



## 3 Apartments

1918 McCulloh Street  
Druid Heights, Baltimore City, 21217

### 3 Two-Bedroom Apartments

#### » Property

BUILT	~1920.
ZONING	R-8, Licensed for 3 Dwelling Units.
LOT	18' x 120'; Block 0322, Lot 010.
SIZE	2,700 Sq. Ft. Gross Living Area.

#### » Interiors

KITCHENS	Kitchens include wood cabinetry, laminate counters, and 30" electric ranges. Sinks are stainless steel with garbage disposals.
BATHS	All bathrooms include modern vanities. Tubs are steel with ceramic tile tub-surrounds.
WALLS & CEILINGS	Drywall walls and ceilings.
FLOORS	Flooring throughout most living spaces is carpet; the third-floor apartment has laminate flooring. Kitchens and baths have ceramic tile flooring.
LAUNDRY	Each unit has a stacked washer and dryer.

#### » Exterior

CONSTRUCT	Brick construction. Stucco façade.
ROOF	Modified bitumen.
WINDOWS	Vinyl replacement windows.
PARKING	Street parking.
FIRE ESCAPE	Steel fire escape at rear.

#### » Utilities

HEAT	Each apartment has an electric heat pump with central air conditioning.
HOT WATER	Each apartment has an electric water heater.
ELECTRIC	4 electric meters. 600 amps serve the main building; 200 amps to each apartment.
GAS	0 gas meters. All electric building.
PLUMBING	Observable supply lines are copper or PVC; observable drain lines are PVC.
TRASH	Baltimore City trash and recycling pickup included in property taxes.

#### » Environmental

LEAD-BASED PAINT	Certified Limited Lead Free.
OIL TANKS	None observed.
ASBESTOS	None observed.



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**\$330,000** in Fee Simple  
\$110,000 per unit, \$122 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.

# 1918 MCCULLOH STREET

## INVESTMENT PROPERTY INCOME AND EXPENSE BUDGET

<b>SUGGESTED FINANCING:</b>		<b>INVESTMENT OFFERING:</b>	
Loan-to-Value	75%	SUGGESTED LOAN AMOUNT	330,000
Loan Amount	247,500	ESTIMATED CLOSING COSTS	247,500
Interest Rate	6.50%	TOTAL INVESTMENT	16,500
Term	30		99,000
Monthly P & I	\$ 1,564.37	<b>Price Per Unit</b>	<b>3</b>
		<b>Price Per Sq.Ft.</b>	<b>2,700</b>
			<b>110,000</b>
			<b>122</b>

Unit	Size	Lease Expires	Sec Dep	Sec Dep Date	Current Actual Rent	Market Rent
1	2 BR	8/31/2026	975	9/1/2017	1,027	1,200
2	2 BR	3/31/2027	1,000	3/11/2026	1,000	1,200
3	2 BR	8/31/2026	1,125	8/13/2024	1,125	1,200
Parking	1 Car					50

<b>GRM (actual) = 8.7</b>	Total Monthly Rental Income	3,152	3,650
<b>GRM (market) = 7.5</b>	Total Gross Annual Income	37,824	43,800

Real Estate Taxes	actual	7/1/2026	85,200	2,011	
Budget for tax increase			125,000	2,950	
Ground Rent	actual			153	
Insurance	budget	750 per unit		2,250	
License - Baltimore City MFD	actual	35 per apt		105	
License Inspections	budget	75 per apt / 2 yrs		113	
Lead Paint Registration Fee	limited lead free	75 per 2 yrs		38	
Repairs & Maintenance	budget	1,000 per unit		3,000	
Public Service Electric	budget	28 per month		339	
Public Service Gas	none	0 per month		0	
Water	budget	75 per unit/month		2,700	
<b>Expense/Unit= \$4,560</b>	31%			<b>TOTAL EXPENSES</b>	<b>13,658</b>
<b>Cap Rate= 9.13%</b>				<b>NET OPERATING INCOME</b>	<b>30,142</b>
<b>DCR= 1.61</b>				Less: Mortgage Payments:	18,772
<b>ROI= 11.5%</b>				<b>Monthly Cash Flow:</b>	<b>\$947</b>
				<b>Annual Cash Flow:</b>	<b>11,370</b>

### COMPARABLE SALES

address	date sold	sales price	units	monthly rent	price per unit	GRM
1908 McCulloh	May-24	280,000	3	3,450	93,333	6.8
1913 McCulloh	Sep-25	300,000	3	3,275	100,000	7.6
1812 McCulloh	Apr-24	400,000	3	3,573	133,333	9.3
1708 Madison	Mar-25	424,000	3	3,790	141,333	9.3
2027 McCulloh	Mar-25	443,000	3		147,667	



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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.

43,800	+	Rental Income
13,658	-	Operating Expenses
18,772	-	Mortgage Payments
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11,370	=	Cash Flow
99,000	/	Downpayment + Closing Costs
11.5%	=	Return on Investment from Cash Flow

**2 Appreciation**

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

330,000	=	Acquisition Price
5%	*	First Year Appreciation
346,500	=	Value at the end of Year 1.
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16,500	=	Amount of Value Increase
99,000	/	Downpayment + Closing Costs
17%	=	Return on Investment from Appreciation

**3 Equity Build-Up**

6.50%      30 \$      1,564.37

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

247,500	=	Loan Amount at Closing
244,734	=	Loan Amount at the end of Year 1
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2,766	-	Equity Build-Up in Year 1
99,000	/	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.

30,142	=	Cash Flow Before Loan Payments (rents less expenses)
9,350	-	Depreciation (assumes 15% land, 30 year recovery)
16,006	-	Mortgage Interest
4,786	=	Taxable Income Year 1
3,829		Less 20% Exclusion for LLC Ownership under new tax law
37%	*	Marginal Tax Rate
1,416.72	=	Federal Income Tax
1,417		Federal Income Tax
11,370	/	Cash Flow
12.5%	=	Effective Tax Rate on This Investment
4,207	=	Tax if Cash Flow came from a non-preferred investment vehicle
1,417	-	Tax from this preferred investment vehicle.
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2,790	=	Income Tax Savings
2.8%		Return on Investment from Tax Savings

**Total / Summary**

1:	11,370	Cash Flow
2:	16,500	Appreciation Year 1
3:	2,766	Equity Build Up Year 1
4:	2,790	Tax Savings Year 1
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	33,426	Total Return from this Investment
	99,000	Downpayment + Closing Costs
	33.8%	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)