



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

**Listing Activity    Zone                    4 West    2019    February    Report #                    6**

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
Newton	New	1095000	2	6	71280	23857	53362.505	4.87%	2-Average	182500	274	109500	243	Current rents are below market
Waltham	New	740000	2	4	40320	17229	26451.338	3.57%	1-Poor	185000	343	82222	113	Current rents are below market
Waltham	New	740000	2	8	65520	20996	49983.686	6.75%	4-Great	92500	255	52857	155	Current rents are below market
Newton Corner	New	1799000	2	9	91800	31035	68415.255	3.80%	1-Poor	199889	436	99944	265	Current rents are above market
East Watertown	New - UAG	750000	2	4	46080	21861	28058.608	3.74%	1-Poor	187500	281	62500	143	None
Watertown	New	765000	2	4	46080	20857	29063.248	3.80%	1-Poor	191250	297	69545	135	None
Newton Corner	New	1495000	3	10	111240	34933	85576.795	5.72%	3-Good	149500	492	83056	120	None
Brookline Village	New	2495000	2	3	99600	38562	69337.576	2.78%	1-Poor	831667	430	138611	298	2 adjacent buildings with development potential

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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