



BEN FREDERICK REALTY

BALTIMORE'S APARTMENT PROPERTY SPECIALIST



4 Apartments

1816 Saint Paul Street
Charles Village, Baltimore City, 21218

3 One-Bedroom Apartments

1 Studio Apartment

» Property

BUILT	~1890.
ZONING	OR-1 zoning; licensed for 4 Dwelling Units.
LOT	17' x 96'. Block 0389, Lot 034.
SIZE	2,397 Sq. Ft. Gross Building Area.

» Interiors

KITCHENS	Kitchens include wood cabinetry and laminate counters, with 24" electric ranges and stainless-steel sinks.
BATHS	Bathrooms have modern vanities. Two bathrooms have shower stalls; two bathrooms have steel tubs with ceramic tile surrounds.
WALLS & CEILINGS FLOORING	Mix of drywall and plaster walls. Ceilings are a mix of plaster and suspended grid. Flooring throughout living spaces is mostly carpet, with laminate in the basement unit. Kitchens have vinyl flooring and bathrooms have ceramic tile flooring.
LAUNDRY	Shared, coin-operated washer and dryer in basement.

» Environmental

LEAD-BASED PAINT	Lead-Free certificate on file.
OIL TANKS	None observed.
ASBESTOS	None observed.

» Exterior

CONSTRUCT	Brick construction with Formstone façade.
ROOF	Built-up tar.
WINDOWS	Single-pane and double-pane wood windows.
PARKING	Concrete parking pad for 2 cars in rear.
FIRE ESCAPE	Steel fire escape at rear.

» Utilities

HEAT	3 apartments have individual heat pumps with central air conditioning. 1 apartment has mini-splits.
HOT WATER	Each apartment has an electric water heater.
ELECTRIC	5 electric meters. 400-amp service to the main building.
GAS	No gas meters. All-electric building.
PLUMBING	Observable supply lines are copper or C-PVC; observable drain lines are PVC.
TRASH	Baltimore City trash and recycling pickup included in property taxes.



Will Cannon
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\$435,000 in Fee Simple

\$108,750 per unit, \$181 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.

1816 SAINT PAUL STREET

INVESTMENT PROPERTY INCOME AND EXPENSE BUDGET

SUGGESTED FINANCING:				INVESTMENT OFFERING:		435,000
Loan-to-Value	75%			SUGGESTED LOAN AMOUNT		326,250
Loan Amount	326,250			ESTIMATED CLOSING COSTS		21,750
Interest Rate	6.50%			TOTAL INVESTMENT		130,500
Term	30			Price Per Unit	4	108,750
Monthly P & I	\$ 2,062.12			Price Per Sq.Ft.	2,397	181
Unit	Size	Lease Expires	Sec Dep	Sec Dep Date	Current Actual Rent	Market Rent
001	Studio	monthly	800	5/15/2024	958	975
101	1 BR	monthly	1,000	4/15/2024	1,080	1,250
201	1 BR	vacant				1,250
301	1 BR	10/31/2026	1,100	10/6/2025	1,165	1,250
Parking	2 Spaces				-	100
GRM (actual) = 11.3				Total Monthly Rental Income		3,203
GRM (market) = 7.5				Total Gross Annual Income		38,436
Real Estate Taxes				actual	7/1/2026	148,700
Budget for tax increase						100,000
Special Benefits District Surcharge						186
Ground Rent				none		0
Insurance				budget	750 per unit	3,000
License - Baltimore City MFD				actual	35 per apt	140
License Inspections				budget	75 per apt / 2 yrs	150
Lead Paint Registration Fee				lead free	0 none	0
Repairs & Maintenance				budget	1,000 per unit	4,000
Public Service Electric				actual	77 per month	927
Public Service Gas				none	0 per month	0
Water				budget	60 per unit / month	2,880
Expense/Unit= \$4,290				TOTAL EXPENSES		17,152
Cap Rate= 9.37%				NET OPERATING INCOME		40,748
DCR= 1.65				Less: Mortgage Payments:		24,745
ROI= 12.3%				Monthly Cash Flow:	\$1,334	Annual Cash Flow: 16,002

COMPARABLE SALES

address	date sold	price	units	monthly rent	price per unit	GRM
1815 Saint Paul	Nov-25	450,000	5	4,304	90,000	8.7
2024 Saint Paul	May-25	450,000	4	3,835	112,500	9.8
2126 Saint Paul	Jul-25	533,283	4		133,321	
1609 Saint Paul	Apr-26	540,000	4	5,000	135,000	9.0
1709 Saint Paul	Apr-24	560,000	4	4,725	140,000	9.9



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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.

57,900	+	Rental Income
17,152	-	Operating Expenses
24,745	-	Mortgage Payments
16,002	=	Cash Flow
130,500	/	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.

435,000	=	Acquisition Price
5%	*	First Year Appreciation
456,750	=	Value at the end of Year 1.
21,750	=	Amount of Value Increase
130,500	/	Downpayment + Closing Costs
17%	=	Return on Investment from Appreciation

3 **Equity Build-Up**

6.50% 30 \$ 2,062.12

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

326,250	=	Loan Amount at Closing
322,603	=	Loan Amount at the end of Year 1
3,647	-	Equity Build-Up in Year 1
130,500	/	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.

40,748	=	Cash Flow Before Loan Payments (rents less expenses)
12,325	-	Depreciation (assumes 15% land, 30 year recovery)
21,099	-	Mortgage Interest
7,324	=	Taxable Income Year 1
5,859		Less 20% Exclusion for LLC Ownership under new tax law
37%	*	Marginal Tax Rate
2,167.88	=	Federal Income Tax
2,168		Federal Income Tax
16,002	/	Cash Flow
13.5%	=	Effective Tax Rate on This Investment
5,921	=	Tax if Cash Flow came from a non-preferred investment vehicle
2,168	-	Tax from this preferred investment vehicle.
3,753	=	Income Tax Savings
2.9%		Return on Investment from Tax Savings

Total / Summary

1:	16,002	Cash Flow
2:	21,750	Appreciation Year 1
3:	3,647	Equity Build Up Year 1
4:	3,753	Tax Savings Year 1
	45,152	Total Return from this Investment
	130,500	Downpayment + Closing Costs
	34.6%	Total Return from this Investment

Illustration of Internal Rate of Return over a 10-Year Holding Period
1816 SAINT PAUL STREET

Purchase Price	435,000	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Annual Rent	4.0%	57,900	60,216	62,625	65,130	67,735	70,444	73,262	76,192	79,240	82,410
Vacancy	3.0%	1,737	1,806	1,879	1,954	2,032	2,113	2,198	2,286	2,377	2,472
Effective Income		56,163	58,410	60,746	63,176	65,703	68,331	71,064	73,907	76,863	79,937
Expenses	4.0%	17,152	17,838	18,552	19,294	20,066	20,868	21,703	22,571	23,474	24,413
Exp as a percent of Annual Rent		31%	31%	31%	31%	31%	31%	31%	31%	31%	31%
Exp per unit	4	4,288	4,460	4,638	4,823	5,016	5,217	5,426	5,643	5,868	6,103
NOI	0	39,011	40,571	42,194	43,882	45,637	47,463	49,361	51,336	53,389	55,525
Debt Service	\$ 2,062	24,745	24,745	24,745	24,745	24,745	24,745	24,745	24,745	24,745	24,745
Before Tax Cash Flow	(130,500)	14,265	15,826	17,449	19,136	20,892	22,717	24,616	26,590	28,644	336,189
20.1% Internal Rate of Return											
NOI		39,011	40,571	42,194	43,882	45,637	47,463	49,361	51,336	53,389	55,525
Less Interest		21,099	20,855	20,594	20,316	20,019	19,703	19,365	19,005	18,620	18,210
Less Depreciation		11,600	11,600	11,600	11,600	11,600	11,600	11,600	11,600	11,600	11,600
Taxable Income to Individuals		6,312	8,117	10,000	11,966	14,018	16,160	18,396	20,731	23,169	25,714
Pass Thru Entity	20%	(1,262)	(1,623)	(2,000)	(2,393)	(2,804)	(3,232)	(3,679)	(4,146)	(4,634)	(5,143)
Taxable Income	0	5,050	6,493	8,000	9,573	11,214	12,928	14,717	16,585	18,535	20,571
Tax @ *	37%	1,868	2,403	2,960	3,542	4,149	4,783	5,445	6,136	6,858	7,611
After Tax Cash Flow	(130,500)	12,397	13,423	14,489	15,595	16,742	17,934	19,170	20,454	21,786	275,979
16.6% Internal Rate of Return											
Purchase	435,000							Assume a Sale at End of Year 10			
L-V	75%							Annual Rent Roll			82,410
Loan	326,250							GRM			7.5
Down Payment	108,750							Price			619,141
Cap Improvement	-							Sale Costs		6%	37,148
Closing Costs	21,750							Less: Basis			319,000
Initial Investment	130,500							Gain			262,992
Rate	6.50%							Tax @		20%	52,598
Term	30							Mortgage Balance			276,582
P&I	\$2,062.12							Sale Proceeds Before Tax			305,410
								Sale Proceeds After Tax			252,812
Mortgage Amortization		1	2	3	4	5	6	7	8	9	10
326,250 Beg Bal		326,250	322,603	318,713	314,561	310,132	305,406	300,363	294,983	289,242	283,117
6.50% Prin		3,647	3,891	4,151	4,429	4,726	5,043	5,380	5,741	6,125	6,535
30.0 Int		21,099	20,855	20,594	20,316	20,019	19,703	19,365	19,005	18,620	18,210
2,062 Bal EOY		322,603	318,713	314,561	310,132	305,406	300,363	294,983	289,242	283,117	276,582
Cost Recovery / Depreciation		435,000	435,000	Building	80%	348,000	Land	20%	87,000	Life	30
		11,600	11,600	11,600	11,600	11,600	11,600	11,600	11,600	11,600	11,600
Basis		423,400	411,800	400,200	388,600	377,000	365,400	353,800	342,200	330,600	319,000

* Tax rate of 35% applies to income of \$256,225 to \$640,599 for singles; \$512,450 to \$768,699 for married filing jointly. Marginal rate above \$640,600/\$768,700 is 37%.



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)