



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	2	East	2019	April	Report #	16							
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	New	689900	2	5	47880	18967	32903	4.77%	2-Average	137980	181	62718	62	None
Chelsea	New	1119000	4	10	82080	33239	55681	4.98%	2-Average	111900	249	50864	185	Current rents are above market
Chelsea	New	875000	2	8	56160	21029	39811	4.55%	2-Average	109375	278	62500	182	None
East Boston	New	789000	3	6	63000	24220	44030	5.58%	3-Good	131500	304	65750	316	None
Revere	New	699000	4	4	60480	27187	38333	5.48%	3-Good	174750	315	58250	224	Current rents are above market
Revere	BOM	574900	2	5	47880	18318	33552	5.84%	3-Good	114980	272	47908	128	None
Revere Beach	New	682500	2	4	42840	19556	26854	3.93%	1-Poor	170625	259	62045	124	None
East Boston	New	719000	2	5	47880	17483	34387	4.78%	2-Average	143800	290	65364	141	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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