



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	1	City	2019	May	Report #	34							
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
Beacon Hill	New	3500000	4	3	187200	58935	143865.14	4.11%	2-Average	1166667	1029	350000	3117	Current rents are below market
South Boston	PCG	2000000	3	5	79200	25670	60129.688	3.01%	1-Poor	400000	667	133333	3003	Price Drop \$150k
South End	New	2900000	5	5	140400	55157	96942.94	3.34%	1-Poor	580000	815	223077	2517	Current rents are above market
North End	PCG	4000000	5	16	247680	68239	200080.526	5.00%	3-Good	250000	926	153846	4103	Price Drop \$290k
East Somerville	PCG	1299000	3	9	83160	27351	62739.408	4.83%	2-Average	144333	378	72167	533	Price Drop \$200k
South End	New	4950000	2	4	74880	53799	27321.108	0.55%	1-Poor	1237500	1085	412500	2357	None
South Boston	PCG	1075000	3	4	72000	27444	50555.612	4.70%	2-Average	268750	432	107500	680	Price Drop \$210k
Winter Hill	New	1450000	3	6	72000	27208	50792.408	3.50%	1-Poor	241667	491	111538	264	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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