



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

Listing Activity	Zone	2	East	2019	April	Report #	17							
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
Winthrop	New	649000	2	5	41040	19217	25242.786	3.89%	1-Poor	129800	248	64900	79	None
Revere	BOM	950000	2	5	48720	20715	32064.573	3.38%	1-Poor	190000	210	79167	110	Current rents are above market
East Boston	New	1050000	3	9	83160	26338	63751.506	6.07%	4-Great	116667	325	61765	420	None
East Boston	New	849900	3	6	60480	22653	42867.418	5.04%	3-Good	141650	333	70825	603	None
Jeffries Point	BOM	720000	2	4	36720	15150	24629.522	3.42%	1-Poor	180000	285	90000	576	Development Opportunity
East Boston	PCG	799000	3	8	75600	25016	56883.598	7.12%	5-Excellent	99875	335	57071	689	Price Drop \$51k
Chelsea	New	699000	3	4	43200	21322	25477.8	3.64%	1-Poor	174750	290	69900	149	Current rents are below market
Chelsea	New	694900	2	7	52560	19246	37693.775	5.42%	3-Good	99271	247	53454	239	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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