



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	1	City	2019	May	Report #	36							
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
Tufts	New	1100000	2	5	54720	21722	37558	3.41%	1-Poor	220000	512	110000	319	None
North Cambridge	BOM	3300000	3	4	62640	23283	44577	1.35%	1-Poor	825000	1409	330000	846	Development opportunity
South Boston	New	3500000	12	6	201600	87509	130891	3.74%	1-Poor	583333	713	291667	1587	Current rents are at market
East Cambridge	BOM - PCG	1050000	2	5	68400	19975	54125	5.15%	3-Good	210000	525	105000	714	Price Drop \$50k
Inman Sq	New	1944876	4	7	101520	37886	72094	3.71%	1-Poor	277839	524	138920	710	None
South End	New	3495000	2	5	88920	47966	48364	1.38%	1-Poor	699000	1093	349500	2987	None
South End	PCG	4550000	2	6	102960	56144	55396	1.22%	1-Poor	758333	1293	350000	3370	Price Drop \$400k
South Boston	PCG	1650000	3	7	97200	33124	72176	4.37%	2-Average	235714	579	103125	611	Price Drop \$240k

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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