



3 Apartments

873 West Lombard Street
Hollins Market, Baltimore City, 21201

- 2 Two-Bedroom Apartments
- 1 One-Bedroom Apartment

» Property

BUILT	1890.
ZONING	R-8, Licensed for 3 Dwelling Units.
LOT	18' x 79'; Block 0253, Lot 052.
SIZE	2,880 Sq. Ft. Gross Living Area.

» Interiors

KITCHENS	Kitchens include wood cabinetry and laminate counters, with 30" gas ranges and stainless-steel sinks.
BATHS	All bathrooms include modern vanities. Tubs are steel; two tubs have ceramic tile surrounds; one tub has a fiberglass surround.
WALLS & CEILINGS	Mix of plaster and drywall walls. Ceilings are a mix of suspended grid, plaster, or drywall.
FLOORS	Mostly laminate flooring throughout living spaces and kitchens. Unit 1 has some carpeting. Bathrooms have either ceramic tile flooring or laminate flooring.
LAUNDRY	A coin-operated laundry room is located on the first floor of the building.

» Environmental

LEAD-BASED PAINT	Lead certificates pending.
OILTANKS	1 abandoned 275-gallon oil tank in basement.
ASBESTOS	None observed.

» Exterior

CONSTRUCT	Brick construction with stone foundation.
ROOF	Rubber roof.
WINDOWS	Double pane aluminum windows.
PARKING	Street parking.
FIRE ESCAPE	Steel escape at rear.

» Utilities

HEAT	Each unit has a gas-fired forced-air furnace.
HOT WATER	Units 1 and 2 are served by a central 40-gallon gas-fired water heater (2017). Unit 3 has its own 29-gallon gas-fired water heater.
ELECTRIC	4 meters; 300 amps total service.
GAS	3 gas meters.
PLUMBING	Observable supply lines are copper; observable drain lines are PVC.
TRASH	Baltimore City trash and recycling pickup included in property taxes.

\$375,000 in Fee Simple
\$125,000 per unit, \$130 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.



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873 WEST LOMBARD STREET

INVESTMENT PROPERTY INCOME AND EXPENSE BUDGET

SUGGESTED FINANCING:		INVESTMENT OFFERING:		375,000
Loan-to-Value	75%	SUGGESTED LOAN AMOUNT		281,250
Loan Amount	281,250	ESTIMATED CLOSING COSTS		18,750
Interest Rate	6.50%	TOTAL INVESTMENT		112,500
Term	30	Price Per Unit	3	125,000
Monthly P & I	\$ 1,777.69	Price Per Sq.Ft.	2,880	130

Unit	Size	Lease Expires	Sec Dep	Sec Dep Date	Current Actual Rent	Market Rent
1	2 BR	12/30/2026	-	10/15/2015	1,200	1,300
2	1 BR	6/29/2027	900	6/1/2020	1,025	1,100
3	2 BR	5/31/2027	1,200	5/13/2025	1,260	1,300

Tenant Utility Reimbursement 75 307

GRM (actual) = 8.8	Total Monthly Rental Income	3,560	4,007
GRM (market) = 7.8	Total Gross Annual Income	42,720	48,078

Real Estate Taxes	actual	7/1/2026	244,100	5,761	
Budget for tax increase			50,000	1,180	
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	1 limited lead free	75 per 2 yrs		38	
	2 risk reduction	75 per apt / 2 yrs		75	
Repairs & Maintenance	budget	1,000 per unit		3,000	
Public Service Electric	budget	37 per month		438	
Public Service Gas	none	0 per month		0	
Water	budget	90 per unit/month		3,240	
Expense/Unit= \$5,460	34%			TOTAL EXPENSES	16,352
Cap Rate= 8.46%				NET OPERATING INCOME	31,726
DCR= 1.49				<i>Less: Mortgage Payments:</i>	21,332
ROI= 9.2%				Monthly Cash Flow:	\$866
				Annual Cash Flow:	10,394

COMPARABLE SALES

address	date sold	price	units	monthly rent	price per unit	GRM
1433 W Lombard	Mar-26	435,000	4	4,200	108,750	8.6
871 Hollins	Apr-25	375,000	3	2,730	125,000	11.4
645 Washington	Oct-25	542,500	4	4,885	135,625	9.3
645 N Paca	Apr-26	420,000	3	3,310	140,000	10.6



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.

48,078	+	Rental Income
16,352	-	Operating Expenses
21,332	-	Mortgage Payments
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10,394	=	Cash Flow
112,500	/	Downpayment + Closing Costs
9.2%	=	Return on Investment from Cash Flow

2 Appreciation

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

375,000	=	Acquisition Price
5%	*	First Year Appreciation
393,750	=	Value at the end of Year 1.
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18,750	=	Amount of Value Increase
112,500	/	Downpayment + Closing Costs
17%	=	Return on Investment from Appreciation

3 Equity Build-Up

6.50% 30 \$ 1,777.69

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

281,250	=	Loan Amount at Closing
278,106	=	Loan Amount at the end of Year 1
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3,144	-	Equity Build-Up in Year 1
112,500	/	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.

31,726	=	Cash Flow Before Loan Payments (rents less expenses)
10,625	-	Depreciation (assumes 15% land, 30 year recovery)
18,189	-	Mortgage Interest
2,913	=	Taxable Income Year 1
2,330		Less 20% Exclusion for LLC Ownership under new tax law
37%	*	Marginal Tax Rate
862.11	=	Federal Income Tax
862		Federal Income Tax
10,394	/	Cash Flow
8.3%	=	Effective Tax Rate on This Investment
3,846	=	Tax if Cash Flow came from a non-preferred investment vehicle
862	-	Tax from this preferred investment vehicle.
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2,984	=	Income Tax Savings
2.7%		Return on Investment from Tax Savings

Total / Summary

1:	10,394	Cash Flow
2:	18,750	Appreciation Year 1
3:	3,144	Equity Build Up Year 1
4:	2,984	Tax Savings Year 1
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	35,271	Total Return from this Investment
	112,500	Downpayment + Closing Costs
	31.4%	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)