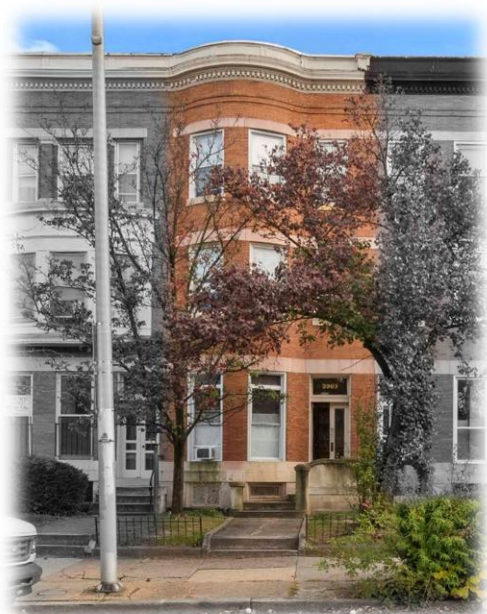




# BEN FREDERICK REALTY

BALTIMORE'S APARTMENT PROPERTY SPECIALIST



## 4 Apartments

2903 Saint Paul Street

Charles Village, Baltimore City, 21218

2 1-Bedroom Apartments

1 2-Bedroom Apartment

1 Studio Apartment

### » Property

BUILT	1905.
ZONING	R-8, Licensed for 4 Dwelling Units.
LOT	16' x 123'; Block 3852, Lot 041.
SIZE	2,688 sq. ft. above grade living area.

### » Exterior

CONSTRUCT	Brick construction.
ROOF	Built-up hot tar with elastomeric coating.
WINDOWS	Mostly single-pane wood windows; some vinyl replacement windows.
PARKING	1 car garage in rear.
FIRE ESCAPE	Rear wood decks serve as exterior egress.

### » Utilities

HEAT	Central American Radiator gas-fired boiler. Radiator distribution with hot water circulation.
HOT WATER	Central 40-gallon gas-fired water heater.
ELECTRIC	5 meters. 100-amp service.
GAS	5 meters.
PLUMBING	Observable supply pipes are copper or C-PVC. Observable drain lines are steel, copper or PVC.
TRASH	Baltimore City trash and recycling pickup included in property taxes.

### » Interiors

KITCHENS	Kitchens feature laminate counters with wood cabinets, stainless-steel sinks, and gas ranges in either 20" or 30" sizes.
BATHS	Three bathrooms have modern vanities; one bathroom has a wall-mounted sink. Two bathrooms have cast-iron tubs; two bathrooms have steel tubs. Tub surrounds are either ceramic tile or vinyl.
WALLS, CEILINGS & FLOORS	Walls and ceilings are plaster throughout. One apartment has a suspended grid ceiling. Living rooms have hardwood flooring and kitchens have vinyl flooring. Bathrooms are a mix of vinyl, ceramic tile or laminate flooring.

### » Environmental

LEAD-BASED PAINT	Risk Reduction certificates for apartments per MDE standards.
ASBESTOS OIL TANKS	Possible asbestos wrapping on boiler pipes in basement. None observed.



Will Cannon  
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**\$450,000** in Fee Simple.

\$112,500 per unit, \$167 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.

# 2903 SAINT PAUL STREET

## INVESTMENT PROPERTY INCOME AND EXPENSE BUDGET

<b>SUGGESTED FINANCING:</b>			<b>INVESTMENT OFFERING:</b>			450,000
Loan-to-Value	75%		SUGGESTED LOAN AMOUNT			337,500
Loan Amount	337,500		ESTIMATED CLOSING COSTS			22,500
Interest Rate	6.50%		TOTAL INVESTMENT			135,000
Term	30		<b>Price Per Unit</b>	<b>4</b>		<b>112,500</b>
Monthly P & I	\$ 2,133.23		<b>Price Per Sq.Ft.</b>	<b>2,688</b>		<b>167</b>

Unit	Size	Lease Expires	Sec Dep	Sec Dep Date	Current Actual Rent	Market Rent
1F	Studio	11/22/2026	600	11/22/2024	600	850
1R	1 BR	monthly	800	6/30/2017	650	1,000
2F	2 BR	monthly	950	4/26/2024	950	1,300
2R	1 BR	monthly	1,400	10/27/2022	720	1,000
Garage	1 Car					100

*Tenant Utility Reimbursement* 712

<b>GRM (actual) = 12.8</b>	Total Monthly Rental Income	2,920	4,962
<b>GRM (market) = 7.6</b>	Total Gross Annual Income	35,040	59,549

Real Estate Taxes	actual	7/1/2025	250,000	5,900
	budget for tax increase		100,000	2,360
Special Benefits District Surcharge				313
Ground Rent	none			0
Insurance	budget	650 per unit		2,600
License - Baltimore City MFD	actual	35 per unit		140
License Inspections	budget	75 per unit / 3 yrs		100
Lead Paint Registration Fee	actual	30 per unit		120
Repairs & Maintenance	budget	1,000 per unit		4,000
Public Service Electric	actual	23 per month		281
Public Service Gas	actual	289 per month		3,468
Water	budget	100 per unit / month		4,800

<b>Expense/Unit= \$6,030</b>	40%	<b>TOTAL EXPENSES</b>	<b>24,082</b>
<b>Cap Rate= 7.88%</b>		<b>NET OPERATING INCOME</b>	<b>35,468</b>
<b>DCR= 1.39</b>		Less: Mortgage Payments:	25,599
<b>ROI= 7.3%</b>		<b>Monthly Cash Flow:</b>	<b>\$822</b>
		<b>Annual Cash Flow:</b>	<b>9,869</b>

## COMPARABLE SALES

address	date sold	sales price	# units	Monthly Rent	Price per Unit	GRM
2815 N Calvert	May-25	515,000	6	6,505	85,833	6.6
2800 N Calvert	Jun-25	900,000	9		100,000	
1 W 27th	Jan-25	300,000	3	2,470	100,000	10.1
3106 N Calvert	Mar-23	425,000	4	3,685	106,250	9.6
3032 Guilford	Apr-25	350,000	3		116,667	
3301 Guilford	Oct-24	505,000	4	5,639	126,250	7.5



**Will Cannon**  
410-235-9500



**Cheryl Sadera**  
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**Tom Fair**  
410-235-5200

Property offered equally 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. 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. All information should be considered as observed by Broker. Purchaser is advised to verify all information to Purchaser's satisfaction.

**Ben Frederick Realty, Inc., Seller's Exclusive Broker**  
visit: <https://BenFrederick.com>

## 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.

59,549	+	Rental Income
24,082	-	Operating Expenses
25,599	-	Mortgage Payments
<hr/>		
9,869	=	Cash Flow
135,000	/	Downpayment + Closing Costs
7.3%	=	Return on Investment from Cash Flow

### 2 **Appreciation**

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

450,000	=	Acquisition Price
5%	*	First Year Appreciation
472,500	=	Value at the end of Year 1.
<hr/>		
22,500	=	Amount of Value Increase
135,000	/	Downpayment + Closing Costs
17%	=	Return on Investment from Appreciation

### 3 **Equity Build-Up**

6.50% 30 \$ 2,133.23

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

337,500	=	Loan Amount at Closing
333,728	=	Loan Amount at the end of Year 1
<hr/>		
3,772	-	Equity Build-Up in Year 1
135,000	/	Downpayment + Closing Costs
2.8%	=	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.

35,468	=	Cash Flow Before Loan Payments (rents less expenses)
12,750	-	Depreciation (assumes 15% land, 30 year recovery)
21,826	-	Mortgage Interest
891	=	Taxable Income Year 1
713		Less 20% Exclusion for LLC Ownership under new tax law
37%	*	Marginal Tax Rate
263.76	=	Federal Income Tax
264		Federal Income Tax
9,869	/	Cash Flow
2.7%	=	Effective Tax Rate on This Investment
3,651	=	Tax if Cash Flow came from a non-preferred investment vehicle
264	-	Tax from this preferred investment vehicle.
<hr/>		
3,388	=	Income Tax Savings
2.5%		Return on Investment from Tax Savings

### **Total / Summary**

1:	9,869	Cash Flow
2:	22,500	Appreciation Year 1
3:	3,772	Equity Build Up Year 1
4:	3,388	Tax Savings Year 1
<hr/>		
	39,529	Total Return from this Investment
	135,000	Downpayment + Closing Costs
	29.3%	Total Return from this Investment



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)

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

**2903 SAINT PAUL STREET**

Purchase Price	450,000	2026	2027	2028	2029	2030	2031	2032	2033			2034	2035
Annual Rent	4.0%	59,549	61,931	64,408	66,985	69,664	72,450	75,348	78,362			81,497	84,757
Vacancy	3.0%	1,786	1,858	1,932	2,010	2,090	2,174	2,260	2,351			2,445	2,543
Effective Income		57,763	60,073	62,476	64,975	67,574	70,277	73,088	76,012			79,052	82,214
Expenses	4.0%	24,082	25,045	26,047	27,088	28,172	29,299	30,471	31,690			32,957	34,275
Exp as a percent of Annual Rent		42%	42%	42%	42%	42%	42%	42%	42%			42%	42%
Exp per unit	4	6,020	6,261	6,512	6,772	7,043	7,325	7,618	7,922			8,239	8,569
NOI	0	33,681	35,028	36,429	37,887	39,402	40,978	42,617	44,322			46,095	47,939
Debt Service	\$ 2,133	25,599	25,599	25,599	25,599	25,599	25,599	25,599	25,599			25,599	25,599
Before Tax Cash Flow	(135,000)	8,082	9,430	10,831	12,288	13,803	15,379	17,018	18,723			20,496	338,281
<b>15.9% Internal Rate of Return</b>													
NOI		33,681	35,028	36,429	37,887	39,402	40,978	42,617	44,322			46,095	47,939
Less Interest		21,826	21,574	21,304	21,017	20,710	20,382	20,033	19,660			19,263	18,838
Less Depreciation		12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000			12,000	12,000
Taxable Income to Individuals		(145)	1,454	3,125	4,870	6,692	8,596	10,584	12,662			14,832	17,100
Pass Thru Entity	20%	29	(291)	(625)	(974)	(1,338)	(1,719)	(2,117)	(2,532)			(2,966)	(3,420)
Taxable Income	0	(116)	1,164	2,500	3,896	5,354	6,877	8,467	10,129			11,866	13,680
Tax @ *	37%	(43)	431	925	1,442	1,981	2,544	3,133	3,748			4,390	5,062
After Tax Cash Flow	(135,000)	8,125	8,999	9,906	10,846	11,822	12,835	13,886	14,975			16,106	278,807
<b>13.5% Internal Rate of Return</b>													
Purchase	450,000							<b>Assume a Sale at End of Year 10</b>					
L-V	75%							Annual Rent Roll					
Loan	337,500							GRM					
Down Payment	112,500							Price					
Cap Improvement	-							Sale Costs					
Closing Costs	22,500							Less: Basis					
Initial Investment	135,000							Gain					
Rate	6.50%							Tax @					
Term	30							Mortgage Balance					
P&I	\$2,133.23							Sale Proceeds Before Tax					
								Sale Proceeds After Tax					
<b>Mortgage Amortization</b>		1	2	3	4	5	6	7	8			9	10
337,500 Beg Bal		337,500	333,728	329,703	325,408	320,826	315,937	310,721	305,155			299,216	292,880
6.50% Prin		3,772	4,025	4,295	4,582	4,889	5,216	5,566	5,939			6,336	6,761
30.0 Int		21,826	21,574	21,304	21,017	20,710	20,382	20,033	19,660			19,263	18,838
2,133 Bal EOY		333,728	329,703	325,408	320,826	315,937	310,721	305,155	299,216			292,880	286,119
<b>Cost Recovery / Depreciation</b>		450,000	450,000	Building	80%	360,000	Land	20%	90,000			Life	30
		12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000			12,000	12,000
Basis		438,000	426,000	414,000	402,000	390,000	378,000	366,000	354,000			342,000	330,000
* 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%.													