



MIDFIELD
REAL ESTATE

Offering Memorandum



5900 York Road | Baltimore, MD 21212

High-Return Investment Opportunity on 5900 York Road

Offering Guidelines

Property Visitation & Communication

Please contact any of the individuals noted on the Offering Memorandum to arrange a site visit. Please address all communications, inquiries and requests to the Midfield team, as representatives of the Seller. On-site management and residents should not be contacted as to accommodate the property's ongoing operations.

Offer Submission

Please direct offers to Yaakov Kanevsky. We request that offers be submitted in the form of a non-binding Letter of Intent, identifying the significant terms and conditions of the Bidder's offer including, but not limited to, the following: 1) asset pricing, 2) earnest money deposits, 3) due diligence and closing time frames and 4) a description of the debt and equity structure. The Seller is desirous of negotiating with a qualified buyer that can offer the most beneficial combination of price and terms to the Seller. The Seller retains the right to modify the sale process at any time.



Yaakov Kanevsky
Managing Director

410-498-5408

yaakov@midfieldre.com



Our Services



Midfield Real Estate employs a multi-faceted approach to selling properties, offering three distinct channels to cater to different market needs and seller preferences, with full service and support provided from start to finish.



Full Marketing

Maximizes property exposure through professional staging, high-quality media, and listings on major platforms like MLS, Zillow, Crexi and Loopnet. Through our over 10 years of local experience and relationships, we are able to present our listings to a wide range of local investors. We also use targeted digital marketing and open houses to engage prospective buyers.



Off-Market Selling

Midfield discreetly markets properties to a select group of pre-qualified buyers through its extensive network of investors, high-net-worth individuals, and top local owners.



Auction

Ideal for unique properties, those lacking financial information, or properties in distress requiring a swift sale, Midfield partners with reputable auction houses to conduct competitive auctions.

Disclaimer: Our data is based on public information sources such as CoStar, SDAT, and LandRec. In case of discrepancies, users can use these same metrics to determine the value per unit in the area and estimate the cap rate based on local rent data provided.

Executive Summary



This 27-unit mixed-use property offers an exceptional investment opportunity, with an 11.6% cap rate from day one. Currently, the property has both vacant units and under-market rents, allowing new ownership to raise income and further enhance returns. With untapped potential for rental growth, this property presents an immediate opportunity to add value.

Located near major transit lines, this property enjoys close proximity to prominent institutions, including Loyola University Maryland, Johns Hopkins University, Johns Hopkins Hospital, and MedStar Union Memorial Hospital, which strengthen tenant demand. The area is also rich with conveniences such as major banks like PNC Bank, Wells Fargo, and Bank of America, as well as nearby shopping destinations like The Rotunda Shopping Center and Towson Town Center.

The building itself is two stories, featuring both retail and office spaces, with dedicated

parking in the back. Recent upgrades include a newly updated roof, ensuring low maintenance needs for years to come.

Additionally, the property benefits from the Enterprise Zone designation, offering valuable tax advantages to the future owner.

ADDRESS	5900 York Road Baltimore, MD 21212
UNITS	27
OCCUPANCY RATE	24/27 occupied
PARKING	20 spaces
ASKING PRICE	\$2,445,000

Investment Highlights



- The property is estimated to be performing with a cap rate of around 11%, presenting a solid investment opportunity for potential buyers.
- The property is set-up with Receptionist area, Director's office, multiple employee offices, conference rooms, storage areas and common areas.
- Strategic proximity to bus stops and a light rail station enhances property value by offering convenient commuting options.
- Situated in close proximity to major banks such as PNC Bank, Wells Fargo Bank, and Bank of America, along with convenient access to ATMs.
- The property also benefits from its proximity to prominent shopping malls like The Rotunda Shopping Center and Towson Town Center.
- Features existing long-term tenants with active leasing contracts.
- Proximity to universities like Loyola University Maryland and Johns Hopkins University.
- The property is nearby hospitals such as Johns Hopkins Hospital and MedStar Union Memorial Hospital.
- The property has signage space that is currently leased, providing an additional income stream.

GLA

17,100 SF

Land SF

11,761 SF

Zoning

B-2-2, Baltimore

Typical Floor

8,700 SF

Stories

2

Tenancy

Multi

Investment Highlights



The property is located within an Enterprise Zone, offering potential benefits such as tax incentives and opportunities for economic development.

- **ENTERPRISE ZONE BENEFITS INCLUDE:**
- **Real Property Tax Credits**
 - 10-year tax credit on incremental increase in property taxes resulting from real property improvements
 - 80 percent tax credit years 1-5
 - Decreases 10 percent annually years 6-10
 - Tax credit goes to the property owner
- **Income Tax Credits**
 - \$1,000 tax credit per new employee
 - \$6,000 tax credit over 3 years for hiring economically disadvantaged employee
 - Credit may be carried forward for 5 years
 - Credit may be claimed by any firm located within Enterprise Zone eligible property that adds new employment meeting certain requirements

Property Photos



Property Photos



Location Overview



UNIVERSITIES

1. Johns Hopkins University
2. Notre Dame of Maryland
3. Loyola University Maryland
4. Morgan Estate University
5. The University of Baltimore
6. Towson University

HOSPITALS

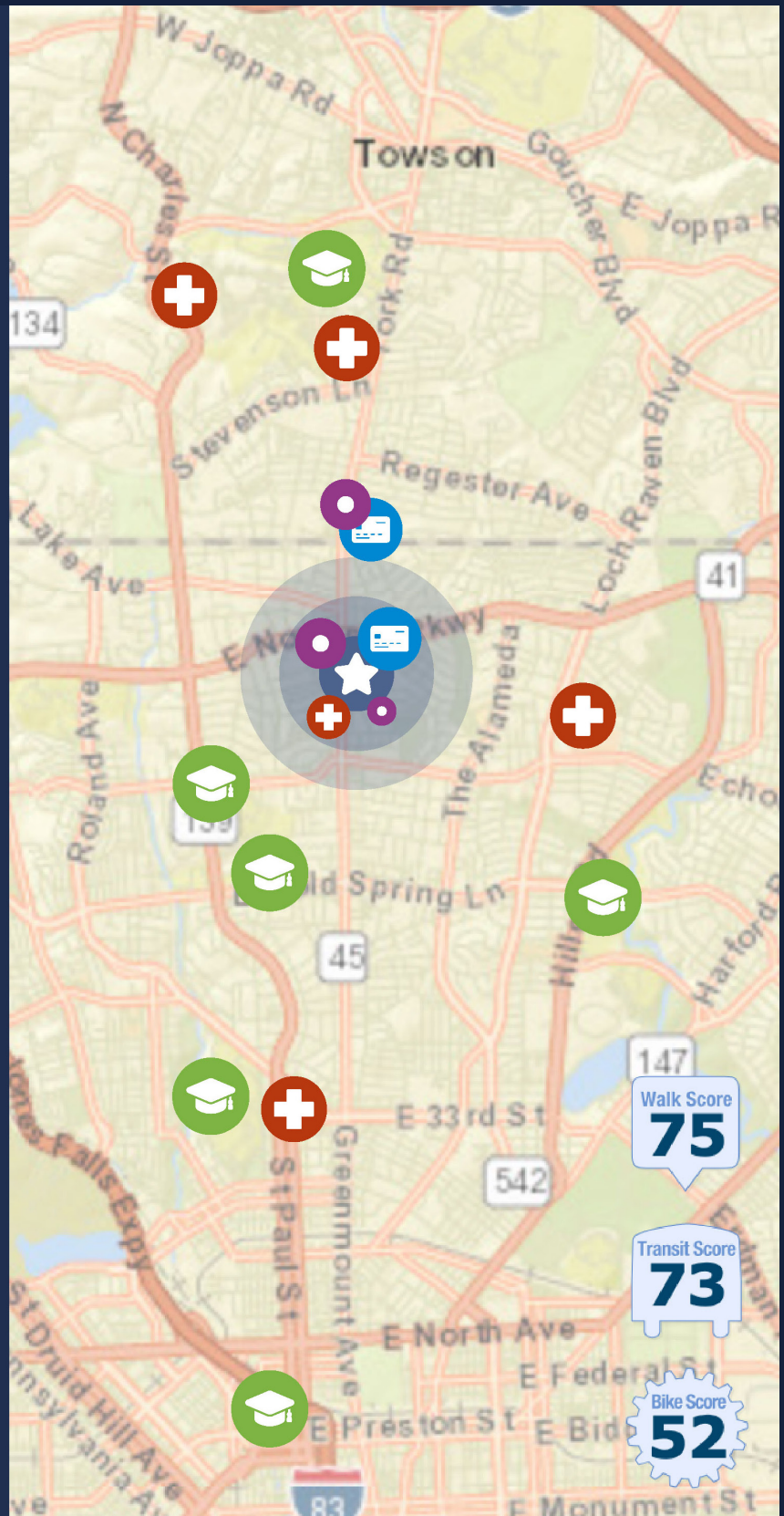
1. MedStar Good Samaritan Hospital
2. St. Joseph Medical Center
3. Belvedere Medical Center
4. Greater Baltimore Medical Center
5. MedStar Union Memorial Hospital

BANKS

1. Wells Fargo Bank
2. M&T Bank
3. Truist

VARIED

1. Staples
2. The Senator Theatre
3. York Road Plaza



Location Overview



Location Overview



Financial Overview



PRO FORMA	T12	Year 1	Year 2	Year 3	Year 4	Year 5
Gross Rent	\$ 364,380	\$ 400,380	\$ 412,391	\$ 424,763	\$ 437,506	\$ 450,631
Total Income	\$ 364,380	\$ 400,380	\$ 412,391	\$ 424,763	\$ 437,506	\$ 450,631
Average Rent	\$ 1,084	\$ 1,192	\$ 1,227	\$ 1,264	\$ 1,302	\$ 1,341

EXPENSES						
Property Tax	\$ 34,561	\$ 70,159	\$ 71,211	\$ 72,279	\$ 73,364	\$ 74,464
Utilities	\$ 39,205	\$ 39,793	\$ 40,390	\$ 40,996	\$ 41,611	\$ 42,235
CAM	\$ 262	\$ 266	\$ 270	\$ 274	\$ 278	\$ 282
Other Expenses	\$ 4,780	\$ 4,852	\$ 4,924	\$ 4,998	\$ 5,073	\$ 5,149
Total Expenses	\$ 78,808	\$ 115,070	\$ 116,796	\$ 118,548	\$ 120,326	\$ 122,131
Expense Ratio	21.63%	28.74%	28.32%	27.91%	27.50%	27.10%
Expenses per Unit	\$ 2,815	\$ 4,110	\$ 4,171	\$ 4,234	\$ 4,297	\$ 4,362

Net Operating Income	\$ 285,572	\$ 285,310	\$ 295,596	\$ 306,216	\$ 317,180	\$ 328,501
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Performance Indicators	T12	Year 1	Year 2	Year 3	Year 4	Year 5
Cap Rate	11.70%	11.69%	12.11%	12.55%	13.00%	13.46%
Loan Payment	\$ (145,485)	\$ (145,485)	\$ (162,760)	\$ (162,760)	\$ (162,760)	\$ (162,760)
Reserves	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)
Cashflow	\$ 133,087	\$ 132,825	\$ 125,835	\$ 136,455	\$ 147,420	\$ 158,740
Cash on Cash Return	20.58%	20.54%	19.46%	21.10%	22.80%	24.55%
DSCR	1.96	1.96	1.82	1.88	1.95	2.02

Financial Overview

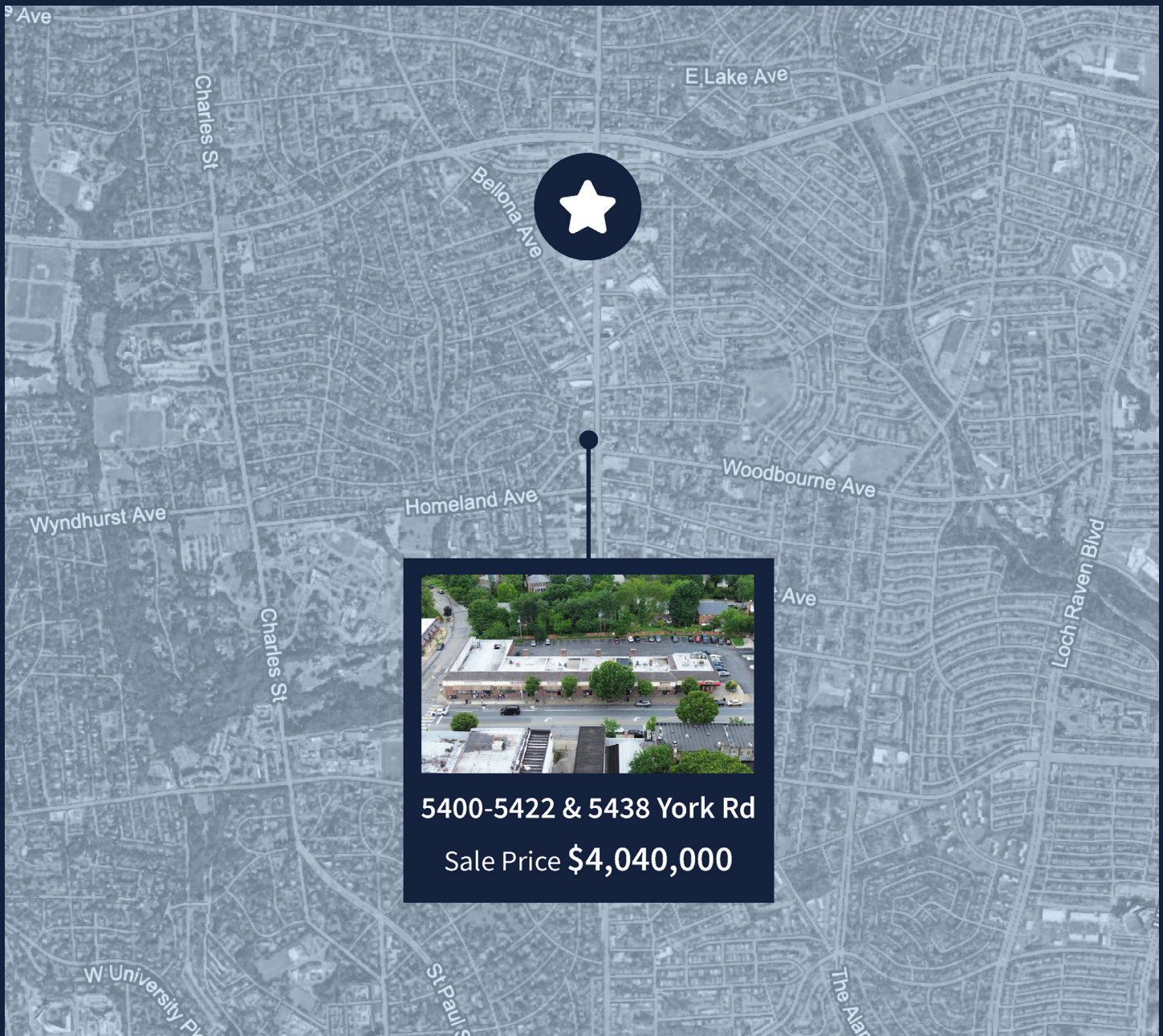


Unit	Current Rent	Proforma/Future Rent
101	\$1,631	\$1,631
102		\$2,500
103	\$2,191	\$2,191
104	\$3,224	\$3,224
105	\$849	\$849
106	\$955	\$955
107A	\$784	\$784
107B	\$1,850	\$1,850
108	\$955	\$955
201	\$3,378	\$3,378
202	\$2,266	\$2,266
203	\$2,867	\$2,867
204	\$1,100	\$1,100
205	\$400	\$400
206	\$1,088	\$1,088
207	\$400	\$400
208	\$500	\$500
209		\$500
211	\$750	\$750
217	\$500	\$500
219	\$700	\$700
221	\$510	\$510
223		\$500
231	\$400	\$400
233	\$400	\$400
235	\$475	\$475
237	\$442	\$442
Sign	\$1,250	\$1,250

Sale Comparables



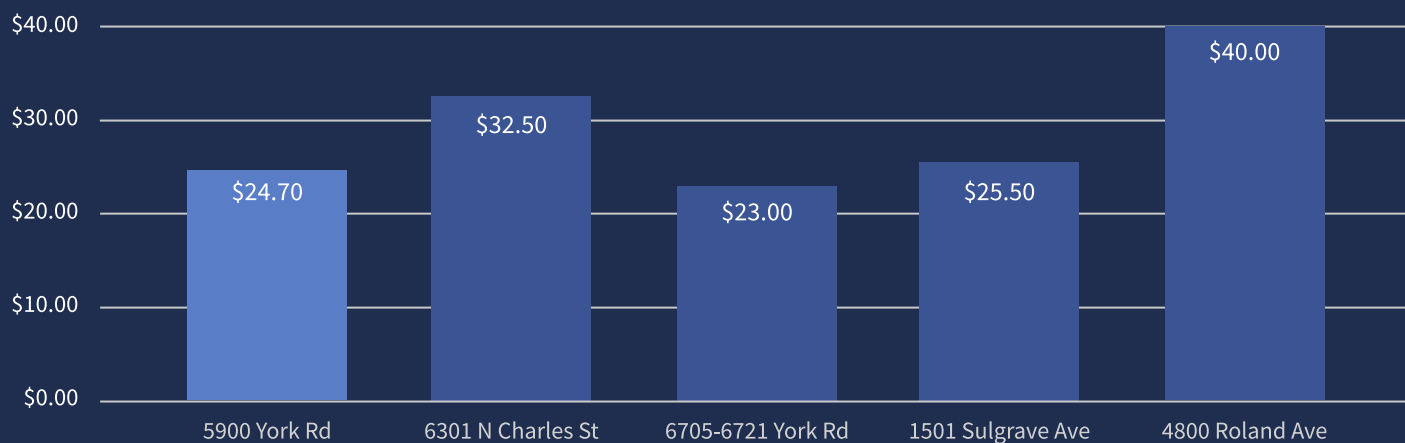
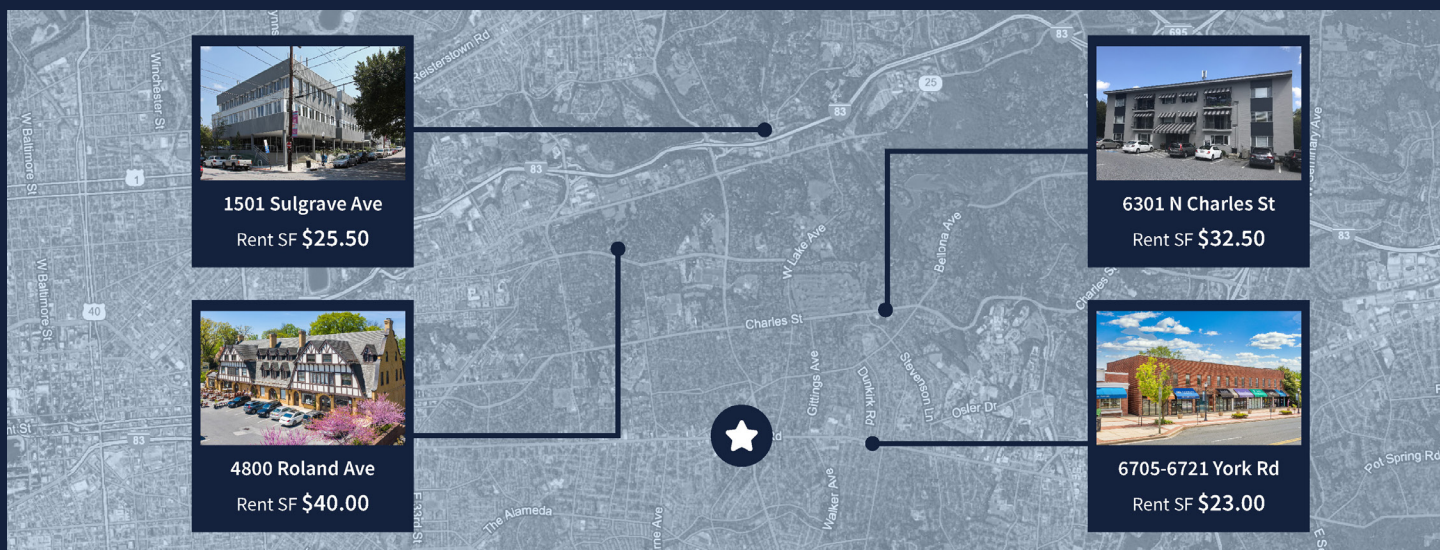
Address	Yr Blt/Renov	Sale Date	Sale Price	SF	\$/SQFT
5400-5422 York Rd & 5438 York Rd	1940	Mar 2024	\$4,040,000	31,334	\$128.93



Rent Comparables



Address	Yr Blt/Ren	Rent/SF	SF
5900 York Road		\$24.70	6,450
6301 N Charles St	1965	\$32.50	1,348
6705-6721 York Rd	1947	\$23.00	1,200
1501 Sulgrave Ave	1983	\$25.50	1,200
4800 Roland Ave	1927	\$40.00	1,391



Demographics

Baltimore City Workforce

Total Baltimore Labor Force

- **281,674**

Total Employed Baltimoreans

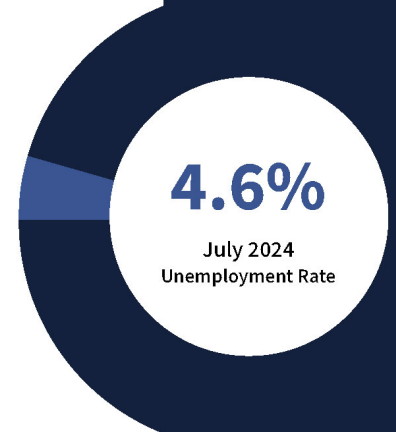
- **268,829**

Total Unemployed Baltimoreans

- **12,845**

Labor Force Participation Rate

- **60.5%**



Source: <https://moed.baltimorecity.gov/baltimore-city-workforce-dashboard>



Manufacturing

60.7



Leisure & Hospitality

135.5



Professional & Business

255.5



Education & Health Services

277.2

*Number of jobs in thousands, not seasonally adjusted

Source: https://www.bls.gov/eag/eag.md_baltimore_msa.html

Showing Request Calendar

To request a Showing, please click here:

<https://calendly.com/showings-midfieldre/30min?month=2024-06>

IMPORTANT NOTE

Attention prospective viewers:

Step 1: If you do not have an account on our website yet, you need to execute a CA at <https://midfieldre.com/execute-confidentiality-agreement/>

Step 2: Submit a showing request at <https://calendly.com/showings-midfieldre/30min>

Step 3: Please upload your Proof of Funds (POF) on this Form so that we can forward it to the owner and confirm your request.

Note: Failure to submit your Proof of Funds (POF) within 24 hours of making your request will result in the automatic cancellation of your request, giving others the opportunity to book.

Please note that we require a 48-hour notice for scheduling showings. Proof of funds (POF) is necessary to confirm the showing and facilitate a smooth transaction. We will contact the owner before finalizing the schedule. Please await further confirmation via email. Your cooperation is appreciated.

If you need further assistance, you may send an email to showings@midfieldre.com



Showing Request

Midfield Showing Request (Commercial)

🕒 30 min

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Select a Date & Time

< June 2024 >						
SUN	MON	TUE	WED	THU	FRI	SAT
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22

Recent Sold Deals



3602 Monterey Rd

Sale Price	\$3,000,000
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Price Per Unit	\$83,333
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Units	36
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E Madison St

Sale Price	\$2,597,000
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Price Per Unit	\$129,850
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Units	20
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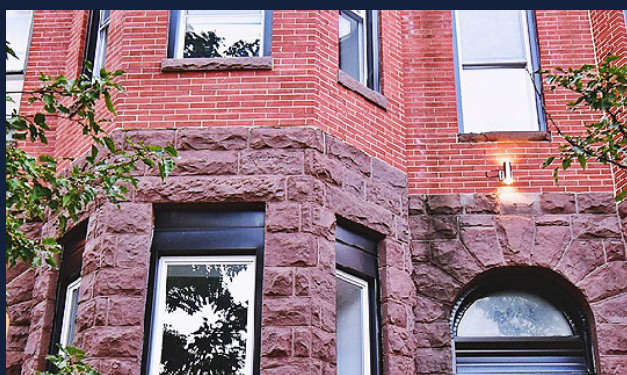


Near Charles Village

Sale Price	\$3,250,000
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Price Per Unit	\$180,555
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Units	18
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Station North

Sale Price	\$1,980,000
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Price Per Unit	\$165,000
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Units	12
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Confidentiality Agreement



We are prepared to furnish you (“Prospective Purchaser” or “Purchaser”) with certain material, data and information (herein referred to as the Evaluation Material) in connection with negotiations concerning a possible sale, but only on the condition that you treat such Evaluation Material confidentially as detailed below and confirm certain representations to us. Prospective Purchaser acknowledges that MIDFIELD REALTY is acting on behalf of Owner as exclusive broker in connection with the sale and acknowledges that MIDFIELD REALTY is not the agent of the Purchaser.

1. Confidentiality: Prospect acknowledges that all information and materials provided by Broker regarding the above-referenced Property is confidential and may not be used for any purpose other than evaluation. Prospect’s dissemination of any information and materials provided by Broker will be limited to attorneys, accountants, banking representatives, and business advisors directly involved with the above-referenced Property. In the event the transaction is not successful, Prospect will immediately return to the Broker any information and materials provided by the Broker.

2. Non-Disclosure: Prospect agrees not to disclose to any other person the fact that any discussions or negotiations are taking place regarding the Property, the actual or potential terms, conditions, or facts involved in any such discussions or negotiations.

3. Non-Circumvention: Prospect agrees not to contact the owner, employees of the management company, employees of owners company or tenants currently residing at the property.

4. Verification of Data: No representation is made by Broker as to the accuracy of the information and materials provided. Prospect agrees to thoroughly review and independently verify the information and materials provided. Broker advises Prospect to consult appropriate professionals for legal, tax, environmental, and other specialized advice concerning matters affecting the Property and the transaction contemplated.

5. Disputes: This agreement will be construed in accordance with the laws of the State of Maryland. The Broker will be entitled to all remedies provided by law, including but not limited to injunctive relief and damages. In any litigation arising out of this agreement, the prevailing party will be entitled to recover from the non-prevailing party reasonable attorney’s fees, costs, and expenses.



MIDFIELD
REAL ESTATE

YAAKOV KANEVSKY

Managing Director

410-498-5408

yaakov@midfieldre.com

MENDEL DALFIN

Director

410-916-9256

mendel@midfieldre.com

3635 Old Court Rd Suite 403 Pikesville, MD 21208

www.midfieldre.com | info@midfieldre.com | (410)-324-6939



This memorandum is for informational purposes only and does not constitute an offer to sell or a solicitation to buy securities. Investors should conduct their own due diligence, and the information provided is not guaranteed for accuracy or completeness. The offering involves significant risks, and past performance is not indicative of future results. The Company reserves the right to withdraw or modify the offering at any time.