



Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	5	South	2019	April	Report #	26							
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
Jamaica Plain	New	1490000	3	8	86400	32591	61009.318	4.09%	2-Average	186250	373	87647	515	Current rents are above market
Hyde Park	PCG	740000	2	5	47880	16986	34883.702	4.71%	2-Average	148000	300	74000	110	Price Drop \$40k
Mount Bowdoin	PCG	740000	2	8	57600	18427	43973.304	5.94%	3-Good	92500	202	52857	127	Price Drop \$55k
Roxbury	New	975000	2	8	57600	18457	43942.738	4.51%	2-Average	121875	403	75000	130	Development Opportunity
Roxbury	PCG	1025000	4	10	82800	30522	59177.64	5.77%	3-Good	102500	188	60294	113	Price Drop \$75k
Roslindale	New	899900	3	9	83160	27087	63003.166	7.00%	5-Excellent	99989	240	59993	258	Current rents are below market
Jamaica Plain	New	1599000	3	9	95040	32018	70941.662	4.44%	2-Average	177667	420	88833	457	Current rents are above market
Dorchester	New	899900	3	9	71280	24157	53063.124	5.90%	3-Good	99989	209	74992	287	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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