



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	1	City	2019	February	Report #	12							
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
Ten Hills	New	960000	2	5	47880	18664	33205.66	3.46%	1-Poor	192000	297	80000	237	None
South Boston	New	2850000	3	12	144000	45980	110019.8	3.86%	1-Poor	237500	712	190000	861	Current rents are above market
East Somerville	New	1099900	2	6	53760	21505	36735.424	3.34%	1-Poor	183317	276	84608	259	None
Prospect Hill	New	1289000	3	6.5	84240	30338	60921.54	4.73%	2-Average	198308	389	85933	329	None
Winter Hill	PCG	899000	4	4	67200	26749	46050.588	5.12%	3-Good	224750	443	81727	326	Price Drop \$56k
Cambridgeport	New	2999999	2	6	87120	23956	70424	2.35%	1-Poor	500000	893	214286	1200	None
South Boston	PCG	799000	2	3	50400	20125	34475.116	4.31%	2-Average	266333	435	99875	855	Price Drop \$150k
Porter Sq	New	19500000	22	32	547200	225011	367788.76	1.89%	1-Poor	609375	686	98485	441	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

