



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	2	East	2019	February	Report #	8							
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 Boston	New	699900	2	6	53760	17910	40329.52	5.76%	3-Good	116650	233	69990	280	None
Revere	New	694900	2	6	53760	20514	37725.704	5.43%	3-Good	115817	300	69490	139	None
Chelsea	New	739900	3	9	71280	24707	52512.9	7.10%	5-Excellent	82211	229	41106	362	None
Revere	BOM	599950	2	5	48720	19280	33499.608	5.58%	3-Good	119990	258	59995	125	None
Revere	New	649900	2	5	48720	20450	32329.782	4.97%	2-Average	129980	181	46421	144	None
Chelsea	New	720000	2	8	56160	20077	40763.225	5.66%	3-Good	90000	295	72000	360	None
Revere	BOM	475000	2	6	55440	18996	41064.333	8.65%	5-Excellent	79167	249	39583	71	None
Winthrop	New	779999	2	4	36720	19257	20523.28	2.63%	1-Poor	195000	278	65000	142	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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