



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	1	City	2019	February	Report #	10							
Property Location	List Status	List Price	Total Units	Total Beds	Market Income Est	Operating Exp. Est.	NOI Estimate	Cap Rate Estimate	Investment Rating	\$ per Bedroom	\$ PSF Liv Area	\$ per Room	\$ PSF Land	Highlights
	East Somerville	PCG	1699000	4	12	109200	39845	78455.172	4.62%	2-Average	141583	315	80905	210
South End	New	2690000	5	7	159120	61966	110413.972	4.10%	2-Average	384286	517	141579	1378	Current rents are below market
Winter Hill	BOM	1500000	7	0.5	49920	34073	20006.612	1.33%	1-Poor	3000000	181	1500000	171	Commercial space above 6 garages
South End	New	2350000	3	5	102960	41445	70094.794	2.98%	1-Poor	470000	789	213636	2605	Current rents are above market
Cambridge Highlands	PCG	4999000	5	13	141120	56498	96381.812	1.93%	1-Poor	384538	734	172379	849	Price Drop \$287k
Magoun Sq	BOM	1150000	2	5	61560	22435	44255.176	3.85%	1-Poor	230000	435	104545	457	None
Inman Sq	PCG	1050000	2	5	61560	18761	47928.752	4.56%	2-Average	210000	636	87500	418	Price Drop \$150k
Teele - Powderhouse	New	1449900	2	6	61440	24515	42045.128	2.90%	1-Poor	241650	503	103564	462	None

Properties highlighted in Green indicate properties with investment ratings of 3 or better, darker green shade is for an investment rating of 4 and the darkest green is for an excellent 5 investment rating

Every day new multifamily investment properties come on the market. After listening to my investor clients describe their challenges with quickly assessing which properties are worth pursuing and which ones are not I decided to do the leg work and provide a summary of some key data and cap rate estimations along with my rating of the investment opportunity from an overview of information provided in the listing along with utilizing neighborhood market rate estimates and expense estimates. This new listings report will provide a good look at the cap rate and income potential that buyers can expect from their investment for new properties to the market.

Investors should use this summary as a guide to target the highest rated opportunities first before spending cycles on the lower rated opportunities. You may have your own investment rating based on your risk tolerance levels and investment goals. Table 1 below provides the cap rate ratings used in this report.

Table 1: Cap Rate Range Ratings			Table 2: Identifies the different cities and neighborhoods that are included in each of the separate zones.		
Rating	Rating Title	Cap Rate Range	Zone #	Zone Location	Cities-Neighborhoods
5	Excellent	>7.0	1	City	Boston-Allston, Back Bay, Beacon Hill, Charlestown, Chinatown, Downtown, Fenway, Kenmore, Midtown, North End, Seaport District, South Boston, South End, Waterfront, West End; Cambridge, Somerville
4	Great	6.0-6.9	2	East	Boston-East Boston; Chelsea, Winthrop, Revere
3	Good	5.0-5.9	3	North	Everett, Malden, Medford
2	Average	4.0-4.9	4	West	Arlington, Belmont, Brookline, Brighton, Newton, Waltham, Watertown
1	Poor	<4.0	5	South	Boston-Dorchester, Hyde Park, Jamaica Plain, Mattapan, Roslindale, Roxbury, West Roxbury

*Data source for listings in this report including list price, number of units and number of bedrooms are from MLSPIN all other data is provided by
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