



## Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	1	City	2019	May	Report #	35							
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	1299500	2	4	57600	22711	39689	3.05%	1-Poor	324875	559	118136	1	None
East Somerville	New	979999	2	6	53760	21144	37096	3.79%	1-Poor	163333	369	81667	374	None
Winter Hill	New	950000	2	8	74880	23999	57121	6.01%	4-Great	118750	273	67857	244	Auction
North End	PCG	4995000	8	14.5	270720	81242	212038	4.24%	2-Average	344483	872	172241	4803	Price Drop \$405k
Davis Sq	New	1400000	3	4	72000	31911	46089	3.29%	1-Poor	350000	450	116667	342	Current rents are below market
Spring Hill	New UAG	1500000	3	7	87480	30713	64057	4.27%	2-Average	214286	315	88235	270	Development opportunity
Cambridgeport	New	1475000	3	6	95040	30515	72445	4.91%	2-Average	245833	479	113462	390	None
Spring Hill	New	1200000	2	5	61560	25964	40726	3.39%	1-Poor	240000	362	100000	186	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](mailto:mcarey@sennere.com) [markccarey.com](http://markccarey.com)**

**Senne' Real Estate - 33 Church St Cambridge, MA 02139 [www.sennere.com](http://www.sennere.com) Office - 617-314-9400**

