Texas State Affordable Housing Corporation

Win Lin Village

5700 Wabash
Amarillo, TX 79109
Owner: RHAC-Win Lin, LLC Date Built: 1983
Management Company: Capstone Real Estate Services Property Manager: Arra Coleman
INSPECTION DATE/ TIME: August 8, 2013
Inspector's Name: Mindy Taylor

Occupancy at Time of Report:	94%	**Average Occupancy Over Last 12 Months:**	97%
Number of Units: 50			
Number of One Bedrooms:	NA	**Number of Two Bedrooms:**	40
Number of Three Bedrooms:	10	**Number of Four Bedrooms:**	NA

	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)	Are the grounds and landscaping in acceptable condition?	X		
5)	Are trees and shrubs properly trimmed?	X		
6)	Are the grounds free of erosion, foot paths and tree root elevation?		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?	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)	Is Management addressing all health, fire or safety concerns on the property?			X
22)	Have repairs or corrections recommended or required from the last physical inspection been satisfactorily completed?			X

COMMENTS: On the day of the site visit the property was mostly free of trash and debris. The landscaping and grass were sparse but adequate. The exterior of the buildings appeared to be in acceptable condition. There were no visible signs of foundation or roof problems. There were dead trees on the property that management stated would be removed soon.

SECURITY PROGRAM Part I

1) After review of the prior 3 months of police reports, the following incidents were noted and includes the number of times incidents occurred:

Incident Type	# of Occurrences	Comments:
Burglary	1	
Theft		
Criminal Mischief	2	
Personal Assault	1	Bodily Injury
Drug Activity	1	
Gunfire		
Domestic Violence		

Disturbance		
Other		

2) Is the property currently following a crime prevention plan/program?
- Ø Management utilizes the house rules to prevent crime and to rectify any criminal activity on the property.

3) What pro-active measures is the property taking to address crime on the property?
- Ø Crime prevention meetings are held and flyers are given to residents periodically. In addition, the property is monitored by a courtesy patrol officer.

4) How often is a light check conducted on the property? Who performs light checks on the property?
- Ø A light check is performed regularly by the courtesy patrol officer.

COMMENTS: The household with drug activity charges is being evicted. Management should continue to submit monthly crime reports as corrective action from a finding on the August 8, 2012 Asset Oversight report.

SECURITY PROGRAM Part II	YES	NO	N/A
1) Is the Staff trained in addressing crime on the property?	X		
Ø Does the Management Policy or the Resident Services Program address any of the following activities responding to the needs of the community?			
Ø Violent Crime	X		
Ø Drug Activity	X		
Ø Family Violence	X		
Ø Other	X		
2) Is the property free of graffiti and vandalism?	X		
3) Are criminal background checks being conducted on all residents over 18 years of age?	X		
4) Has a risk assessment been conducted to determine (risk) liabilities at the property?	X		
COMMENTS: Management confirmed that a risk assessment was performed in 2011.			

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 in the leasing office?			
Ø Fair Housing Poster	X		
Ø 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 eligibility requirements are being maintained?	X		
9) Which of the following community amenities are provided for resident use?			
Ø Playground	X		
Ø Community Room		X	
Ø BBQ/Picnic Area	X		
Ø Laundry Facility	X		
Ø Business Center		X	
Ø Pool		X	
Ø Other			X
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:			

MAINTENANCE PROGRAM	YES	NO	N/A
1) Does the property have a preventative maintenance program?	X		
2) Is the preventative maintenance schedule being implemented?	X		
3) Does the maintenance area have properly documented MSDS material and chemicals labeled properly?	X		
4) Is the maintenance shop clean and organized?	X		
5) How often are Pest Control services provided? Ø Pest control services are performed monthly and as needed.			
6) What is the policy on follow ups for completed service requests? Ø A follow up call is made to each household after the service is performed.			
7) What is the property's after hours emergency policy? Ø Resident calls are answered by an answering service that then contacts the maintenance staff.			
8) What capital improvements have been scheduled or completed for this budget year? Ø No capital improvements were budgeted or completed this year.			
Detail of Ongoing Repairs and Replacements Completed in Last Budget Year			
9) Unit Interior upgrades Ø There were not any interior unit upgrades in 2012.			
10) Appliance Replacements Ø Appliances were replaced as needed.			
11) Building Exterior repairs Ø In 2012 there were not any exterior repairs.			
12) Curb Appeal upgrades Ø Curb appeal upgrades were not performed last year.			
13) Amenity upgrades Ø There were not any amenity upgrades in 2012.			
14) Other repairs or replacements Ø In 2012, there were parking lot repairs made and some trees were also removed.			
Number of service requests received:	22		
Number of service requests completed:	22		
Number of service requests completed within 24 hours:	0		
Number of outstanding service requests:	0		
COMMENTS: Management just converted from Capstone's Onesite software to Reliant's Onesite software and historical information was lost at that time. Important historical information was recently lost when management converted from Capstone's Onesite software to Reliant's Onsite software. Staff re-entered work orders from the previous month to provide the reviewer with a report.			

MARKETING			
1) Complete the table below with the most recent information available.			
SOURCE	**COST**	**# of Prospects**	**# of Leases**
Drive-By/Word of Mouth	$0	0	0
Flyers	0	0	0
Resident Referral	0	0	0
Locator Service	0	0	0
Printed Advertising	0	0	0
Internet Advertising	0	0	0
Other Source: Outreach through community organizations	0	0	0
TOTAL	$0	0	0
The rental activity reflected in the above table was for the month of: July 2013			
	YES	**NO**	**N/A**
2) Is the property doing bilingual advertising?		X	
3) Does the property have any competitors nearby?		X	
4) How often are competitors shopped? Ø Management does not have any competition.			

5) How often is a market survey completed? Ø Management does not have any competition.
COMMENTS: The property is currently leasing from a waiting list that is approximately 6-8 months long for 2 bedrooms and 12-14 months long for 3 bedrooms.

LEASE RENEWAL	YES	NO	N/A
1) Does it appear that an effective lease renewal program in place?	X		
2) What percentage of residents renewed last month, past 6 months, and past 12 months?	12 months: 66%		
3) When are the lease renewal/rent increase notices sent to residents? Ø Recertification notices are sent to residents on March 1st each year in order for all recertifications to be completed by the end of July.			
4) Are individual files being reviewed to determine renewal/non-renewal status?	X		
5) How are renewals tracked and monitored? Ø Management utilizes Onesite to monitor the status of recertifications.			
6) Are rent increases being implemented?	X		
7) What is the number of month-to-month leases?			X
8) What is the month-to-month charge?			X
COMMENTS: In the past 12 months there were 17 voluntary move outs. A Gross Rent change was approved in September. The average rent increase was $15. The property performs annual recertifications for all households in July.			

VACANT/MAKE READY UNITS	
1) Number of vacant units at time of activity report:	3
2) Number of completed made ready units at time of activity report:	2
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:	1
5) Number of completed three bedroom units at time of activity report:	1
6) Number of uncompleted made ready units at time of activity report:	1
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:	1
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)
4	Need full turn. Front door kicked in.
15	Made Ready
42	Made Ready

Units Walked (units vacant and unready for extended period of time and all down units)	
Unit #	Brief Description (See Unit Inspection Sheet for details)
NA	

	YES	NO	N/A
1) Does the Unit Availability Report match the make ready board?	X		
2) Are units being turned in a timely manner?	X		
3) Are there any down units?		X	
4) Are there vacant units that have been vacant for an extended period of time		X	
5) What system is used by management to monitor the timely preparation of units? Ø Management uses Onesite to monitor the preparation of vacant units.			
6) How often are occupied units inspected? Ø Occupied units are inspected biannually.			
7) How often are vacant units inspected? Ø Vacant units are inspected weekly.			

8) How many vacant unready units are in progress of being made ready?
- Ø There was only one unit that was not made ready The make ready process for this unit had not been started on the day of the site visit.

9) What is the company policy on the number of days to turn vacant units?
- Ø Management policy is to turn a vacant unit within 5 days.

COMMENTS:

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?
- Ø Three bids are collected to obtain materials and supplies.

3) Have there been any large unexpected repairs or purchases that have negatively affected the budget?
- Ø There have not been any unexpected expenses this budget year.

4) Explain YTD variances of 10% or greater.

Expense Items that Varied by 10% or Greater from the Budget for Year to Date Operations Ending

(Please note that a positive variance is under budget and a negative variance is over budget.)

EXPENSE ITEM	ACTUAL	BUDGET	VARIANCE	%	EXPLANATION
Administrative	$16,091	$20,705	$4,614	22%	Professional Services and Audit Expense
Repairs and Maintenance	$14,082	$16,616	$2,534	15%	Paint Supplies and Pest Control

COMMENTS:

REVENUE			
FOR THE MONTH OF June, 2013		**YEAR TO DATE**	
Gross Potential	$27,916	Gross Potential	$167,511
Budgeted	$27,916	Budgeted	$167,511
Variance + (-)	$0	Variance + (-)	$0
Collected to Date	$28,107	Collected to Date	$165,804
Other Revenue	$40	Other Revenue	$2,697
Total Collected	$28,066	Total Collected	$169,501
Budgeted	$28,124	Budgeted	$170,277
Variance + (-)	$54	Variance + (-)	$766

COMMENTS:

ACCOUNTS PAYABLE	YES	NO	N/A
1) Is the payable report up to date?	X		
2) Is the property in good standing with all vendors?	X		

3) How often are invoices processed?
- Ø Invoices are processed twice a month.

4) If payments are a problem, what is management doing to correct the problem?
- Ø Payments do not appear to be a problem.

COMMENTS:			
	Current:		$3,798
	30 Days:		$0
	60 Days and Over:		$0
	TOTAL		$3,798

DELINQUENCIES	YES	NO	N/A
1) Is the delinquency report up to date?	X		

2) What is the collection policy for outstanding rents?
- Ø Rent is due on the 1st and late on the 6th. A 10 day notice to vacate is given on the 7th and a 3 day notice to vacate is given on the 10th.

3) When is legal action taken against delinquent accounts?
- Ø Evictions are typically filed on the 22nd.

4) Does the property currently have any resident(s) under eviction?	X		
5) Does Housing have any outstanding balances?	X		

COMMENTS: Of the current $26,566 delinquent, the majority of outstanding payments ($19,700) is due to housing payments that had not been received.	Current:		$26,566
	30 Days:		$1,247
	60 Days and Over:		$1,151
	TOTAL		$28,964

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		
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) Are name tags/photo IDs being worn by the maintenance personnel?		X	
7) Was management staff prepared for the site visit?	X		
8) How often are staff meetings held? Ø Staff meetings are held monthly.			
9) Have personnel been trained in Fair Housing?	X		
10) List training staff has received in the past year. Ø The Grace Hill training program is utilized to provide training to staff.			
COMMENTS:			

OWNER PARTICIPATION	YES	NO	N/A
1) Does the owner have access to computer generated reports?	X		
2) How often are the reports submitted to the owner? Ø Reports are sent to the owner monthly and as requested.			
3) What is the dollar amount of an unbudgeted or over budget expense that requires owner approval for the release of funds? Ø Any expense $500 over budget requires approval from the owner.			
4) Are the funds for needed capital improvement items, turning of units, and marketing campaigns released by the owner according to what has been budgeted?	X		
COMMENTS:			

SUMMARY OF OBSERVATIONS AND FINDINGS
No findings or observations.

WIN-LIN
VILLAGE
APARTMENTS
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