



## Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	2	East	2019	April	Report #	19							
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
Chelsea	BOM - PCG	579000	2	5	41040	16027	28433	4.91%	2-Average	115800	277	64333	236	Price Drop \$10k
East Boston	PCG	1150000	3	6	60480	22632	42888	3.73%	1-Poor	191667	419	95833	201	Price Drop \$150k
Revere	New	718974	2	5	48720	21007	31773	4.42%	2-Average	143795	277	71897	158	Current rents are below market
Winthrop	New	725000	2	4	34560	18685	18755	2.59%	1-Poor	181250	264	60417	86	None
Chelsea	PCG	759900	3	7	59040	23809	40151	5.28%	3-Good	108557	230	58454	217	Price Drop \$40k
Point of Pines	New	739900	2	6	55440	19765	40295	5.45%	3-Good	123317	270	67264	110	None
Chelsea	New	845000	2	2	25920	17800	10280	1.22%	1-Poor	422500	330	120714	767	None
Winthrop Highlands	New	699000	2	7	52560	20180	36760	5.26%	3-Good	99857	200	53769	251	Current rents are below 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- 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

**Mark Carey, Senior Associate - Residential Investments - Mobile - 781-964-6236 Email - [mcarey@sennere.com](mailto:mcarey@sennere.com) [markccarey.com](http://markccarey.com)**

**Senne' Real Estate - 33 Church St Cambridge, MA 02139 [www.sennere.com](http://www.sennere.com) Office - 617-314-9400**

