



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	2	East	2019	May	Report #	25							
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 - CTG	550000	2	4	40320	17674	26006	4.73%	2-Average	137500	284	78571	112	None
Chelsea	New	775000	3	9	71280	24459	52761	6.81%	4-Great	86111	279	51667	457	None
Eagle Hill	New	899000	3	6	60480	23531	41989	4.67%	2-Average	149833	417	74917	403	None
Orient Heights	New	899900	2	4	42840	18887	27523	3.06%	1-Poor	224975	374	89990	180	None
Chelsea	New	669000	2	4	34560	16298	21142	3.16%	1-Poor	167250	320	66900	105	None
Orient Heights	New	1100000	3	8	75600	26503	55397	5.04%	3-Good	137500	247	64706	244	None
Eagle Hill	New	789000	3	6	60480	23797	41723	5.29%	3-Good	131500	367	65750	680	Current rents are above market
East Boston	New	2799000	2	0.5	20160	11180	10660	0.38%	1-Poor	5598000	2766	139950	320	Development Opportunity

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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