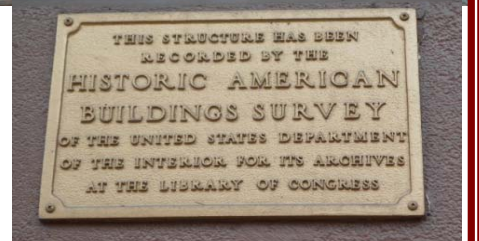




Ben Frederick Realty, Inc.

802 Cathedral St
16 Apts
13 Off-Street Parking Spaces
Historic Mount Vernon



Location : 802, 804, 806 Cathedral St
Mount Vernon Historic Distri
Baltimore City, MD 21201

Mix : 12 One-Bedroom Apts
2 Two-Bedroom / 1 Bath
2 Two-Bedroom / 2 Bath

16 Apartments Total

Parking : rear parking lot striped for 13 spaces.

Lot : 65' 7" x 150'5" irregular

Zoned : OR-3

Licensed : 16 Dwelling Units

Built : 1880 (est)

Block/Lot : Block 515 Lot # 31/33

GBA : 16,790 sq ft field measured gross building area above grade.

Building : 4 story brownstone & brick townhouse with ornate cornice and iron work. Single-pane original wood double-hung windows with only a few vinyl replacement windows in the rear. Flat, hot-rar roof. One apt is severely fire damaged, another severely water damaged. All other units in average condition with older hardwood flooring, plaster walls, some with wood fireplace mantels. Typical Kitchen has vinyl tile floor (some w/ceramic tile) older wood/formica cabinets, formica counters, 30" electric stove, refrigerator, and many apts have a dishwasher. Baths have a mix of older ceramic tile flooring and vinyl tile flooring. Most baths have vinyl shower enclosures and steel or cast iron tubs.

Utilities : Each apartment has its own electric baseboard heating system. Each apartment has its own 40-gallon electric water heater. Updated electric service with 60 Amps to each apartment. Water pipes are a mix of copper, galvanized, and CVPVC. Drain lines are a mix of cast iron and PVC. City Water, City Sewer, City Trash/Recycling Pick-up; however, Landlord currently provides one 2-cubic yard dumpster picked up once per week.

Amenities : 13-car off-street parking in rear.

Environmental : Asbestos insulation on some old heating pipes suspected. Two old oil tanks in the basement. Exterior painting is underway upon the completion of which, bldg will be compliant for Lead Paint.

List Price : \$950,000 in fee simple
\$59,375 per unit
\$57 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
802 Cathedral Street**

Proposed Financing			Final Sales Price		900,000
Loan-to-Value	75%		Renovate 3 vacant apartments		-
Loan Amount	675,000		Proposed Financing		675,000
Interest Rate	5.50%		Estimated Closing Costs		45,000
Term	30		Total Investment		270,000
Monthly Paymt	\$ 3,832.58		Price Per Unit	16	56,250

Unit	Size	Lease Expires	Sec Dep	Sec Dep Date	Current Actual Rent	Market Rent
1	1 BR	vacant	not in rentable condition		-	850
2	1 BR	6/30/2012	375	6/14/2011	760	760
3	1 BR	11/30/2012	765	6/14/2010	775	775
4	1 BR	vacant	water damaged			800
5	1 BR	11/30/2012	760	11/1/2011	770	770
6	1 BR	8/31/2012	1,080	8/24/2011	730	730
7	2 BR	vacant			985	985
8	1 BR	monthly	615	9/17/2007	675	675
9	1 BR	12/31/2012	415	1/21/2003	710	710
10	1 BR	7/31/2012	775	7/29/2011	785	785
11	2 BR / 2 Ba	10/31/2012	1,010	9/9/2011	1,020	1,020
12	1 BR					800
13	1 BR	vacant	fire damaged			800
14	2 BR / 2 Ba	9/30/2012	975	9/2/2009	1,000	1,000
15	1 BR	4/30/2013	770	3/28/2011	790	790
16	2 BR	2/28/2013	985	11/12/2010	995	995
13 parking Spaces	50	each			450	650

GRM (actual) = 7.2	Total Monthly Rental Income	10,445	13,895
GRM (market) = 5.4	Annual Schedule Rental Income	125,340	166,740
	Vacancy/Credit Loss	3.0%	5,002
	Effective Gross Income		161,738

Real Estate Taxes	current actual	7/1/2012	426,300	10,146
Mid Town Benefits District Surcharge		7/1/2012		512
Ground Rent	none / in fee simple			0
Insurance	budget	375 per unit		6,000
License - Baltimore City MFD	actual	35 per resid unit		560
Lead Paint Registration Fee	actual	30 per resid unit		480
Property Management	budget	5% of collections		8,087
Cleaning	budget	300 per month		3,600
Dumpster	actual	95 per month		1,140
Repairs & Maintenance	budget	750 per unit		12,000
Replacement Reserve	budget	250 per unit		4,000
Gas	actual	none per BGE		0
Electric	actual	157 per BGE		1,881
Water	actual	100 per unit per qtr		6,422

Expense/Unit= \$3,430	TOTAL EXPENSES	54,828
Cap Rate= 11.88%	NET OPERATING INCOME	106,910

DCR= 2.32	Monthly Cash Flow	Less: Mortgage Payments	45,991
ROI= 22.6%	\$5,077	Cash Flow Before Taxes	60,919

Based on the above, the Property has a 'Cap Rate' of 11.9% So, if you invest all cash in the Property, you would get a 11.9% 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 \$270,000 is 22.6%

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
814 Cathedral	Mar-12	595,000	13	9,215	45,769	5.4
810 Cathedral	Feb-12	380,000	7	6,315	54,286	5.0
10 E Biddle	Mar-12	370,000	8	6,100	46,250	5.1
15 W Madison	Jan-12	376,000	9	8,090	41,778	3.9