



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	2	East	2019	January	Report #	2							
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
Revere	PCG	614974	2	6	55440	19162	40898.4	6.65%	4-Great	102496	289	55907	157	Price Drop \$35k
Chelsea	New	869000	3	11	81360	28415	59724.8	6.87%	4-Great	79000	212	51118	145	None
Orient Heights	BOM	935000	3	7	68040	25129	48581.2	5.20%	3-Good	133571	213	62333	460	Current rents are below market
Chelsea	New	589000	2	6	46080	17782	32137.7	5.46%	3-Good	98167	331	65444	118	None
Winthrop	BOM	625000	2	6	46080	19776	30144.1	4.82%	2-Average	104167	242	56818	129	None
Revere	New	650000	4	9.5	93240	31942	69067.8	10.63%	5-Excellent	68421	146	32500	157	Current rents are below market
Chelsea	New	885000	2	4	36000	19036	19963.9	2.26%	1-Poor	221250	161	42143	177	Mixed Use Building
Chelsea	BOM	859999	3	9	71280	29125	48095.4	5.59%	3-Good	95555	193	57333	159	Current rents are above market

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-Allston, 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, Brighton, Newton, Waltham, Watertown
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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