



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	4	West	2019	January	Report #	4							
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
Waltham	New	795000	3	7	68040	19418	54292.3	6.83%	4-Great	113571	227	53000	113	None
Corey Hill	PCG	1574000	3	8	108000	38360	78640.5	5.00%	2-Average	196750	384	92588	346	Price Drop \$75k
Arlington Heights	New	879000	2	6	63360	23395	45244.5	5.15%	3-Good	146500	351	73250	122	None
Eliot	New	2195000	4	12	126720	29696	107584	4.90%	2-Average	182917	507	109750	504	Current rents are at market
Brighton	New	929000	2	6	69120	23227	51653.1	5.56%	3-Good	154833	341	84455	238	Current rents are below market
Watertown	New	899995	2	4	46080	23017	26903.3	2.99%	1-Poor	224999	317	75000	223	Current rents are above market
Waltham	New	699900	2	4	40320	18345	25334.7	3.62%	1-Poor	174975	324	69990	174	None
Belmont	New	1375000	2	6	63360	25678	42962.2	3.12%	1-Poor	229167	536	98214	134	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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