



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

Listing Activity	Zone	2	East	2019	June	Report #	29							
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 Beach	New	719000	2	5	48720	18631	34148.704	4.75%	2-Average	143800	298	89875	192	None
Revere	New - CTG	399900	2	3	35280	16773	21447.309	5.36%	3-Good	133300	252	49988	125	Current rents are above market
Jeffries Point	New	1050000	4	6	60480	27252	38268.16976	3.64%	1-Poor	175000	379	80769	583	Current rents are below market
Revere Beach	New	539900	2	5	47880	17738	34131.799	6.32%	4-Great	107980	204	53990	193	None
Revere	New	674974	2	5	47880	18444	33425.786	4.95%	2-Average	134995	349	74997	189	None
Revere	New - CTG	529000	2	4	42840	17438	28972.022	5.48%	3-Good	132250	254	66125	102	None
East Boston	New	799900	2	5	47880	18787	33083.47	4.14%	2-Average	159980	296	79990	198	None
Chelsea	New - CTG	699900	2	7	52560	19873	37066.775	5.30%	3-Good	99986	257	63627	95	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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