



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

Listing Activity	Zone	2	East	2019	May	Report #	23							
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	549000	2	5	41040	16027	28433	5.18%	3-Good	109800	262	61000	224	Current rents are above market
Eagle Hill	New	899000	3	8	64800	18240	51960	5.78%	3-Good	112375	339	64214	588	Current rents are below market
Winthrop	New	549900	2	5	41760	18360	26880	4.89%	2-Average	109980	258	49991	110	None
Point Shirley	New	545000	2	6	46080	18768	31152	5.72%	3-Good	90833	237	45417	94	None
Orient Heights	New	889900	2	6	46080	18949	30971	3.48%	1-Poor	148317	309	59327	198	None
Winthrop Beach	New	769000	2	8	57600	20998	41402	5.38%	3-Good	96125	233	54929	189	Current rents are at market
Revere	New	749999	2	6	55440	19547	40513	5.40%	3-Good	125000	197	75000	139	Current rents are below market
Chelsea	PCG	464000	2	5	41040	16409	28051	6.05%	4-Great	92800	198	46400	220	Price Drop \$25k

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

**Mark Carey, Senior Associate - Residential Investments - Mobile - 781-964-6236 Email - [mcarey@sennere.com](mailto:mcarey@sennere.com) [markccarey.com](http://markccarey.com)**

**Senne' Real Estate - 33 Church St Cambridge, MA 02139 [www.sennere.com](http://www.sennere.com) Office - 617-314-9400**

