



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

Listing Activity	Zone	2	East	2019	January	Report #	3							
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
Chelsea	New	579900	2	5	41040	15449	29011.3	5.00%	3-Good	115980	276	57990	407	Current rents are below market
Revere	BOM	899000	3	11	94920	28083	74746.7	8.31%	5-Excellent	81727	245	52882	225	None
Chelsea	New	599900	3	6	51840	22181	33979.4	5.66%	3-Good	99983	204	49992	324	Current rents are above market
Chelsea	BOM	819900	3	12	86400	29385	64215	7.83%	5-Excellent	68325	214	45550	142	Current rents are below market
Chelsea	PCG	499999	2	5	41040	16697	27763	5.55%	3-Good	100000	242	55555	163	Price Drop \$50k
Chelsea	New	650000	2	4	34560	16803	20636.5	3.17%	1-Poor	162500	276	59091	181	Current rents are above market
Chelsea	New	635000	2	5	41040	16027	28432.7	4.48%	2-Average	127000	303	70556	259	Current rents are above market
Winthrop	New	729000	3	5.5	51120	22705	32674.5	4.48%	2-Average	132545	230	48600	162	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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