



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	1	City	2019	January	Report #	8							
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
East Somerville	New	2200000	8	4.5	97440	51095	54464.9	2.48%	1-Poor	488889	633	183333	510	Mixed Use Building
South End	New	2395000	4	6	131040	44422	97538.1	4.07%	2-Average	399167	698	239500	1774	None
Kirkland Village	New	1750000	5	11	154800	52616	115084	6.58%	4-Great	159091	423	87500	328	Development opportunity approved
Winter Hill	New	955000	3	4	57600	22269	40130.6	4.20%	2-Average	238750	470	86818	346	None
Ten Hills	New	1050000	2	5	47880	19061	32808.6	3.12%	1-Poor	210000	434	80769	265	None
South End	New	2395000	4	7	145080	45688	111482	4.65%	2-Average	342143	687	239500	1774	None
South Boston	New	1800000	3	5	79200	27560	58239.9	3.24%	1-Poor	360000	857	225000	1316	Current rents are above market
Spring Hill	New	1550000	3	5	71280	26035	51185.5	3.30%	1-Poor	310000	593	129167	393	Current rents are below market

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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