



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	1	City	2019	March	Report #	21							
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	2975000	3	5	79200	32468	53332.442	1.79%	1-Poor	595000	692	228846	721	None
Riverside	New	1898000	2	5	83520	26233	64246.652	3.38%	1-Poor	379600	625	158167	474	None
Magoun Sq	PCG	995000	2	5	61560	22435	44255.176	4.45%	2-Average	199000	377	90455	395	Price Drop \$80k
East Somerville	PCG	949900	2	6	55440	17871	42188.884	4.44%	2-Average	158317	250	79158	297	Price Drop \$49k
Ten Hills	New	1274000	2	5	47880	19508	32362.076	2.54%	1-Poor	254800	404	98000	352	None
Davis Sq	New	1499999	3	6	86400	33364	60236.196	4.02%	2-Average	250000	405	107143	344	Current rents are below market
East Somerville	New	3000000	6	9	105840	47999	66660.6	2.22%	1-Poor	333333	615	130435	407	None
East Cambridge	New	3400000	4	14	175200	46392	143407.756	4.22%	2-Average	242857	595	154545	781	Current rents are above 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

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

