



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

Listing Activity	Zone	4	West	2019	May	Report #	23							
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	639000	2	4	40320	17587	26093	4.08%	2-Average	159750	356	79875	85	Current rents are at market
Brighton	PCG	1200000	2	6	69120	25876	49004	4.08%	2-Average	200000	401	92308	199	Price Drop \$99k
Watertown	PCG	1299000	2	7	70080	25855	50065	3.85%	1-Poor	185571	341	99923	163	Price Drop \$85k
Belmont	New - CTG	995000	2	6	63360	25479	43161	4.34%	2-Average	165833	401	82917	173	None
Newton	New	915000	2	5	61560	21058	45632	4.99%	2-Average	183000	445	101667	130	Current rents are below market
Newton	New	1300000	3	6	77760	28128	56112	4.32%	2-Average	216667	342	72222	126	None
Brighton	New	850000	2	7	78840	24149	61261	7.21%	5-Excellent	121429	380	77273	204	Current rents are below market
Brookline	BOM	2099000	3	9	118800	41283	87417	4.16%	2-Average	233222	427	104950	673	Price Drop \$100k

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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