



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	1	City	2019	May	Report #	41							
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
Ten Hills	New	990000	2	5	47880	20074	31796	3.21%	1-Poor	198000	284	66000	244	None
Davis Sq	New	1295000	2	4	61200	24819	41481	3.20%	1-Poor	323750	372	86333	522	None
Mid-Cambridge	PCG	3488000	3	6	99000	38611	68639	1.97%	1-Poor	581333	770	232533	467	Price Drop \$200k
West Cambridge	New	2400000	2	6	76800	26395	56805	2.37%	1-Poor	400000	717	184615	459	None
Central Sq	New	1895000	3	10	139920	36527	115053	6.07%	4-Great	189500	456	94750	687	None
Strawberry Hills	New	1750000	3	7	87480	30402	64368	3.68%	1-Poor	250000	439	102941	354	None
East Somerville	PCG	1370000	3	6	60480	27278	38242	2.79%	1-Poor	228333	369	91333	535	Price Drop \$110k
North Cambridge	PCG	1100900	2	4	55080	18453	41217	3.74%	1-Poor	275225	480	122322	278	Price Drop \$200k

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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