



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	1	City	2019	March	Report #	15							
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
South Boston	New	2425000	2	5	68400	31037	43063.012	1.78%	1-Poor	485000	738	202083	511	None
North End	BOM	3500000	6	6	155520	55883	112596.98	3.22%	1-Poor	583333	1072	291667	2694	None
Cambridge Highlands	BOM - PCG	4799000	5	13	141120	56498	96381.812	2.01%	1-Poor	369154	705	165483	815	Current rents are well above market
South Boston	New	1650000	3	3	64800	26056	44143.536	2.68%	1-Poor	550000	764	206250	1645	None
North Cambridge	New	1899000	3	9	106920	32367	83462.574	4.40%	2-Average	211000	791	105500	396	None
South Boston	PCG	729000	1	4	48000	15400	36599.838	5.02%	3-Good	182250	420	459	593	Price Drop \$96k
Spring Hill	New	899999	2	4	51840	20183	35976.664	4.00%	1-Poor	225000	373	81818	215	None
West Somerville	BOM	1125000	2	5	54720	21507	37773.316	3.36%	1-Poor	225000	436	93750	245	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 markccarey.com
Senne' Real Estate - 33 Church St Cambridge, MA 02139 www.sennere.com Office - 617-314-9400

