



893

Folsom Street

San Francisco, CA 94107

For Sale

\$4.8 M

Great owner-user opportunity
with SBA financing available.

Hans Hansson

hans@starboardcre.com
415.517.2589

Craig Hansson

craig@starboardcre.com
415.710.7768



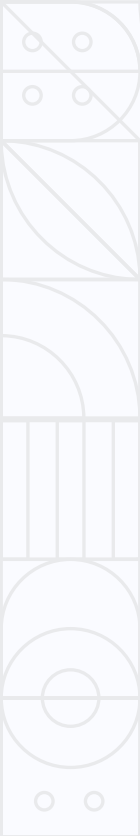
893 Folsom Street

RBA :	12,700 SF
Land Area:	0.20 AC
Zoning:	MU-R
Floors:	2
Percent Leased:	66.35%
Type:	Office/Flex

Suite A - Matterport

Suite B - Matterport

Suite C - Matterport



HIGHLIGHTS

- **Asking Price: \$4.8 Million**
- **SBA Financing Available**
- **Ideal for Owner-Users**
- 893 Folsom Street offers a 66% occupied 12,700-SF modern office on a signalized corner in the South of Market neighborhood.
- Less than 5 minutes from I-80, with direct exposure to Folsom and 5th Streets, providing combined visibility to over 40,000 passing vehicles daily.
- Turnkey space with modern office finishes, high ceilings, large skylights with great natural light, collaborative conference rooms, and a kitchenette.
- Walking distance to the San Francisco Centre Mall, the Yerba Buena Gardens, the Moscone Convention Center, the San Francisco Mint, and much more.
- Within walking distance of stops for the BART and Caltrain rail lines, providing quick and easy public transit options.
- A growing 2-mile population of more than 296,000 provides a strong workforce pipeline, with 56% of residents carrying a bachelor's degree or higher.



DESCRIPTION

Starboard Commercial Real Estate is pleased to present the opportunity to acquire 893 Folsom Street, a modern meeting and event center with a prime location in San Francisco, California's South of Market neighborhood. This 12,700-square-foot two-story office was originally constructed on the 0.2-acre lot in 1925 and currently sits 64% occupied, with the first and third floors fully leased by a single tenant.

Modern features throughout 893 Folsom Street include roll-up doors, high ceilings, private offices, conference rooms, kitchenettes, great natural lighting, and contemporary interior finishes. Additionally, all suites boast unique points of entry. This rare offer provides turnkey office space with high-end finishes, allowing a new user to secure first-rate space for business operations with the opportunity for easy future expansion while benefitting from income from the existing tenant. There is additional upside for a value-add investor looking to lease the property to improve cash flow further.

893 Folsom Street enjoys a highly accessible location just off the corner of 5th and Folsom Streets in the South of Market (SoMa) neighborhood, less than five minutes from connections to Interstate 80. The high-traffic arteries provide excellent exposure, offering combined visibility to over 40,000 passing vehicles each day. The building is also proximate to several stops for BART and Caltrain lines, providing convenient public transit options and ensuring quick and easy commutes.



SBA FINANCING



SBA 504 Loan Sample Structure

Prepared for: [Starboard CRE](#)
 Property Address: [893 Folsom St, SF](#)
 Date Prepared: [6/26/2024](#)

Project Details			
Purchase Price	\$4,800,000	Property Address	893 Folsom St, SF
Improvements		Building Size (s.f.)	12,000
		Price Per Sq. Ft.	\$400.00
Total Project Cost	\$4,800,000		

SBA 504 Financing Structure							
Source of Funds	% of Total Project	Amount	Rate	Amortization	Maturity	Monthly Payment	
Bank (1st)	50%	\$2,400,000	6.40%	25	25	\$16,055	
SBA (2nd)*	40%	\$1,966,000	6.35%	25	25	\$13,091	
Down Payment	10%	\$480,000					
* Includes financed SBA fee of \$46,000							
						Total Monthly Payment	\$29,146
						Total Payment PSF	\$2.43

Monthly Ownership Costs		Out of Pocket Costs	
Mortgage Payments	\$ 29,146	Down Payment	\$480,000
Insurance & Property Tax	\$ 5,200	Estimated Bank Fees	\$18,000
Total Monthly Cash Outlay:	\$ 34,346	Appraisal & Environmental Reports	\$5,400
Average Principal Paydown Benefit:	\$(6,120)	Total Out of Pocket Costs	\$503,400
Total Effective Monthly Costs:	\$ 28,227		

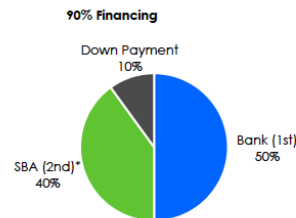
Assumptions

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 2.15% of the SBA loan amount plus a \$3,500 attorney flat fee and \$1,000 documentation 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. This breakdown does NOT include Title & Escrow Closing Costs, which are additional Out of Pocket Costs.
- Bank Fees are estimated at .75% 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.

For more information contact:

Jenny Tice
 Capital Access Group
 VP, Business Development
 415-217-7601
jtice@capitalaccess.com



150 California Street, Suite 250 | San Francisco, CA 94111
 tel 415 217 7600 fax 415 217 7610 web CAPITALACCESS.COM

COST SEGREGATION

Teaming Up

Tax Savings Projection

The estimated cost savings by doing a Cost Segregation Study on your property located at: 893 Folsom, San Francisco, CA

Building Cost

Cost	\$ 4,800,000
Year of Purchase	2024
Tax Year	2024

Regular Depreciation

39 year	\$ 125,641
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Cost Segregation

60% Bonus Depreciation	\$ 548,800
39-year Depreciation	\$ 111,569
Cost Seg Depreciation	\$ 660,369

Estimated Tax Rate	39%
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Projected Net Tax Savings	\$ 257,544
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WHAT IS COST SEGREGATION?

Cost Segregation is an application by which commercial property owners can accelerate depreciation and reduce the amount of taxes owed. This generates substantial cash flow that owners can reinvest in the business, purchase more property, apply to their principal payment, or spend on themselves. HOW DOES COST SEGREGATION WORK? Expert Management Professionals, as an experienced and qualified company, performs the cost segregation study on your property. The study accelerates the depreciation of your building/renovation components into shorter depreciation categories such as 5-, 7-, 15-year rather than conventional 27.5- and 39-year schedules. Examples include decorative building elements, electrical for dedicated computer equipment, and carpet. Also, site utilities, landscaping and paving. The cost segregation study results in a much higher depreciation expense and significantly reduces taxable income. It can be applied to buildings purchased or built since 1986, including renovations, and there is no need to amend your tax returns.

- Here is a conservative estimate of the results of a comprehensive cost segregation study on your property. Once completed the tax savings may fluctuate to a higher or lower degree. Please contact me for details on completing a cost segregation study on this property.

Na'Varo Johnson, Cost Segregation Tax Specialist (415) 969-6160

Expert
Management
Professionals

EXPERTMGMTPROS@GMAIL.COM

IMAGES

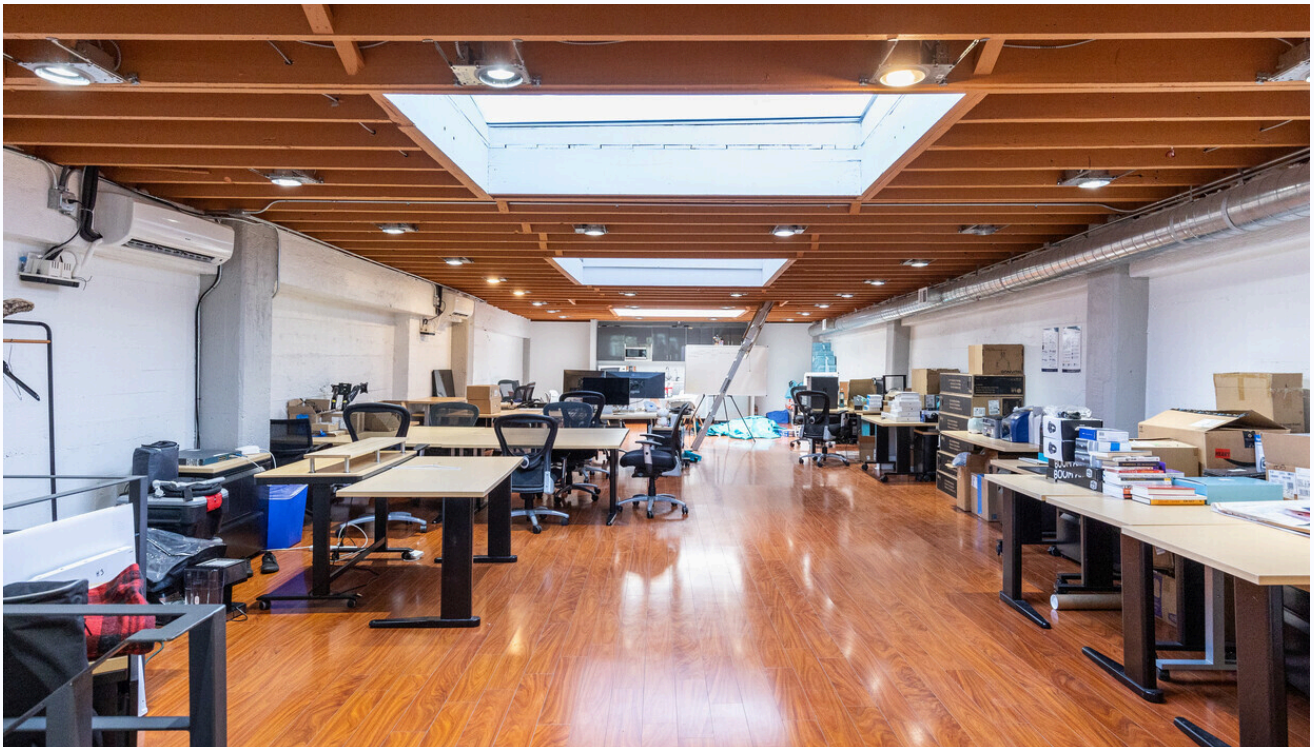


STARBOARDCRE.COM | M. 415-710-7768 | E: CRAIG@STARBOARDCRE.COM
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IMAGES



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AGENTS



Hans Hansson

President / Broker of Record
hans@starboardcre.com
CELL: 415.517.2589
CA DRE # 00872902

Call

View Profile



Craig Hansson

Vice President
craig@starboardcre.com
CELL: 415.710.7768
CA DRE #01841643

Call

View Profile





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STARBOARDCRE.COM
49 POWELL STREET, SAN FRANCISCO, CA 94102



Unique Vision

We see what others miss

Local Market Leader

No one knows Northern
California like we do

Full-Service Firm

We do it all

Locally based, and technology-forward, our brokers are highly qualified experts backed by a full-service, in-house support team who understand the intricacies of San Francisco real estate. Starboard CRE brings decades of brokerage experience representing over 600 million square feet of space with an aggregate lease value of over 10 billion and investments sold over 3 billion.



CA DRE# 01103056