



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	1	City	2019	May	Report #	37							
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	1375000	2	3	50400	23311	31288.874	2.28%	1-Poor	458333	492	152778	527	None
Central Hill	New	975000	3	5	63360	27771	40869.264	4.19%	2-Average	195000	263	75000	168	None
Prospect Hill	New	1175000	2	5	61560	23928	42761.688	3.64%	1-Poor	235000	414	83929	240	None
Mid-Cambridge	New	1100000	2	4	67320	20812	52117.712	4.74%	2-Average	275000	489	110000	665	None
Winter Hill	New	1595000	3	7	80640	29904	57456.348	3.60%	1-Poor	227857	348	113929	275	None
South End	New - UAG	2695000	3	4	93600	45074	56325.936	2.09%	1-Poor	673750	821	299444	2105	None
East Cambridge	BOM	1649000	2	8	96000	23748	80251.742	4.87%	2-Average	206125	800	137417	825	Current rents are below market
North Cambridge	BOM - PCG	2395000	3	7	87480	31579	63191.19	2.64%	1-Poor	342143	556	140882	599	Price Drop \$155k

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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