



Ben Frederick Realty, Inc.

**2435 Madison Ave
4 Apartments
Reservoir Hill**



Location : 2435 Madison Ave
Reservoir Hill
Baltimore City, MD 21217

Mix : 2 1-Bedroom Apts
2 2- Bedroom Apts
4 Apartments Total

Lot : 20' x 150'
Zoned : R - 8
Licensed : 4 Dwelling Units
Block/Lot : 3421 / 38

Built : 1907
GBA : 3,000 sq ft

Building : 3 story brick townhouse with flat hot tar built up roof and brick foundation. Vinyl replacement windows, steel fire escape. This property was totally renovated about 15 years ago. Typical kitchen has white laminate cabinets with formica counter 24" gas range, dishwasher, disposal, and 12x12 vinyl tile floor. Bathrooms typically have 12x12 vinyl tile floor, modern vanity, steel tub with vinyl tub enclosure. Living areas have wall-to-wall carpet.

Utilities : Each apartment has its own gas-fired forced air heating system with central air conditioning. Each apt has its own gas-fired 40-gallon water heater. 400Amp electric service to the building with 60Amp disconnects to each apt. Separate gas & electric meter for each apt. Copper water main, all copper interior water pipes. City Water, City Sewer, City Trash Pick Up.

Amenities : Washer-Dryer hookup in each apartment. Grass rear yard with parking.

Environmental : All units in compliance with Lead Poisoning Prevention Program. No asbestos, no oil tanks.

Offered at : \$225,000 in fee simple (no ground rent)
\$56,250 per unit
\$75 per sq ft

Contact : **Ben Frederick III, CCIM, Broker**
Ben Frederick Realty Inc. "Owner's Exclusive Agent"
Apartment and Investment Real Estate Specialist
410-435-5040, fax: 410-435-5041; www.BenFrederick.com

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Investment Property Income and Expense Budget
2435 Madison Ave

<u>Proposed Financing</u>		Purchase Price	225,000
Loan-to-Value	75%	Proposed Financing	168,750
Loan Amount	168,750	Estimated Closing Costs	11,250
Interest Rate	6.250%	Total Investment	67,500
Term	30		
Monthly Paymt	\$1,039.02	Price Per Unit	4 56,250

Unit	Size	Lease Expires	Sec Dep	Sec Dep Date	Current Actual Rent	Market Rent
1F	1 BR	3/31/2009			\$600	620
1R	1 BR	monthly-Sec8			\$475	525
2nd Flr	2 BR	monthly			\$650	670
3rd Flr	2 BR	monthly			\$650	670

GRM (actual) = 7.9	Scheduled Monthly Income	2,375	2,485
GRM (market) = 7.5	Effective Annual Rental Income	28,500	29,820

Real Estate Taxes	current actual	150,290	3,577
Ground Rent			0
Insurance	budget 400 per unit budget		1,600
License - Baltimore City MFD	actual 35 per resid unit		140
Lead Paint Registration Fee	actual 15 per resid unit		60
Repairs & Maintenance	budget 500 per unit		2,000
Gas & Electric	actual 22		264
Water	actual 68 per unit per qtr		1,086

Expense/Unit= \$2,190	TOTAL EXPENSES	8,727
Cap Rate= 9.37%	NET OPERATING INCOME	21,093
DCR= 1.69	Less: Mortgage Payments	12,468
ROI= 12.8%	719 Cash Flow Before Taxes	8,625

Based on the above, the Property has a 'Cap Rate' of 9.4% So, if you invest all cash in the Property, you would get a 9.4% return on you investment before income taxes. Based on the above budget of financing & purchase price, the estimated return, before income taxes, on the total cash investment of \$67,500 is 12.8%

Every effort is made to present complete and accurate information; however, no warranty or guarantee is provided.

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Comparable Sales

address	date sold	sales price	# units	Monthly Rent	Price per Unit	GRM
1731 Guilford Ave	Apr-09	146,000	3	1,375	48,667	8.8
3012 Calvert St	Dec-09	296,000	3	2,845	98,667	8.7
2920 St Paul	Jun-09	335,000	7	4,770	47,857	5.9
1609 Bolton St	Aug-09	408,000	3	1,650	136,000	20.6