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**Pacific Financial Group**  
Real Estate Loans, Investments, Insurance

*Investment Newsletter*  
October 31, 2016

## INVESTMENT SPOTLIGHT



**Summary:** Pacific Financial Group is pleased to announce the sale of a 6-unit apartment building located in the Inner Sunset District of San Francisco, one-half block from the UCSF Medical Center. The three story building consists of two 1 bedroom/1 bathroom units per floor and four car parking garage, with an interior courtyard opening up to natural sunlight. Subject is also listed on SF's soft story list, allowing for the potential redevelopment of the interior garage space into an in-law unit. Unit rents were approx. 47% below market if leased as 1 bedroom units and approx. 81% below market if re-configured and leased up as 2 bedroom units. A small patio and approx. 350 sf building was also located at the rear of the property. The seller is an overseas buyer who purchased the property in 2010 for \$1.6 million. At the time the seller expressed an interest in listing the property for sale, it was being poorly run by a property manager unwilling to cooperate. Pacific Financial Group worked with the seller and previous management company to transition the property to a new management company, Raymond Property Management, who did an excellent job managing the property and preparing it for sale. The initial offering price was unreasonably high with no sales comps to support the seller's value, so it took several months of little or no activity for the seller to reduce his offering price and to start considering all reasonable offers in the market price range for similar properties. The seller eventually accepted an offer from a local apartment investor with many decades of experience. Buyer's willingness to cooperate with the seller on his exchange and extend the close of escrow out to 90 days also helped. While Pacific Financial Group offered equally competitive financing terms, the buyer chose to secure a loan from their lender with whom they have an existing relationship.

**Sales Price:** \$2,775,000

**Property Type:** 6-Unit Apartment Building

**Location:** San Francisco County / Inner Sunset District

**Purpose:** Reinvestment/1031 Exchange

**GRM:** 18.86

**Current Cap:** 2.46%

**Proforma Cap:** 5.13% to 6.59%

**Proforma GRM:** 10.93 to 14.81

Price per Sq. Ft.: \$462.50

If you or someone you know might need our services, please forward this email to them or contact us for a loan quote specific to a property at (415) 680-0121.

**Ask us about our [low cost apartment loans](#) and our generous referral fees for 5+ multifamily and commercial real estate loans!**



## ABOUT OUR SERVICES

Pacific Financial Group is a full-service brokerage firm dedicated to providing clients with real estate loans, investment advice, financial planning and insurance services. Our success is the result of our client-focused commitment, professional integrity, industry and market knowledge and unique private banking approach to understanding the financial needs of our clients and delivering specifically tailored solutions. **Visit our website to obtain additional information about the types of [investment advice](#) and [insurance services](#) we offer.**

## APARTMENT LOAN PROGRAMS

**Hot Money: We offer low cost apartment loans from \$500K & up in California. No origination fees, no lender fees and capped closing costs!**

We are pleased to provide access to a large selection of 5+ unit multi-family loan programs from which to choose so you are assured of finding one that is best suited to meet your particular investment objectives. Drawing from our diverse pool of capital sources, your loan program options are limitless. **Visit our website to obtain additional information about available apartment loan programs and interest rates.**

## COMMERCIAL LOAN PROGRAMS

**Hot Money: Ask use about CRE loans for properties occupied by marijuana dispensaries or cultivators from \$1MM & up in California. Fixed rate loans with interest rates starting in the mid 6's with 25-30 year amortizations.**

We understand the importance of finding the best available financing to maximize your return on investment and have access to a large selection of commercial loan programs for office, retail, single tenant, self storage, industrial, hospitality, mixed use and owner-occupied commercial buildings, so you are assured of finding one that is best suited to meet your particular investment objectives. Commercial loans are available from a diverse pool of capital sources which include local and regional banks, credit unions, life insurance companies, conduits, pension funds and private investors. **Visit our website to obtain additional information about available commercial loan programs and interest rates.**

## RESIDENTIAL LOAN PROGRAMS

We have access to over 30 lenders that offer a variety of loan program options for owner-occupied residences, 2nd homes or 1-4 investment properties. Why limit yourself and deal with one lender when you can have access to a diverse pool of lenders with much more loan program options from which to choose? Below are some of the loan program features currently offered:

- Loans to single member LLC's and revocable trusts
- Stated income and interest only loans
- Debt ratios up to 50%
- Loan amounts up to \$3,000,000
- 100% gift toward a purchase down payment
- No monthly M.I. options available
- No income verification for investor properties / unlimited # of properties financed
- Low down payment loan programs for first-time home buyers (conventional & jumbo)
- Delayed purchase financing
- Unlimited cash out

**Call us today to discuss your specific loan needs.**

**Samuel A. Shummon, J.D.**

Principal & Managing Broker

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*STAY CONNECTED*

