OFFERING MEMORANDUM

734–740 Broadway

Lorraine Hotel · San Francisco, CA 94133

A 57-Room Residential Hotel (SRO) + 2 Commercial Suites
Value-Add Repositioning on the North Beach / Chinatown Border

OFFERED AT

$5,880,000

GOLDEN GOOSE PARTNERS
A real estate relationship.

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CONFIDENTIALITY & DISCLAIMER

Please Read Before Proceeding

This Offering Memorandum has been prepared by Golden Goose Partners solely for the use of prospective purchasers in evaluating a possible acquisition of 734–740 Broadway, San Francisco, CA 94133. It contains selected information and does not purport to be all-inclusive or to contain all information a prospective purchaser may require.

The information herein has been obtained from sources believed to be reliable — including the owner's rent roll (as of April 1, 2026) and trailing operating statements — but Golden Goose Partners and the Seller make no representation or warranty, express or implied, as to its accuracy or completeness. All projections, pro forma figures, and stabilized valuations are estimates based on assumptions that may not materialize, and are not a guarantee of future performance.

Property taxes will reassess upon sale under California law; the estimated new-basis tax is reflected in the pro forma but should be independently verified. The property is a designated residential hotel subject to San Francisco's Residential Hotel Unit Conversion & Demolition Ordinance and to local rent stabilization — in-place tenancies cannot be raised to market except upon vacancy. Prospective purchasers must conduct their own independent investigation and rely solely on their own due diligence.

All interior and rooftop images in this memorandum are AI-generated, digitally staged renderings created to illustrate the property's repositioning potential — they do not depict existing conditions. Only the building exterior is shown as-is.

AT A GLANCE

ASSET
57-room SRO + 2 retail

ADDRESS
734–740 Broadway

OFFERED AT
$5,880,000

IN-PLACE OCC.
34 of 57 rooms

VACANT
23 rooms (40%)

ZONING
CCB- Chinatown-Community Business

01 EXECUTIVE SUMMARY

The Opportunity in Brief

$5.88M	40%	7.7×	$7.2M+
OFFERING PRICE	ROOMS VACANT	STABILIZED GRM	STABILIZED VALUE
$103,200 / room	*23 of 57 — lease-up ready*	*at $1,500 lease-up rents*	*23 vacants @ $1,500 · 6.5% cap*

Why this deal

- A 57-room residential hotel two blocks from the North Beach / Chinatown core, with a clear repositioning vision — rooftop lounge, communal kitchens, and modern furnished rooms — shown in the accompanying renderings.
- 34 rooms are leased and generating $377K/yr; 23 rooms sit vacant — the entire value-add thesis lives inside the existing walls, with no new construction required.
- Renovate and lease the 23 vacant rooms to a $1,500 market rent and stabilized value reaches roughly $7.2M–$8.0M — above the ask — with further upside as in-place units turn to market over the hold.
- Two ground-floor retail suites (Hai Feng Chinese Herbal) add a stable ≈$2,900/mo of non-residential income.

Rendering · envisioned rooms

02

PROPERTY OVERVIEW

A 57-Room SRO With Immediate Upside

PROPERTY	Lorraine Hotel — residential hotel (SRO)
ADDRESS	734–740 Broadway, San Francisco 94133
RESIDENTIAL UNITS	57 single-room-occupancy rooms
OCCUPIED / VACANT	34 leased · 23 vacant (40%)
COMMERCIAL	2 ground-floor retail suites
ZONING	CCB — Chinatown-Community Business
HEIGHT / BULK	65-N · 5 stories over ground-floor retail
SPECIAL USE	Group Housing SUD · Priority Equity Geog.
EST. BUILDING AREA	≈14,000 gross SF (approx., verify)
TENURE	Rent-stabilized · residential hotel (Ch. 41)

734–740 Broadway · Broadway frontage

57 SRO ROOMS

34 LEASED TODAY

23 LEASE-UP READY

Zoning supports the use: *CCB zoning and a Group Housing Special Use District align with the residential-hotel / group-housing program — the repositioning conforms to existing use. Ground-floor retail (Hai Feng Herbal at 734 to 2030, plus a 736 suite) adds ≈$2,900/mo of stable income.*

03

LOCATION

North Beach Meets Chinatown

Rendering · envisioned rooftop outlook toward Coit Tower & the bay

Where it sits

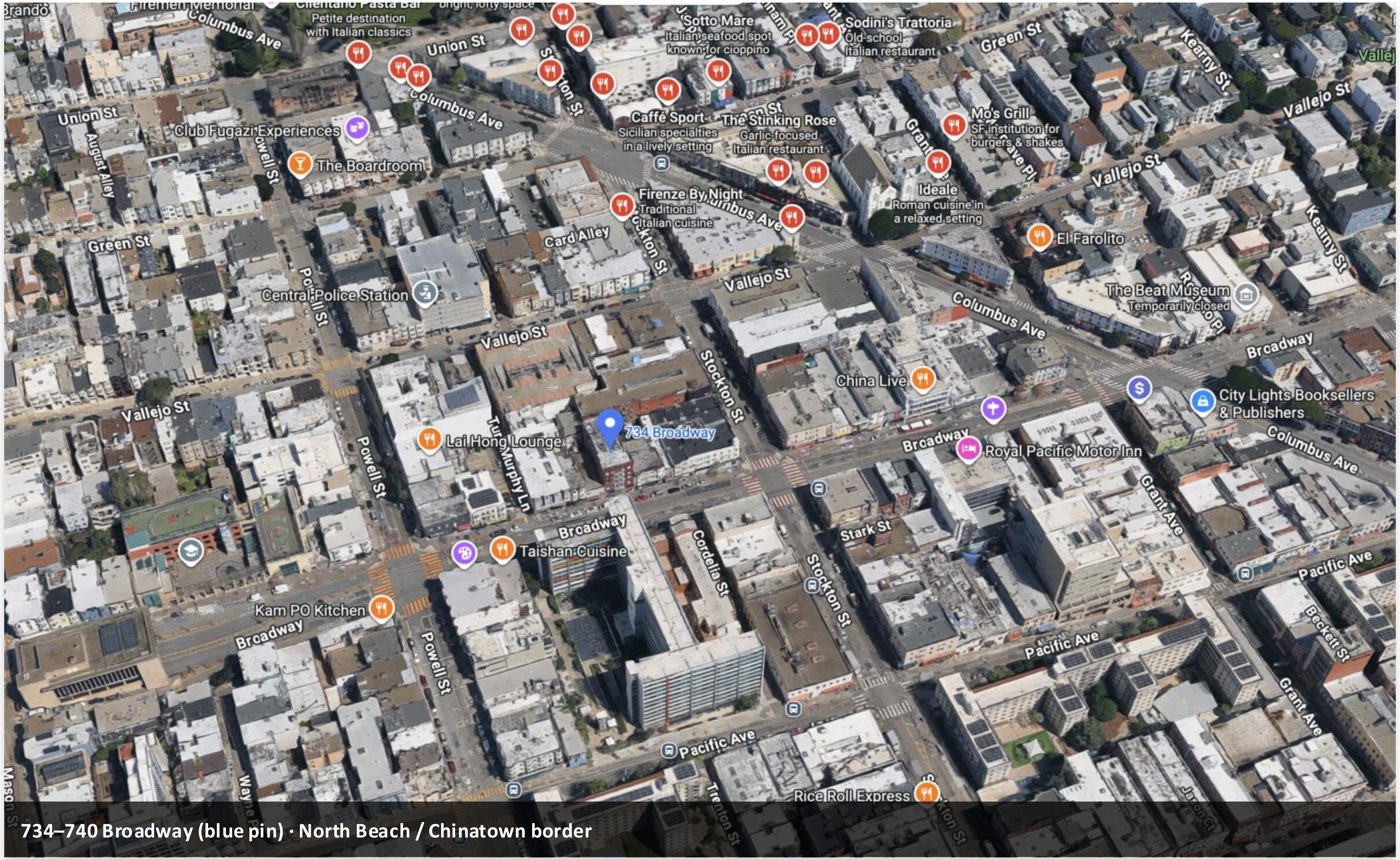
- The 700 block of Broadway is the seam between North Beach and Chinatown — walkable to Columbus Avenue cafés, Washington Square, and the Financial District.
- Dense, transit-rich, and renter-deep: a neighborhood where compact, well-run furnished rooms lease quickly to workers, students, and newcomers.
- Steps from the Broadway commercial corridor, with the Powell/Mason cable line and multiple Muni routes within a short walk.

98	2 blks	5 min
WALK SCORE*	TO COLUMBUS AVE	TO FINANCIAL DIST.

**Walk Score is an approximate third-party index; buyer to verify.*

04 LOCATION

Aerial — The Heart of the Neighborhood



734–740 Broadway (blue pin) · North Beach / Chinatown border

WITHIN A FEW BLOCKS

- Columbus Ave cafés & trattorias
- City Lights Booksellers & the Beat Museum
- China Live & Chinatown dining
- Washington Square & Sts. Peter & Paul
- Powell / Mason cable-car line
- Financial District & Jackson Square

A walk-everywhere corner where café culture meets daily commerce — deep, steady rental demand.

Imagery: Google Earth — for location reference only.

05 LOCATION

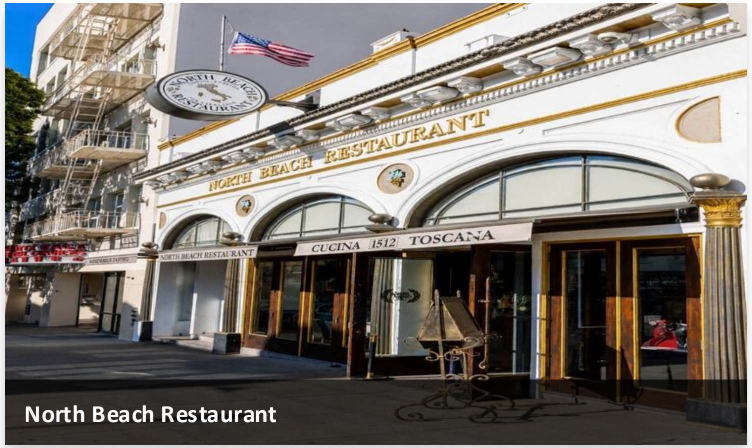
The Neighborhood — Cafés, Bakeries & Dining

The immediate blocks are lined with North Beach institutions and everyday draws — the kind of foot traffic and amenity base that keeps rooms leased.

Caffè Trieste · espresso since 1956

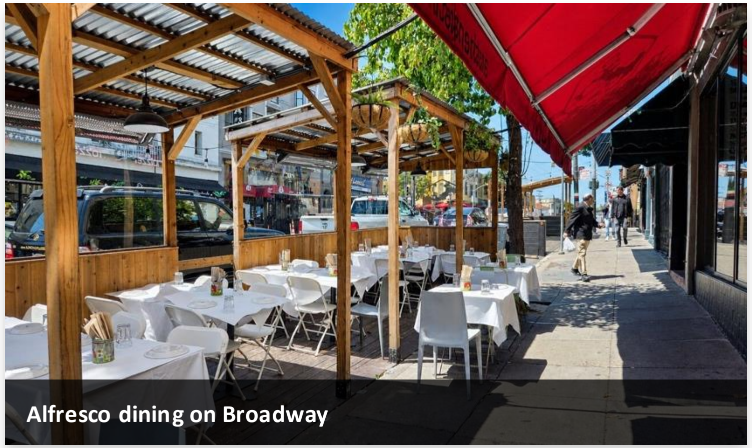
Stella Pastry & Café

Molinari / Alimento · Italian deli



North Beach Restaurant

Spork · brunch & Asian fusion


Alfresco dining on Broadway

Established North Beach & Chinatown businesses within a short walk of 734–740 Broadway.

06

LOCATION

The Neighborhood — Shops, Sips & Street Life

Markets, hardware, tea and apparel round out a corner where daily needs and nightlife are all at street level.

Kiss of Matcha · Japanese café

Cao Kee Market · Chinatown grocer

Good View Trading Co.

Cole Hardware

SFOG · North Beach apparel

...and dozens more cafés, markets & shops within a short walk.

Established North Beach & Chinatown businesses within a short walk of 734–740 Broadway.

07

THE VALUE-ADD OPPORTUNITY

23 Vacant Rooms Are the Whole Story

1 Reposition

Reimagine the building — the 23 vacant rooms plus shared kitchens, baths, and a rooftop amenity — into a cohesive, modern furnished-room product.

2 Lease-Up

Absorb the 23 renovated rooms at a $1,500 market rent while the 34 in-place, rent-stabilized tenancies continue undisturbed. No relocation, no displacement.

3 Stabilize

Gross income climbs from ≈$377K to ≈$768K and NOI roughly doubles — lifting stabilized value to ≈$7.2M+ at a 6.5% cap, well above the ask.

$377K → $768K
GROSS INCOME AT STABILIZATION

≈2×
NOI VS. IN-PLACE

$1,500
TARGET RENT PER RENOVATED ROOM

No new units
UPSIDE IS INSIDE THE FOOTPRINT

Rent-control aware: The 34 occupied rooms are rent-stabilized and are held at their current rents in this pro forma — the modeled upside comes only from renovating and leasing the 23 already-vacant rooms. Further gains from natural turnover of in-place units are treated as long-run upside, not underwritten here.

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CURRENT PERFORMANCE

In-Place Financial Snapshot

$377K
GROSS ANNUAL INCOME
$31,423 / month

$181K
OPERATING EXPENSES
owner trailing, ex-RE tax

$196K
IN-PLACE NOI
before tax reassessment

3.3%
IN-PLACE CAP RATE
at $5,880,000

How today's income reads

Metric	Value	Basis
Gross scheduled income	$377,080	in-place rent roll
Operating expenses	$181,228	trailing, annualized
In-place NOI	$195,852	pre tax-reassess.
Cap rate @ $5.88M	3.3%	NOI ÷ price
Gross rent multiplier	15.6×	price ÷ gross
Price per room	$103,200	57 rooms

Why the going-in cap looks low

- 40% of the rooms (23 of 57) are vacant and producing zero income today.
- Occupied rooms average just $839/mo — well below a renovated market rent, and held there by rent stabilization.
- The price is set on the stabilized upside, not today's in-place income — the pro forma on the next pages tells the rest of the story.

Buyer note: property taxes reassess on sale — est. ≈$69,400/yr at the offering price. In-place NOI above reflects the owner's low Prop-13 basis and excludes it; the pro forma includes it.

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RENT ROLL

In-Place Rent Roll Summary

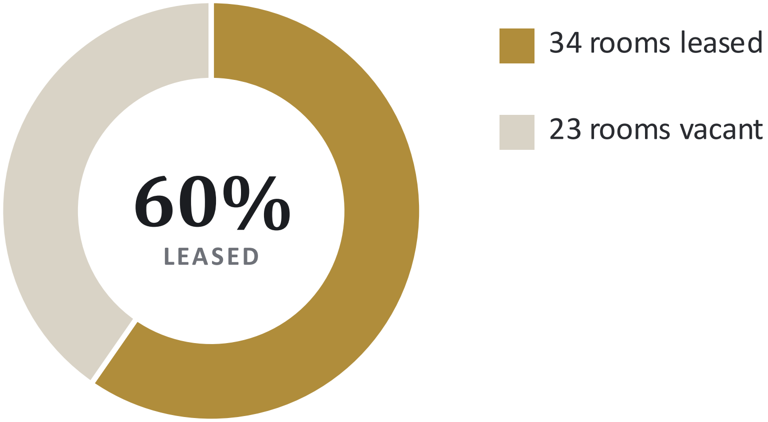
Income by component (monthly)

Component	Units	Monthly Rent
Residential — occupied SRO	34	$28,523
Residential — vacant SRO	23	$0
Retail — 734 Broadway (Hai Feng)	1	$2,300
Retail — 736 Broadway (suites)	1	$600
Total in-place	—	$31,423

Annualized gross income: $377,080

Rooms are month-to-month and rent-stabilized. Occupied rents range from ~$424 to ~$1,100/mo (avg $839), reflecting long-tenured, below-market tenancies — the gap to a renovated market rent is the core upside.

Occupancy



$839

AVG IN-PLACE RENT / ROOM

$1,500

TARGET RENOVATED RENT

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OPERATING EXPENSES

In-Place Expenses (Annualized)

Annualized from the owner's Feb–Apr 2026 operating statements. Excludes property tax (reassesses on sale) and insurance, which are added in the stabilized pro forma.

Expense	Annual
Repairs & on-site service labor	$42,453
Gas & electric	$38,159
Water / sewer	$25,663
Janitorial	$20,918
Payroll taxes (EDD / FED)	$16,747
Garbage	$12,017
Fire-alarm landline	$6,743

Expense	Annual
Workers' compensation	$5,630
736 Broadway utilities / internet	$2,583
Sprinkler inspection & repair (ann.)	$2,490
Pest control	$2,400
Fire-alarm certification (ann.)	$1,840
CPA / accounting	$1,836
Fire-alarm monitor · sprinkler svc · engineer	$2,749

TOTAL IN-PLACE OPERATING EXPENSES **$181,228 / yr**

Add for a new owner: est. property tax ≈$69,400/yr at the $5.88M basis · est. insurance ≈$30,000/yr. Both are included in the stabilized pro forma expense load of ≈$299K.

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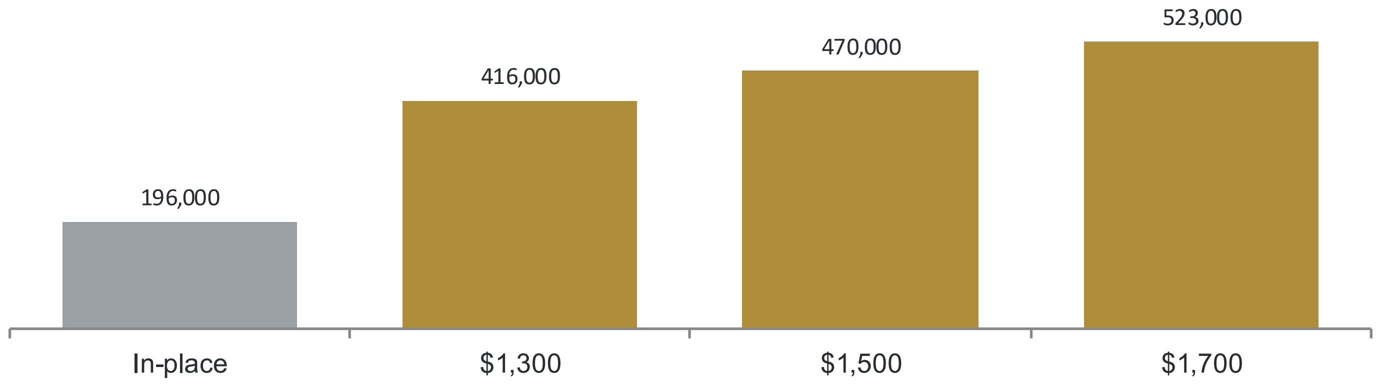
STABILIZED PRO FORMA

Lease-Up of the 23 Vacant Rooms

Hold the 34 in-place rents · renovate & lease the 23 vacant rooms at market · 3% vacancy/credit loss · commercial held at $2,900/mo · stabilized OpEx ≈$299K (incl. reassessed property tax & insurance).

Scenario (renovated-room rent)	Gross Inc.	Stab. NOI	Value @6.5%
Conservative — $1,300 / room	$714,800	$416,000	**$6.40M**
Base case — $1,500 / room	$768,400	$470,000	**$7.23M**
Upside — $1,700 / room	$821,900	$523,000	**$8.05M**

NOI: in-place vs. stabilized



WHAT IT MEANS

7.7×

Going-in GRM on stabilized income at the $1,500 base case — vs. an ~11.7× San Francisco market average.

≈$7.2M

Base-case stabilized value at a 6.5% cap — roughly $1.3M above the $5.88M ask before any in-place turnover.

2×

NOI roughly doubles from ~$196K in-place to ~$470K stabilized.

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SENSITIVITY

Stabilized Value by Rent & Exit Cap

Stabilized value (23 vacants leased at market, in-place held) across achieved rent and buyer exit cap rate. Read down for rent, across for cap.

Renovated rent	Stab. NOI	Value @6.0% cap	Value @7.0% cap
$1,300 / room	$416,000	**$6.94M**	$5.94M
$1,500 / room	$470,000	**$7.83M**	$6.71M
$1,700 / room	$523,000	**$8.72M**	$7.47M
$1,900 / room	$577,000	**$9.62M**	$8.24M

Offering price $5,880,000 — covered even by the $1,300 / 7.0% cap downside case.

LONG-RUN CEILING

≈$11M

If all 57 rooms eventually reach a $1,500 market rent as in-place tenancies turn over, gross income approaches ≈$1.03M and NOI ≈$716K — a value near $11M at a 6.5% cap.

Not underwritten in the base case — shown as directional upside only.

Projections are estimates; actual underwriting should account for renovation cost, lease-up time, financing, and permitting.

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MARKET COMPARABLES

How the Subject Is Priced

The subject is underwritten on stabilized income, where it prices below the San Francisco market — and its price-per-room sits below today's active asking comps.

Closed sales — as-is, occupied SROs (2023–24)

Property	Neighborhood	Rooms	$ / Room
1500 Powell St	North Beach	27	$88,889
935 Geary St	Civic Center	117	$77,350
648–656 Pacific Ave	Chinatown	35	$74,286
1026–1030 Pine St	Nob Hill	22	$54,545
Average	—	—	$73,768

Active listings — current asking (2026)

Property	Neighborhood	Units	$ / Unit
725 Geary St*	Tenderloin	22	$136,136
620 O'Farrell St*	Union Sq.	11	$236,364
734–740 Broadway — subject	**N. Beach**	**57**	$103,200

PRICED BELOW MARKET

On the metric that matters for an income asset

8.0%

STABILIZED CAP RATE AT ASK

vs 5.9% SF market avg — a wider going-in yield

7.7×

STABILIZED GRM

vs 11.7× SF market avg — priced below market

PRICE / ROOM IN CONTEXT

~$74K closed (as-is) › **$103K** subject › $136K+ active asking

**Active listings include tourist-licensed units (a value premium) and smaller buildings, which skew per-unit figures higher. Sources: Realmo active listings (Aug 2026); LoopNet / public records for closed sales; Morgan/Thomas SF apartment market report, Q1 2026. Figures approximate; buyer to verify.*

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BUSINESS PLAN

Repositioning Cost vs. Stabilized Value

Illustrative full-building repositioning — the vacant rooms plus shared kitchens, baths, and a rooftop amenity. Budgets are placeholders pending contractor bids. Near-term value ≈$7.2M at $1,500 lease-up rents / 6.5% cap; long-run value ≈$11M as in-place rooms turn to market.

Repositioning budget*	Total cost in**	Near-term value	Long-run value***
Light — $750,000	$6.63M	$7.23M	**≈$11M**
Moderate — $1,250,000	$7.13M	$7.23M	**≈$11M**
Extensive — $1,750,000	$7.63M	$7.23M	**≈$11M**

**Rooms + common areas + rooftop; illustrative — buyer to confirm with construction bids. **$5.88M acquisition + repositioning budget. ***All 57 rooms at a $1,500 market rent as leases turn over, 6.5% cap.*

Full-building scope

The repositioning covers the vacant rooms and the shared kitchens, baths, and rooftop — budget accordingly and confirm with bids.

Income carries the plan

34 leased rooms plus two retail suites generate income from day one, helping fund a phased renovation.

Value compounds over the hold

Near-term lease-up roughly returns capital; the multi-year runway of rooms turning to market is where outsized value is created.

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THE REPOSITIONING

Before & After

TODAY · AS-IS

A dated, 40%-vacant residential hotel with long-tenured, below-market rooms and unrenovated interiors — income well below the building's potential.

TOMORROW · ENVISIONED (RENDERING)

Modern furnished micro-rooms — loft bed, built-in desk, in-room vanity — leasing at a ~$1,500 market rent. Artist's rendering of the renovated product.

All interior and rooftop images in this memorandum are AI-generated, digitally staged renderings illustrating potential — they do not depict existing conditions.

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RENOVATION VISION

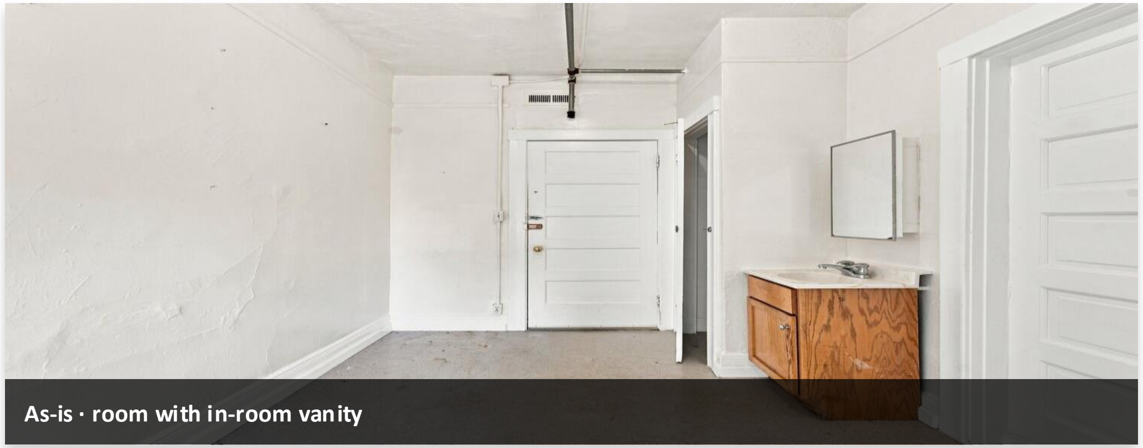
Before & After

BEFORE · AS-IS TODAY

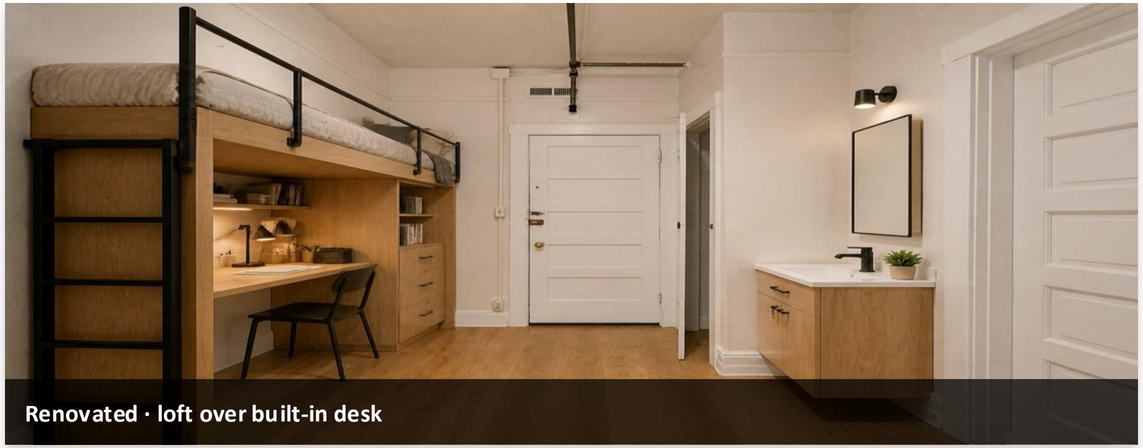
AFTER · ARTIST'S RENDERING

As-is · city-view room

Renovated · city-view room



As-is · room with in-room vanity



Renovated · loft over built-in desk

Left: the rooms as they are today. Right: AI-generated, digitally staged renderings of the same rooms renovated — not existing conditions.

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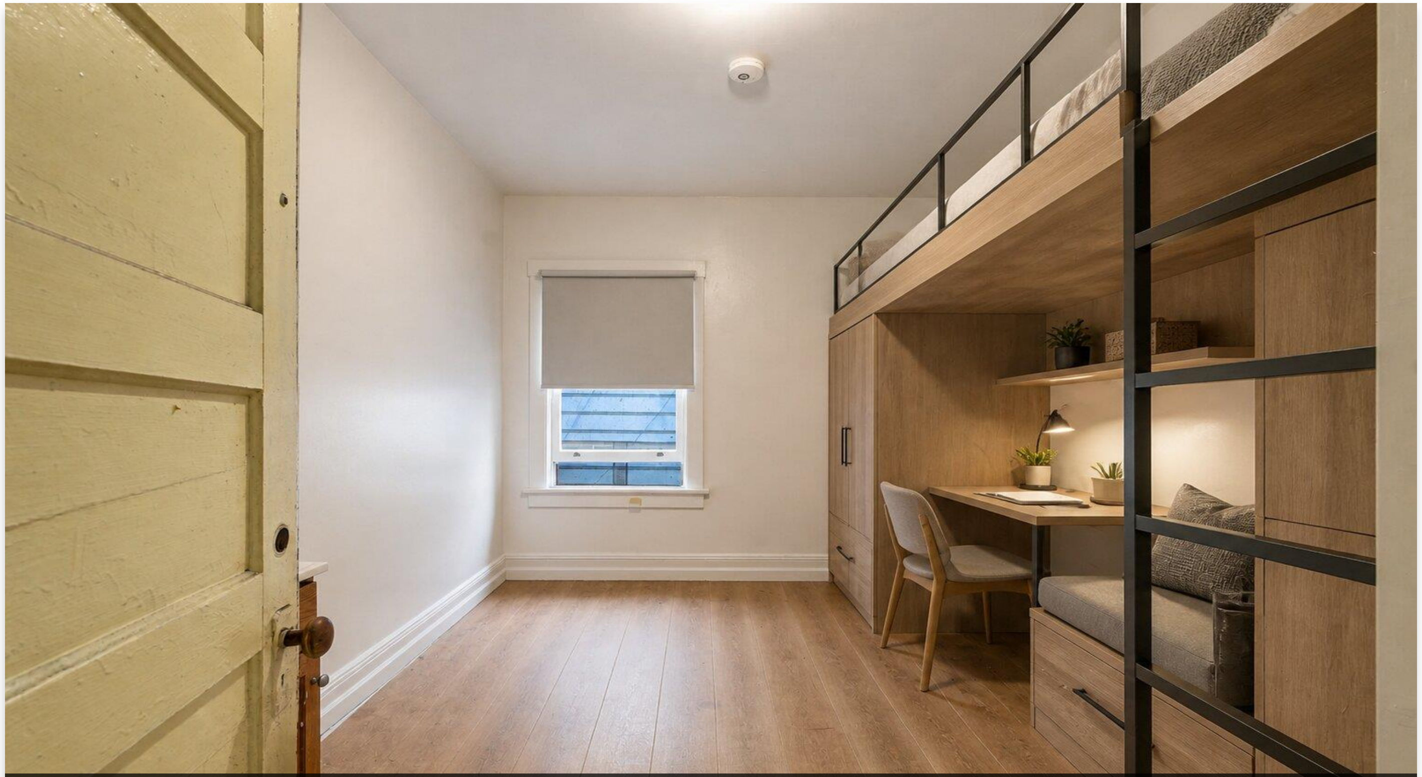
RENOVATION VISION

Envisioned Rooms — Renderings



Compact room with daybed seating & workspace

THE ROOM PRODUCT

Designed for how people live in the city today — every room compact, complete, and turnkey.

- Loft bed frees the floor for living and work space
- Built-in desk and full-height storage in every room
- In-room vanity; shared kitchens and baths down the hall
- Delivered furnished and move-in ready

AI-generated, digitally staged renderings illustrating the envisioned furnished-room product — not existing conditions.

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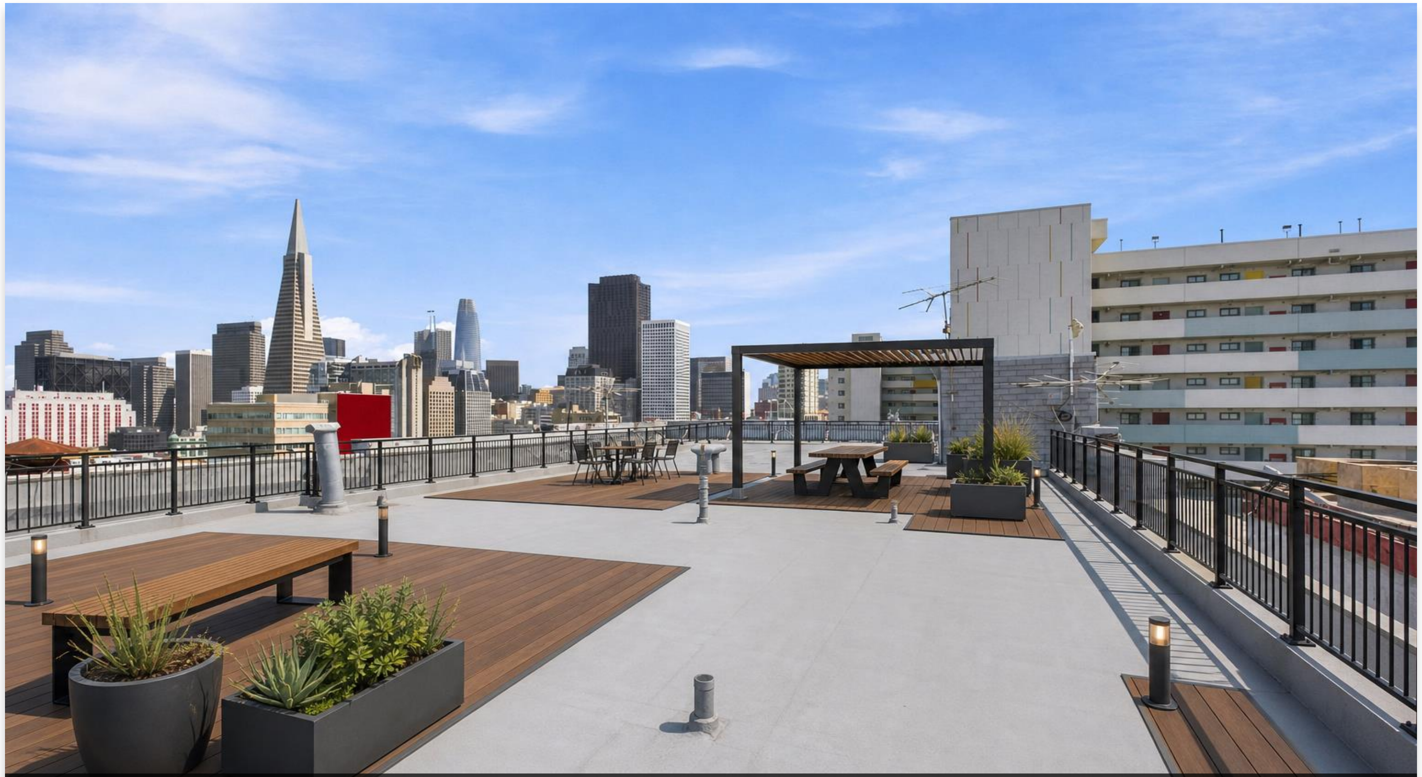
THE VISION

Envisioned Rooftop Amenity



Rendering · rooftop lounge & dining, bay & city views

ROOFTOP AMENITY

A rare private outdoor amenity two blocks from the North Beach core — the building's marquee draw.

- Open-air lounge & dining for residents
- Panoramic Coit Tower, hillside & bay views
- Shaded pergola and planted terrace
- A differentiator few SRO assets can offer

AI-generated, digitally staged rendering illustrating an envisioned rooftop amenity — not existing conditions.

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THE VISION

Communal Kitchens — Before & After

BEFORE · AS-IS TODAY

AFTER · ARTIST'S RENDERING

Existing cook-top area

Renovated · induction cooktop & hood

Existing kitchen & wash area

Renovated · commercial sink & dishwashing

Left: the shared kitchens as they are today. Right: AI-generated, digitally staged renderings of the same spaces renovated — not existing conditions.

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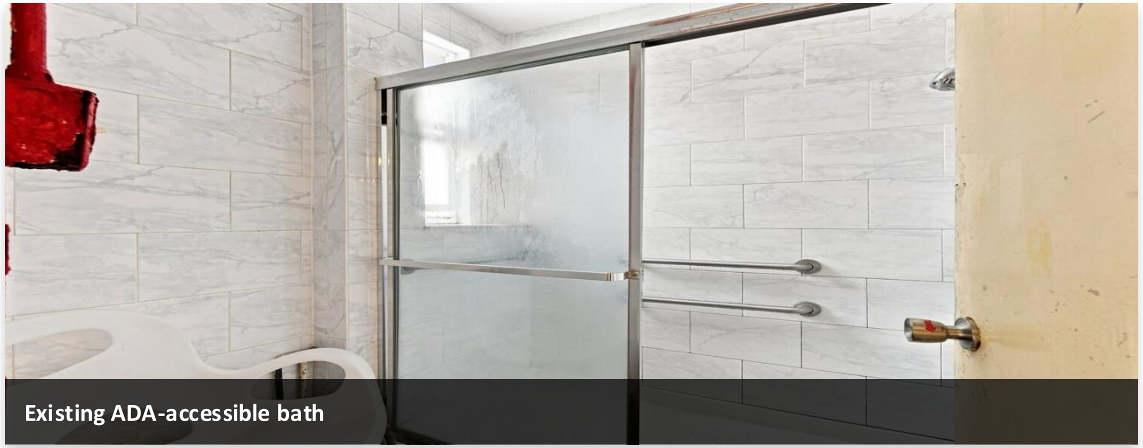
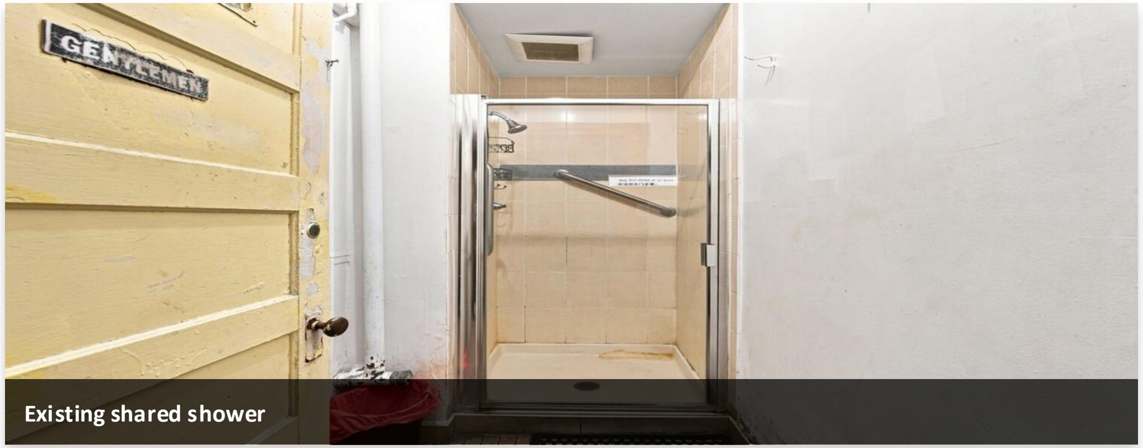
THE VISION

Shared Baths — Before & After

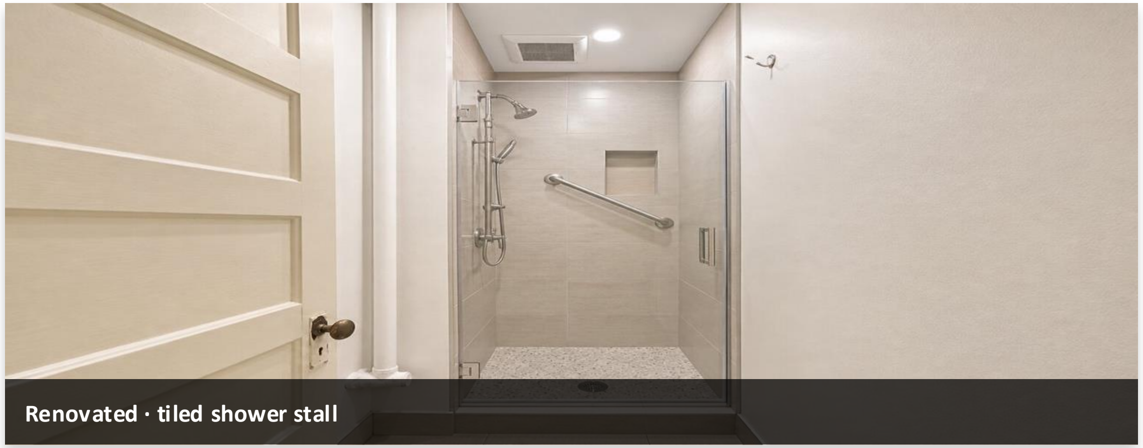
BEFORE · AS-IS TODAY


Existing ADA-accessible bath


Existing shared shower

AFTER · ARTIST'S RENDERING


Renovated · curbless roll-in shower


Renovated · tiled shower stall

Left: the baths as they are today. Right: AI-generated, digitally staged renderings of the same baths renovated — not existing conditions.

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COMMERCIAL COMPONENT

Two Ground-Floor Retail Suites

734 BROADWAY

LEASED

Hai Feng Chinese Herbal Center

1,028 SF · leased Nov 2025 – Oct 2030 · $2,300 / mo, tenant pays all (NNN). Long-tenured retailer anchoring the Broadway frontage.

736 BROADWAY

AVAILABLE

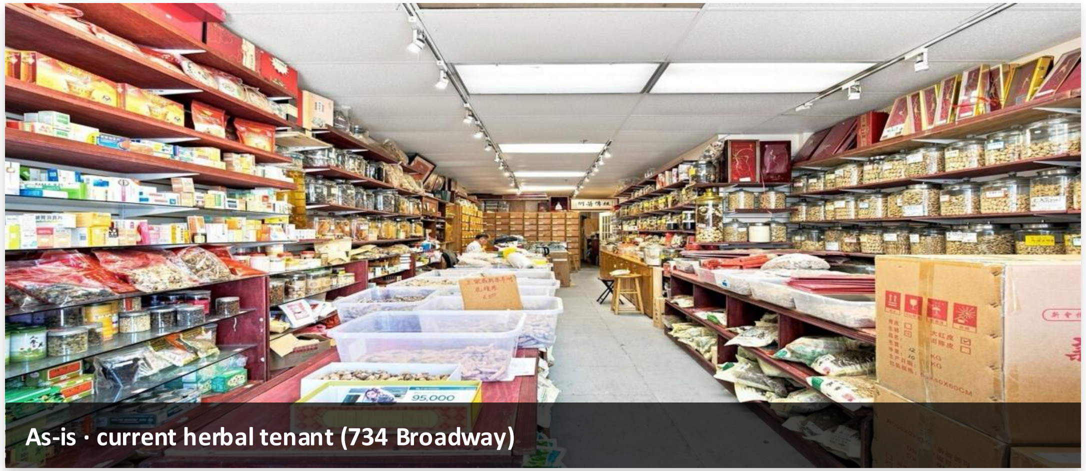
Open Retail Space

The second storefront is largely open and underutilized today — clear potential to lease it to market and add commercial income on top of the SRO upside.

Only 1 of 2

COMMERCIAL SPACES IS LEASED TODAY

734 earns $2,300/mo; the open 736 storefront is added income waiting to be leased.



As-is · current herbal tenant (734 Broadway)

As-is · open retail interior

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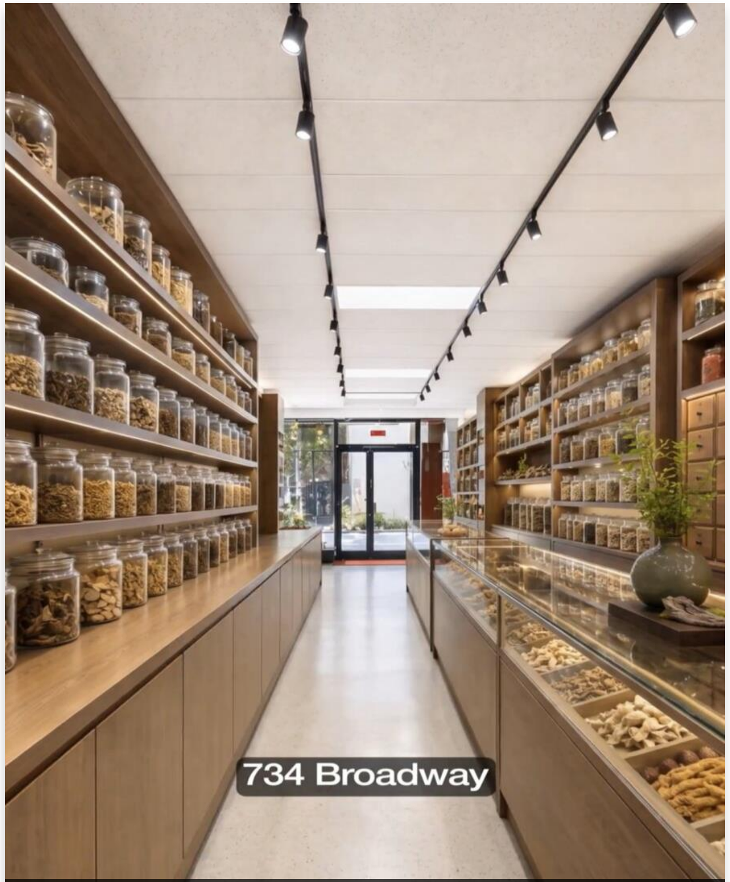
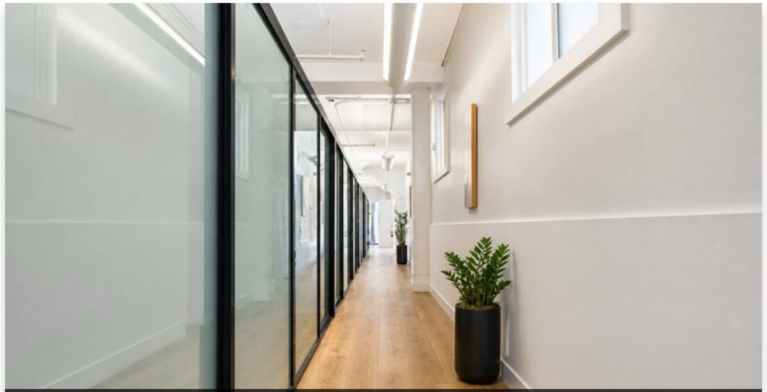
COMMERCIAL VISION

Reimagined Ground-Floor Retail



Rendering · modernized herbal apothecary (734)


Rendering · flexible retail / office lobby


Rendering · glass-fronted suites


Rendering · renovated ADA restroom


Rendering · renovated partitioned office

AI-generated, digitally staged renderings illustrating a repositioned commercial space — a herbal apothecary or flexible retail/office use — not existing conditions.

OFFERING SUMMARY

Summary & Next Steps

OFFERING PRICE	$5,880,000
PRICE / ROOM	$103,200
IN-PLACE GROSS INCOME	$377,080 / yr
IN-PLACE NOI	≈$196,000 (3.3% cap)
STABILIZED NOI (BASE)	≈$470,000 at $1,500 rents
STABILIZED VALUE (6.5% CAP)	≈$7.2M+
ROOMS	57 SRO · 34 leased · 23 vacant
COMMERCIAL	2 retail suites · ≈$2,900/mo

PROCESS

Offers are reviewed as received. Tours by appointment. Full rent roll, operating statements, and due-diligence materials available to qualified buyers upon execution of a confidentiality agreement.

EXCLUSIVELY LISTED BY

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FIRM

Golden Goose Partners

200+ transactions closed · ~$100M annual volume · construction & property-management background

Thank you for your consideration.

GOLDEN GOOSE
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