



LOWER NOB
HILL HOTEL/SRO
WITH 13 UNITS

OFFERING MEMORANDUM

THE BLUE HOTEL

ENTIRE BUILDING FOR SALE



STARBOARD CRE

LOCAL · INDEPENDENT · ENTREPRENEURIAL

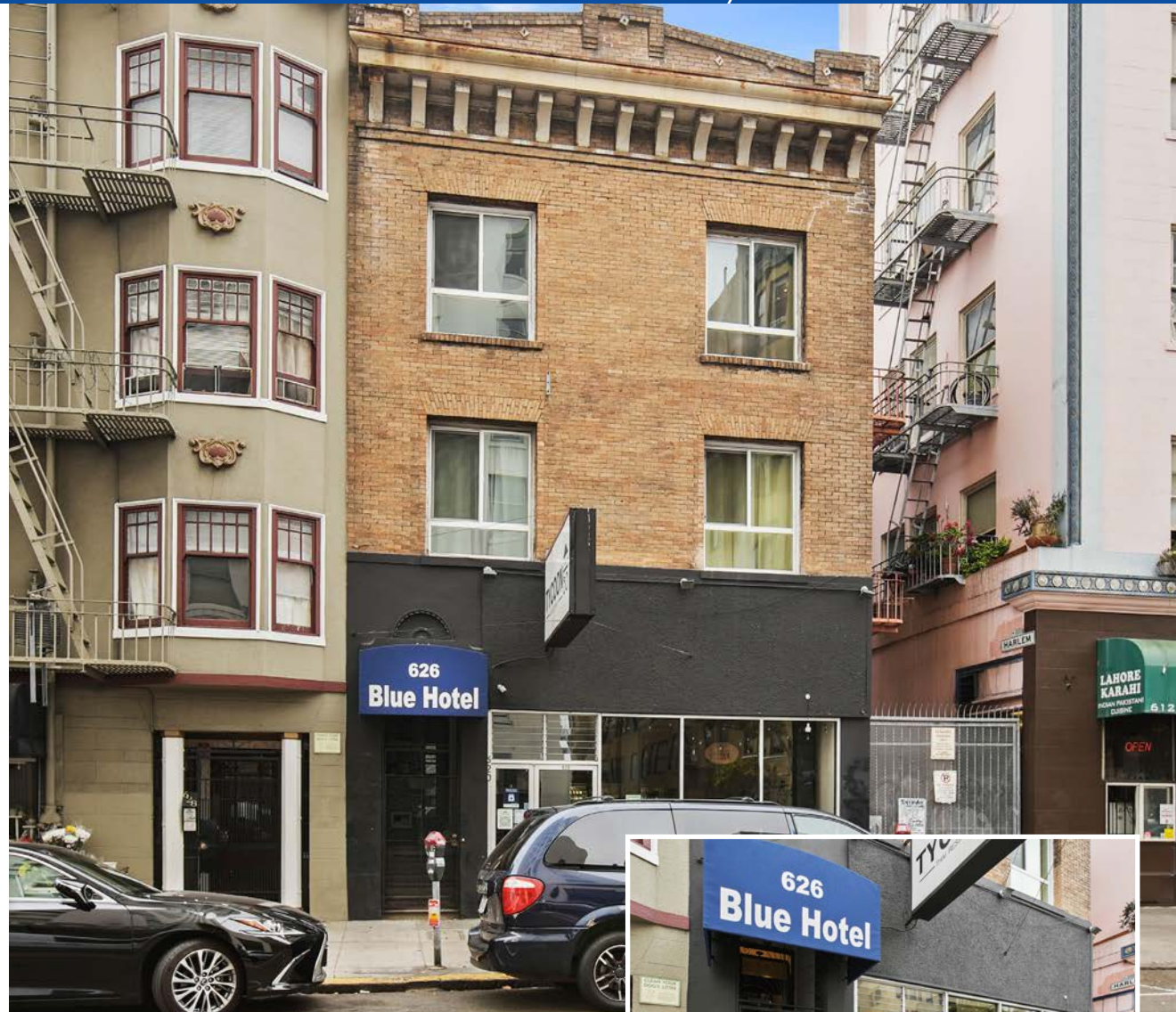
Welcome to The Blue Hotel. A Unique opportunity to purchase a Hotel/SRO with 13 units. 7 of units are tourist guest rooms with 6 SRO Units. The Units will be delivered vacant which allows an operator to renovate and increase cash flow. The ground floor restaurant allows for income with 3 years left on the lease.

620-626 O' FARRELL ST.

Square Ft.	± 4,220 SF
Zoning	RC-4
Purchase Price	\$2,950,000

HIGHLIGHTS

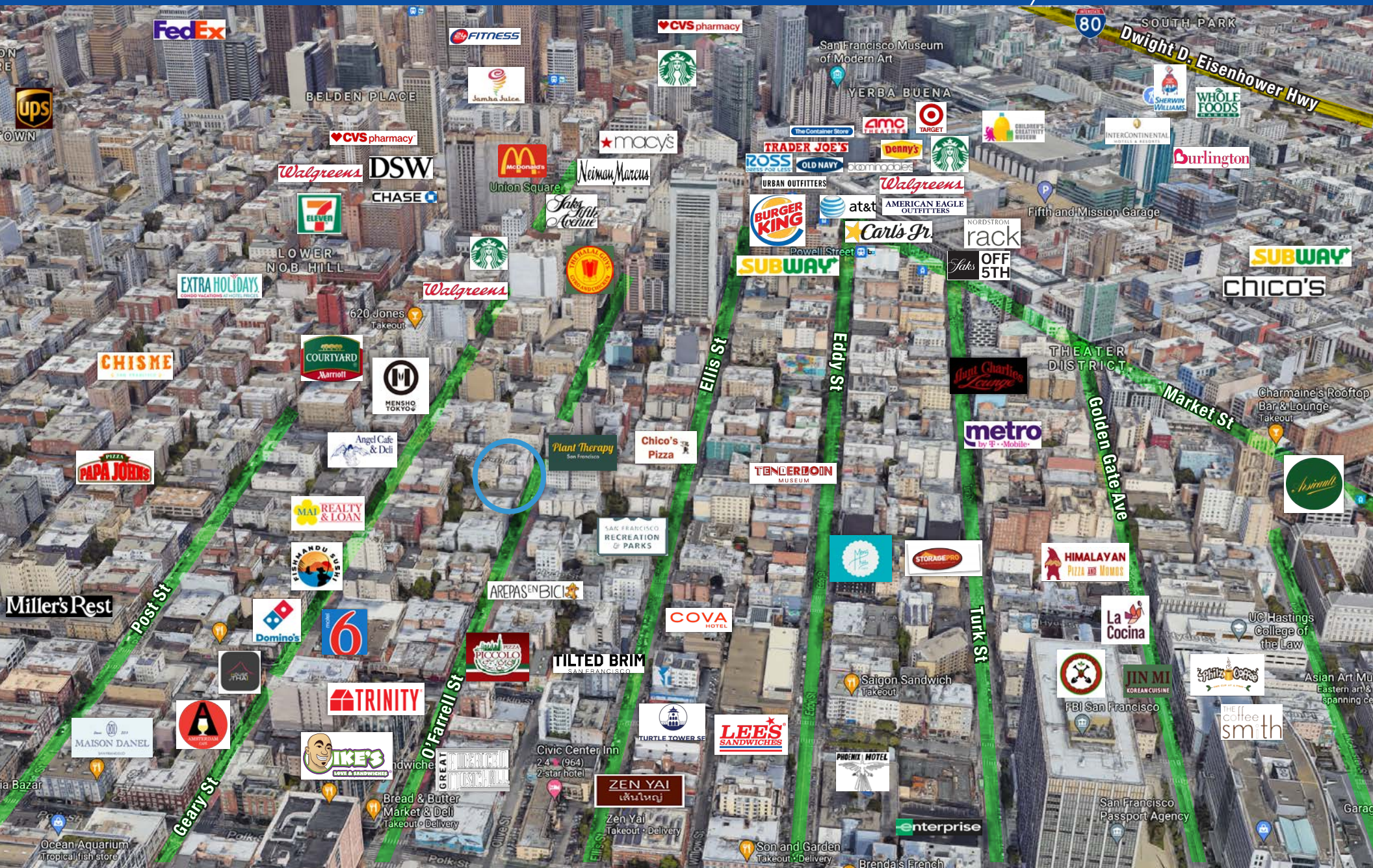
- ✓ 13 Room Hotel/ SRO
- ✓ Delivered Vacant
- ✓ Lower Nob Hill Location with access to Union Square
- ✓ Common area kitchen
- ✓ Access to Public Transit
- ✓ Allows new operator to renovate and put their own touch on the property



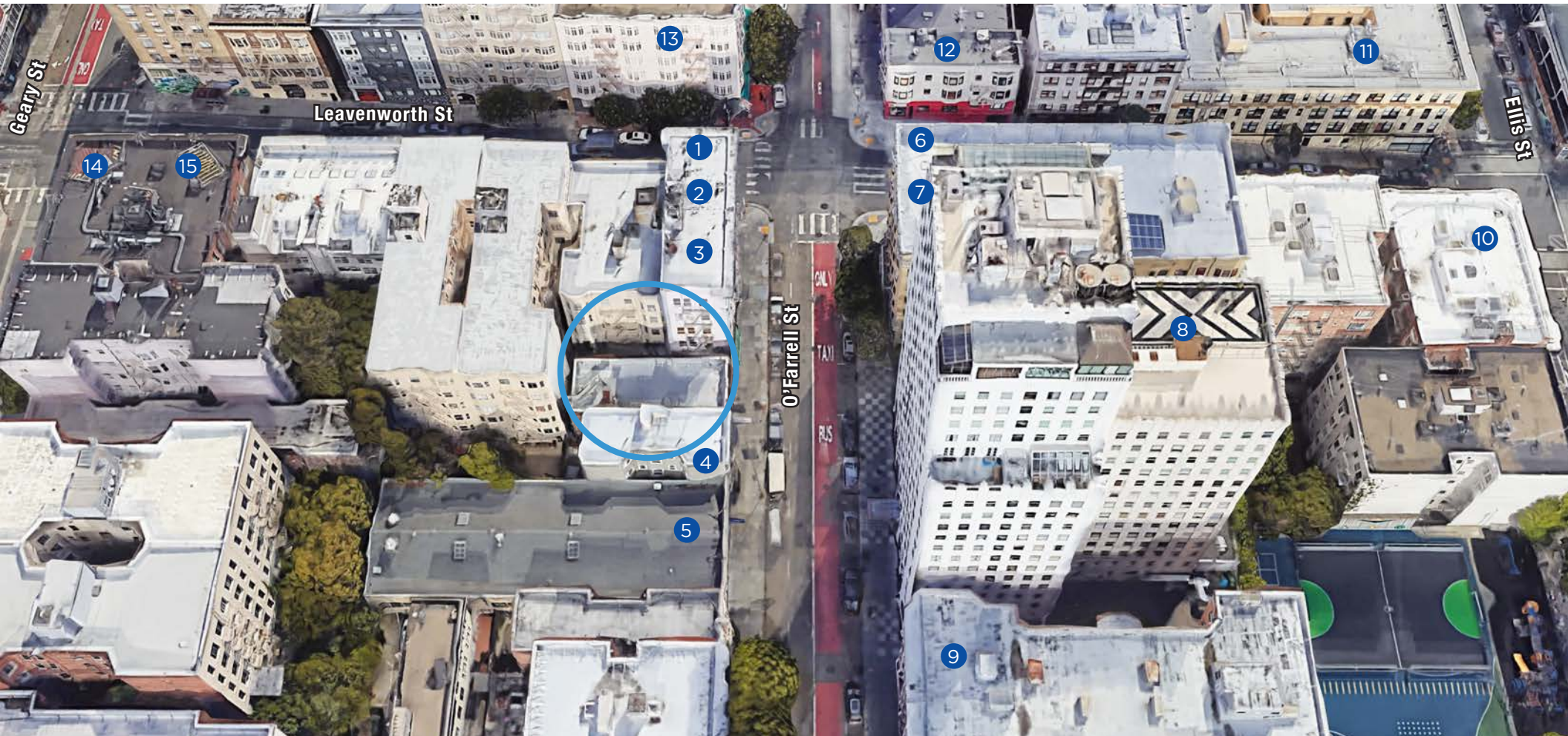


Macro Points of Interest

FOR SALE



- 1 DEENA'S MARKET AND SMOKE SHOP
- 2 ADMIRAL HOTEL
- 3 LAHORE KARAH
- 4 MARINA FLORAL DESIGN
- 5 PUTNAM SUBARU SERVICE CENTER
- 6 BLU CLEANERS
- 7 GOLDEN GATE RIDES BIKE SALES
- 8 DONG BAEK
- 9 CORNELIA SUITES
- 10 AMIGO'S MARKET
- 11 TADU ETHIOPIAN KITCHEN
- 12 EL TESORO TAQUERIA & GRILL
- 13 MI REYNA MARKET
- 14 ELEPHANT SUSHI
- 15 BARNZU KOREAN RESTAURANT



Purchase Price	\$2,950,000	Property Address	620 O'Farrell San Francisco CA
Improvements		Building Size (s.f.)	7,047
Other		Price Per Sq. Ft.	\$319.00
Total Project Cost	\$2,950,000		

SBA 504 Financing Structure

Source of Funds	% of Total Project	Amount	Rate	Amortization	Maturity	Monthly Payment
Bank (1st)	50%	\$1,475,000	4.00%	25	10	\$7,786
SBA (2nd)*	35%	\$1,062,500	2.89%	25	25	\$4,978
Down Payment	15%	\$442,500				
* Includes financed SBA fee of \$30,000						Total Monthly Payment \$12,764

Monthly Ownership Costs vs. Out of Pocket Costs

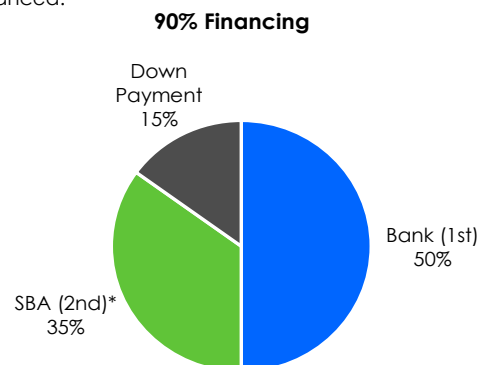
Monthly Ownership Costs	Amount	Out of Pocket Costs	Amount
Mortgage Payments	\$12,764	Down Payment	\$442,500
Insurance & Property Tax	\$3,196	Estimated Bank Fees	\$7,375
Average Principal paydown benefit	(\$5,373)	Appraisal & Environmental Reports	\$5,100
Total <u>Effective</u> Monthly Ownership Costs	\$10,586	Total Out of Pocket Costs	\$454,975

Assumptions

The following assumptions were used for this scenario, and can be modified if there are any specific values you would like to use.

- Bank rate, terms, and fees are estimates and vary depending on lender.
- SBA fee is 2.65% of the SBA loan amount plus a \$2,000 attorney flat fee. These fees are financed.
- The current SBA rate is used here. Actual rate is set at debenture sale at time of funding.
- All costs and expenses are estimates.
- Bank Fees are estimated at .5% of bank loan amount.
- Insurance & Property Tax estimated at 1.3% of purchase price.
- Effective cost of ownership is Total Monthly Payment less annual Principal paydown.

*** prepared 8/26



For more information contact:

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