



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

<b>Listing Activity</b>	<b>Zone</b>	<b>2</b>	<b>East</b>	<b>2019</b>	<b>January</b>	<b>Report #</b>	<b>6</b>
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Property Location	List Status	List Price	Total Units	Total Beds	Market Income Est	Operating Exp. Est.	NOI Estimate	Cap Rate	Investment Rating	\$ per Bedroom	\$ PSF		Highlights	
								Estimate			Liv Area	\$ per Room		\$ PSF Land
Beachmont	New	599900	2	3	35280	16839	21380.7	3.56%	1-Poor	199967	289	54536	120	None
Chelsea	New	449900	3	8	64800	24148	46052	10.24%	5-Excellent	56238	137	29993	248	Bank Owned Cash Offers only
Chelsea	New - UAG	600000	3	6	51840	21884	34275.8	5.71%	3-Good	100000	244	40000	209	Current rents are below market
Bellingham Sq	New	2000000	3	9	71280	25458	51761.9	2.59%	1-Poor	222222	400	200000	662	None
Revere	New	579900	2	5	48720	17824	34956.4	6.03%	4-Great	115980	170	52718	145	None
Revere	New	475000	2	6	55440	18996	41064.3	8.65%	5-Excellent	79167	249	39583	71	None
Revere	BOM	739000	2	4	42840	19912	26497.9	3.59%	1-Poor	184750	206	73900	57	None
East Boston	PCG	689000	2	7	61320	21009	45421.4	6.59%	4-Great	98429	319	62636	370	Price Drop \$50k

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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