



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	1	City	2019	May	Report #	38							Highlights
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	
North Cambridge	New	1300000	2	4	55080	18453	41217	3.17%	1-Poor	325000	566	144444	328	None
Spring Hill	New	2500000	6	10	142560	53610	100830	4.03%	2-Average	250000	449	125000	376	Current rents are at market
Davis Sq	New	1249000	2	6	76800	27904	55296	4.43%	2-Average	208167	394	104083	367	None
West Somerville	New	950000	2	4	40320	20304	23376	2.46%	1-Poor	237500	438	86364	333	Current rents are above market
Winter Hill	New	1250000	3	6	69120	29175	45705	3.66%	1-Poor	208333	404	83333	558	None
Ten Hills	PCG	999000	2	5	47880	19508	32362	3.24%	1-Poor	199800	317	76846	276	None
South Boston	New	3399000	6	16	216000	68158	165842	4.88%	2-Average	212438	530	242786	936	None
Cambridgeport	New	3200000	2	6	84480	27105	64415	2.01%	1-Poor	533333	1049	266667	640	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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