



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

Listing Activity	Zone	1	City	2019	June	Report #	43							
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	2850000	3	12	144000	45980	110019.8	3.86%	1-Poor	237500	712	190000	861	Current rents are above market
South Boston	New	1200000	2	6	79200	25599	60201.416	5.02%	3-Good	200000	370	66667	916	None
Beacon Hill	New	4250000	10	8	295200	94611	225188.76	5.30%	3-Good	531250	799	708333	3036	Current rents are below market
West Somerville	New	1199000	2	6	63360	24166	44473.84	3.71%	1-Poor	199833	389	99917	275	None
East Somerville	New	1550000	1	2	20160	12154	9686.452	0.62%	1-Poor	775000	207	70455	234	Development opportunity
Spring Hill	New	1300000	2	7	78840	24718	60691.62	4.67%	2-Average	185714	396	100000	208	None
East Somerville	New	959000	3	6	60480	25261	40259.44	4.20%	2-Average	159833	378	73769	459	None
West Somerville	New	1275000	2	6	61440	23671	42888.712	3.36%	1-Poor	212500	432	91071	345	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

**Mark Carey, Senior Associate - Residential Investments - Mobile - 781-964-6236 Email - [mcarey@sennere.com](mailto:mcarey@sennere.com) [markccarey.com](http://markccarey.com)**

**Senne' Real Estate - 33 Church St Cambridge, MA 02139 [www.sennere.com](http://www.sennere.com) Office - 617-314-9400**

