



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	4	West	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
Watertown	New	749000	2	5	54720	19282	39997.94	5.34%	3-Good	149800	344	74900	120	None
Brighton	New	1400000	2	6	69120	25876	49004.36	3.50%	1-Poor	233333	468	116667	232	Current rents are above market
Brookline	New	2350000	2	6	76800	33548	49651.84	2.11%	1-Poor	391667	680	195833	440	None
Brookline	New	1999999	2	7	82800	35664	54036.29	2.70%	1-Poor	285714	452	142857	466	None
Waltham	New - UAG	549900	2	4	40320	17868	25812.01	4.69%	2-Average	137475	249	54990	110	None
Chestnut Hill	New	1299000	2	5	68400	24632	49467.68	3.81%	1-Poor	259800	532	108250	344	None
Brighton	New	849000	2	5	61560	23112	43578.33	5.13%	3-Good	169800	363	77182	208	Current rents are below market
Watertown	New	1385000	2	7	70080	25855	50065.2	3.61%	1-Poor	197857	364	106538	174	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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