



5 Apartments

2620 Maryland Avenue
Charles Village, Baltimore City, 21218

4 One-Bedroom Apartments
1 Studio Apartment

» Property

BUILT	~1900.
ZONING	R8, Licensed for 5 Dwelling Units.
LOT	25' x 150'; Block 3638, Lot 038.
SIZE	3,108 sq. ft. above grade living area.

» Exterior

CONSTRUCT	Brick construction.
ROOF	Rubber roof.
WINDOWS	Single-pane wood windows in Unit 1F; vinyl replacement windows in remaining units.
PARKING	Street parking.
FIRE ESCAPE	Steel fire escape in rear.

» Utilities

HEAT	Central Columbia gas-fired boiler with steam radiators.
HOT WATER	Central 40-gallon gas-fired water heater.
ELECTRIC	6 meters.
GAS	5 meters.
PLUMBING	Observable supply lines are a mix of steel, copper and C-PVC. Observable drain lines are PVC.
TRASH	Baltimore City trash and recycling pickup included in property taxes.

» Interiors

KITCHENS	Laminate countertops, wood cabinetry, stainless steel sinks, and 20" gas ranges.
BATHS	Modern vanities with cast iron tubs and either fiberglass or ceramic tile surrounds.
WALLS, CEILINGS & FLOORS	Plaster walls and ceilings throughout, with some wood paneling in select areas. Flooring consists of carpet or vinyl in living areas, and vinyl or ceramic tile in kitchens and bathrooms.
UNIT 1F	Unit 1F requires full gut renovation.

» Environmental

LEAD-BASED PAINT	Risk Reduction certificates for apartments per MDE standards.
ASBESTOS	Possible 9" x 9" asbestos floor tile in Unit 2R.
OIL TANKS	1 abandoned oil tank in basement.



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\$340,000 in Fee Simple.
\$68,000 per unit, \$109 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.

2620 MARYLAND AVENUE

INVESTMENT PROPERTY INCOME AND EXPENSE BUDGET

SUGGESTED FINANCING:		INVESTMENT OFFERING:	340,000
Loan-to-Value	75%	REHAB APARTMENT 1F:	27,000
Loan Amount	295,500	TOTAL INVESTMENT:	367,000
Interest Rate	6.50%	SUGGESTED LOAN AMOUNT:	295,500
Term	25	ESTIMATED CLOSING COSTS:	18,350
Monthly P & I	\$ 1,995.24	CASH TO CLOSE:	89,850
		Price Per Unit	5
			73,400
		Price Per Sq.Ft.	3,108
			118

Unit	Size	Lease Expires	Sec Dep	Sec Dep Date	Current Actual Rent	Market Rent
1F	1 BR					1,075
1R	1 BR	month-to-month	800.00	1/31/2023	670.00	1,075
2F	Studio	5/6/2026	650.00	5/6/2025	650.00	850
2R	1 BR	month-to-month	650.00	3/30/2020	705.00	1,075
3	1 BR	8/18/2026	700.00	8/18/2025	700.00	1,075

GRM (actual) = 11.2 GRM (market) = 5.9	Total Monthly Rental Income	2,725	5,150
	Total Gross Annual Income	32,700	61,800
	Vacancy / Credit Loss	5% (1,635)	(3,090)
	Total Gross Annual Income	31,065	58,710

Real Estate Taxes	actual	7/1/2026	242,833	5,731	
Special Benefits District Surcharge				304	
Ground Rent	none			0	
Insurance	budget	750 per unit		3,750	
Leasing and Management	budget	5% of collections		2,936	
License - Baltimore City MFD	actual	35 per apt		175	
License Inspections	budget	75 per apt / 2 yrs		188	
Lead Paint Registration Fee	actual	75 per apt / 2 yrs		188	
Repairs & Maintenance	budget	1,000 per unit		5,000	
Public Service Electric	actual	25 per month		303	
Public Service Gas	actual	224 per month		2,686	
Water	budget	60 per unit / month		3,600	
Expense/Unit= \$4,980	42%			TOTAL EXPENSES	24,859
Cap Rate= 9.22%				NET OPERATING INCOME	33,851
DCR= 1.41				Less: Mortgage Payments:	23,943
ROI= 11.0%		*Monthly Cash Flow:	\$826	Annual Cash Flow:	9,908

REHAB BUDGET

Apt 1F Kitchen	10,000
Apt 1F Bath	8,000
Apt 1F Floors	2,500
Apt 1F Paint	2,000
Subtotal	22,500
Misc 20%	4,500
Total	27,000



Call Will A. Cannon III

410 916 3331
Seller's Exclusive Agent

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COMPARABLE SALES

address	sale date	price	units	sq ft	monthly rent	price per unit	price per sq ft	GRM
2815 North Calvert	May-25	515,000	6	3,030	6,505	85,833	170	6.6
2528 Maryland	Mar-25	375,000	4	2,520	3,530	93,750	149	8.9
2713 North Calvert	Dec-24	486,000	5	3,031	5,600	97,200	160	7.2
2208 Maryland	Dec-25	403,000	4	3,058		100,750	132	
2651 Maryland	Nov-25	305,000	3	2,390		101,667	128	
Subject					market			
2620 Maryland		367,000	5	3,108	5,150	73,400	118	5.9



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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.

58,710	+	Rental Income
24,859	-	Operating Expenses
23,943	-	Mortgage Payments
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9,908	=	Cash Flow
89,850	/	Downpayment + Closing Costs
11.0%	=	Return on Investment from Cash Flow

2 Appreciation

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

27,000	=	Acquisition Price
5%	*	First Year Appreciation
28,350	=	Value at the end of Year 1.
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1,350	=	Amount of Value Increase
89,850	/	Downpayment + Closing Costs
2%	=	Return on Investment from Appreciation

3 Equity Build-Up

6.50% 25 \$ 1,995.24

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

295,500	=	Loan Amount at Closing
290,621	=	Loan Amount at the end of Year 1
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4,879	-	Equity Build-Up in Year 1
89,850	/	Downpayment + Closing Costs
5.4%	=	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.

33,851	=	Cash Flow Before Loan Payments (rents less expenses)
765	-	Depreciation (assumes 15% land, 30 year recovery)
19,064	-	Mortgage Interest
14,022	=	Taxable Income Year 1
11,218		Less 20% Exclusion for LLC Ownership under new tax law
37%	*	Marginal Tax Rate
4,150.59	=	Federal Income Tax
4,151		Federal Income Tax
9,908	/	Cash Flow
41.9%	=	Effective Tax Rate on This Investment
3,666	=	Tax if Cash Flow came from a non-preferred investment vehicle
4,151	-	Tax from this preferred investment vehicle.
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(485)	=	Income Tax Savings
-0.5%		Return on Investment from Tax Savings

Total / Summary

1:	9,908	Cash Flow
2:	1,350	Appreciation Year 1
3:	4,879	Equity Build Up Year 1
4:	(485)	Tax Savings Year 1
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	15,653	Total Return from this Investment
	89,850	Downpayment + Closing Costs
	17.4%	Total Return from this Investment

**Illustration of Internal Rate of Return over a 10-Year Holding Period
2620 MARYLAND AVENUE**

Purchase Price	27,000	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Annual Rent	7.0%	58,710	62,820	67,217	71,922	76,957	82,344	88,108	94,275	100,875	107,936
Vacancy	3.0%	1,761	1,885	2,017	2,158	2,309	2,470	2,643	2,828	3,026	3,238
Effective Income		56,949	60,935	65,201	69,765	74,648	79,873	85,465	91,447	97,848	104,698
Expenses	7.0%	24,859	26,599	28,461	30,453	32,585	34,866	37,307	39,918	42,712	45,702
Exp as a percent of Annual Rent		44%	44%	44%	44%	44%	44%	44%	44%	44%	44%
Exp per unit	5	4,972	5,320	5,692	6,091	6,517	6,973	7,461	7,984	8,542	9,140
NOI	0	32,090	34,336	36,740	39,311	42,063	45,008	48,158	51,529	55,136	58,996
Debt Service	\$ 1,995	23,943	23,943	23,943	23,943	23,943	23,943	23,943	23,943	23,943	23,943
Before Tax Cash Flow	(116,850)	8,147	10,393	12,797	15,369	18,120	21,065	24,215	27,586	31,193	408,527
21.5% Internal Rate of Return											
NOI		32,090	34,336	36,740	39,311	42,063	45,008	48,158	51,529	55,136	58,996
Less Interest		19,064	18,737	18,388	18,016	17,620	17,196	16,744	16,262	15,748	15,199
Less Depreciation		10,507	10,507	10,507	10,507	10,507	10,507	10,507	10,507	10,507	10,507
Taxable Income to Individuals		2,519	5,092	7,844	10,788	13,937	17,305	20,907	24,760	28,882	33,290
Pass Thru Entity	20%	(504)	(1,018)	(1,569)	(2,158)	(2,787)	(3,461)	(4,181)	(4,952)	(5,776)	(6,658)
Taxable Income	0	2,015	4,074	6,276	8,631	11,150	13,844	16,726	19,808	23,105	26,632
Tax @ *	37%	746	1,507	2,322	3,193	4,125	5,122	6,189	7,329	8,549	9,854
After Tax Cash Flow	(116,850)	7,401	8,886	10,475	12,175	13,995	15,943	18,027	20,257	22,644	335,956
18.1% Internal Rate of Return											
Purchase	394,000										
L-V	75%										107,936
Loan	295,500										5.9
Down Payment	98,500										640,979
Cap Improvement	-										38,459
Closing Costs	18,350										288,933
Initial Investment	116,850										313,587
Rate	6.50%										62,717
Term	25										229,046
P&I	\$1,995.24										373,474
											310,757
Mortgage Amortization		1	2	3	4	5	6	7	8	9	10
295,500 Beg Bal		295,500	290,621	285,415	279,861	273,934	267,611	260,864	253,666	245,985	237,790
6.50% Prin		4,879	5,206	5,554	5,926	6,323	6,747	7,199	7,681	8,195	8,744
25.0 Int		19,064	18,737	18,388	18,016	17,620	17,196	16,744	16,262	15,748	15,199
1,995 Bal EOY		290,621	285,415	279,861	273,934	267,611	260,864	253,666	245,985	237,790	229,046
Cost Recovery / Depreciation		394,000	394,000	Building	80%	315,200	Land	20%	78,800	Life	30
		10,507	10,507	10,507	10,507	10,507	10,507	10,507	10,507	10,507	10,507
Basis		383,493	372,987	362,480	351,973	341,467	330,960	320,453	309,947	299,440	288,933

* 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%.