



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	5	South	2019	March	Report #	16							
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
Hyde Park	RAC	550000	2	5	47880	17122	34748	6.32%	4-Great	110000	256	50000	116	None
Dorchester	New	689000	2	4	34560	14319	23121	3.36%	1-Poor	172250	410	86125	126	None
Dorchester	New	679000	2	6	47520	17025	34455	5.07%	3-Good	113167	257	56583	199	None
Fort Hill	New	550000	2	8	86400	24052	69548	12.65%	5-Excellent	68750	178	55000	368	Court approval required
Roxbury	New	880000	2	4	36720	15710	24070	2.74%	1-Poor	220000	359	97778	282	None
West Roxbury	New	799900	2	6	55440	19140	40920	5.12%	3-Good	133317	303	66658	122	None
Hyde Park	New	899000	2	8	65520	20295	50685	5.64%	3-Good	112375	237	64214	117	Current rents are below market
Fort Hill	New	1359000	2	3	45360	18858	30282	2.23%	1-Poor	453000	410	194143	468	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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