



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	1	City	2019	May	Report #	42							
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
East Somerville	New	899999	3	3	45360	23310	25830	2.87%	1-Poor	300000	478	75000	419	None
West Cambridge	New	1695000	2	5	68400	22633	51467	3.04%	1-Poor	339000	518	121071	332	None
Winter Hill	PCG	1199000	2	6	61440	24098	42462	3.54%	1-Poor	199833	362	79933	306	Price Drop \$90k
Winter Hill	New	899900	2	7	66240	22101	49659	5.52%	3-Good	128557	295	69223	3435	Current rents are at market
Cambridge Highlands	New	1595000	2	6	63360	23741	44899	2.81%	1-Poor	265833	479	122692	319	None
East Somerville	New	1200000	2	6	53760	20230	38010	3.17%	1-Poor	200000	501	92308	344	None
Agassiz	New	6450000	18	9	362880	123653	269467	4.18%	2-Average	716667	556	179167	901	None
South End	New	3000000	2	5	90480	47727	50293	1.68%	1-Poor	600000	868	250000	1429	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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