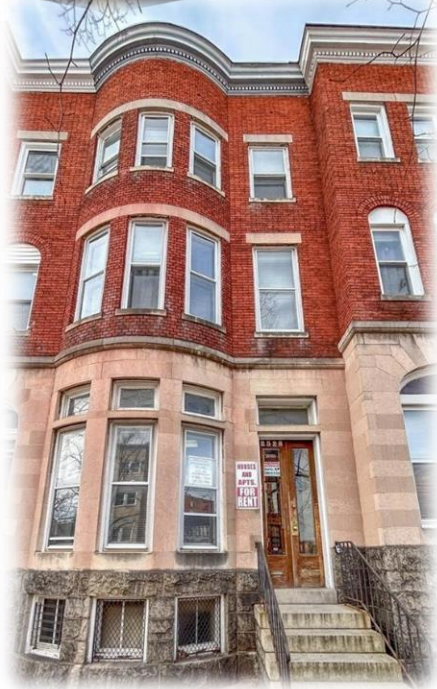




BEN FREDERICK REALTY

BALTIMORE'S APARTMENT PROPERTY SPECIALIST



Mixed Use 4-Unit

2528 Maryland Avenue
Charles Village, Baltimore City, 21218

- 1 Commercial Suite
- 3 One-Bedroom Apartments

» Property

BUILT	~1900.
ZONING	OR-2, Licensed for 3 Dwelling Units.
LOT	Block 3635, Lot 015. 16'9" x 85'.
SIZE	2,520 Sq. Ft. Gross Living Area.

» Interior

KITCHENS	Laminate counters with either laminate, wood or European style cabinetry. Two apartments have 30" electric stoves; one apartment has a 30" gas stove. Stainless sinks.
BATHS	Two apartments have modern vanities; one has a wall mounted sink. All apartments have tubs with vinyl tub-surrounds.
WALLS & CEILINGS	Mix of plaster and drywall.
FLOORING	Two apartments have some wood flooring; mostly laminate or vinyl flooring throughout.
OFFICE	Two main rooms, each with mantle. Carpeting throughout main offices; vinyl tile flooring in storage area and restroom.

» Environmental

LEAD BASED PAINT	Full risk reduction certificates per MDE standard.
OIL TANKS	None observed.
ASBESTOS	None observed.

» Exterior

CONSTRUCT	Brick construction with brick foundation.
ROOF	Torched down rubber with aluminum fibre coat.
WINDOWS	Wood windows in the front; vinyl replacement windows in rear.
PARKING	1 car concrete pad in rear.
FIRE ESCAPE	Steel fire escape in rear.

» Utilities

HVAC	Central boiler and two air handlers. Basement unit served by hot water baseboard heaters; upper floors served by hot water radiators. Basement and 1 st floor share an air handler; 2 nd and 3 rd floor share an air handler.
HOT WATER	Central 40-gallon State Select gas-fired water heater.
ELECTRIC	1 electric meter; 200 amp service to building.
GAS	One gas meter.
PLUMBING	Observable supply pipes are copper or C-PVC. Observable drain lines are PVC.
TRASH	Baltimore City trash and recycling pick up included in property taxes.

\$380,000 \$120 annual ground rent.
\$95,000 per unit, \$151 per sq. ft.

Equal Housing Opportunity: Offered without regard to race, religion, color, creed, sex, marital & family status, disability, and other protected classes. Subject to prior sale & withdrawal at any time in the owner's discretion. Information believed accurate and from reliable sources; however, Owner, Ben Frederick Realty, Inc. nor any of its agents make any warranties or representations about the Property, its condition, its components, its financial performance, nor this information. Ben Frederick Realty, Inc. is the Owner's exclusive Broker.



Will Cannon
410-235-9500



Cheryl Sadera
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2528 MARYLAND AVENUE

INVESTMENT PROPERTY INCOME AND EXPENSE BUDGET

SUGGESTED FINANCING:		INVESTMENT OFFERING:		380,000
Loan-to-Value	75%	SUGGESTED LOAN AMOUNT		285,000
Loan Amount	285,000	ESTIMATED CLOSING COSTS		19,000
Interest Rate	6.50%	TOTAL INVESTMENT		114,000
Term	25	Price Per Unit	4	95,000
Monthly P & I	\$ 1,924.34	Price Per Sq.Ft.	2,520	151

Unit	Size	Lease Expires	Sec Dep	Sec Dep Date	Current Actual Rent	Market Rent
Office	1st Floor	9/30/2025	0	10/1/2005	1,100	1,200
2	1 BR	5/31/2025	785	5/28/2021	785	1,100
3	1 BR	9/30/2025	875	10/1/2023	875	1,100
B	1 BR	4/30/2025	770	4/9/2024	770	950

Tenants Reimburse for Utilities

				365	365
		Total Monthly Rental Income		3,530	4,715
		Gross Annual Income		42,360	56,580
		Vacancy / Credit Loss	3%	(1,271)	(1,697)
		Effective Annual Income		41,089	54,883

GRM (actual) = 9.0

GRM (market) = 7.3

Real Estate Taxes	actual	7/1/2025	261,500	6,171	
Special Benefits District Surcharge				327	
Ground Rent	actual			120	
Management	budget	5%		2,744	
Insurance	budget	600 per unit		2,400	
Rental Inspections	budget	75 per res unit/3 yrs		75	
Baltimore City Registration	actual	35 per res unit		105	
Lead Paint Registration Fee	actual	30 per res unit		90	
Repairs & Maintenance	budget	1,000 per unit		4,000	
Public Service Gas	actual	98 per month		1,176	
Public Service Electric	actual	67 per month		804	
Water	budget	50 per unit per mon		2,400	
Expense/Unit= \$5,110	37%			TOTAL EXPENSES	20,412
Cap Rate= 9.07%				NET OPERATING INCOME	34,470
DCR= 1.49				Less: Mortgage Payments:	23,092
ROI= 10.0%				Monthly Cash Flow:	\$948
				Annual Cash Flow:	11,378

COMPARABLE SALES

address	date sold	sales price	# units	monthly rent	price per unit	GRM
2414 St Paul	Apr-24	429,000	5	4,225	85,800	8.5
2203 N Charles	Nov-23	346,000	4	4,152	86,500	6.9
28 E 25th	Aug-24	385,000	4	4,181	96,250	7.7
2200 N Charles	Nov-23	635,000	6	6,272	105,833	8.4
20-22 W 25th	Jun-23	857,500	7	9,054	122,500	7.9



Call Will A. Cannon III

410 916 3331

Seller's Exclusive Agent

BenFrederick.com
410-235-9500

Property offered without regard to protected classes, including race, religion, color, creed, sex, marital & family status, and/or disability. Property offering is subject to prior sale & withdrawal at any time in the owner's discretion. All information should be considered as observed by Broker. Purchaser is advised to verify all information to Purchaser's satisfaction.

Information presented is believed accurate & from reliable sources; however, Owner, Ben Frederick Realty, Inc. nor any of its agents make any warranties or representations regarding this information, the Property; its physical condition, any of its components, nor its financial performance.

Illustration of the **Four Components of "Return on Investment"**

1 Cash Flow

This first and perhaps most obvious component is "cash flow" - rental income minus expenses - or how much cash ends up in your pocket.

54,883	+	Rental Income
20,412	-	Operating Expenses
23,092	-	Mortgage Payments
<hr/>		
11,378	=	Cash Flow
114,000	/	Downpayment + Closing Costs
10.0%	=	Return on Investment from Cash Flow

2 Appreciation

As the value of the property increases, your return on investment increases.

380,000	=	Acquisition Price
5%	*	First Year Appreciation
399,000	=	Value at the end of Year 1.
<hr/>		
19,000	=	Amount of Value Increase
114,000	/	Downpayment + Closing Costs
17%	=	Return on Investment from Appreciation

3 Equity Build-Up

6.50% 25 \$ 1,924.34

Even if the property did not increase in value, Equity will increase solely from paying down the mortgage.

285,000	=	Loan Amount at Closing
280,294	=	Loan Amount at the end of Year 1
<hr/>		
4,706	-	Equity Build-Up in Year 1
114,000	/	Downpayment + Closing Costs
4.1%	=	Return on Investment from Equity Build-Up

4 Tax Benefits

One pays less income taxes on a real estate investment than on other investment vehicles.

34,470	=	Cash Flow Before Loan Payments (rents less expenses)
10,767	-	Depreciation (assumes 15% land, 30 year recovery)
18,386	-	Mortgage Interest
5,317	=	Taxable Income Year 1
4,254		Less 20% Exclusion for LLC Ownership under new tax law
37%	*	Marginal Tax Rate
1,573.85	=	Federal Income Tax
1,574		Federal Income Tax
11,378	/	Cash Flow
13.8%	=	Effective Tax Rate on This Investment
4,210	=	Tax if Cash Flow came from a non-preferred investment vehicle
1,574	-	Tax from this preferred investment vehicle.
<hr/>		
2,636	=	Income Tax Savings
2.3%	=	Return on Investment from Tax Savings

Total / Summary

1:	11,378	Cash Flow
2:	19,000	Appreciation Year 1
3:	4,706	Equity Build Up Year 1
4:	2,636	Tax Savings Year 1
<hr/>		
	37,720	Total Return from this Investment
	114,000	Downpayment + Closing Costs
	33.1%	Total Return from this Investment

**Illustration of Internal Rate of Return over a 10-Year Holding Period
2528 MARYLAND AVENUE**

Purchase Price	380,000	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Annual Rent	4.0%	54,883	57,078	59,361	61,735	64,205	66,773	69,444	72,222	75,111	78,115
Vacancy	3.0%	1,646	1,712	1,781	1,852	1,926	2,003	2,083	2,167	2,253	2,343
Effective Income		53,236	55,366	57,580	59,883	62,279	64,770	67,361	70,055	72,857	75,772
Expenses	4.0%	20,412	21,229	22,078	22,961	23,880	24,835	25,828	26,861	27,936	29,053
Exp as a percent of Annual Rent		38%	38%	38%	38%	38%	38%	38%	38%	38%	38%
Exp per unit	4	5,103	5,307	5,520	5,740	5,970	6,209	6,457	6,715	6,984	7,263
NOI	0	32,824	34,137	35,502	36,922	38,399	39,935	41,532	43,194	44,922	46,718
Debt Service	\$ 1,924	23,092	23,092	23,092	23,092	23,092	23,092	23,092	23,092	23,092	23,092
Before Tax Cash Flow	(114,000)	9,732	11,045	12,410	13,830	15,307	16,843	18,440	20,102	21,829	337,253
19.4% Internal Rate of Return											
NOI		32,824	34,137	35,502	36,922	38,399	39,935	41,532	43,194	44,922	46,718
Less Interest		18,386	18,071	17,735	17,376	16,993	16,585	16,149	15,684	15,188	14,659
Less Depreciation		10,133	10,133	10,133	10,133	10,133	10,133	10,133	10,133	10,133	10,133
Taxable Income to Individuals		4,304	5,932	7,634	9,413	11,272	13,217	15,250	17,376	19,600	21,926
Pass Thru Entity	20%	(861)	(1,186)	(1,527)	(1,883)	(2,254)	(2,643)	(3,050)	(3,475)	(3,920)	(4,385)
Taxable Income	0	3,443	4,746	6,107	7,530	9,018	10,573	12,200	13,901	15,680	17,541
Tax @ *	37%	1,274	1,756	2,260	2,786	3,337	3,912	4,514	5,143	5,802	6,490
After Tax Cash Flow	(114,000)	8,458	9,289	10,150	11,044	11,970	12,931	13,926	14,958	16,028	279,590
16.1% Internal Rate of Return											
Purchase	380,000										
L-V	75%										78,115
Loan	285,000										7.3
Down Payment	95,000										568,654
Cap Improvement	-									6%	34,119
Closing Costs	19,000										278,667
Initial Investment	114,000										255,868
Rate	6.50%									20%	51,174
Term	25										220,907
P&I	\$1,924.34										313,627
											262,453
Mortgage Amortization		1	2	3	4	5	6	7	8	9	10
285,000 Beg Bal		285,000	280,294	275,274	269,917	264,201	258,102	251,595	244,652	237,245	229,341
6.50% Prin		4,706	5,021	5,357	5,716	6,099	6,507	6,943	7,408	7,904	8,433
25.0 Int		18,386	18,071	17,735	17,376	16,993	16,585	16,149	15,684	15,188	14,659
1,924 Bal EOY		280,294	275,274	269,917	264,201	258,102	251,595	244,652	237,245	229,341	220,907
Cost Recovery / Depreciation		380,000	380,000	Building	80%	304,000	Land	20%	76,000	Life	30
		10,133	10,133	10,133	10,133	10,133	10,133	10,133	10,133	10,133	10,133
Basis		369,867	359,733	349,600	339,467	329,333	319,200	309,067	298,933	288,800	278,667

* Tax rate of 35% applies to income of \$200,001 to \$500,000 for singles; \$400,001 to \$600,000 for married filing jointly. Marginal rate above \$500k/\$600k is 37%.



STATE OF MARYLAND REAL ESTATE COMMISSION

Understanding Whom Real Estate Agents Represent

THIS NOTICE IS NOT A CONTRACT

In this form “seller” includes “landlord”; “buyer” includes “tenant”; and “purchase” or “sale” includes “lease”

Agents Who Represent the Seller

Seller’s Agent: A seller’s agent works for the real estate company that lists and markets the property for the sellers and exclusively represents the sellers. A seller’s agent may assist the buyer in purchasing the property, but his or her duty of loyalty is only to the seller.

Subagent: A Subagent means a licensed real estate broker, licensed associate real estate broker, or licensed real estate salesperson who is not affiliated with or acting as the listing real estate broker for a property, is not a buyer’s agent, has a brokerage relationship with the seller, and assists a prospective buyer in the acquisition of real estate for sale in a non-brokerage relationship capacity. The subagent works for a real estate company different from the company for which the seller’s agent works. The subagent can assist a buyer in purchasing a property, but his or her duty of loyalty is only to the seller.

If you are viewing a property and you have not signed a Brokerage Agreement, that agent represents the seller

Agents Who Represent the Buyer

Buyer’s Agent: A buyer may enter into a written contract with a real estate broker which provides that the broker will represent the buyer in locating a property to buy. The agent from that broker’s company is then known as the buyer’s agent. The buyer’s agent assists the buyer in evaluating properties and preparing offers and developing negotiation strategies and works in the best interest of the buyer. The agent’s fee is paid according to the written agreement between the broker and the buyer. If you as a buyer wish to have an agent represent you, you must enter into a written brokerage agreement.

Dual Agents

The possibility of **dual agency** arises when the buyer’s agent and the seller’s agent both work for the same real estate company, and the buyer is interested in property listed by that company. The real estate broker or the broker’s designee, is called the “dual agent.” Dual agents do not act exclusively in the interests of either the seller or buyer, and therefore cannot give undivided loyalty to either party. There may be a conflict of interest because the interests of the seller and buyer may be different or adverse.

If both seller and buyer agree to dual agency by signing a Consent For Dual Agency form, the “dual agent” (the broker or the broker’s designee) shall assign one agent to represent the seller (the seller’s “intra-company agent”) and another agent to represent the buyer (the buyer’s “intra-company agent”). Intra-company agents are required to provide the same services to their clients that agents provide in transactions not involving dual agency, including advising their clients as to price and negotiation strategies.

If either party does not agree to dual agency, the real estate company must withdraw the brokerage agreement for that particular property with either the buyer or seller, or both. If the seller's agreement is terminated, the seller must then either represent him or herself or arrange to be represented by an agent from another real estate broker/company. If the brokerage agreement is terminated, the buyer may choose to enter into a written brokerage agreement with a different broker/company. Alternatively, the buyer may choose not to be represented but simply to receive assistance from the seller's agent, from another agent in that company, or from a subagent from another company.

No matter what type of agent you choose to work with, you have the following rights and responsibilities in selling or buying property:

>Real estate agents are obligated by law to treat all parties to a real estate transaction honestly and fairly. They must exercise reasonable care and diligence and maintain the confidentiality of clients. They must not discriminate in the offering of properties; they must promptly present each written offer or counteroffer to the other party; and they must answer questions truthfully.

>Real estate agents must disclose all material facts that they know or should know relating to a property. An agent's duty to maintain confidentiality does not apply to the disclosure of material facts about a property.

>All agreements with real estate brokers and agents must be in writing and explain the duties and obligations of both the broker and the agent. The agreement must explain how the broker and agent will be paid and any fee-sharing agreements with other brokers.

>You have the responsibility to protect your own interests. **You should carefully read all agreements** to make sure they accurately reflect your understanding. A real estate licensee is qualified to advise you on real estate matters only. If you need legal or tax advice, it is your responsibility to consult a licensed attorney or accountant.

Any complaints about a real estate licensee may be filed with the Real Estate Commission at 500 North Calvert Street, Baltimore, MD 21202. (410) 230-6230.

We, the Sellers/Landlord Buyers/Tenants acknowledge receipt of a copy of this disclosure

and that Ben Frederick Realty, Inc. (firm name)

and Will Cannon (salesperson) are working as:

(You may check more than one box but not more than two)

- seller/landlord's agent
- subagent of the Seller
- buyer's/tenant's agent

Signature (Date)

Signature (Date)

* * * * *

I certify that on this date I made the required agency disclosure to the individuals identified below and they were **unable or unwilling** to acknowledge receipt of a copy of this disclosure statement.

Name of Individual to whom disclosure made

Name of Individual to whom disclosure made

Agent's Signature

(Date)