



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	1	City	2019	April	Report #	30							
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
North Cambridge	New	1699000	2	5	61560	22300	44390	2.61%	1-Poor	339800	613	113267	523	None
Spring Hill	New -CTG	1398000	2	5	61560	21703	44987	3.22%	1-Poor	279600	719	139800	478	None
Davis Sq	New	1399900	2	6	79200	26437	59363	4.24%	2-Average	233317	503	116658	337	Current rents are below market
Inman Sq	BOM	1999000	2	6	71280	27864	49356	2.47%	1-Poor	333167	818	199900	763	None
East Cambridge	New	1750000	3	6	90000	27249	70251	4.01%	2-Average	291667	525	116667	601	None
North End	New	5400000	10	14.5	299520	91482	232998	4.31%	2-Average	372414	943	245455	5192	Current rents are below market
East Cambridge	New	1999999	3	6	86400	25837	67763	3.39%	1-Poor	333333	695	222222	1840	Estimated rents are above market
Magoun Sq	BOM PCG	799000	2	3	45360	18168	30972	3.88%	1-Poor	266333	506	99875	311	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

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