



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

Listing Activity	Zone	2	East	2019	February	Report #	7							
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
East Boston	New	1025000	3	6	60480	23086	42434.224	4.14%	2-Average	170833	348	68333	485	None
East Boston	New	1100000	3	6	60480	22856	42663.996	3.88%	1-Poor	183333	382	73333	506	None
Revere	New	599950	2	5	48720	19280	33499.608	5.58%	3-Good	119990	258	59995	125	None
Chelsea	PCG	649000	2	6	47520	19072	32408.45	4.99%	2-Average	108167	240	59000	71	Price Drop \$50k
Winthrop	New	630000	2	4.5	38880	17230	24889.688	3.95%	1-Poor	140000	332	78750	105	None
Chelsea	New	739000	3	8	64800	25116	45084.375	6.10%	4-Great	92375	207	43471	352	Current rents are at market
Chelsea	New	749000	3	8	64800	25150	45050.175	6.01%	4-Great	93625	209	44059	342	Current rents are at market
Chelsea	New	709721	2	8	57600	18871	43529.15	6.13%	4-Great	88715	309	54594	154	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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