



## Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	1	City	2019	February	Report #	11							
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
South Boston	New	949000	2	3	50400	20125	34475.116	3.63%	1-Poor	316333	226	73000	1015	Estate Sale
North Cambridge	New	2795000	2	6	71280	22766	54453.518	1.95%	1-Poor	465833	666	215000	466	None
East Somerville	PCG	1055000	2	6	55440	17871	42188.884	4.00%	1-Poor	175833	277	87917	330	Price Drop \$120k
South Boston	New	1375000	3	3	64800	26484	43715.612	3.18%	1-Poor	458333	552	137500	869	Current rents are below market
South Boston	PCG	1195000	2	5	68400	24124	49976.198	4.18%	2-Average	239000	516	132778	696	Price Drop \$100k
East Somerville	PCG	1900000	8	4.5	97440	51095	54464.88	2.87%	1-Poor	422222	547	158333	440	Price Drop \$300k
Porter Sq	New	1650000	3	8	108000	33149	83850.618	5.08%	3-Good	206250	468	71739	413	None
South End	New	2695000	6	10	223080	63637	178033.24	6.61%	4-Great	269500	469	134750	1604	Current rents are below market

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- 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, Newton, Waltham, Watertown, Boston – Allston, Brighton
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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