



3 Apartments

112 East 20th Street
Barclay, Baltimore City, 21218

2 Two-Bedroom Apartments
1 One-Bedroom Apartment

» Property

BUILT	1890.
ZONING	R-8. Licensed for 3 Dwelling Units.
LOT	Block 3808, Lot 026. 15'6" x 80'.
SIZE	2,322 Sq. Ft. Gross Living Area.

» Interiors

KITCHENS	2 kitchens have laminate counters; all kitchens have wood cabinets. 2 kitchens have steel sinks; 1 kitchen has a porcelain sink top.
BATHS	Bathrooms have cast iron tubs with ceramic tile or vinyl tub-surrounds.
WALLS & CEILINGS	Plaster walls and ceilings throughout.
FLOORING	Apartments have a mix of wood and vinyl flooring throughout living spaces. Kitchens and bathrooms have vinyl flooring.

» Exterior

CONSTRUCT	Brick construction on stone foundation. Formstone on the lower front façade.
ROOF	Rubber roof.
WINDOWS	Mix of wood-pane and vinyl replacement windows.
PARKING	Street parking.
FIRE ESCAPE	Steel fire escape at rear.

» Utilities

HEAT	Central Trane gas-fired furnace.
HOT WATER	Central gas-fired 40-gallon water heater.
ELECTRIC	4 electric meters.
GAS	3 gas meters.
PLUMBING	Observable supply and drain lines are steel.
TRASH	Baltimore City trash and recycling pickup included in property taxes.

» Environmental

ASBESTOS	None observed.
OIL TANK	None observed.
LEAD STATUS	Risk reduction certificates per MDE standards.



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\$240,000 in Fee Simple
\$80,000 per unit, \$103 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.

112 EAST 20TH STREET

INVESTMENT PROPERTY INCOME AND EXPENSE BUDGET

SUGGESTED FINANCING:		INVESTMENT OFFERING:	240,000
Loan-to-Value	75%	SUGGESTED LOAN AMOUNT	180,000
Loan Amount	180,000	ESTIMATED CLOSING COSTS	12,000
Interest Rate	6.50%	TOTAL INVESTMENT	72,000
Term	30	Price Per Unit	3
Monthly P & I	\$ 1,137.72	Price Per Sq.Ft.	2,322
			80,000
			103

Unit	Size	Lease Expires	Sec Dep	Sec Dep Date	Current Actual Rent	Market Rent
1	2 BR	monthly	329	5/4/1998	600	1,100
2	2 BR	monthly	1,500	10/1/2021	770	1,100
3	1 BR	monthly	550	4/14/2016	600	1,000
<i>1st floor tenant to pay own electric meter</i>						120

GRM (actual) = 10.2	Total Monthly Rental Income	1,970	3,320
GRM (market) = 6.0	Total Gross Annual Income	23,640	39,840
Real Estate Taxes	actual	7/1/2026	192,133
Special Benefits District Surcharge			4,534
Ground Rent	none		240
Insurance	budget	750 per unit	0
License - Baltimore City MFD	actual	35 per apt	2,250
License Inspections	budget	75 per apt / 2 yrs	105
Lead Paint Registration Fee	actual	30 per apt	113
Repairs & Maintenance	budget	1,000 per unit	90
Public Service Electric	actual	43 per month	3,000
<i>1st floor electric included in rent</i>		120 per month	511
Public Service Gas	actual	252 per month	1,442
Water	budget	75 per unit / month	3,022
Expense/Unit= \$6,010	45%	TOTAL EXPENSES	18,007
Cap Rate= 9.10%		NET OPERATING INCOME	21,833
DCR= 1.60		<i>Less: Mortgage Payments:</i>	13,653
ROI= 11.4%		Monthly Cash Flow:	\$682
		Annual Cash Flow:	8,180

COMPARABLE SALES

address	date sold	price	units	monthly rent	price per unit	GRM
2414 Charles	Sep-25	245,000	4		61,250	
2414 Saint Paul	Apr-24	429,000	5	4,225	85,800	8.5
2528 Maryland	Mar-25	375,000	4	3,530	93,750	8.9
2405 Maryland	PENDING	375,000	3	2,700	125,000	11.6
1733 Guilford	Dec-25	380,000	3	3,100	126,667	10.2



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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.

39,840	+	Rental Income
18,007	-	Operating Expenses
13,653	-	Mortgage Payments
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8,180	=	Cash Flow
72,000	/	Downpayment + Closing Costs
11.4%	=	Return on Investment from Cash Flow

2 Appreciation

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

240,000	=	Acquisition Price
5%	*	First Year Appreciation
252,000	=	Value at the end of Year 1.
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12,000	=	Amount of Value Increase
72,000	/	Downpayment + Closing Costs
17%	=	Return on Investment from Appreciation

3 Equity Build-Up

6.50% 30 \$ 1,137.72

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

180,000	=	Loan Amount at Closing
177,988	=	Loan Amount at the end of Year 1
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2,012	-	Equity Build-Up in Year 1
72,000	/	Downpayment + Closing Costs
2.8%	=	Return on Investment from Equity Build-Up

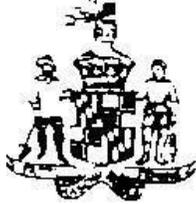
4 Tax Benefits

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

21,833	=	Cash Flow Before Loan Payments (rents less expenses)
6,800	-	Depreciation (assumes 15% land, 30 year recovery)
11,641	-	Mortgage Interest
3,392	=	Taxable Income Year 1
2,714		Less 20% Exclusion for LLC Ownership under new tax law
37%	*	Marginal Tax Rate
1,004.10	=	Federal Income Tax
1,004		Federal Income Tax
8,180	/	Cash Flow
12.3%	=	Effective Tax Rate on This Investment
3,027	=	Tax if Cash Flow came from a non-preferred investment vehicle
1,004	-	Tax from this preferred investment vehicle.
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2,023	=	Income Tax Savings
2.8%	=	Return on Investment from Tax Savings

Total / Summary

1:	8,180	Cash Flow
2:	12,000	Appreciation Year 1
3:	2,012	Equity Build Up Year 1
4:	2,023	Tax Savings Year 1
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	24,215	Total Return from this Investment
	72,000	Downpayment + Closing Costs
	33.6%	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 box]

Signature (Date)

[Signature box]

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

[Signature box]

Agent's Signature (Date)