



/Case Study: Notch Mountain Properties

Canterbury Square Apartments

98.1%
accuracy

of underwriting
budget to hard bid

**4 additional
floorplans found**

without the need for sitewalks

Customer Overview

Founded by Principal Daniel Rickert, Notch Mountain Properties is an entrepreneurial real estate investment firm focused on delivering value-add returns to investors. The company's sole focus is the acquisition and repositioning of 50 - 150-unit garden style multifamily assets in the Colorado and Texas Markets. Since its inception in May 2020, Notch Mountain Properties has rapidly grown to \$98 MM in AUM across 7 investments and 449 units. Daniel began his real estate career at Northmarq Capital in Dallas, Texas, where he raised over \$500,000,000 of senior debt, JV and preferred equity, and mezzanine debt for acquisitions, refinances, and construction projects. During this time, he specialized in raising the equity for value-add multifamily assets focusing on the Dallas, Houston, and Phoenix markets.

Challenge

In late 2021, Notch Mountain Properties began their underwriting process and submitted an offer to purchase the Canterbury Square Apartments.

Located immediately west of Denver in the city of Lakewood, Colorado, the 71-unit garden-style apartment complex consisted of one and two-bedroom apartments and spanned 59,950 ft². Built in 1970, the complex was meticulously maintained but had not seen cosmetic updates in nearly fifty years. “While the major deferred cap ex had been taken care of, I knew there was going to be some heavy lifting ahead with quite a bit of cosmetic improvements needed to reposition the asset,” explained Rickert, founder and principle of Notch Mountain. “Most entrepreneurial firms like mine are forced to hire a dedicated construction manager and an asset manager to handle due diligence, vet and source estimators and interior designers to site-walk and scope the renovation and finally create investor proposals for a larger capital project like this.”



“Scope omissions and change orders can be an ROI killer for the value-add business model. Tailorbird’s trusted data help me and my GC get on the same page and avoid those altogether. It creates a true win-win for everybody.”

Daniel Rickert, Principal at Notch Mountain Properties

Benefits



Scalability

"I felt like Tailorbird is a tool in my kit that nobody else seems to have. I have a new capability to move quicker than my competitors and vet more deals, which feels more important now than ever. It is empowering to have access to an outsourced smart construction solution that goes from a property address to fully-vetted GC hard bids in less than 10 days, without site visits and without compromising details or accuracy."



Speed and Efficiency

"I think we're probably a month ahead of schedule on Canterbury Square, plus we'll be saving time and resources going forward due to avoiding change orders. In this hyper-competitive investment environment, it's awesome to realize additional ROI purely due to speed and efficiency."

Search for a Solution

When the seller accepted Notch Mountain's offer, Rickert began the due diligence process. "I had been working with Camp Construction on a few other projects and they had suggested I reach out to Tailorbird to learn more about speeding up my deal flow process," noted Rickert. With a background in equity raising, Rickert knew that forming trusting, lasting partnerships would be critical to scaling AUM. Ensuring his extensive in-unit and common area renovation bids were in line with his budgets would help build investor confidence in his vision and strategy. "Timing can either work for you or against you," said Rickert. "You can either work quickly towards a stabilization or a capital event, or you need to finance on the front end to have a really long-time horizon. Since I'm acquiring assets that have a bit of mileage on them, we need to work as quickly as we can to refinance or sell – so increased speed would take a lot of risk off the table for my investors."

Results

One week after Rickert submitted Canterbury Square's property address and rent roll, Tailorbird's software provided Notch Mountain with a complete pre-construction package containing finish selection, project scope, and dimensionally viable floorplan measurements for their in-unit project.

In less than two weeks, Notch Mountain had their fully leveled hard bid from their preferred contractor.

Tailorbird's algorithm utilized historic bid data secured from the Denver MSA for like-kind renovation projects in the previous 3 months to bid Canterbury Square project on behalf of the preferred general contractor. Upon submission for approval, Notch Mountain's contractor approved Tailorbird's pricing data for the bid within a 98.1% degree of accuracy. The only changes required were for a slight increase in project-specific scope items. The hard bid was in line with the renovation budgets Notch Mountain put forth in their due diligence budgets.



Old Exterior



New Exterior

While Notch Mountain received a complete package containing a hard bid from their preferred general contractor, Tailorbird's software was able to discover considerable variance in unit square footage and unit layouts put forth by the previous ownership.

"I sensed there were some discrepancies in square footage and unit layouts with the two-bedroom unit floorplans. When we received Tailorbird's measured drawings, it confirmed there were about four different two-bedroom floorplan variations. Tailorbird's solution had also discovered in mere hours that 25 one-bedroom units were inaccurately measured by the previous property managers. They were off by 128 ft²," highlights Rickert.

It was this crucial finding that enabled Tailorbird to earn Rickert's trust for the long haul. "This would have called for coordinating extensive unit access and multiple days of site walks. This could have been a costly change order during renovation that could have slowed us down and completely altered our renovation budgets."



Old Corridor



New Corridor



"The bid package produced by Tailorbird was an eye-opener for me. It is so thorough and implements fully vetted industry best practices. It gave me a leg-up in how convincingly I can convey my acquisition strategy to my investors."

Daniel Rickert, Principal at Notch Mountain Properties



Ready to get started? Be A Trailblazer! [Sign up today](#) or [e-mail us](#) to learn more about how you can leverage Tailorbird to accelerate your multifamily renovations.

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