditions for approval? If yes, see below. |

NOTES AND RECOMMENDATIONS

CONDITIONS FOR APPROVAL

Remove garage from Rehabilitation plan. Maintenance plan must include inspection and repairs as necessary of stucco cladding on façade, wood siding on elevations, and terrazzo steps.

PHOTOGRAPHS



Mills Act Pre-Approval Inspection Report
May 31, 2017

Case Number 2017-004959MLS
60-62 Carmelita Street



PATRICK MOONEY & STEVE TOM

62 CARMELITA STREET, SAN FRANCISCO, CA 94117 415.255.4892 email: pmmsfo@gmail.com

April 9, 2017

San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

VIA: USPS Certified/Return receipt mail

RE: Mills Application/Contract/Support documents for 60-62 Carmelita Street, San Francisco, CA 94117

To whom it may concern:

Please find the previously mentioned executed Mills Application and Contract for 60-62 Carmelita Street, San Francisco, CA 94117 for your perusal and follow through. In addition, please find the following enclosed:

- CD containing electronic images of the previously mentioned Application and Contract.
- Two checks:
 - Mills Application Fees in the amount of \$2,774.00 made payable to San Francisco Planning Department
 - Recording Fees in the amount of \$57.00 made payable to Office of the Assessor-Recorder
- Draft Rehabilitation/Restoration and Maintenance Plans
- Photographic Documentation
- Site Plan
- Tax Bills
- Rental Income Information
- Preliminary Change of Ownership Report

Should you have any questions or need any additional assistance to process this application, please do not hesitate to contact us.

Sincerely,



Patrick M. Mooney

Enclosures

60-62 Carmelita Street, San Francisco
Mills Act Application



MILLS ACT HISTORICAL PROPERTY CONTRACT

Application Checklist:

Applicant should complete this checklist and submit along with the application to ensure that all necessary materials have been provided. Saying "No" to any of the following questions may nullify the timelines established in this application.

1 Mills Act Application	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Has each property owner signed? Has each signature been notarized?	
2 High Property Value Exemption Form & Historic Structure Report	YES <input type="checkbox"/> NO <input type="checkbox"/>
Required for Residential properties with an assessed value over \$3,000,000 and Commercial/Industrial properties with an assessed value over \$5,000,000. Have you included a copy of the Historic Structures Report completed by a qualified consultant?	
3 Draft Mills Act Historical Property Contract	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Are you using the Planning Department's standard "Historical Property Contract?" Have all owners signed and dated the contract? Have all signatures been notarized?	
4 Notary Acknowledgement Form	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Is the Acknowledgement Form complete? Do the signatures match the names and capacities of signers?	
5 Draft Rehabilitation/Restoration/Maintenance Plan	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Have you identified and completed the Rehabilitation, Restoration, and Maintenance Plan organized by contract year, including all supporting documentation related to the scopes of work?	
6 Photographic Documentation	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Have you provided both interior and exterior images (either digital, printed, or on a CD)? Are the images properly labeled?	
7 Site Plan	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Does your site plan show all buildings on the property including lot boundary lines, street name(s), north arrow and dimensions?	
8 Tax Bill	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Did you include a copy of your most recent tax bill?	
9 Rental Income Information	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Did you include information regarding any rental income on the property, including anticipated annual expenses, such as utilities, garage, insurance, building maintenance, etc.?	
10 Payment	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Did you include a check payable to the San Francisco Planning Department? Current application fees can be found on the Planning Department Fee Schedule under Preservation Applications.	
11 Recordation Requirements	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
<p>A Board of Supervisors approved and fully executed Mills Act Historical Property contract must be recorded with the Assessor-Recorder. The contract must be <u>accompanied</u> by the following in order to meet recording requirements:</p> <ul style="list-style-type: none"> - All approvals, signatures, recordation attachments - Fee: Check payable to the Office of the Assessor-Recorder" in the appropriate recording fee amount. Please visit www.sfassessor.org for an up-to-date fee schedule for property contracts. - Preliminary Change of Ownership Report (PCOR). Please visit www.sfassessor.org for an up-to-date PCOR (see example on page 20). 	