



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

Listing Activity	Zone	4	West	2019	March	Report #	11							Highlights
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
Upper Falls	PCG	2095000	4	12	142560	45270	109170	5.21%	3-Good	174583	483	104750	481	None
Brighton	PCG	1299999	2	5	61560	21089	45601	3.51%	1-Poor	260000	536	130000	338	Price Drop \$100k
Watertown	New	849000	3	5	63360	27638	41002	4.83%	2-Average	169800	281	60643	154	Current rents are below market
Newton	New	1149900	2	6	71280	24673	52547	4.57%	2-Average	191650	346	95825	136	None
Newton	PCG	799000	2	5	62640	22512	45348	5.68%	3-Good	159800	285	72636	131	Price Drop \$70k
Waltham	New	899900	2	4	40320	17210	26470	2.94%	1-Poor	224975	408	112488	173	None
Watertown	New	799900	2	4	46080	20105	29815	3.73%	1-Poor	199975	294	79990	165	None
Waltham	BOM	500000	5	5	75600	30113	51787	10.36%	5-Excellent	100000	208	62500	238	Current rents are below market

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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