



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity Zone 5 South 2019 March Report # 13

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			Highlights
											Liv Area	\$ per Room	\$ PSF Land	
Jamaica Plain	New	3000000	3	6	69120	38456	36423.764	1.21%	1-Poor	500000	561	250000	169	None
Savin Hill	New	1499900	3	9	95040	29297	73663.09	4.91%	2-Average	166656	399	99993	373	None
Dorchester	PCG	799000	3	6	51840	21232	34928.188	4.37%	2-Average	133167	200	53267	96	Price Drop \$100k
Neponset	New	899000	2	7	57960	21074	41716.14	4.64%	2-Average	128429	277	59933	196	None
West Roxbury	New	1199000	2	6	55440	19467	40593.264	3.39%	1-Poor	199833	482	92231	218	None
Dorchester	New	689999	3	8	65520	22948	48031.696	6.96%	4-Great	86250	192	46000	126	Current rents are below market
Dorchester	New	749000	2	8	56160	19058	41782.13	5.58%	3-Good	93625	250	49933	197	None
Dorchester	New	849000	2	7	49680	18360	35459.598	4.18%	2-Average	121286	196	47167	150	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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