



7 Apartments + 6 Commercial Suites

2516-2520 North Charles Street
Charles Village, Baltimore City, 21218

- 6 One-Bedroom Apartments
- 1 Two-Bedroom Apartment
- 6 Commercial Suites

» Exterior

CONSTRUCT	Brick construction with stone foundation.
ROOF	2516 Charles: Upper roof is rubber with aluminum fibre coating; Lower roof is 90 lb mineral felt. 2518 Charles: Upper and lower roofs are rubber with aluminum fibre coating. 2520 Charles: Upper and lower roofs are rubber.
WINDOWS	Vinyl replacement windows.
PARKING	48'10" x 70' asphalt parking pad in rear.
FIRE ESCAPE	Steel fire escape in rear.

» Utilities

HVAC	Apartments have individual electric heat pumps with central air. Four commercial suites have electric baseboard heat; two suites have abandoned heating systems, but existing distribution is in place, ready for new heat pumps.
HOT WATER	Apartments have individual electric water heaters. Commercial suites have individual gas-fired water heaters; vacant suites need new water heaters.
ELECTRIC	13 electric meters.
GAS	3 gas meters.
PLUMBING	All observable supply lines are copper or PVC. All observable drain lines are PVC.
TRASH	Landlord provides a dumpster in the rear.
LEAD PAINT	Risk reduction certificates per MDE standards.

» Property

BUILT	~1900.
ZONING	OR-2. Licensed for 7 Dwelling Units.
LOT	48'10" x 150'; Block 3636, Lot 9.
SIZE	8,130 Sq. Ft. Gross Living Area.

» Apartments

KITCHENS	Granite countertops in four apartments; laminate countertops in the other three. Six apartments have wood cabinets; one has laminate cabinets. 30" electric ranges; stainless sinks and ceramic tile floors.
BATHS	Six apartments have modern vanities; one apartment has a pedestal sink. Four apartments have stand up vinyl shower stalls with ceramic tile enclosures; one apartment has both a steel tub with ceramic tile tub-surround and a stand-up vinyl shower stall with vinyl enclosures. Ceramic tile floors. Mostly drywall; several areas have suspended grid ceilings.
WALLS & CEILINGS	
FLOORS	Living spaces are mostly carpet with some ceramic tile.

» Commercial suites

FINISH	First floor suites have a mix of carpet, laminate and vinyl tile flooring. Basement suites have ceramic tile. Drywall walls and ceilings.
BATHS	Each suite contains a half bathroom.



Will Cannon
410-235-9500



Cheryl Sadera
410-235-9600



Tom Fair
410-235-5200

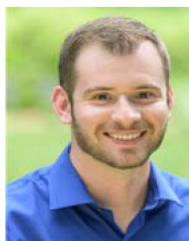
\$1,260,000 in Fee Simple.
\$96,923 per unit, \$155 per sq. ft.

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.

2516 - 2520 NORTH CHARLES STREET

INVESTMENT PROPERTY INCOME AND EXPENSE BUDGET

Unit	Size	Lease Expires	Sec Dep	Sec Dep Date	Current Actual Rent	Market Rent	
A	750 sq ft	12/31/2026	895	7/1/2021	964	1,012	
B	750 sq ft	10/31/2025	650	9/27/2013	990	1,040	
C	850 sq ft	12/31/2026	995	9/1/2022	995	1,045	
D	775 sq ft					1,000	
E	850 sq ft					1,000	
F	650 sq ft	12/31/2024	1,400	1/1/2022	728	764	
1	2 BR	4/30/2025	1,295	4/19/2024	1,295	1,325	
2	1 BR	5/31/2025	1,900	5/15/2024	950	965	
3	1 BR	6/30/2025	825	7/1/2024	825	850	
4	1 BR	4/30/2025	895	4/29/2024	965	980	
5	1 BR	7/31/2025	925	8/1/2024	985	1,000	
6	1 BR	8/31/2025	795	8/21/2024	795	815	
7	1 BR	4/30/2025	1,025	4/26/2024	1,025	1,050	
Parking	10 spaces				50	500	
<i>Tenant Utility Reimbursement</i>					168	168	
GRM (actual) = 9.9					Total Monthly Rental Income	10,735	13,514
GRM (market) = 7.9					Gross Annual Income	128,818	162,164
					Vacancy / Credit Loss 3%	(3,865)	(4,865)
					Effective Annual Income	124,953	157,299
Real Estate Taxes	actual	7/1/2025	735,000		17,346		
Special Benefits District Surcharge	actual				919		
Ground Rent	none				0		
Management	budget	5%			7,865		
Insurance	budget	500 per unit			6,500		
License - Baltimore City MFD	actual	35 per resid unit			245		
Lead Paint Registration Fee	actual	30 per resid unit			210		
Repairs & Maintenance	budget	1,000 per resid unit			7,000		
Dumpster Contract	actual	165 per month			1,980		
Cleaning	budget	100 per month			1,200		
Snow Removal	budget	500 per season			500		
Public Service Electric	actual	168 per month			2,016		
Water	budget	400 per month			4,800		
Expense/Unit= \$3,900					TOTAL EXPENSES		50,581
Cap Rate= 8.47%					NET OPERATING INCOME		106,718
DCR= 1.33					<i>Less: Mortgage Payments:</i>		80,149
ROI= 7.0%					Monthly Cash Flow:	\$2,214	Annual Cash Flow:
							26,570



Call Tom Fair

410 235 5200

mobile

Seller's Exclusive Agent

BenFrederick.com

410-235-9500

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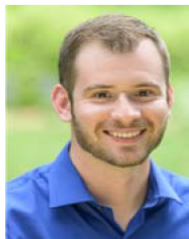
2516 - 2520 NORTH CHARLES STREET

COMPARABLE SALES

address	date sold	sales price	# units	monthly rent	price per unit	GRM
2414 Saint Paul	Apr-24	429,000	5	4,225	85,800	8.5
2203 Charles	Nov-23	346,000	4	4,152	86,500	6.9
2653 Maryland	Nov-23	745,000	8	8,176	93,125	7.6
2404 Charles	Mar-24	375,000	4	4,541	93,750	6.9
2200 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

Subject

2516-20 Charles		1,260,000	13	13,514	96,923	7.8
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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.

157,299	+	Rental Income
50,581	-	Operating Expenses
77,935	-	Mortgage Payments
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28,784	=	Cash Flow
315,000	/	Downpayment + Closing Costs
9.1%	=	Return on Investment from Cash Flow

2 **Appreciation**

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

1,260,000	=	Acquisition Price
5%	*	First Year Appreciation
1,323,000	=	Value at the end of Year 1.
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63,000	=	Amount of Value Increase
315,000	/	Downpayment + Closing Costs
20%	=	Return on Investment from Appreciation

3 **Equity Build-Up**

6.00% 25 \$ 6,494.56

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

1,008,000	=	Loan Amount at Closing
990,057	=	Loan Amount at the end of Year 1
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17,943	-	Equity Build-Up in Year 1
315,000	/	Downpayment + Closing Costs
5.7%	=	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.

106,718	=	Cash Flow Before Loan Payments (rents less expenses)
35,700	-	Depreciation (assumes 15% land, 30 year recovery)
59,992	-	Mortgage Interest
11,026	=	Taxable Income Year 1
8,821		Less 20% Exclusion for LLC Ownership under new tax law
37%	*	Marginal Tax Rate
3,263.82	=	Federal Income Tax
3,264		Federal Income Tax
28,784	/	Cash Flow
11.3%	=	Effective Tax Rate on This Investment
10,650	=	Tax if Cash Flow came from a non-preferred investment vehicle
3,264	-	Tax from this preferred investment vehicle.
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7,386	=	Income Tax Savings
2.3%	=	Return on Investment from Tax Savings

Total / Summary

1:	28,784	Cash Flow
2:	63,000	Appreciation Year 1
3:	17,943	Equity Build Up Year 1
4:	7,386	Tax Savings Year 1
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	117,113	Total Return from this Investment
	315,000	Downpayment + Closing Costs
	37.2%	Total Return from this Investment

**Illustration of Internal Rate of Return over a 10-Year Holding Period
2516 - 2520 NORTH CHARLES STREET**

Purchase Price	1,260,000	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033		
Annual Rent	4.0%	157,299	163,591	170,135	176,940	184,018	191,378	199,033	206,995	215,275	223,886		
Vacancy	3.0%	4,719	4,908	5,104	5,308	5,521	5,741	5,971	6,210	6,458	6,717		
Effective Income		152,580	158,683	165,031	171,632	178,497	185,637	193,062	200,785	208,816	217,169		
Expenses	4.0%	50,581	52,604	54,708	56,896	59,172	61,539	64,001	66,561	69,223	71,992		
Exp as a percent of Annual Rent		33%	33%	33%	33%	33%	33%	33%	33%	33%	33%		
Exp per unit	13	3,891	4,046	4,208	4,377	4,552	4,734	4,923	5,120	5,325	5,538		
NOI	0	101,999	106,079	110,322	114,735	119,325	124,098	129,062	134,224	139,593	145,177		
Debt Service	\$ 6,495	77,935	77,935	77,935	77,935	77,935	77,935	77,935	77,935	77,935	77,935		
Before Tax Cash Flow	(315,000)	24,065	28,145	32,388	36,801	41,390	46,163	51,127	56,289	61,658	953,396		
19.3% Internal Rate of Return													
NOI		101,999	106,079	110,322	114,735	119,325	124,098	129,062	134,224	139,593	145,177		
Less Interest		59,992	58,885	57,710	56,463	55,139	53,733	52,240	50,655	48,972	47,186		
Less Depreciation		33,600	33,600	33,600	33,600	33,600	33,600	33,600	33,600	33,600	33,600		
Taxable Income to Individuals		8,407	13,594	19,012	24,672	30,586	36,765	43,222	49,969	57,021	64,391		
Pass Thru Entity	20%	(1,681)	(2,719)	(3,802)	(4,934)	(6,117)	(7,353)	(8,644)	(9,994)	(11,404)	(12,878)		
Taxable Income	0	6,726	10,875	15,210	19,738	24,469	29,412	34,578	39,975	45,617	51,513		
Tax @ *	37%	2,489	4,024	5,628	7,303	9,054	10,883	12,794	14,791	16,878	19,060		
After Tax Cash Flow	(315,000)	21,576	24,121	26,760	29,498	32,337	35,281	38,333	41,499	44,780	787,980		
16.1% Internal Rate of Return													
Purchase	1,260,000								Assume a Sale at End of Year 10				
L-V	80%								Annual Rent Roll		223,886		
Loan	1,008,000								GRM		7.9		
Down Payment	252,000								annual appreciation	3.4%	Price	1,761,470	
Cap Improvement	-										Sale Costs	6%	105,688
Closing Costs	63,000										Less: Basis		924,000
Initial Investment	315,000										Gain		731,782
Rate	6.00%										Tax @	20%	146,356
Term	25										Mortgage Balance		769,628
P&I	\$6,494.56										Sale Proceeds Before Tax		886,154
											Sale Proceeds After Tax		739,798
Mortgage Amortization		1	2	3	4	5	6	7	8	9	10		
1,008,000	Beg Bal	1,008,000	990,057	971,008	950,783	929,312	906,515	882,313	856,618	829,339	800,377		
6.00%	Prin	17,943	19,049	20,224	21,472	22,796	24,202	25,695	27,280	28,962	30,749		
25.0	Int	59,992	58,885	57,710	56,463	55,139	53,733	52,240	50,655	48,972	47,186		
6,495	Bal EOY	990,057	971,008	950,783	929,312	906,515	882,313	856,618	829,339	800,377	769,628		
Cost Recovery / Depreciation		1,260,000	1,260,000	Building	80%	1,008,000	Land	20%	252,000	Life	30		
		33,600	33,600	33,600	33,600	33,600	33,600	33,600	33,600	33,600	33,600	33,600	
Basis		1,226,400	1,192,800	1,159,200	1,125,600	1,092,000	1,058,400	1,024,800	991,200	957,600	924,000		

* 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%.