



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	4	West	2019	January	Report #	3							
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
Waltham	New	749900	2	5	47880	20312	31558.4	4.21%	2-Average	149980	197	62492	141	None
Watertown	New	1260000	2	5	54720	21245	38035	3.02%	1-Poor	252000	368	96923	252	None
Newton	New	980000	2	6	71280	15904	61316	6.26%	4-Great	163333	358	61250	270	None
Newton	New	799000	2	6	71280	15904	61316	7.67%	5-Excellent	133167	302	66583	118	None
Newton	New	899000	2	4	51840	13312	42848	4.77%	2-Average	224750	333	74917	139	Current rents are below market
Waltham	New	799900	2	4	40320	17378	26302	3.29%	1-Poor	199975	461	99988	120	None
Watertown	New	795000	2	4	46080	21775	28144.9	3.54%	1-Poor	198750	321	72273	105	Renovation or Development Opportunity
Newton	New	1890000	2	6	71280	15904	61316	3.24%	1-Poor	315000	515	189000	189	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
Mark Carey, Senior Associate - Residential Investments - Mobile - 781-964-6236 Email - mcarey@sennere.com
Senne' Commercial - 33 Church St Cambridge, MA 02139 www.sennecommercial.com Office - 617-314-9400

