



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	2	East	2019	March	Report #	14							
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	1050000	3	12	99120	29134	78246.324	7.45%	5-Excellent	87500	233	58333	411	None
East Boston	New	1400000	2	9	71400	21827	55523.384	3.97%	1-Poor	155556	346	87500	420	Development Opportunity
Chelsea	New	649900	2	5	41760	17508	27731.6	4.27%	2-Average	129980	263	64990	291	Current rents are above market
Revere	New	699000	3	6	60480	25054	40466.478	5.79%	3-Good	116500	201	46600	140	None
Revere	New	899900	2	8	67200	21469	51330.505	5.70%	3-Good	112488	319	64279	180	None
Chelsea	New	689900	2	7	52560	18782	38158.325	5.53%	3-Good	98557	190	45993	117	None
Revere Beach	PCG	1000000	3	9	81480	26997	61272.655	6.13%	4-Great	111111	330	76923	444	Price Drop \$100k
East Boston	PCG	949900	3	9	81480	26150	62119.67	6.54%	4-Great	105544	259	67850	422	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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