

Texas State Affordable Housing Corporation

“Bringing Affordable Housing Closer to Home”

<u>Los Ebanos</u>			
2133 Barnard			
Brownsville, TX 78520			
Owner: RHAC-Ebanos, LLC		Date Built:	
Management Company: Capstone Real Estate Services		Property Manager: Frankie Gonzalez	
INSPECTION DATE/ TIME: March 10, 2009 at 10:00am			
Inspector's Name: Sarah Beth Shildmier-Bloom & Luceli Lopez			
Number of Units:	65	Occupancy at Time of Report:	100%
		Average Occupancy Over Last 12 Months:	100%
Number of One Bedrooms:	4	Number of Two Bedrooms:	32
		Number of Three Bedrooms:	29

PHYSICAL INSPECTION	YES	NO	N/A
1) Are the access gates in operable condition?			X
2) Is the community monument sign in acceptable condition?	X		
3) Is the perimeter fence surrounding the property in acceptable condition?	X		
4) Is the grounds and landscaping in acceptable condition?	X		
5) Are trees and shrubs properly trimmed?	X		
6) Are there signs of erosion, foot paths or tree root elevations?		X	
7) Are sidewalks clean and in good repair?	X		
8) Is parking lot clean and in good repair with handicap parking clearly marked?	X		
9) Are recreational/common areas clean, maintained and accessible?	X		
10) Are laundry facilities clean, maintained and accessible?	X		
11) Is facility equipment operable and in acceptable condition?	X		
12) Is the area around the waste receptacles clean and are the enclosures in good repair?	X		
13) Is the exterior of the buildings in acceptable condition? (Please use the comment section if there is rotted wood, peeling paint, missing or broken bricks, or other signs of deferred maintenance.)	X		
14) Are hallways clean and maintained?	X		
15) Are storage/maintenance areas clean, maintained and organized?	X		
16) Are building foundations in good repair?	X		
17) Are the gutters, downspouts and fascia boards on the buildings in good repair?	X		
18) Do the building roofs appear to be in good condition?	X		
19) Do balconies and upper level walkways appear to be in good condition?	X		
20) Do windows, blinds, doors, and trim appear to be in good condition?	X		
21) Are there any major repairs on the property currently? (Please use the comment section if there are any water main repairs, boiler repairs, utility repair, other.)		X	
22) Have repairs or corrections recommended or required from the last physical inspection been satisfactorily completed?			X
23) Are there any other health, fire or safety concerns that need to be addressed?		X	

COMMENTS: The property and common areas were very clean at the time of the visit and appeared to be recently painted. The office was organized and staff seems to be team oriented. Manager seemed to have a very good relationship with the residents around the property. The landscaping needed some work done. Management indicated landscaping improvements will be conducted this year.

SECURITY PROGRAM Part I		
1) In reviewing the police report the following incidents were noted and includes the number of times incidents occurred:		
Incident Type	# of Occurrences	Comments:
- Burglary?	0	
- Theft?	0	
- Criminal Mischief?	0	
- Personal Assault?	0	
- Drug Activity?	0	
- Gunfire?	0	
- Domestic Violence?	0	
- Disturbance	0	

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- Other?	0	
2) Does the property have a Crime Prevention Plan in effect to address criminal activity on the property? <input checked="" type="checkbox"/> None		
3) What pro-active measures is the property taking to address crime on the property? <input checked="" type="checkbox"/> Crime watch meetings and residents notify of suspicious activity on property.		
4) How often is a light check conducted on the property? (Please obtain a copy of the schedule.) <input checked="" type="checkbox"/> A light check is conducted by the Property Manager on a monthly basis.		
COMMENTS: There has not been any crime on property within the last three months.		

SECURITY PROGRAM Part II	YES	NO	N/A
1) Is the Staff trained in addressing crime on the property?	X		
2) Does the Management Policy or the Resident Services Program address any of the following activities responding to the needs of the community:			
- Violent Crime?	X		
- Drug Activity?	X		
- Family Violence?	X		
- Other?	X		
3) Are there other signs of vandalism on the property?		X	
4) Are criminal background checks being conducted on all residents over 18 years of age?	X		
5) Has a risk assessment been conducted to determine risk liabilities at the property?	X		
COMMENTS: Risk assessment been conducted by Capstone Real Estate Services and Fire Department.			

OFFICE	YES	NO	N/A
1) Is the office neat, the desk uncluttered?	X		
2) Are accurate office hours posted?	X		
3) Are emergency phone numbers posted?	X		
4) Are the EHO logos clearly posted?	X		
5) Are the following displayed in full view:			
- Fair Housing Poster?	X		
- Occupancy Qualifications?	X		
6) Are property licenses and permits on file and renewed on a timely basis?	X		
7) Are insurance binders maintained on vendors on-site and/or at the corporate office?	X		
8) Is there a compliance department that ensures the set aside and requirements are being maintained? (If no, please explain the current compliance procedures.)	X		
9) What community facilities and amenities are provided for resident use? <input checked="" type="checkbox"/> Playground, picnic area and BBQ areas.			
COMMENTS:			

KEY CONTROL	YES	NO	N/A
1) Are all property keys properly coded?	X		
2) Is key box locked and secured?	X		
3) Is the key code list kept separate from the key box?	X		
4) Are locks being changed during turnover of vacant units and turnover of staff?	X		
COMMENTS: Property uses code list which is kept separate from key box.			

MAINTENANCE PROGRAM	YES	NO	N/A
1) Is there a schedule for preventive maintenance/servicing? (Please include a copy of the schedule)	X		
2) Is the maintenance shop clean and organized?	X		
3) How often does the exterminator provide services? <input checked="" type="checkbox"/> Exterminator provides services twice a month.			
4) Does the maintenance area have properly documented MSDS material and chemicals labeled properly? <input checked="" type="checkbox"/> Yes.			
5) What is the policy on follow ups for completed service request? <input checked="" type="checkbox"/> Property manager calls back residents randomly.			
6) What is the property's after hour's emergency policy? <input checked="" type="checkbox"/> Tenant calls Answering Service and maintenance in call is paged to address emergency.			
7) What capital improvements have been scheduled for this budget year? <input checked="" type="checkbox"/> None.			

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8) Were capital improvements scheduled from last year conducted?
 Parking lot repairs, some new flooring, bathtubs, dishwashers, garbage disposals, hot water heater, major appliances as needed, ceiling fans and blinds were replaced in all units. Exterior stucco repair and paint, windows energy, and all exterior doors.

The following information was reported for the month of 2/16/09 to 3/16/09:

Number of service requests completed in the past 30 days:	46		
Number of service requests completed within 24 hours:	46		
Number of outstanding service requests:	0		

COMMENTS: Maintenance staff is doing an outstanding job on completing maintenance request in less than 24 hours.

MARKETING

1) Complete the table below with the most recent information available.

SOURCE	COST	# of Prospects	# of Leases
Source of traffic:			
Drive-By/Word of Mouth			
Flyers			
Resident Referral			
Locator Service			
Printed Advertising			
Internet Advertising			
Preferred Employer			
Other Source (list)			
TOTAL	0	0	0

(The rental activity reflected in the above table was for the month of .)

	YES	NO	N/A
2) Is the property doing bilingual advertising?			X
3) How often are competitors shopped? <input checked="" type="checkbox"/> No competitors.			
4) How often is a market survey completed? <input checked="" type="checkbox"/> Market survey is completed on a monthly basis.			

COMMENTS: Property is 100% occupied.

LEASE RENEWAL

	YES	NO	N/A
1) Is an effective lease renewal program in place?	X		
2) What percentage of residents renewed last month, past 6 months, and past 12 months?	100%	100%	100%
3) When are the lease renewal/rent increase notices sent to residents? <input checked="" type="checkbox"/> Lease renewal notices are sent 120, 90, 60 and 30 days in advance.			
4) Are individual files being reviewed to determine renewal/non-renewal status?	X		
5) How are renewals tracked and monitored? <input checked="" type="checkbox"/> Management Plus and manual move in/out binder.			
6) Are rate increases being implemented?	X		
7) What is the number of month-to-month leases?	65		
8) What is the month-to-month charge?			X

COMMENTS: Outstanding renewal program.

VACANT/MAKE READY UNITS

1) Number of vacant units at time of activity report:	0
2) Number of completed made ready units at time of activity report:	0
3) Number of completed one bedroom units at time of activity report:	0
4) Number of completed two bedroom units at time of activity report:	0
5) Number of completed three bedroom units at time of activity report:	0

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6) Number of uncompleted made ready units at time of activity report:	0		
7) Number of uncompleted one bedroom units at time of activity report:	0		
8) Number of uncompleted two bedroom units at time of activity report:	0		
9) Number of uncompleted three bedroom units at time of activity report:	0		
Units Walked (model and minimum of 3 make ready units)			
Unit #	Brief Description (See Unit Inspection Sheet for details)		
3	2X1 Good conditions. Occupied unit.		
14	3X1.5 Good conditions. Occupied unit.		
63	1X1 Good conditions. Occupied unit.		
53	4x2 Good conditions. Smoke detector needed battery replacement. Manager took note of it. Occupied unit.		
Units Walked (units vacant and unready for extended period of time and all down units)			
Unit #	Brief Description (See Unit Inspection Sheet for details)		
N/A	No down units.		
	YES	NO	N/A
1) Is the make ready product acceptable?			X
2) Does the Unit Availability Report match the make ready board?			X
3) Are there any down units?		X	
4) Are units being turned in a timely manner?	X		
5) Are there vacant units that have been vacant for an extended period of time? (If yes, specify the reason below.)		X	
6) Does management have a system to monitor timely preparation of vacant units?	X		
7) Does the property manager walk vacant units after they are made ready?	X		
8) How often are occupied units inspected? <input checked="" type="checkbox"/> Occupied units are inspected on an annual basis.			
9) What is the company policy on turning vacant units? <input checked="" type="checkbox"/> The company policy for vacant units is 3 days.			
10) How many vacant unready units are near completion? <input checked="" type="checkbox"/> N/A			
COMMENTS: Property is 100% occupied.			

BUDGET MANAGEMENT		YES	NO	N/A	
1) Is management using the current budget to monitor and control operating expenses?		X			
2) How many bids are solicited in order to obtain materials, supplies, and services? <input checked="" type="checkbox"/> 3 bids are solicited in order to obtain services.					
3) Explain variance of 10% or greater YTD.					
<u>Expense Items that Varied by 10% or Greater from the Budget for Year to Date Operations Ending</u>					
(Please note that a positive variance is under budget and a negative variance is over budget.)					
EXPENSE ITEM	ACTUAL	BUDGET	VARIANCE	%	EXPLANATION
Administrative	\$4,152	\$1,062	-\$3,090	-27%	Audit Expenses, Professional Services
Utility Expenses	\$3,319	\$5,524	\$2,205	40%	Wastewater/Sewer, Electric-Common
Operating and Maintenance	\$1,997	\$2,515	\$518	21%	Pest Control, Uniforms, Plumbing Supplies
COMMENTS:					

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REVENUE			
FOR THE MONTH OF JANUARY		YEAR TO DATE 2009	
Gross Potential	\$38,963	Gross Potential	\$38,963
Budgeted	38,963	Budgeted	38,963
Variance + (-)	0	Variance + (-)	0
Collected to Date	38,963	Collected to Date	38,963
Other Revenue	0	Other Revenue	0
Total Collected	39,494	Total Collected	39,494
Budgeted	38,963	Budgeted	38,963
Variance + (-)	531	Variance + (-)	531
COMMENTS:			

ACCOUNTS PAYABLE	YES	NO	N/A
1) Is the payable report up to date?	X		
2) Do the invoices reflect late charges due to late payments?		X	
3) Have any property accounts been closed in the past 30 days?		X	
4) Is debt being controlled?	X		
5) How often are invoices processed? <input checked="" type="checkbox"/> Invoices are paid on a weekly basis.			
6) If payments are a problem, what is management doing to correct the problem? <input checked="" type="checkbox"/> N/A			
COMMENTS:	Current:		\$0
	30 Days:		\$0
	60 Days and Over:		\$0
	TOTAL		\$0

DELINQUENCIES	YES	NO	N/A
1) Is the delinquency report up to date?	X		
2) What is the collection policy for outstanding rents? <input checked="" type="checkbox"/> Notices to vacate are sent on the 3 rd and the 10 th .			
3) When is legal action taken against delinquent accounts? <input checked="" type="checkbox"/> On the 30 th day. No eviction has been filed.			
4) Does the property currently have any resident(s) under eviction? (If yes, how much?)		X	
5) Does housing have any outstanding balances? (If yes, how much?)		X	
COMMENTS:	Current:		\$630
	30 Days:		\$179
	60 Days and Over:		\$0
	TOTAL		\$809

RETURNED CHECKS	YES	NO	N/A
1) Total number of returned checks in the past 3 months:		0	
2) Has the manager collected and deposited all returned checks?			X
3) Is the manager following company policy on returned checks?			X
COMMENTS:			

PERSONNEL	YES	NO	N/A
1) Does owner/agent have a system/procedure for providing field supervision of on-site personnel?	X		
2) Does the property appear to be adequately staffed?	X		

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3) Is overtime being controlled?	X		
4) Were requested pre-audit reports submitted on time?	X		
5) Does it appear that personnel are team oriented?	X		
6) Do personnel appear to be dressed appropriately?	X		
7) Are name tags/photo IDs being worn by the maintenance personnel?	X		
8) Was management staff prepared for the site visit?	X		
9) How often are staff meetings held? Ø Staff meetings are held every morning.			
10) Have personnel been trained in Fair Housing?	X		
11) List all training staff has received in the past three years. Ø Grace Hill, and HVAC trainings.			
COMMENTS:			

OWNER PARTICIPATION	YES	NO	N/A
1) Does the owner have access to computer generated reports?	X		
2) If owner does not have computer access to the reports, what reports are submitted to the owner? Ø N/A			
3) How often are the reports submitted to the owner? Ø Reports are submitted to the owner on a weekly and monthly basis.			
4) What is the approval amount that the owner requires for the release of funds? Ø Zero.			
5) Are the funds for needed capital improvement items, turning of units, marketing campaigns released by the owner according to what has been budgeted?	X		
COMMENTS:			

SUMMARY OF OBSERVATIONS AND FINDINGS
<p>No Findings.</p> <p>No Observations.</p>

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