



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	3	North	2019	February	Report #	9							
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
Everett	New	599000	2	7	61320	19866	46564.026	7.77%	5-Excellent	85571	325	54455	154	None
Medford	New	679000	2	4	46080	17332	32587.52	4.80%	2-Average	169750	382	75444	189	None
Everett	New	699000	3	6	60480	23109	42411.276	6.07%	4-Great	116500	282	58250	203	Current rents are below market
Medford	New	1590000	2	7	70080	22981	52938.56	3.33%	1-Poor	227143	354	72273	175	None
Everett	New	749900	3	7	68040	24841	48869.046	6.52%	4-Great	107129	278	62492	205	Current rents are below market
Malden	New	699000	2	6	55440	21884	38175.954	5.46%	3-Good	116500	254	58250	129	None
Malden	New	649900	2	4	40320	18499	25181.418	3.87%	1-Poor	162475	293	64990	130	None
Medford	New	1100000	3	6	69120	23040	51840	4.71%	2-Average	183333	468	91667	320	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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