



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	4	West	2019	March	Report #	10							
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
Watertown	New	899900	2	6	61440	24291	42269	4.70%	2-Average	149983	304	81809	167	None
Nonantum	New	875000	2	4	51840	22642	33518	3.83%	1-Poor	218750	390	87500	109	None
East Watertown	New	929000	2	6	63360	25439	43201	4.65%	2-Average	154833	327	61933	140	Current rents are below market
Arlington	New	899000	2	5	54720	23266	36014	4.01%	2-Average	179800	314	81727	145	None
Arlington	New	895000	2	5	54720	22961	36319	4.06%	2-Average	179000	279	74583	165	None
East Arlington	BOM	900000	2	5	54720	21053	38227	4.25%	2-Average	180000	461	69231	200	None
Brookline	New	3488000	2	8	96000	52633	51367	1.47%	1-Poor	436000	798	218000	633	None
Nonantum	New	915000	2	5	61560	22687	44003	4.81%	2-Average	183000	352	83182	161	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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