



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	5	South	2019	February	Report #	9							
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
Dorchester	New	725000	2	5	41040	16383	28076.88	3.87%	1-Poor	145000	240	65909	137	None
Dorchester	New	675000	2	6	47520	17480	33999.946	5.04%	3-Good	112500	317	67500	159	Current rents are below market
Dorchester	New	899900	2	6	47520	20222	31258.492	3.47%	1-Poor	149983	221	59993	160	None
Dorchester	New	850000	4	8	73440	28373	51186.81	6.02%	4-Great	106250	203	42500	355	None
West Roxbury	New	799000	2	4	40320	16762	26917.526	3.37%	1-Poor	199750	453	99875	141	None
Jamaica Plain	New	1599000	3	9	95040	30514	72445.72	4.53%	2-Average	177667	424	88833	457	None
Dorchester	New	699999	3	9	71280	23591	53629.122	7.66%	5-Excellent	77778	161	33333	199	Current rents are below market
Roslindale	New	1250000	4	6	71400	28242	49107.574	3.93%	1-Poor	208333	451	96154	85	Development opportunity

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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