

COLIVINGSORE.COM

PRO ANALYSIS REPORT

# 805 Wilma St

Tyler, TX 75701, USA

---

TARGET TENANT TYPE

**General Workforce**

Generated April 25, 2026

For informational purposes only. Not financial or investment advice.

# 71

GOOD

**805 Wilma St, Tyler, TX 75701, USA**

5 bed · 3 bath · 2,480 sq ft

Tenant type: General Workforce

GROSS MONTHLY INCOME

**\$4,025**

at full occupancy

NET OPERATING INCOME

**\$1,914**income after expenses, before  
mortgage

MONTHLY CASH FLOW

**+\$414**after all expenses and  
mortgageDEBT SERVICE COVERAGE  
RATIO**1.28x**

lenders require 1.25x minimum

Score guide: 85–100 Excellent · 70–84 Good · 50–69 Fair · 30–49 Poor · 0–29 No Go

- Tyler, TX is a **viable but secondary co-living market** — not a slam dunk, but the fundamentals are real: a large renter base (41.5% of ZIP residents rent), median incomes that fall short of comfortable single-unit rent, and a healthcare/logistics job cluster nearby that produces steady demand for affordable private rooms.
- At the investor's target rent and occupancy assumption, this property has a genuine shot at strong cash-on-cash returns given the low mortgage cost — the spread between the debt service and potential gross revenue is one of the best structural features of this deal.
- **Top risks:** (1) The walkability score of 34/100 and no meaningful public transit will require that most tenants have vehicles — this narrows the tenant pool and makes parking availability a non-negotiable amenity; (2) Tyler is not a top-tier co-living market with deep institutional infrastructure, so lease-up may take longer than markets like Dallas or Houston; (3) the 5BD/3BA bathroom ratio (1.67 beds per bath) is workable but not ideal, and bathroom sharing friction is a known driver of early tenant turnover.
- **Bottom line:** This is a solid workforce co-living play if you price rooms competitively, furnish properly, include utilities, and lock in a competent co-living property manager on day one. Don't expect Austin-level velocity, but Tyler's affordability gap and healthcare employment base make this deal defensible. **Buy it if the numbers work — they appear to.**

---

POPULATION (ZIP)

**35,804**

RENTER OCCUPIED

**41.5%**

MEDIAN INCOME

**\$62,091**

MEDIAN RENT (ZIP)

**\$1,250/mo**

- **Median 1BR rent in Tyler, TX:** Approximately \$850–\$950/month based on market data; 2BR units run approximately \$1,100–\$1,300/month, consistent with the ZIP's reported median rent of \$1,250/month.
- **Vacancy rate:** Tyler's overall rental vacancy is estimated at 7–10%, which is moderate — tight enough to support co-living demand but loose enough that bad pricing will get you ignored.
- **Home price-to-rent ratio:** Tyler median home prices are in the \$200,000–\$240,000 range, producing a price-to-rent ratio of roughly 16–18x gross annual rent — firmly in "rent makes sense" territory for lower-income workers who can't access homeownership.
- **Affordability gap — the co-living thesis:** To comfortably afford a standard 1BR at \$900/month using the 30% income rule, a renter needs to earn roughly \$36,000/year. The median income in this ZIP is \$62,091, which sounds comfortable — but that's a household median, not an individual worker wage. Individual workers in healthcare support, retail, logistics, and light manufacturing in Tyler typically earn \$28,000–\$42,000/year. For these workers, a \$875/month private room with utilities included beats the math of renting a full unit solo.
- **The gap is real:** A single worker earning \$32,000/year (\$2,667/month gross) cannot comfortably afford a \$1,200 2BR, especially after utilities. A furnished private room at \$875 all-in is often their best option — that's the co-living value proposition in this market.

---

**Who fills rooms in Tyler specifically:**

- **Healthcare support workers:** BSW Texas Spine & Joint Hospital is 0.75 miles away. CNAs, medical assistants, surgical techs, and patient transport staff earning \$28,000–\$42,000/year are prime co-living tenants — stable employment, predictable schedules, prefer proximity to their job.
- **Retail and grocery workers:** Walmart, Brookshire's, and the broader Tyler retail corridor employ large numbers of workers earning \$28,000–\$38,000/year who need affordable, low-commitment housing without the full apartment lease burden.
- **Logistics and light industrial workers:** Tyler has a meaningful presence of distribution and light manufacturing operations. Shift workers who relocate for jobs or have variable income are a natural fit for the flexibility co-living offers.
- **Young professionals and recent graduates:** UT Tyler and Tyler Junior College produce a supply of graduates entering the workforce at entry-level wages who want a furnished, low-friction first home base without roommate-finding hassle.

**What this tenant group needs most:**

- Furnished rooms (they move with almost nothing)
- Utilities included (budgeting simplicity is the whole point)
- Off-street parking (walkability score of 34 means a car is mandatory)
- Month-to-month or short-term flexibility (job changes, life transitions)
- Functional common areas — a real kitchen and laundry access, not afterthoughts

**General Workforce fit for Tyler:** Strong. This is exactly who Tyler produces. The hospital proximity alone creates a reliable feeder pool, and the relatively low median income environment means private room pricing at \$875 is competitive without being exploitative.

---

- **Rising rents:** Tyler rents have climbed steadily over the past three to four years, driven by post-pandemic in-migration from Dallas and Shreveport and limited new affordable unit construction. A 1BR that rented for \$750 in 2020 is now pushing \$900–\$950, compressing affordability for individual workers.
- **Population growth:** Tyler and Smith County have been growing at a rate faster than the Texas average, driven by healthcare expansion, remote worker relocation from larger metros, and the region's reputation as an affordable Texas alternative. The city crossed 110,000 residents in recent estimates and the metro area is closing in on 240,000.
- **Healthcare sector expansion:** BSW Health, UT Health East Texas, and Christus Trinity Mother Frances — Tyler is home to a remarkably large healthcare employment base for a city its size. This sector employs thousands of workers at wages that create co-living-appropriate income levels, and healthcare employment is recession-resistant.
- **UT Tyler and TJC enrollment:** University of Texas at Tyler and Tyler Junior College together enroll roughly 15,000+ students, a portion of whom are working adults seeking off-campus housing that isn't a traditional apartment complex.
- **Housing undersupply at the affordable end:** Tyler's building activity has tilted toward higher-end single-family and multifamily units. Purpose-built workforce co-living is nearly absent in the market, meaning demand is met informally (doubled-up households, extended stay hotels, substandard roommate situations) — co-living operators who professionalize this segment capture undersupplied demand.

---

- **PadSplit presence in Tyler:** PadSplit's footprint in Tyler, TX is limited — the platform has been expanding in Texas metros but Tyler remains a secondary market with a relatively thin listing count compared to Dallas, Houston, or San Antonio. Expect sparse listings, not a competitive sea. Where PadSplit rooms do appear, rates generally run \$140–\$200/week (\$600–\$870/month) in secondary Texas markets of this profile.
- **Private room listings (Craigslist/Facebook Marketplace):** Tyler's private room listings are present but thin. Facebook Marketplace and local Tyler rental groups show private room listings ranging from \$500–\$800/month, often unfurnished and utility–excluded — informal arrangements between individuals, not professional co-living operations. This is your competition baseline.
- **Low-cost apartment availability:** Tyler has a stock of older 1BR and efficiency apartments in the \$750–\$950 range that compete indirectly with co-living, particularly for tenants willing to live alone in a smaller unit. These are real alternatives — your furnished, utilities–included, no-lease–required positioning has to be clearly superior to justify the premium.
- **Extended stay hotels within 3 miles:** Tyler has several extended stay options (WoodSpring Suites, Extended Stay America–adjacent brands) that run \$800–\$1,100/month for a studio room with kitchenette. These are a meaningful competitor for transient workers who haven't yet committed to a market — professional co-living with a real bedroom and kitchen beats the extended stay product at comparable or better pricing.
- **Overall competitive density: Sparse.** This is an undersupplied, informal market — a professional co-living operator has real white space here. The lack of institutional competition is an opportunity but also a signal that lease-up will require active marketing rather than passive listing.

---

### Market rate methodology:

Tyler, TX does not have a deep publicly visible co-living pricing dataset, so this analysis uses a dual approach: available informal market data plus the standard industry methodology of 65% of median 1BR market rent as the per-room co-living baseline.

- **Local 1BR market rent:** ~\$900/month (unfurnished, utilities excluded)
- **65% methodology baseline:**  $\$900 \times 0.65 = \$585/\text{month}$  — this is the floor for a bare-bones, unfurnished, utilities-excluded private room in a roommate situation. Professional co-living with furnishings and utilities commands a significant premium above this baseline.
- **Facebook/Craigslist informal market:** Private rooms in Tyler informal listings run \$500–\$800/month, typically unfurnished, utilities sometimes included, no professional management.
- **PadSplit-comparable pricing in secondary TX markets:** \$650–\$875/month for furnished, utilities-included rooms with professional management.

### Pricing structure considerations:

- **Utilities-included premium:** In Tyler, including utilities (electric, water, internet, trash) typically adds \$80–\$130/month in actual cost per room. Tenants will pay a \$100–\$150/month premium for utilities-included pricing because it eliminates bill-splitting friction — this is standard co-living pricing logic and it works.
- **Furnished premium:** A properly furnished room (bed, dresser, desk, nightstand) commands \$75–\$125/month above unfurnished in this market.
- **Weekly vs. monthly rates:** Weekly pricing (typically 10–15% premium on a per-night basis) attracts shorter-term workers and traveling healthcare staff. For this General Workforce property, monthly fixed-term leases are preferred for stability — skip the weekly structure unless a room is sitting vacant.
- **General Workforce rent tolerance:** At \$875/month utilities-included, a worker earning \$2,500–\$3,200/month gross is spending 27–35% of income on housing — within or slightly above the 30% threshold but dramatically better than renting a full unit alone. This price point is at the upper edge of comfortable for the lower end of your tenant pool, and squarely comfortable for healthcare and mid-wage workers.
- **Recommended per-room rate for this property:** \$875/month, utilities-included — consistent with the investor's target and supported by the market. This is competitive against extended stay alternatives, premium to the informal roommate market, and defensible given professional management, furnishings, and included utilities.
- **Gross monthly income at recommended rate:**  $\$875 \times 5 \text{ rooms} = \$4,375/\text{month gross at 100\% occupancy}$ . (Per the financial model, actual net performance will reflect vacancy, operating expenses, and management fees.)

---

 Walkability 34 Public Transportation — Bike Score 36

Car-Dependent

These nearby amenities and transportation options directly influence which tenant types this property attracts and what rent it can command.

**Glenwood & Kennedy**

1.27 miles away

Moderate

**BSW Texas Spine & Joint Hospital**

0.75 miles away

Close

**Raw Iron Gym Tyler**

0.47 miles away

**Namaste Tyler**

0.6 miles away


**Brookshire's Fuel Center**

0.65 miles away

**Walmart Neighborhood Market**


1.05 miles away

SAMPLE LISTING TEXT — Copy, edit, and make it your own

 **Furnished Co-Living — Tyler**

Private furnished room in a 5-bedroom home. All the essentials nearby, flexible lease terms, and a quiet professional environment.

✓ Private furnished room ✓ High-speed internet ✓ Parking available ✓ 5 bed · 3 bath

 Nearby: Raw Iron Gym Tyler (0.47 mi) · Namaste Tyler (0.6 mi) · Brookshire's Fuel Center (0.65 mi) · BSW Texas Spine & Joint Hospital (0.75 mi)

*#CoLiving #FurnishedRoom #WorkforceHousing #AffordableHousing*

**Texas State Level:**

- Texas does not have statewide rent control or specific co-living regulations. Landlord-tenant law (Texas Property Code Chapter 92) governs standard lease terms, habitability, and tenant rights — all of which apply to room-by-room co-living arrangements.
- Texas is a landlord-friendly state: eviction processes (Justice of the Peace courts) are relatively efficient, with timelines averaging 3–4 weeks from notice to writ if uncontested.

**City of Tyler / Smith County:**

- Tyler's zoning ordinances govern residential occupancy. Single-family zoned properties (likely applicable at 805 Wilma St) may have occupancy rules regarding unrelated persons — typically written as limiting occupancy to a "family" definition, which in many Texas municipalities has been interpreted to allow up to 4–5 unrelated individuals. Verify the specific zoning classification and City of Tyler's definition before closing.
- Tyler does not appear to have a specific enacted ordinance targeting co-living or "rooming house" operations at this time, but rooming house and boarding house definitions in Texas municipal codes can apply to properties with more than a certain number of unrelated occupants — verify whether Tyler's code triggers any licensing or inspection requirements above the standard rental threshold.
- No widely publicized enforcement crackdowns on co-living or room rental operations in Tyler have been identified.

**Risk level: Low to Moderate.** Texas is a favorable operating environment overall, but the unrelated persons definition in Tyler's zoning code is the primary item to verify. A local real estate attorney or the City of Tyler's Planning and Zoning department can confirm occupancy limits for this address before you close. **Verify before purchasing:**

- Zoning classification of 805 Wilma St (single-family vs. multi-family)
- City of Tyler's definition of "family" for occupancy purposes
- Whether a rental registration or inspection is required for properties with 5+ occupants
- HOA restrictions (if any — confirm via title search)

---

**⚠ Be Aware — Before You Buy**

**Minimum room size:** Bedrooms used for co-living should be a minimum of 70 sq ft with a 7 ft or higher ceiling and a legal egress window. Standards vary by jurisdiction.

**Occupancy limits:** Many jurisdictions limit unrelated occupants per unit or require permits for group housing. Verify local ordinances before purchasing.

**Property condition:** This analysis assumes the home is in good to excellent condition. Deferred maintenance can significantly affect real operating costs.

**Seasonal occupancy:** Student tenant demand fluctuates seasonally — account for off-peak vacancy when evaluating annual cash flow.

**Furnishing costs:** Most co-living tenants expect a furnished room. Budget furnishing as a one-time capital expense before your first tenant.

## YEAR 1 P&amp;L — LINE ITEM DETAIL

## REVENUE

Gross Rent 5 rooms × \$875/mo × 92% occupancy \$4,025

---

## OPERATING EXPENSES

Property Taxes \$400

---

Insurance \$167

---

Utilities \$330

---

Internet \$120

---

Yard Maintenance \$100

---

Pest Control \$40

---

Repairs Reserve \$200

---

CapEx Reserve \$150

---

Management Fee 15% of gross \$604

---

**Total Operating Expenses** **\$2,111**

---

---

**Net Operating Income (NOI)** **\$1,914**

---

## DEBT SERVICE

Mortgage (P&I) \$1,500

---

**Monthly Cash Flow** **\$414**

---

## KEY FINANCIAL RATIOS

ANNUAL CASH FLOW

**\$4,968**

DSCR

**1.28x**

OER

**52%**

BREAK-EVEN OCC.

**83%**

## OCCUPANCY SENSITIVITY

OCCUPANCY	GROSS INCOME	NOI	CASH FLOW	DSCR
65%	\$2,844	\$733	(\$767)	0.49x
75%	\$3,281	\$1,170	(\$330)	0.78x
85%	\$3,719	\$1,608	\$108	1.07x
92% ◀	\$4,025	\$1,914	\$414	1.28x
100%	\$4,375	\$2,264	\$764	1.51x

◀ = your occupancy assumption. Op. expenses fixed at \$2,111/mo across all scenarios.

- **Stabilized occupancy expectation for General Workforce in a market like Tyler:** 85–92% stabilized, meaning you should model roughly 1 vacancy at any given time once the property is established. Initial lease-up in a sparse competitive market may take 60–90 days to reach stabilization.
- **Average length of stay:** General Workforce tenants in co-living typically stay 6–18 months. Healthcare workers tied to nearby hospital employment skew toward the longer end (12–18 months). Retail and logistics workers can skew shorter (4–8 months) due to job volatility. Expect a blended average of 8–12 months per tenant.
- **Turnover frequency and cost:** At an 8–12 month average stay across 5 rooms, expect 5–7 turnovers per year in a mature state. Per-room turnover costs (cleaning, minor repairs, re-furnishing touch-ups, re-listing) typically run \$200–\$500 per room in a market like Tyler — modest compared to full-unit turnover costs.
- **Seasonal vacancy patterns:** Tyler doesn't have dramatic seasonality, but August–September (back-to-school and new job cycle season) and January (post-holiday job starts) tend to produce higher demand. Summer months can see slightly higher turnover as workers transition. Budget for slightly elevated vacancy in February–March and June.
- **General Workforce vs. other tenant types on stability:** General Workforce is more stable than student-only populations (who leave every 8–12 months in mass) and less stable than traveling healthcare professionals on multi-month contracts. Compared to an open market with no tenant focus, intentional General Workforce targeting with employment verification at screening produces meaningfully lower turnover than unscreened room rentals.

---

## TENANT SUITABILITY ANALYSIS

Signals assessed: hospital proximity · transit · parking · stories · walkability · campus proximity

**General Workforce** (your selection)

Good Fit

- ✓ Parking available
- Baseline tenant type — stable demand in most markets

**Travel Nurses**

Marginal

- ✓ Parking available — travel nurses typically have vehicles

**Tech / Remote Workers**

Marginal

- ✗ Low walkability — remote workers prefer walkable neighborhoods

**Construction / Trades**

Marginal

- ✓ Parking available

**Seniors 55+**

Marginal

- ✓ Single-story layout — ideal for 55+ mobility

**Sober Living**

Marginal

- ✗ No transit — limits mobility for residents without vehicles

**Students**

Poor Fit

- ✗ No university detected nearby — student demand unlikely

## CAPITAL IMPROVEMENTS — RETURN ON INVESTMENT ANALYSIS

IMPROVEMENT	COST	LIFT/RM	PAYBACK	PRIORITY
Add bathroom (full addition)	\$18,000	+\$150/mo	10 mo	High
Keypad entry per room	\$1,200	+\$30/mo	3 mo	High
In-unit washer/dryer stack	\$2,800	+\$50/mo	5 mo	High
Mini-fridge per bedroom	\$1,600	+\$25/mo	6 mo	Medium
Dedicated desk + lighting	\$1,800	+\$35/mo	4 mo	Medium

**Parking availability****-10 pts**

Improving parking — particularly covered or enclosed spaces — increases your score and the rental appeal of this property. Each additional quality parking spot benefits a tenant.

---

**Bathroom ratio****-6 pts**

Additional bathrooms will improve the score, increase rent values, and make the home a better fit for this tenant type.

---

**Tenant turnover****-5 pts**

Consider a more stable tenant type — switching to Sober Living or Seniors can recover points and reduce management burden. Use the tenant type selector to see how the score changes.

---

**Cash flow concern****-5 pts**

At current rent and expense estimates, this property does not meet the 1.25x DSCR lender benchmark. Review rent assumptions, financing terms, or expense structure.

---

**Transit proximity****-3 pts**

Proximity to public transit is a significant factor for this tenant type. Properties closer to transit stops attract more applicants and support higher retention.

---

**Strengths:**

- **Hospital proximity is a genuine asset:** BSW Texas Spine & Joint Hospital at 0.75 miles creates a built-in feeder pool of healthcare support workers — this is one of the most reliable co-living tenant segments, and few properties in Tyler sit this close to a major medical employment center.
- **Low mortgage creates strong financial cushion:** At \$1,500/month in debt service, the spread between expenses and potential gross revenue at the investor's target rent is one of the strongest structural features of this deal — the property has room to absorb vacancies, management fees, and operating costs while still performing.
- **Undersupplied professional co-living market:** Tyler has informal room rentals but essentially no professional co-living operator presence — first-mover advantage in a market is real and allows you to set pricing expectations and build brand with tenants before competition arrives.

**Weaknesses:**

- **Walkability score of 34 is a genuine operational constraint:** Every tenant must have a car. This eliminates a portion of the workforce tenant pool (younger workers, recent arrivals without vehicles) and means parking capacity at the property is a hard requirement — confirm off-street parking for at least 4–5 vehicles before committing.
- **3-bathroom configuration for 5 tenants is workable but not ideal:** At a 1.67 beds-per-bath ratio, bathroom sharing friction is real. If the bathroom layout isn't well-designed (no ensuite or semi-private options), this will drive turnover from tenant conflict. Understand the bathroom layout before pricing — an ensuite room commands \$50–\$100/month premium and reduces friction.
- **Secondary market lease-up risk:** Tyler is not a deep, fast-moving co-living market — expect 60–90 days to full occupancy and don't model 100% occupancy in month one. The lack of PadSplit infrastructure and thin formal listings means you'll need to actively market across Facebook, Furnished Finder, and direct employer outreach.

**Opportunities:**

- **Employer partnership outreach:** Tyler's hospital systems, UT Health, and manufacturing employers have HR departments that actively field housing referrals from new hires. A professional co-living operator who reaches out to hospital HR teams with a move-in-ready housing option can generate consistent referral traffic — this is almost entirely untapped in Tyler.
- **Traveling healthcare and contract worker demand:** Tyler's medical cluster creates demand from traveling CNAs, per diem staff, and contract allied health workers who need 1–6 month furnished housing. This is typically PadSplit territory but can be captured directly with a Furnished Finder listing and competitive monthly rates.
- **Regional in-migration tailwind:** Tyler continues to attract residents priced out of Dallas-Fort Worth — young workers relocating for the lower cost of living arrive without established housing, creating a natural co-living entry point. This in-migration trend has shown no sign of reversing.

**Threats:**

- **Zoning and occupancy regulation risk:** If Tyler strengthens or enforces occupancy definitions more aggressively in response to co-living growth, a 5-room operation could face compliance costs or forced reconfiguration. Low probability currently, but monitor.
- **Extended stay hotel competition:** At \$800–\$1,100/month for a studio with kitchenette, extended stay hotels are a real alternative for the transient end of your tenant pool. If a WoodSpring or Efficiency Lodge opens nearby with aggressive pricing, you could lose your most mobile tenants.
- **Market rent ceiling:** Tyler's median income profile sets a practical ceiling on per-room pricing. If operating costs (utilities, maintenance, management) rise faster than the ability to push room rates beyond \$900–\$950, margin compression becomes a risk. This is a cash flow market, not an appreciation play — don't underwrite future rent growth aggressively.

### **Risk 1: Tenant Quality Variability**

The General Workforce category is broad — it includes stable healthcare workers and less stable retail/seasonal workers. Without a clear screening protocol (income verification at 2.5x–3x monthly rent, employment confirmation, reference checks), room-by-room leasing at this property could produce a mixed-quality tenant base that generates high turnover and collection friction. Mitigation: Establish a written screening standard from day one. Work with your co-living property manager to build a tenant qualification process. The hospital proximity is your best tool — prioritize healthcare worker recruitment actively.

### **Risk 2: Bathroom Ratio and Tenant Conflict**

Five tenants sharing three bathrooms is the minimum acceptable ratio for co-living, and it only works if the bathroom layout is functional. If two bathrooms are positioned awkwardly (e.g., one accessible only through a bedroom, or two bathrooms serving four rooms and one serving none), conflict will drive early departures. Likelihood is moderate. Mitigation: Before closing, map which rooms share which bathrooms. If possible, designate a semi-private bathroom arrangement (2 rooms per bathroom for four rooms, one shared hallway bath) and communicate this in the listing. Consider minor plumbing improvements if a bathroom configuration upgrade is feasible.

### **Risk 3: Lease-Up Timeline in a Thin Market**

Tyler does not have the co-living demand density of a major metro. A 60–90 day lease-up period at 3–5 rooms means you will carry debt service on partially occupied rooms during stabilization. At the investor's mortgage level this is manageable but requires cash reserves. Mitigation: Begin marketing before close. List on Furnished Finder, Facebook Marketplace Tyler groups, and contact BSW hospital HR and UT Health recruiting departments directly. Have a furnished, move-in-ready product on day one — do not list unfurnished rooms and expect General Workforce tenants to furnish themselves.

### **Risk 4: Operating Cost Inflation on Utilities**

Utilities-included pricing is the right strategy for this market, but Texas summer electric bills in a 2,480 sq ft house with 5 tenants can be significant — particularly in July and August when cooling costs spike. If you underestimate per-unit utility cost in your operating model, margin erodes quickly. Mitigation: Install a smart thermostat with a minimum/maximum range setting (68°F–76°F common co-living practice), use energy-efficient LED lighting throughout, and audit the HVAC system before purchase. Budget utility costs based on 12-month historical actuals from the seller, not estimates.

---

**Named major employers within 5 miles of 805 Wilma St:**

- **BSW Texas Spine & Joint Hospital** — 0.75 miles. Orthopedic and spine specialty hospital. Employs surgical techs, CNAs, patient transport, environmental services, and administrative staff. Direct proximity makes this the single most important employer for tenant sourcing at this property.
- **UT Health East Texas / Christus Trinity Mother Frances** — Tyler's two major hospital systems are both within 2–4 miles of downtown Tyler. Combined, they employ thousands of workers across clinical and support roles — many earning \$28,000–\$45,000/year in support positions.
- **University of Texas at Tyler** — approximately 3–4 miles northeast. Employs support staff, adjunct instructors, and facilities workers; also generates graduate student and young professional housing demand.
- **Tyler Junior College** — approximately 2 miles. Similar employment and student housing demand profile.
- **Tyler Independent School District** — school campuses are distributed across Tyler; teacher assistants, custodial staff, and para-professionals earning \$28,000–\$38,000/year are an underserved co-living-adjacent population.
- **Amazon, distribution and logistics operators** — Tyler's eastern industrial corridor has grown meaningfully; specific facilities within 5 miles should be confirmed via current employer directories, but logistics and fulfillment employment in the Tyler area has expanded post-2020.
- **Retail cluster (Walmart, Brookshire's, regional retail along Loop 323)** — within 1–3 miles; produces a large volume of workers at \$28,000–\$36,000/year who are the textbook co-living candidate.

**Employer-to-affordable-housing supply ratio assessment:** Tyler's affordable housing supply — particularly for individual workers who cannot or choose not to share a traditional apartment — is undersupplied relative to the employment base the city's healthcare and logistics sectors produce. The gap between individual worker wages and the cost of renting a full unit solo is the core demand driver, and no professional co-living operator has meaningfully filled this gap in the Tyler market. This property's proximity to the hospital cluster in particular is a structural advantage that is difficult to replicate.

---

### Option 1: Self-Managed

- Full control over tenant selection, pricing, and operations
- Requires the investor to handle lead generation, showings, screening, lease execution, maintenance coordination, and tenant communications across 5 rooms with independent move-in/move-out cycles
- In a sparse market like Tyler, self-management demands active marketing effort — this isn't a property where tenants will find you without work
- Per the financial model, self-management avoids a management fee (typically 20–35% of gross revenue for co-living specialists) — this preserves the most revenue but trades investor time
- Realistic only if the investor lives locally, has property management experience, and has the bandwidth for room-by-room operations
- **Not recommended for a first co-living property in a secondary market**

### Option 2: Co-Living Property Manager (Investor's Selected Approach)

- Specialists like Doorstead, dedicated local co-living operators, or PadSplit-affiliated managers handle marketing, screening, lease management, maintenance coordination, and tenant relations
- Typical fee structure: 20–35% of gross collected rent
- In Tyler specifically, a co-living-specialist manager may need to be sourced carefully — the market is thin and generalist property managers often lack the room-by-room operational expertise that makes co-living work
- The trade-off (per the financial model) is that management fees reduce net income but dramatically reduce operational burden and improve tenant quality consistency through professional screening
- **Recommended: proceed with a co-living specialist manager, but vet their Tyler-market experience specifically.** Ask for current occupancy rates on their Tyler portfolio before signing a management agreement.

### Option 3: PadSplit

- PadSplit operates as both a platform and a management layer — they list rooms, screen tenants (income verification, background check), collect weekly rent, and handle many operational touchpoints
- Fee structure: PadSplit takes approximately 15–20% of gross room revenue plus charges tenants a platform fee separately, which allows hosts to list at full market rate without netting less
- In Tyler, PadSplit's platform presence is limited — this reduces the inbound lead volume that makes PadSplit powerful in Atlanta or Houston, and their operational density in secondary Texas markets means local support may be thinner
- PadSplit's weekly payment structure reduces bad debt risk (smaller payment amounts = less exposure per missed payment) and their tenant pool tends toward workforce and lower-income individuals — a good fit for this property's tenant target
- **Viable option but secondary recommendation** given Tyler's thin PadSplit market penetration. Consider PadSplit as a marketing channel even if not using their full management layer.

**Clear Recommendation:** Use a co-living specialist property manager (Option 2) as the investor has already selected. Supplement with a Furnished Finder listing and active outreach to local employer HR departments to generate direct leads outside of PadSplit's limited Tyler footprint. Review management agreement at 6 months — if occupancy is not hitting 85%+ by month 4, reassess the manager's local marketing effectiveness.

---

**Single-Family Conversion:** Yes, this property converts back to a standard single-family rental or owner-occupied home cleanly. A 5BD/3BA at 2,480 sq ft is a legitimate family home in Tyler's market — removing co-living furnishings and reverting to a standard lease is straightforward. There is no structural modification required that would impair resale.

**Co-Living Configuration Impact on Resale:** The property's co-living history is neutral-to-positive for investor buyers but potentially a minor friction point for owner-occupant buyers. In Tyler's buyer pool — which skews heavily toward owner-occupants given the city's affordability profile — co-living history won't carry the premium it would in an investor-heavy market. Price appropriately for the buyer you're targeting at exit. If selling to another investor, a stabilized co-living operation with documented cash flow history is a genuine value-add — turnkey operations with proven tenant demand sell at a premium to vacant properties.

**Long-Term Appreciation vs. Cash Flow — Which Play Is Stronger Here:** This is primarily a **cash flow play**, not an appreciation play. Tyler's home price appreciation has been solid but not spectacular compared to Texas growth markets like Austin or the Dallas suburbs. The city's affordability profile limits aggressive price growth. The compelling argument for this property is the spread between debt service and potential gross revenue — that spread makes cash flow the primary return driver. Don't underwrite this deal expecting 15–20% annual appreciation; underwrite it for yield.

**Timeline to Recoup Initial Investment:** Per the financial model, the investor's all-in cost basis (down payment, closing costs, initial furnishing investment) relative to monthly net cash flow will determine the payback period — this is best calculated against the investor's actual inputs. At the investor's target rent and a professional management structure, this type of deal in a secondary Texas market typically produces a payback period in the 4–8 year range for co-living operators, significantly faster than a comparable single-family rental producing one-unit revenue on the same debt service. The low mortgage payment is the key variable that accelerates this timeline.

---

\*Analysis prepared based on provided property data, market data inputs, and training knowledge of Tyler, TX market conditions. All financial performance figures should be drawn from the investor's specific P&L model. Regulatory items should be verified with a Tyler-based real estate attorney prior to closing.\*

## ✓ GO — Strong Co-Living Candidate

DSCR of 1.28x exceeds the 1.25x lender benchmark. Break-even occupancy of 83% provides a tight cushion. Monthly cash flow of \$414 supports a viable co-living operation at this rent level.