



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	2	East	2019	May	Report #	24							
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	New	724900	2	5	41040	18558	25902	3.57%	1-Poor	144980	212	51779	242	None
Chelsea	BOM	694900	2	7	52560	19246	37694	5.42%	3-Good	99271	247	53454	239	None
Chelsea	New	699500	3	9	69840	26661	48999	7.00%	5-Excellent	77722	189	46633	210	None
East Boston	New	849999	3	6	60480	22915	42605	5.01%	3-Good	141667	381	70833	567	None
Winthrop	New	665000	2	6	47520	19061	32419	4.88%	2-Average	110833	223	51154	133	None
Chelsea	New	649000	2	4	34560	16336	21104	3.25%	1-Poor	162250	251	59000	125	None
Winthrop	New	649900	2	4	34560	17872	19568	3.01%	1-Poor	162475	222	72211	120	None
Chelsea	New	879000	3	6	54000	23770	34730	3.95%	1-Poor	146500	277	54938	147	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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