



## 12 Commercial Suites + 1 Apartment

519-521 North Charles Street  
Mount Vernon, Baltimore City, 21201

### 12 Retail/Office Suites; 1 Apartment

#### » Property

BUILT	~1900.
ZONING	OR-2. Permitted for eyeglass store, bookstore and beauty salon. General office and medical use allowed per OR zoning.
LOT	519: 25' x 128'; Block 0552, Lot 030. 521: 23' x 128'; Block 0552, Lot 031.
SIZE	17,000 Combined Sq. Ft. of rentable space.

#### » Exterior

CONSTRUCT	Brick construction.
ROOF	519: Asphalt shingle pitched front; rubber middle and mineral felt rear. 521: Mostly asphalt shingle w/ some rubber on rear.
WINDOWS	Wood windows throughout. 519 has a large bay window; 521 has a large store front window.
PARKING	Three off-street parking spaces; two tandem.
FIRE ESCAPE	Fire escapes in rear.

#### » Interiors

OFFICE SUITES	Interiors vary by tenant fit out. Recessed or overhead lighting common throughout. 4 suites have kitchenettes. Some suites are plumbed for water lines to operate shampoo bowls and pedicure stations.
BATHS	11 suites have modern half-bathrooms. One suite has a full bath with shower stall and ceramic tile enclosure. The apartment bathroom has a wall-mounted sink and steel tub with ceramic enclosure.
WALLS & CEILINGS	Mostly drywall walls throughout. Some suites have exposed brick. Ceilings are a mix of drywall or suspended grid ceilings; two suites have exposed wooden rafters.
FLOORS	Some suites have a mix of commercial carpet and hardwood. Others have all laminate or vinyl plank flooring throughout.
APARTMENT	Laminate flooring throughout. Kitchen features laminate counters and cabinets, a 24" electric range and European combo style washer and dryer.

#### » Utilities

HVAC	Suites have heat pumps with central air conditioning. The Apartment has a mini-split system.
HOT WATER	Two water heaters: GE 2014 50-gallon electric; Rheem 2014 40-gallon electric.
ELECTRIC	12 meters. 150 amps to each unit in 519; 200 amps to each unit in 521.
GAS	2 gas meters.
PLUMBING	Observable supply pipes are a mix of C-PVC and copper. Observable drain lines are PVC.
TRASH	Monthly contract for dumpster service with Cockey's.

#### » Environmental

LEAD PAINT	Risk reduction certificate for apartment.
ASBESTOS	None observed.
OIL TANKS	None observed.



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**\$1,998,000** in Fee Simple.  
\$153,692 per unit, \$118 per sq. ft.

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# 519-521 NORTH CHARLES STREET

## INVESTMENT PROPERTY INCOME AND EXPENSE BUDGET

							<b>INVESTMENT OFFERING</b>	<b>1,998,000</b>	
							Price Per Unit	13	153,692
							Price Per Sq.Ft.	17,000	118
RENT ROLL									
Unit	Tenant	Lease Expires	Sec Dep	Sec Dep Date	Current Actual Rent	Market Rent			
519 #1	Vacant							3,500	
519 Charles #200	Tre'Amor Studio LLC	4/30/2026	2,100	5/1/2023	2,100	2,228			
519 #250A	East Coast Asset Group	monthly	1,000	3/16/2008	1,400	1,442			
519 Charles #250B	All Pro Glass	monthly	300	11/1/2007	385	400			
519 Charles #300	Yenor Inc.	7/31/2025	1,600	8/6/2022	1,600	1,656			
519 Charles #350	Intentional Healing Space LLC	12/31/2025	1,690	6/1/2022	2,353	2,414			
519 Charles #B	Simple Wellness	10/31/2026	1,450	10/22/2012	1,650	1,733			
519 #LL	East Coast Asset Group	monthly	0	5/1/2012	650	663			
521#1	Paris West Optical of Belvedere Square LLC	12/31/2033	1,409	1/1/2006	2,737	2,819			
521 #260B	Paris West Optical of Belvedere Square LLC	12/31/2033	400	5/15/2012	400	412			
521 #260	Focus Advertising & Marketing, Inc.	10/31/2025	1,250	11/1/2023	1,350	1,377			
521 #360	Residential Apartment Tenant	5/31/2025	1,199	5/1/2022	1,275	1,300			
521 #100	East Coast Asset Group	monthly	0	5/1/2012	750	773			
Parking	3 Spaces				300	300			
							<b>Total Monthly Rental Income</b>	<b>16,950</b>	<b>21,016</b>
							<b>Total Gross Annual Income</b>	<b>203,400</b>	<b>252,193</b>

EXPENSES					
Real Estate Taxes	519 Charles	7/1/2024	456,800	10,780	
	521 Charles		257,800	6,084	
Special Benefits District Surcharge				1,600	
Ground Rent	none			0	
Public Service Electric	actual	55 per month		660	
Water	budget	200 per month		2,400	
				<b>ANNUAL EXPENSES</b>	<b>21,525</b>

COMPARABLE SALES				
address	date sold	sales price	sq. ft.	Price Per Sq. Ft.
819 N Charles	Jun-23	480,000	6,000	80
419 N Charles	Aug-24	560,000	5,389	104
923 N Calvert	Dec-22	550,000	5,292	104
527 N Charles	Feb-24	1,100,000	9,512	116
11 1/2 W Chase	Feb-24	477,000	3,465	138
1130 N Charles	Mar-24	863,050	5,800	149



**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.

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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.

226,498	+	Rental Income
53,190	-	Operating Expenses
100,631	-	Mortgage Payments
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72,676	=	Cash Flow
593,250	/	Downpayment + Closing Costs
12.3%	=	Return on Investment from Cash Flow

### 2 **Appreciation**

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

1,695,000	=	Acquisition Price
5%	*	First Year Appreciation
1,779,750	=	Value at the end of Year 1.
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84,750	=	Amount of Value Increase
593,250	/	Downpayment + Closing Costs
14%	=	Return on Investment from Appreciation

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

7.00%      25 \$      8,385.94

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

1,186,500	=	Loan Amount at Closing
1,168,349	=	Loan Amount at the end of Year 1
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18,151	-	Equity Build-Up in Year 1
593,250	/	Downpayment + Closing Costs
3.1%	=	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.

173,307	=	Cash Flow Before Loan Payments (rents less expenses)
48,025	-	Depreciation (assumes 15% land, 30 year recovery)
82,480	-	Mortgage Interest
42,802	=	Taxable Income Year 1
34,242		Less 20% Exclusion for LLC Ownership under new tax law
37%	*	Marginal Tax Rate
12,669.52	=	Federal Income Tax
12,670		Federal Income Tax
72,676	/	Cash Flow
17.4%	=	Effective Tax Rate on This Investment
26,890	=	Tax if Cash Flow came from a non-preferred investment vehicle
12,670	-	Tax from this preferred investment vehicle.
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14,221	=	Income Tax Savings
2.4%		Return on Investment from Tax Savings

### **Total / Summary**

1:	72,676	Cash Flow
2:	84,750	Appreciation Year 1
3:	18,151	Equity Build Up Year 1
4:	14,221	Tax Savings Year 1
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	189,798	Total Return from this Investment
	593,250	Downpayment + Closing Costs
	32.0%	Total Return from this Investment

**Illustration of Internal Rate of Return over a 10-Year Holding Period  
519-521 NORTH CHARLES STREET**

Purchase Price	1,695,000	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Annual Rent	4.0%	226,498	235,558	244,980	254,779	264,970	275,569	286,592	298,056	309,978	322,377
Vacancy	3.0%	6,795	7,067	7,349	7,643	7,949	8,267	8,598	8,942	9,299	9,671
Effective Income		219,703	228,491	237,631	247,136	257,021	267,302	277,994	289,114	300,679	312,706
Expenses	4.0%	53,190	55,318	57,531	59,832	62,225	64,714	67,303	69,995	72,795	75,707
Exp as a percent of Annual Rent		24%	24%	24%	24%	24%	24%	24%	24%	24%	24%
Exp per unit	13	4,092	4,255	4,425	4,602	4,787	4,978	5,177	5,384	5,600	5,824
NOI	0	166,512	173,173	180,100	187,304	194,796	202,588	210,691	219,119	227,884	236,999
Debt Service	\$ 8,386	100,631	100,631	100,631	100,631	100,631	100,631	100,631	100,631	100,631	100,631
Before Tax Cash Flow	(593,250)	65,881	72,542	79,469	86,673	94,165	101,957	110,060	118,488	127,253	1,289,724
<b>18.8% Internal Rate of Return</b>											
NOI		166,512	173,173	180,100	187,304	194,796	202,588	210,691	219,119	227,884	236,999
Less Interest		82,480	81,168	79,761	78,252	76,634	74,900	73,039	71,045	68,906	66,613
Less Depreciation		45,200	45,200	45,200	45,200	45,200	45,200	45,200	45,200	45,200	45,200
Taxable Income to Individuals		38,832	46,805	55,139	63,852	72,962	82,488	92,452	102,874	113,778	125,187
Pass Thru Entity	20%	(7,766)	(9,361)	(11,028)	(12,770)	(14,592)	(16,498)	(18,490)	(20,575)	(22,756)	(25,037)
Taxable Income	0	31,066	37,444	44,111	51,081	58,369	65,991	73,962	82,299	91,022	100,149
Tax @ *	37%	11,494	13,854	16,321	18,900	21,597	24,417	27,366	30,451	33,678	37,055
After Tax Cash Flow	(593,250)	54,387	58,687	63,148	67,773	72,568	77,540	82,694	88,037	93,574	1,084,001
<b>15.1% Internal Rate of Return</b>											
Purchase	1,695,000										
L-V	70%										322,377
Loan	1,186,500										6.9
Down Payment	508,500										2,219,512
Cap Improvement	-										133,171
Closing Costs	84,750										1,243,000
Initial Investment	593,250										843,342
Rate	7.00%										168,668
Term	25										932,985
P&I	\$8,385.94										1,153,356
											984,688
<b>Mortgage Amortization</b>		1	2	3	4	5	6	7	8	9	10
1,186,500 Beg Bal		1,186,500	1,168,349	1,148,885	1,128,015	1,105,636	1,081,639	1,055,907	1,028,315	998,729	967,004
7.00% Prin		18,151	19,463	20,870	22,379	23,997	25,732	27,592	29,586	31,725	34,019
25.0 Int		82,480	81,168	79,761	78,252	76,634	74,900	73,039	71,045	68,906	66,613
8,386 Bal EOY		1,168,349	1,148,885	1,128,015	1,105,636	1,081,639	1,055,907	1,028,315	998,729	967,004	932,985
<b>Cost Recovery / Depreciation</b>		1,695,000	1,695,000	Building	80%	1,356,000	Land	20%	339,000	Life	30
		45,200	45,200	45,200	45,200	45,200	45,200	45,200	45,200	45,200	45,200
Basis		1,649,800	1,604,600	1,559,400	1,514,200	1,469,000	1,423,800	1,378,600	1,333,400	1,288,200	1,243,000

\* 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%.