



6 Apartments

926 North Calvert Street
Mount Vernon, Baltimore City, 21202

6 One-Bedroom, 1 Bath Apartments

» *Property*

BUILT	~1920.
ZONING	OR-2, Licensed for 6 Dwelling Units.
LOT	19' x 123'; Block 0513, Lot 008.
SIZE	3,600 Sq. Ft. Gross Living Area.

» *Interiors*

KITCHENS	All apartments have wood cabinets with laminate countertops. Stainless steel sinks with some disposals. Gas ranges vary from 20", 24" and 30".
BATHS	Four of the apartments have shower stalls with vinyl tub surrounds. Two apartments feature steel tubs, one with ceramic tile tub-surround and the other with vinyl enclosure.
WALLS & CEILINGS	Apartments are a mix of wood paneling and plaster walls. Ceilings are a mix of suspended grid and/or plaster.
FLOORS	Living areas are a mix of vinyl plank or laminate flooring in living areas. Kitchens have a mix of vinyl plank, laminate hardwood or vinyl tile flooring. Bathrooms have mostly vinyl tile flooring with some featuring ceramic tile.
LAUNDRY	Coin operated laundry in basement laundry room.

» *Environmental*

LEAD-BASED PAINT	Full-risk reduction certificates per MDE standard.
OILTANKS	Abandoned 275-gallon tank in basement.
ASBESTOS	Asbestos heat shield above boiler.

» *Exterior*

CONSTRUCT	Brick construction and stone foundation.
ROOF	Built-up upper roof. Lower rubber roof.
WINDOWS	Vinyl replacement windows throughout.
PARKING	Concrete pad in rear; 2 parking spaces.
FIRE ESCAPE	Steel fire escape with glass fire doors in front apartments.

» *Utilities*

HEAT	Slant/Fin gas-fired hot water boiler; 1982. Radiator distribution. Window air conditioning units.
HOT WATER	AO Smith 72-gallon gas-fired water heater; 2016.
ELECTRIC	7 meters. 200 amps to building. 40 amps to each apartment.
GAS	7 gas meters.
PLUMBING	Observable supply pipes are a mix of copper and C-PVC. Observable drain lines mostly PVC with some steel drains.
TRASH	Baltimore City trash and recycling pick up included in property taxes.



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\$699,000 in Fee Simple.
\$116,500 per unit, \$194 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.

926 NORTH CALVERT STREET

INVESTMENT PROPERTY INCOME AND EXPENSE BUDGET

SUGGESTED FINANCING:			INVESTMENT OFFERING:	699,000
Loan-to-Value	75%		INVESTMENT OFFERING:	599,000
Loan Amount	449,250		SUGGESTED LOAN AMOUNT	449,250
Interest Rate	7.00%		ESTIMATED CLOSING COSTS	29,950
Term	25		TOTAL INVESTMENT	179,700
Monthly P & I	\$ 3,175.21		Price Per Unit	6
			Price Per Sq.Ft.	3,600
				99,833
				166

Unit	Size	Lease Expires	Sec Dep	Sec Dep Date	Current Actual Rent	Market Rent
1	1 BR	10/31/2024	925	11/3/2022	1,135	1,200
2	1 BR	7/31/2024	1,235	8/15/2022	960	975
3	1 BR	7/31/2024	1,100	6/29/2023	1,125	1,200
4	1 BR	6/30/2024	1,050	7/25/2022	1,155	1,200
5	1 BR	vacant	0	1/16/2024	-	1,100
6	1 BR	6/30/2024	725	6/15/2022	970	970
Parking	1 Space					75

<i>Tenant reimbursement for utilities</i>					807
GRM (actual) = 9.3		Total Monthly Rental Income		5,345	7,527
GRM (market) = 6.6		Gross Annual Income		64,140	90,324
		Vacancy / Credit Loss	3.0%	(1,924)	(2,710)
		Effective Annual Income		62,216	87,614

Real Estate Taxes	actual	7/1/2024	483,467	11,410	
Special Benefits District Surcharge				604	
Ground Rent	none			0	
Insurance	budget	600 per unit		3,600	
License - Baltimore City MFD	actual	35 per unit		210	
Lead Paint Registration Fee	actual	30 per unit		35	
Property Management	budget	4.0% of collections		3,505	
Repairs & Maintenance	budget	1,000 per unit		6,000	
PS Electric	actual	57 per month		684	
PS Gas	actual	450 per month		5,400	
Water	budget	50 per unit per mo		3,600	
Expense/Unit= \$5,850	40%			TOTAL EXPENSES	35,048
Cap Rate= 8.78%				NET OPERATING INCOME	52,567
DCR= 1.38				<i>Less: Mortgage Payments:</i>	38,102
ROI= 8.0%		Monthly Cash Flow:	\$1,205	Annual Cash Flow:	14,464

COMPARABLE SALES

address	date sold	sales price	# units	Monthly Rent	Price per Unit	GRM
917 N Calvert	May-22	720,000	6	5,766	120,000	10.4
814 Park	Mar-23	1,500,000	11		136,364	
1115 N Calvert	Active	743,999	5	5,200	148,800	11.9
1228 Saint Paul	Aug-23	615,000	4		153,750	
23 E Eager	Jun-22	795,000	5	5,775	159,000	11.5
1825 Bolton	Jun-23	479,500	3	2,800	159,833	8.7



Call Will A. Cannon III

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Seller's Exclusive Agent

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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.

94,249	+	Rental Income
35,313	-	Operating Expenses
45,472	-	Mortgage Payments
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13,464	=	Cash Flow
209,700	/	Downpayment + Closing Costs
6.4%	=	Return on Investment from Cash Flow

2 **Appreciation**

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

699,000	=	Acquisition Price
5%	*	First Year Appreciation
733,950	=	Value at the end of Year 1.
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34,950	=	Amount of Value Increase
209,700	/	Downpayment + Closing Costs
17%	=	Return on Investment from Appreciation

3 **Equity Build-Up**

7.25% 25 \$ 3,789.31

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

524,250	=	Loan Amount at Closing
516,533	=	Loan Amount at the end of Year 1
<hr/>		
7,717	-	Equity Build-Up in Year 1
209,700	/	Downpayment + Closing Costs
3.7%	=	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.

58,936	=	Cash Flow Before Loan Payments (rents less expenses)
19,805	-	Depreciation (assumes 15% land, 30 year recovery)
37,755	-	Mortgage Interest
1,376	=	Taxable Income Year 1
1,101		Less 20% Exclusion for LLC Ownership under new tax law
37%	*	Marginal Tax Rate
407.27	=	Federal Income Tax
407		Federal Income Tax
13,464	/	Cash Flow
3.0%	=	Effective Tax Rate on This Investment
4,982	=	Tax if Cash Flow came from a non-preferred investment vehicle
407	-	Tax from this preferred investment vehicle.
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4,574	=	Income Tax Savings
2.2%	=	Return on Investment from Tax Savings

Total / Summary

1:	13,464	Cash Flow
2:	34,950	Appreciation Year 1
3:	7,717	Equity Build Up Year 1
4:	4,574	Tax Savings Year 1
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	60,705	Total Return from this Investment
	209,700	Downpayment + Closing Costs
	28.9%	Total Return from this Investment

Illustration of Internal Rate of Return over a 10-Year Holding Period
926 NORTH CALVERT STREET

Purchase Price	699,000	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Annual Rent	4.0%	97,164	101,051	105,093	109,296	113,668	118,215	122,943	127,861	132,976	138,295
Vacancy	3.0%	2,915	3,032	3,153	3,279	3,410	3,546	3,688	3,836	3,989	4,149
Effective Income		94,249	98,019	101,940	106,017	110,258	114,668	119,255	124,025	128,986	134,146
Expenses	4.0%	35,313	36,726	38,195	39,722	41,311	42,964	44,682	46,470	48,328	50,262
Exp as a percent of Annual Rent		37%	37%	37%	37%	37%	37%	37%	37%	37%	37%
Exp per unit	6	5,886	6,121	6,366	6,620	6,885	7,161	7,447	7,745	8,055	8,377
NOI	0	58,936	61,293	63,745	66,295	68,947	71,705	74,573	77,556	80,658	83,884
Debt Service	\$ 3,789	45,472	45,472	45,472	45,472	45,472	45,472	45,472	45,472	45,472	45,472
Before Tax Cash Flow	(209,700)	13,464	15,822	18,273	20,823	23,475	26,233	29,101	32,084	35,186	558,511
17.0% Internal Rate of Return											
NOI		58,936	61,293	63,745	66,295	68,947	71,705	74,573	77,556	80,658	83,884
Less Interest		37,755	37,177	36,555	35,886	35,168	34,396	33,565	32,673	31,713	30,682
Less Depreciation		20,335	20,335	20,335	20,335	20,335	20,335	20,335	20,335	20,335	20,335
Taxable Income to Individuals		846	3,782	6,856	10,074	13,444	16,974	20,673	24,548	28,610	32,868
Pass Thru Entity	20%	(169)	(756)	(1,371)	(2,015)	(2,689)	(3,395)	(4,135)	(4,910)	(5,722)	(6,574)
Taxable Income	0	677	3,026	5,485	8,059	10,755	13,580	16,538	19,639	22,888	26,294
Tax @ *	37%	251	1,120	2,029	2,982	3,980	5,024	6,119	7,266	8,469	9,729
After Tax Cash Flow	(209,700)	13,214	14,702	16,244	17,841	19,495	21,208	22,982	24,818	26,718	460,873
14.3% Internal Rate of Return											
Purchase	699,000										
L-V	75%										138,295
Loan	524,250										7.2
Down Payment	174,750										994,895
Cap Improvement	-									6%	59,694
Closing Costs	34,950										495,655
Initial Investment	209,700										439,547
Rate	7.25%									20%	87,909
Term	25										415,102
P&I	\$3,789.31										520,099
											432,190
Mortgage Amortization		1	2	3	4	5	6	7	8	9	10
524,250 Beg Bal		524,250	516,533	508,238	499,321	489,736	479,432	468,356	456,449	443,650	429,892
7.25% Prin		7,717	8,295	8,917	9,585	10,304	11,076	11,906	12,799	13,758	14,790
25.0 Int		37,755	37,177	36,555	35,886	35,168	34,396	33,565	32,673	31,713	30,682
3,789 Bal EOY		516,533	508,238	499,321	489,736	479,432	468,356	456,449	443,650	429,892	415,102
Cost Recovery / Depreciation		699,000	699,000	Building	80%	559,200	Land	20%	139,800	Life	27.5
		20,335	20,335	20,335	20,335	20,335	20,335	20,335	20,335	20,335	20,335
Basis		678,665	658,331	637,996	617,662	597,327	576,993	556,658	536,324	515,989	495,655

* Tax rate of 35% applies to income of \$243,726 to \$609,350 for singles; \$487,451 to \$731,200 for married filing jointly. Marginal rate above is 37%.