



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	1	City	2019	May	Report #	33							
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
Winter Hill	New	949900	2	5	54720	20086	39194	4.13%	2-Average	189980	327	105544	297	None
East Cambridge	New	1925000	2	8	96000	25647	78353	4.07%	2-Average	240625	737	137500	740	None
South Boston	New	1350000	3	3	64800	26056	44144	3.27%	1-Poor	450000	625	168750	1346	None
Central Sq	New	1750000	3	6	99000	30695	76555	4.37%	2-Average	291667	444	134615	448	None
East Somerville	New	1498797	2	7	61320	21066	45364	3.03%	1-Poor	214114	423	115292	358	None
Central Sq	PCG	12100000	31	30.5	728640	229147	560213	4.63%	2-Average	396721	556	295122	2521	Price Drop \$1.7m
East Somerville	New	599000	2	3	35280	15980	22240	3.71%	1-Poor	199667	459	85571	280	None
Beacon Hill	New	2236800	2	3	75600	34281	47619	2.13%	1-Poor	745600	1200	203345	3436	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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