



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	1	City	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
Union Sq	New	1195000	2	6	69120	24116	50763.6	4.25%	2-Average	199167	558	119500	332	Current rents are below market
South Boston	New	1599000	3	5	82800	32619	57081.3	3.57%	1-Poor	319800	533	133250	1279	Current rents are above market
South Boston	New	1099000	2	6	76800	25442	57758	5.26%	3-Good	183167	433	99909	1145	None
Beacon Hill	New	2700000	7	4	183600	72603	126297	4.68%	2-Average	675000	665	450000	1205	None
Union Sq	New	1707300	3	9	106920	36639	79191.1	4.64%	2-Average	189700	426	94850	486	None
South Boston	New - CTG	1900000	3	9	118800	38432	90268.4	4.75%	2-Average	211111	524	90476	789	None
South Boston	New	1199000	3	6	86400	30208	63392.4	5.29%	3-Good	199833	457	99917	1189	Current rents are below market
Neighborhood	New	1175000	2	4	55080	21154	38515.6	3.28%	1-Poor	293750	462	117500	212	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
Mark Carey, Senior Associate - Residential Investments - Mobile - 781-964-6236 Email - mcarey@sennere.com
Senne' Commercial - 33 Church St Cambridge, MA 02139 www.sennecommercial.com Office - 617-314-9400

