



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	1	City	2019	April	Report #	26							
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
Somerville	New	995000	2	5	68400	23347	50753.176	5.10%	3-Good	199000	377	90455	395	None
Inman Sq	New	5000000	8	21	314160	86004	254336.426	5.09%	3-Good	238095	606	200000	1042	Current rents are below market
Inman Sq	New	1750000	3	6	77760	27120	57120.24	3.26%	1-Poor	291667	449	116667	535	None
Andrew Sq	New	1200000	2	6	76800	16640	66560	5.55%	3-Good	200000	396	92308	444	None
Davis Sq	New	1250000	2	6	79200	28038	57761.504	4.62%	2-Average	208333	416	104167	311	Current rents are below market
Winter Hill	New	999876	2	7	66240	22102	49657.75076	4.97%	2-Average	142839	328	76914	377	Current rents are below market
Winter Hill	New	1100000	2	6	61440	22760	43800.084	3.98%	1-Poor	183333	324	91667	206	Current rents are below market
Back Bay	New	2995000	3	4.5	96720	48512	56268.118	1.88%	1-Poor	665556	966	299500	2064	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

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