

FOR SALE

1340 4th Street
San Rafael, CA

Multi-Tenant
Retail Investment

Higher Level Commercial Real Estate
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San Rafael, CA 94903
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DISCLOSURE STATEMENT



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INFORMATION/FEATURES

LOCATION:	1340 4th Street San Rafael, CA 94901
APN:	011-205-12
TOTAL BUILDING RENTABLE SQUARE FEET:	5,212 +/- sq. ft.
TOTAL SQ. FT OF LAND:	3,500 +/- sq. ft.
PARKING:	Street metered and city garages
YEAR CONSTRUCTION:	1918 +/-
TYPE OF CONSTRUCTION:	Masonry
FIRE SPRINKLERS:	No
HEATING AND AIR CONDITIONING:	Yes
FLOOD ZONING DESIGNATION:	X
ZONING:	T4MS 60/80



OFFERING SUMMARY

ASKING PRICE
$1,325,000

PRICE PER SQ. FT.
$254

CAP RATE
4.14%

HIGHLIGHTS

DOWNTOWN MAIN STREET
HISTORIC BRICK BUILDING
HIGH FOOT TRAFFIC
FULLY LEASED MULTI-TENANT
HIGH CEILINGS

PROPERTY OVERVIEW

HL Commercial Real Estate is pleased to present 1340 4th Street, a fully leased, two-tenant retail building in the heart of downtown San Rafael. Built around 1918, the property has about 5,212 rentable square feet in two ground-floor units on a 3,500 SF through-lot. Each unit has its own street frontage.

The front unit (about 2,712 SF) faces Fourth Street and is leased to Do ART! Studios, an award-winning art school for children and families. It offers classes, camps, drop-in studio hours, workshops, and private parties. Do ART! opened at the property in June 2026. The space has more than 22 feet of display windows, ceilings over 11 feet, exposed brick walls, an ADA restroom, and large rear storage.

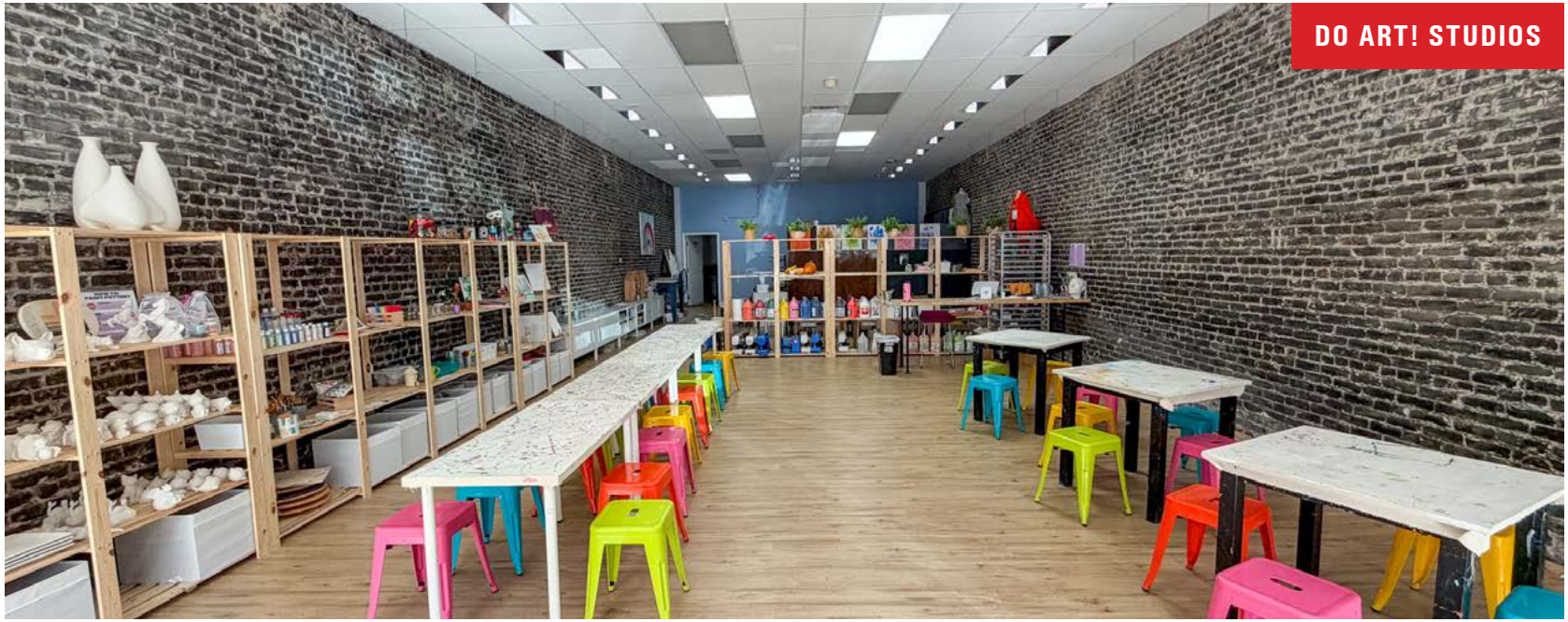
The rear unit (about 2,500 SF) is addressed as 1345 Via Sessi and is leased to Bay Marin Aikido, a well-regarded martial arts dojo with a dedicated membership and a regular schedule of classes and seminars.

Both tenants are experience-based businesses that bring repeat visits from families and members, the kind of use online shopping can't replace. The rear unit is leased at $1.06/SF/month, well below an estimated market rent of $1.60/SF/month. Bringing it to market adds about $16,200 per year in gross income. The property is zoned T4 Main Street (T4MS 60/80) under the City's Downtown Form-Based Code.

LOCATION OVERVIEW

The property sits on Fourth Street, downtown San Rafael's main shopping street and the busiest retail corridor in Marin County. The front unit was home to Radio Shack for 40 years and most recently McRoskey Mattress. This is a location with a long record of retail use and steady pedestrian traffic, and it has a Walk Score of 90. T&B Sports and Art Works Downtown are directly across the street, and Oliva Optical, Marin Outdoor Training Co., the San Rafael Public Library and the downtown Post Office are all within a block. The property is also a short walk from San Rafael City Hall and the City's Public Safety Center, which houses the San Rafael Police Department headquarters and Fire Station 51. Restaurants, banks and national retailers line the surrounding blocks.

Parking is available at metered spaces on the street and in several City-owned public lots and garages nearby. Under the Downtown Code, retail tenants of 6,000 SF or less have no off-street parking requirement. The downtown San Rafael SMART station is a short walk east, with rail service north to Sonoma County and south to the Larkspur Ferry Terminal. Highway 101 and Interstate 580 are minutes away, putting the property about 17 miles from San Francisco.



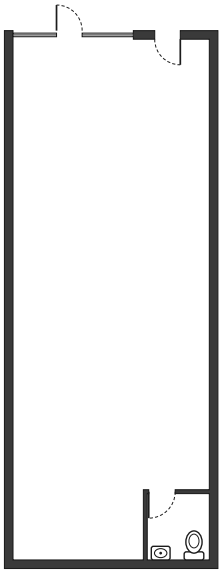
DO ART! STUDIOS



BAY MARIN AIKIDO

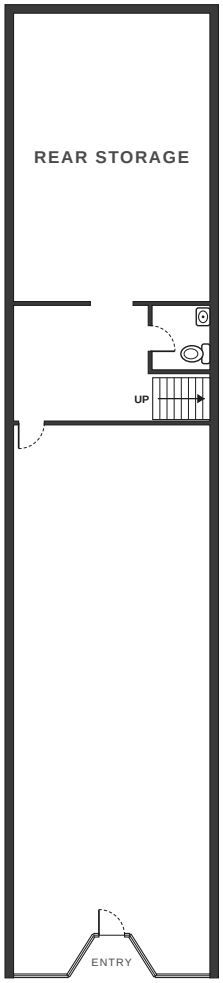
FLOOR PLAN

VIA SESSI



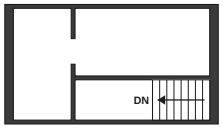
REAR UNIT

1345 Via Sessi | ±2,500 SF



UPSTAIRS OFFICE

Front Unit, Above Restroom



FOURTH STREET

FRONT UNIT

1340 4th Street | ±2,712 SF

Floor plans not to scale.
For illustration purposes only.

RENT ROLL

TENANT	FRONTAGE	SF	CURRENT RENT $/SF/MO	CURRENT MONTHLY	CURRENT ANNUAL	PRO FORMA $/SF/MO	PRO FORMA ANNUAL
Do ART! Studios	4th Street	2,712	$1.65	$4,475	$53,698	$1.65	$53,698
Bay Marin Aikido	Via Sessi	2,500	$1.06	$2,650	$31,800	$1.60	$48,000
Total		**5,212**		**$7,125**	**$85,498**		**$101,698**

INCOME & EXPENSES

	AS-IS	PRO FORMA
Gross Potential Rent	$85,498	$101,698
Less: Vacancy & Credit Loss (3%)	($2,565)	($3,051)
Effective Gross Income	**$82,933**	**$98,647**
Property Taxes (reassessed at list price)	$18,251	$18,251
Insurance	$4,608	$4,608
Management (3%)	$2,488	$2,959
Reserves (2%)	$1,659	$1,973
Sewer	$1,012	$1,012
Total Expenses	**$28,017**	**$28,803**
Net Operating Income	**$54,915**	**$69,844**
Cap Rate	4.14%	5.27%



NOTE: Above Income and Expense Distribution is not guaranteed. Buyer to investigate, verify and satisfy itself prior to close of escrow.

SALES COMPARABLES

#	ADDRESS	SALE DATE	SALE PRICE	BLDG SF	PRICE / SF	LOT SF	YEAR BUILT
S	**1340 4th St (Subject)**	**Offered**	**$1,325,000**	**5,212**	**$254.22**	**3,500**	**1918**
1	1122 Fourth St	9/1/2026	$2,000,000	5,000	$400.00	3,049	1916
2	809 D St	1/21/2026	$650,000	1,539	$422.35	3,920	1954
3	1701 4th St	12/19/2025	$1,330,000	3,370	$394.66	3,752	1925
4	1537-1539 4th St	5/15/2025	$1,600,000	5,809	$275.43	5,663	1923
5	871 4th St	4/2/2025	$790,000	2,575	$306.80	2,614	1958
6	919 4th St – The Fenix	3/3/2025	$2,225,000	7,690	$289.34	6,000	1930
7	869 4th St	2/26/2025	$1,800,000	4,256	$422.93	2,614	1930
8	2066 4th St	11/18/2024	$1,400,000	5,739	$243.94	10,019	1946
	Average – Comparables		**$1,474,375**	**4,497**	**$344.43**	**4,704**	

SALES COMPARABLES



1122 Fourth St
$2,000,000 | $400.00/SF
Sold 9/1/2026
5,000 SF bldg · 3,049 SF lot
Built 1916
Buyer bought business & building



809 D St
$650,000 | $422.35/SF
Sold 1/21/2026
1,539 SF bldg · 3,920 SF lot
Built 1954



1701 4th St
$1,330,000 | $394.66/SF
Sold 12/19/2025
3,370 SF bldg · 3,752 SF lot
Purchased by tenant



1537-1539 4th St
$1,600,000 | $275.43/SF
Sold 5/15/2025
5,809 SF bldg · 5,663 SF lot
Purchased by retail tenant



871 4th St
$790,000 | $306.80/SF
Sold 4/2/2025
2,575 SF bldg · 2,614 SF lot
Purchased by user



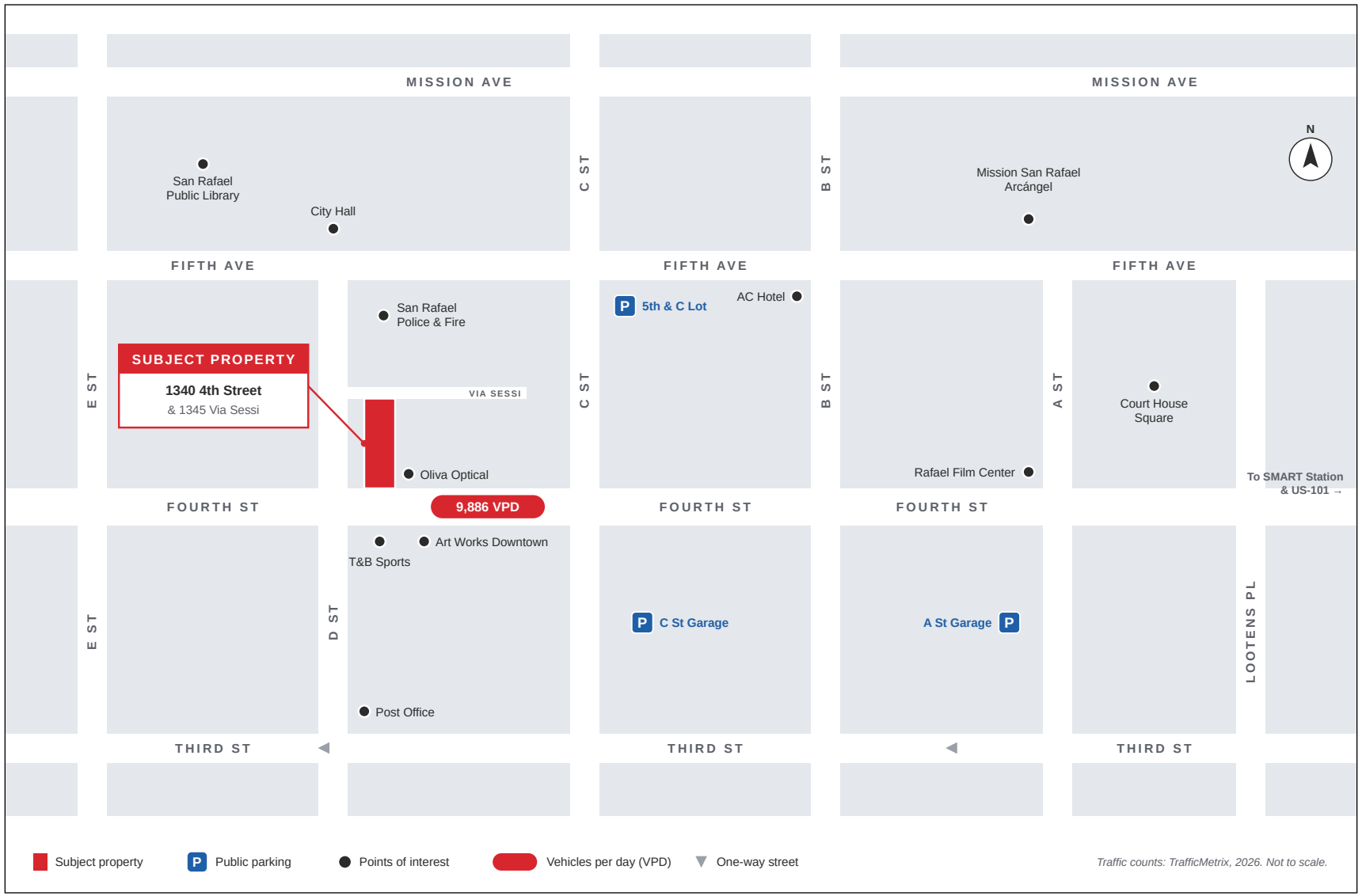
919 4th St – The Fenix
$2,225,000 | $289.34/SF
Sold 3/3/2025
7,690 SF bldg · 6,000 SF lot
Built 1930



869 4th St
$1,800,000 | $422.93/SF
Sold 2/26/2025
4,256 SF bldg · 2,614 SF lot
Built 1930
Purchased by user/investor



2066 4th St
$1,400,000 | $243.94/SF
Sold 11/18/2024
5,739 SF bldg · 10,019 SF lot
Built 1946



CLICK HERE TO VIEW IN GOOGLE MAPS

THE HEART OF MARIN COUNTY

San Rafael's story begins in 1817, when Mission San Rafael Arcángel was founded as the twentieth of California's 21 missions. It was first established as a sanctuary and hospital for ailing members of the Mission Dolores community in San Francisco. A replica of the mission chapel still stands on Fifth Avenue, one block from the subject property. The town grew up around the mission, incorporated in 1874, and became the county seat and commercial center of Marin County.

Fourth Street became the city's main retail corridor in the late 1800s, when rail and ferry connections tied San Rafael to San Francisco. Many of the brick and wood storefronts built in that era still line the street today, including the subject property, built in 1918. For more than a century, Fourth Street has been where Marin shops, dines, and does business. Today it is home to local retailers, restaurants, the Rafael Film Center, and long-running community events such as the Thursday night farmers market and street festivals.

Downtown San Rafael is in its most active period of reinvestment in decades. In August 2021 the City adopted the Downtown Precise Plan and a new Form-Based Code, which direct new housing, walkability, and transit-oriented growth to the downtown core and allow up to 2,200 new residential units. The subject property is zoned T4 Main Street (T4MS 60/80), the most intensive of the Main Street zones. The code describes it as "a walkable, vibrant district" of mixed-use buildings supporting "ground floor shopping, food and services."

It allows building heights of 60 feet, or up to 80 feet with a height bonus. Ground-floor tenants of 6,000 SF or less have no off-street parking requirement. Mill Creek Residential's 213-unit Modera project at Fourth and Irwin Streets is under construction, joining the 140-room AC Marriott on Fifth Avenue and a major expansion of the BioMarin campus. Every new resident, hotel guest, and employee adds foot traffic to Fourth Street's storefronts.

Downtown is also Marin's transit hub. The SMART train runs from the downtown San Rafael station north to Sonoma County and south to the Larkspur Ferry Terminal, which has ferry service to San Francisco. A new regional transit center is being planned next to the station, and Highway 101 is minutes away. With its historic main street, growing residential base, and regional connections, Downtown San Rafael remains the commercial heart of Marin County.



MARIN COUNTY RETAIL MARKET

Marin County is one of the most supply-constrained retail markets in the Bay Area. Strict land-use controls and very little developable land mean almost no new retail is being built, so existing storefronts stay in demand. Marin's retail vacancy was 4.0% in the third quarter of 2026, among the lowest in the North Bay, and no new retail space was delivered across the San Francisco and North Bay region that quarter.

Tenant demand is led by service and experience-based businesses: fitness, wellness, education and restaurants. These tenants depend on in-person visits rather than online sales. Both of 1340 4th Street's tenants, an art school and a martial arts dojo, fit that profile.

DOWNTOWN SAN RAFAEL: INVESTMENT & PRICING

Downtown San Rafael storefront buildings trade mainly among local private investors, 1031 exchange buyers and owner-users. Most deals are under $2.5 million, which keeps the buyer pool deep.

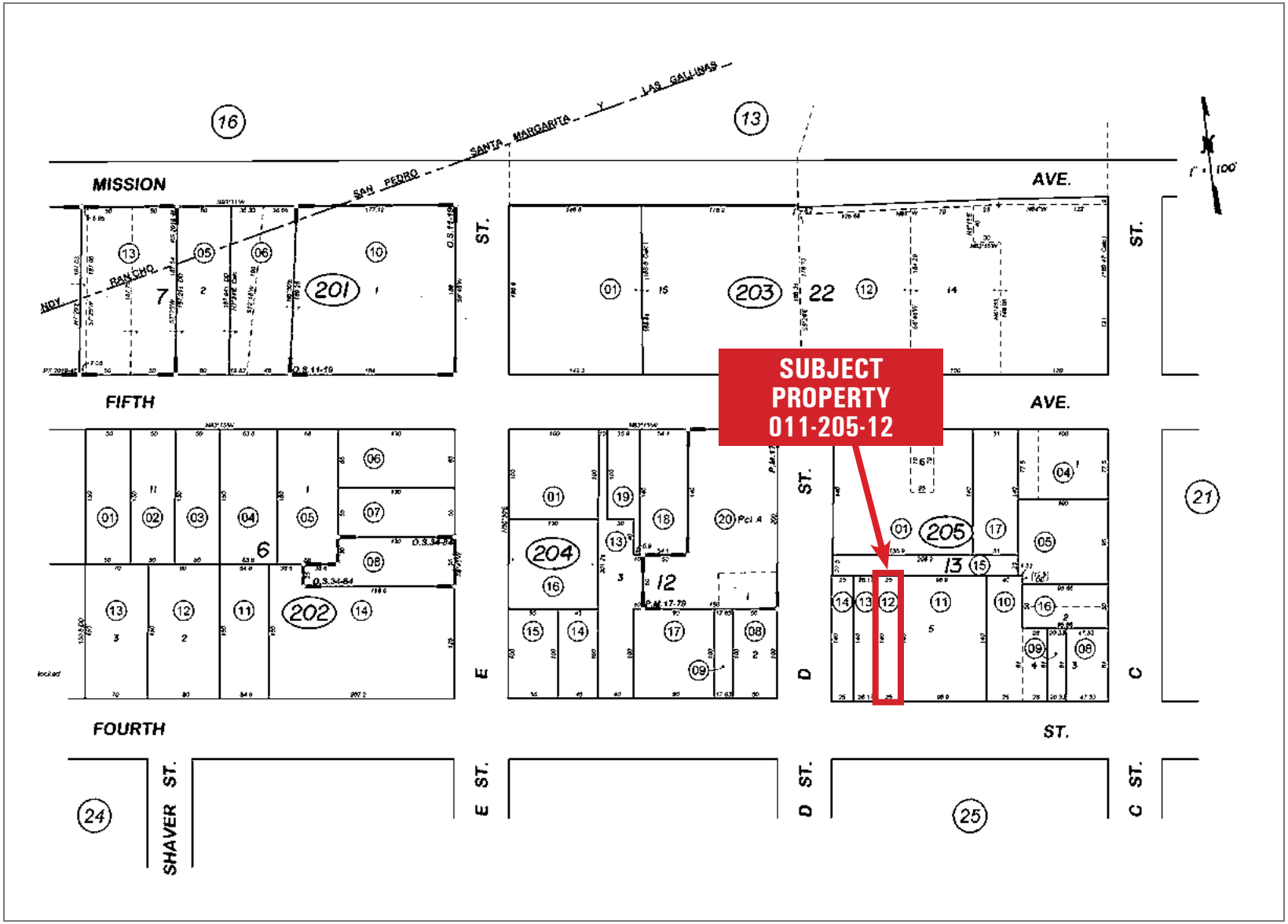
Eight downtown retail sales since November 2024 averaged $344 per square foot and ranged from $244 to $423. The most recent, 1122 Fourth Street, sold in September 2026 for $2,000,000 ($400/SF) at a 6.00% cap rate, 100% leased.

At $1,325,000 ($254/SF), 1340 4th Street is offered about 26% below the comparable average. It also has built-in upside: the rear unit leases at $1.06/SF/month against an estimated market rent of $1.60. Bringing it to market adds about $16,200 a year, for a pro forma cap rate of 5.27%.

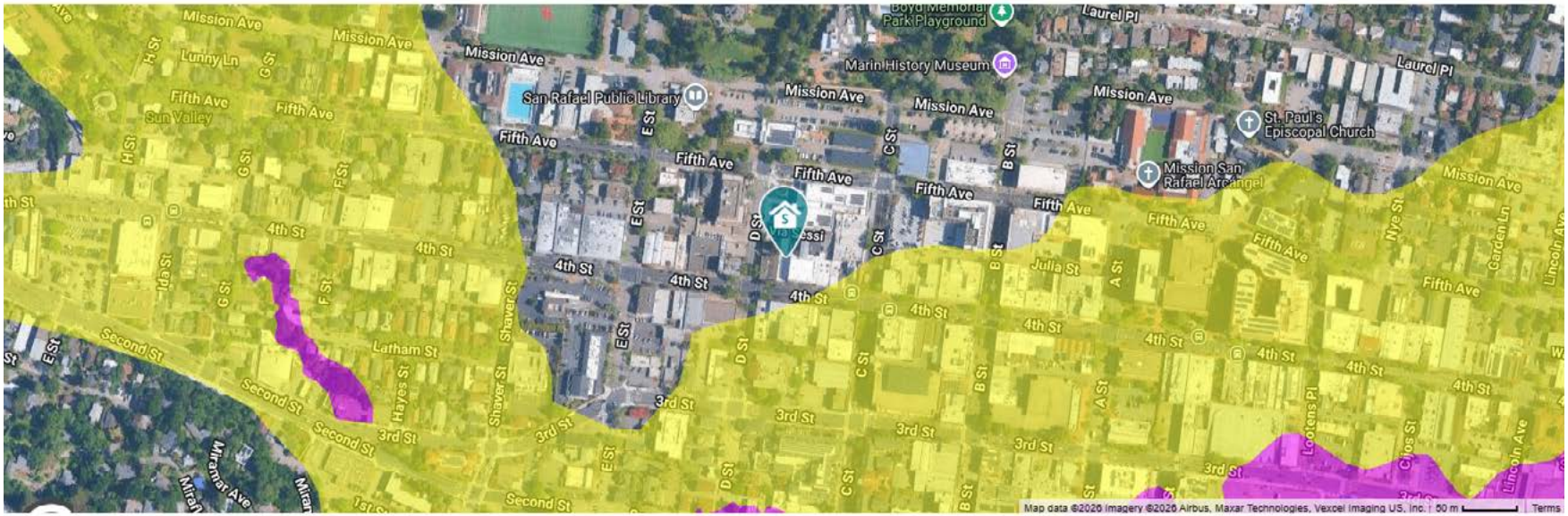



SAN RAFAEL, CA
POPULATION
60,651
MEDIAN AGE
40.2
MEDIAN HOUSEHOLD INCOME
$119,435
EMPLOYED RESIDENTS
30,500
MEDIAN PROPERTY VALUE
$1,298,041

ASSESSOR'S PARCEL MAP



FLOOD ZONE DETERMINATION: OUT



Special Flood Hazard Area (SFHA)	**Out**	County	**Marin**
Community Participation Status	**R - Regular**	Original Panel Firm Date	**May, 1, 1984**
Distance to 100 yr Flood Plain	**752 ft**	FIPS Code	**06041**
Community Number - Map Panel & Suffix	**065058-0456F**	Coastal Barrier Resource Area (CBRA)	**Out**
Flood Zone Code	**X**	Community Name	**San Rafael, City Of**
Panel Date	**March, 16, 2016**	Letter of Map Amendment (LOMA)	**N/A**

COMPANY

HL Commercial Real Estate (HLCRE) was founded in 1980 and is a full-service commercial brokerage and property management firm based in San Rafael, California. For more than four decades, HLCRE has been a trusted advisor to investors, business owners, and property developers throughout Marin County and the greater Bay Area.

The firm's expertise spans office, retail, industrial, multifamily, mixed-use, and land transactions, representing clients in sales, leasing, and investment acquisitions.

With more than $3.8 billion in completed transactions, HLCRE combines deep local knowledge with a sophisticated understanding of regional and statewide markets. The team's approach is built on integrity, insight, and long-term relationships—ensuring every client receives thoughtful advice and diligent execution.

- Sales
- Leases
- Seller/Landlord Representation
- Buyer/Tenant Representation
- Property Management
- Tax Deferred Exchanges

For clients seeking experience, professionalism, and a personalized approach to commercial real estate, HL Commercial Real Estate offers a proven record of performance and partnership. For a free evaluation or service description, please contact us.





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