



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	2	East	2019	June	Report #	27							
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	629000	2	6	46080	18032	31888	5.07%	3-Good	104833	234	57182	105	None
Beachmont	New	575000	3	5	55440	24328	35732	6.21%	4-Great	115000	117	41071	115	None
East Boston	New	1500000	2	6	52920	19392	37938	2.53%	1-Poor	250000	816	150000	99	Development opportunity
Chelsea	New	950000	3	9	71280	29790	47430	4.99%	2-Average	105556	174	35185	142	None
Jeffries Point	New	775000	3	4	50400	21012	33588	4.33%	2-Average	193750	388	70455	774	Current rents are above market
Jeffries Point	New	775000	3	5	55440	22517	37543	4.84%	2-Average	155000	388	70455	504	Current rents are at market
Chelsea	New	749000	3	6	51840	22863	33297	4.45%	2-Average	124833	305	62417	211	Current rents are above market
Revere	New	940000	4	5	63840	33422	35738	3.80%	1-Poor	188000	183	52222	237	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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