

## Forest Park — 120-Unit Multifamily

12635 Tidwell Rd, Houston, TX 77044 · Class B · Built 1977 · Renovated 2020

### PROPERTY SNAPSHOT

TOTAL UNITS <b>120</b>	AVG UNIT SIZE <b>942 SF</b>	PHYSICAL OCCUPANCY <b>85.0%</b>
LOT SIZE <b>5.16 acres</b>	PARKING RATIO <b>1.58</b>	OPEX RATIO <b>66.2%</b>
TOTAL REVENUE <b>\$1.58M</b>	TOTAL EXPENSES <b>\$1.05M</b>	T12 NOI <b>\$535K</b>
		YR-1 PRO FORMA NOI <b>\$873K</b>

### RENT ROLL SUMMARY — BY UNIT TYPE

UNIT TYPE	UNITS	AVG RENT	AVG SQ FT
1 BR	16	\$955	706
• Renovated	10	\$980	706
• Classic	6	\$914	706
2 BR	80	\$1,145	937
• Renovated	64	\$1,152	935
• Classic	16	\$1,118	945
3 BR+	24	\$1,329	1,116
<b>Total / Avg</b>	<b>120</b>	<b>\$1,144</b>	<b>937</b>

### DEAL HIGHLIGHTS & RISKS

Value-add play with ~49% NOI growth over T12 via classic-unit upgrades and lease-up of current occupancy. Key risks: Hurricane Harvey flood history (remediated 2020) and elevated tenant delinquency.

#### STRENGTHS

- 49% NOI growth over the trailing 12-month period
- \$100/mo premiums on 30 classic units; \$50/mo stainless upgrades on 90 units
- Largest unit sizes in submarket; full-size W/D in all units
- Renovated 2020 — no deferred maintenance on non-revenue items

#### RISKS

- Bad debt (T12) of \$68,693 — 4.1% of gross market rent
- 3 tenants with balances > 1.5x rent; highest is \$5,867 (4.8x rent)
- Flooded during Hurricane Harvey (Zone X, remediated 2020)
- 82% economic occupancy signals recent turnover pressure

## Four findings a first-pass model wouldn't catch

Generated automatically from the same rent roll & T12 — no extra analyst time.

### OPERATIONS · NOI RECOVERY

#### Make-ready revenue leakage

**\$168K / yr**

12 units (10% of inventory) sit in a "not ready" status, leaking **\$14,029/month** in market rent — heavily concentrated in the B1R floor plan. Normalizing turn times to a 5–7 day industry standard recovers roughly **\$168,348 of annual NOI**, a direct lift to valuation.

### CREDIT RISK · BAD DEBT

#### Unsecured tenant exposure

**\$35K**

**27 units (26% of occupied)** carry outstanding balances that exceed their security deposit — \$35,458 of unsecured exposure the raw rent roll never surfaces. The five largest balances (\$2,961–\$5,866) have no offsetting collateral, a leading indicator of write-offs that would otherwise hit NOI post-close.

### DATA INTEGRITY · UNDERWRITING

#### New-lease anomaly flagged

**–36.6%**

A new B2R lease signed at **\$723** sits 36.6% below the portfolio average of \$1,140 for that type — a likely deep concession, employee unit, or reporting error. Left unchecked it drags the new-lease trend and **skews the rent assumptions** the whole model is built on.

### VALUE-ADD · ANCILLARY INCOME

#### Ancillary fee standardization

**\$720K–\$1.2M**

Laundry equipment is billed under three inconsistent charge codes at 50–87% penetration. Standardizing current payers adds ~\$3,016/month; reaching full penetration adds ~\$5,150/month — **\$720K to \$1.23M of asset value at a 5% cap rate** from administrative cleanup alone.

### WANT THIS ON YOUR OWN DEAL?

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