



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	1	City	2019	March	Report #	18							
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
Central Sq	New	13800000	31	30	726000	228795	557705	4.04%	2-Average	460000	634	1725000	2875	None
Union Sq	New	3750000	9	11	191160	82006	125084	3.34%	1-Poor	340909	551	468750	260	None
North End	New	2100000	2	4	69120	26653	48227	2.30%	1-Poor	525000	1400	262500	2558	None
Magoun Sq	New	1400000	2	8	86400	28020	65580	4.68%	2-Average	175000	564	100000	187	None
Prospect Hill	PCG	2599000	6	10	142560	55809	98631	3.79%	1-Poor	259900	421	108292	284	Price Drop \$151k
East Somerville	New	1499000	3	9	83160	27351	62739	4.19%	2-Average	166556	436	83278	615	None
South Boston	New	899000	2	5	69600	22925	52475	5.84%	3-Good	179800	437	81727	780	None
Powderhouse Sq	New	1399900	2	5	55680	26791	33529	2.40%	1-Poor	279980	563	116658	339	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- 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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