



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	4	West	2019	April	Report #	15							
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	899000	3	5	63360	29087	39552.552	4.40%	2-Average	179800	248	74917	180	Current rents are below market
Belmont	New	979000	2	5	54720	24514	34765.91	3.55%	1-Poor	195800	421	89000	140	None
Watertown	New	889900	2	5	54720	22311	36968.568	4.15%	2-Average	177980	355	74158	198	None
Watertown	New	895000	2	4	46080	22149	27771.384	3.10%	1-Poor	223750	264	68846	165	Current rents are below market
Waltham	New	849000	2	4	40320	19914	23766.152	2.80%	1-Poor	212250	290	77182	170	Current rents are above market
Watertown	New	979000	2	5	54720	23677	35603.288	3.64%	1-Poor	195800	340	69929	179	None
Watertown	BOM	875000	2	4	46080	21765	28155.208	3.22%	1-Poor	218750	314	72917	183	None
Newton	New	995000	2	7	78840	26603	58806.67	5.91%	3-Good	142143	258	71071	100	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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