



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

Listing Activity	Zone	4	West	2019	April	Report #	18							
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
East Arlington	New	1100000	2	6	61440	24084	42475.82	3.86%	1-Poor	183333	336	73333	223	None
Brighton	New	975000	2	5	61560	24091	42599.162	4.37%	2-Average	195000	311	81250	184	None
Watertown	PCG	825000	2	4	46080	21765	28155.208	3.41%	1-Poor	206250	296	68750	172	Price Drop \$50k
Belmont	New	1068000	2	4	46080	21950	27969.98	2.62%	1-Poor	267000	478	89000	245	Current rents are above market
Brookline	BOM	2500000	3	8	105600	38672	75728	3.03%	1-Poor	312500	681	178571	547	None
Brookline	New	2200000	3	9	118800	41283	87417.204	3.97%	1-Poor	244444	448	110000	705	Current rents are below market
Watertown	New	949000	2	6	61440	22931	43629.488	4.60%	2-Average	158167	266	67786	128	None
Waltham	New	649900	3	6	60480	23413	42107.094	6.48%	4-Great	108317	278	54158	185	Current rents are below market

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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