

# Texas State Affordable Housing Corporation

## Woodglen Apartments

6800 Cockrell Hill Dr., Dallas TX 75236

**Owner: Dalcro Woodglen, Ltd.**

**Date Built:**

**Management Company: Dalcro Management**

**Property Manager: Veronica Moreno**

**Inspection Date & Time: 10-09-2014 @ 8:00 am**

**Inspector's Name: James Matias and Celina Mizcles**

<b>Occupancy at Time of Report:</b>	97%	<b>Average Occupancy Over Last 12 Months:</b>	96%
<b>Number of Units: 232</b>			
<b>Number of One Bedrooms:</b>	64	<b>Number of Two Bedrooms:</b>	112
<b>Number of Three Bedrooms:</b>	56	<b>Number of Four Bedrooms:</b>	0

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:** Based on visual observation during the exterior walk of the property, it appears the building structures, balconies, recreational/common areas and grounds are in overall good condition. It is apparent that maintenance staff is taking excellent preventative measures to ensure the property maintains a good appearance.

### 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	3	
Theft	4	
Criminal Mischief	3	
Personal Assault		
Drug Activity		
Gunfire		
Domestic Violence		
Disturbance		
Other	5	1 – Lost Property and 4- Auto Theft

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2)	Does the property utilize a crime prevention agreement? ➤ The Property Manager confirmed that all residents are provided with the property's crime prevention plan at the time of initial occupancy. It was also confirmed that the property continues to participate in the Dallas Police Department's Gold Star Certification program.
3)	What pro-active measures is the property taking to address crime on the property? ➤ Based on conversation, the property is taking multiple actions to address crime on the property. The property utilizes a crime prevention plan, participates in the Gold Star Certification program, and the property is equipped with 12 surveillance cameras that are placed in various areas of the property and are monitored daily.
4)	How often is a light check conducted on the property? Who performs light checks on the property? ➤ Light checks are conducted by Maintenance staff every night.
<b>COMMENTS:</b> The information noted above was taken from the criminal reports provided by management. There were a total of 15 incidents noted on the reports that were dated 6-02-14 through 9-13-14. It appears management is adequately taking pro-active measures to help minimize the criminal activity at the property. In addition to the proactive measures noted above, the Property Manager also attends district crime watch meeting organized by the Dallas Police Department on a quarterly basis, and the Property Manager also actively investigates all issues regarding security and/or criminal activity on the property and issues lease violations, when necessary. TSAHC recognizes management's commitment and commends their efforts in providing a decent, safe and sanitary housing for their residents.	

SECURITY PROGRAM Part II		YES	NO	N/A
1)	Is the Staff trained in addressing crime on the property?	X		
2)	Is the property free of graffiti and/or vandalism?	X		
3)	Are criminal background checks being conducted on all residents over 18 years of age?	X		
➤	Are criminal background checks being conducted on residents as they age to be 18 while living in the unit?	X		
4)	Has a risk assessment been conducted to determine (risk) liabilities at the property?	X		
<b>COMMENTS:</b> Management stated risk assessments are completed annually.				

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?			
➤	Fair Housing Poster	X		
➤	Occupancy Qualifications	X		
6)	Is there a compliance department that ensures the set aside and eligibility requirements are being maintained?	X		
7)	Which of the following community amenities are provided for resident use?			
➤	Playground	X		
➤	Community Room	X		
➤	BBQ/Picnic Area	X		
➤	Laundry Facility		X	
➤	Business Center	X		
➤	Pool	X		
➤	Other (the property maintains a sand volleyball court and an enclosed dog park)	X		
8)	When are property licenses and permits renewed?			
➤	Property licenses and permits are renewed annually.			
9)	Where are vendor insurance records/binders maintained?			
➤	All vendor insurance records/binders are maintained at the corporate office.			
<b>COMMENTS:</b>				

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		
<b>COMMENTS:</b>				

MAINTENANCE PROGRAM		YES	NO	N/A
1)	Does the property have a preventative maintenance program?	X		

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2) Is the preventative maintenance schedule being implemented?	X		
3) Is the maintenance shop clean and organized?	X		
4) On average, how many days does it take to complete a work order? ➢ Based on conversation with the Property Manager, work orders are completed within 24-48 hours on average. However, review of the Work Order Directory indicates it takes 15 days. See comment below.			
5) Does the maintenance area have properly documented MSDS material and chemicals labeled properly?	X		
6) How often are Pest Control services provided? ➢ Pest control services are provided every Monday and as needed. The property is fully serviced on a quarterly basis.			
7) What is the policy for following up on completed service requests? ➢ The Property Manager confirmed that all service requests will receive a follow-up call to ensure satisfaction and completeness.			
8) What is the property's after hours emergency policy? ➢ The property's after-hours emergency number is located on the leasing office's front door. The after-hours answering service will notify the maintenance staff member that is on call. Maintenance staff is on a weekly rotating schedule for after-hours emergency maintenance calls.			
9) What capital improvements have been scheduled or completed for this budget year? ➢ The motor on the property's access gate was replaced during this budget year.			
<b>Detail of Ongoing Repairs and Replacements Completed in Last Budget Year</b>			
10) Unit Interior and Appliance upgrades ➢ There were several interior and appliance upgrades that were part of the property's rehabilitation. The upgrades include microwaves, ceiling fans, cabinet/counter tops, and HVAC system replacements.			
11) Building Exterior and Curb Appeal repairs ➢ Building exteriors and curb appeal repairs were made during the property's rehabilitation.			
12) Amenity upgrades ➢ There were several amenity upgrades as a result of the property's rehabilitation. Amenity upgrades included interior paint and HVAC replacements.			
13) Other repairs or replacements ➢ All other repairs and replacements can be located in the Rehabilitant Details section of the previous year's Asset and Oversight report.			
Number of service requests received:	46		
Number of requests open from prior periods:	0		
Number of service requests completed:	46		
Number of service requests completed within 24 hours:	2		
Number of outstanding service requests:	0		
<p><b>COMMENTS:</b> Based on a review of the Work Order Directory report provided for review for the timeframe 9/01/2014 – 09/30/2014, there were 46 service requests created and completed. Based on the report, it takes an average of 15 days to completed non-emergency work orders. Based on conversation with management, 15 days is not a true reflection of completion times. Normally work orders are completed within 2-4 days; however, maintenance does not enter completion dates in the system when the work is completed. Instead, completed work orders are submitted to management staff, who in turn close the work orders but enter the date they are closing them versus the date the work is completed, thus creating a 15 day average completion time.</p> <p><b>Observation:</b> TSAHC suggests management adjust their current practices to ensure completion dates are entered as the date the work is completed. In doing so, the Work Order Directory report will adequately detail the creation and completion dates of all work orders. This will allow management to utilize the report as a tool to ensure work orders are being completed within a timely manner.</p>			

MARKETING			
1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases
Drive-By/Word of Mouth – Drive-By (22) and word of mouth (1)	\$0	23	2
Flyers	\$		
Resident Referral	\$100	1	1
Locator Service	NA		
Printed Advertising	\$0		
Internet Advertising - Apartments .com (1) and Property website (4)	\$0	5	2
Other Source (list) - Apartment Finder (4), For Rent (1), Housing Agency (1), N/A (7), and unit transfer (2)	\$0	15	1
TOTAL	\$0	44	6
<p>The rental activity reflected in the above table was based on the Traffic Sheet for the month of 9/08/2014 – 10/08/2014 and conversation with management. It was determined that several prospects are generated from word of mouth or drive by traffic. Management disclosed that information on the Traffic Sheet was entered incorrectly as the property currently only utilizes For Rent. For Rent is free advertisement</p>			

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that charges a fee if a lease is executed. TSAHC suggests management ensure that information entered in the Traffic Sheet report is accurate moving forward. The Traffic Sheet is a tool that can be utilized to maximize the opportunity to increase occupancy.

	YES	NO	N/A
2) Is the property doing bilingual advertising?	X		
3) Does the property have any competitors nearby?	X		
4) Does the property "shop" their competitors?		X	
5) Does the property complete a market survey at least monthly?	X		

**COMMENTS:**

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?	Current: 76%	6 months: 68.5%	12 months: 75%
3) What percentage of move-outs in the last 12 months were due to eviction/non-payment of rent or "skip"?	18%		
4) When are the lease renewal/rent increase notices sent to residents? ➤ Management provides all residents with a 90 day recertification notice and follows up with a 60 and 30 day notice when necessary.			
5) Are individual files being reviewed to determine renewal/non-renewal status?	X		
6) How are renewals and re-certifications tracked and monitored? ➤ The property utilizes Yardi to keep track of renewals and recertifications.			
7) Are rent increases being implemented?	X		
8) When was the last rent increase implemented? What was the average rent increase? ➤ A minimum rent increase of \$35 for all units is implemented at the time of lease renewal.			
9) How many households are currently on month-to-month leases? ➤ On the day of the site visit, management stated they have one household pending and on a month-to-month lease.			
10) What is the charge for month-to-month leases? ➤ Households are charged market rents when they are on a month-to-month lease.			

**COMMENTS:**

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

Unit #	Brief Description
204	2x2, Vacant – Made ready
615	2x2, Vacant – Made ready
711	1x1, Vacant – Made ready
1515	2x2, Vacant – Final cleaning needed

## Down Units Walked (units vacant and unready for extended period of time and all down units)

Unit #	Brief Description
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	

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5) What system is used by management to monitor the timely preparation of units? ➤ The property utilizes Yardi to monitor timely preparation of units.
6) How often are occupied units inspected? ➤ Management inspects occupied units on an annual basis.
7) How often are vacant units inspected? ➤ Vacant units are inspected daily.
8) How many vacant unready units are in progress of being made ready? ➤ During the physical inspecting of the property, it was determined that one unit (unit 1515) is in progress of being made ready.
9) What is the company policy on the number of days to turn vacant units? ➤ Management requires units to be turned within 5 days.
<b>COMMENTS:</b>

BUDGET MANAGEMENT					YES	NO	N/A
1) How many bids are solicited in order to obtain materials, supplies, and services? ➤ Three bids must be solicited in order to obtain materials.							
2) Have there been any large unexpected repairs or purchases that have negatively affected the budget? ➤ There have been no unexpected repairs or purchases that have negatively affected the budget.							
3) Explain YTD variances of 10% or greater.							
<b><u>Expense Items that Varied by 10% or Greater from the Budget for Year to Date Operations Ending</u></b> (Please note that a positive variance is under budget and a negative variance is over budget.)							
EXPENSE ITEM	ACTUAL	BUDGET	VARIANCE	%	EXPLANATION		
Redecorating Expenses	\$28,499	\$20,280	\$-8,219	-40.53	Carpet cleaning and repair, appliance parts & repair, and other supplies.		
Repairs and Maintenance	\$32,800	\$24,856	\$-7,944	-31.96	Carpet wet vacs, Heating & Air conditioning, building & structures, Pest control, common area maintenance, and misc. maintenance.		
<b>COMMENTS:</b>							

REVENUE			
FOR THE MONTH OF <u>August 2014</u>		YEAR TO DATE	
Gross Potential	\$119,947	Gross Potential	\$970,083
Budgeted Rental Income	\$199,752	Budgeted Rental Income	\$1,598,016
Actual Rental Income Collected	\$170,498	Actual Rental Income Collected	\$1,346,287
Variance + (-)	\$3,840	Variance + (-)	\$16,544
Other Revenue	\$6,252	Other Revenue	\$43,378
Total Collected	\$176,750	Total Collected	\$1,389,665
Budgeted	\$4,777	Budgeted	\$38,216
Variance + (-)	\$5,315	Variance + (-)	\$21,706
<b>COMMENTS:</b>			

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? ➤ Management confirmed that invoices are processed on a weekly basis.					
<b>COMMENTS:</b>			0-30 Days:		\$7,593
			30-60 Days:		\$1,203
			60 Days and Over:		\$268
			TOTAL		\$9,064

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DELINQUENCIES		YES	NO	N/A
1)	Is the delinquency report up to date?	X		
2)	What is the rent collection policy? ➤ Rent is due on the 1 <sup>st</sup> of the month and late on the 6 <sup>th</sup> . A 3-day notice to vacate is sent on the 6 <sup>th</sup> . Between the 6 <sup>th</sup> and the 20 <sup>th</sup> of the month the staff will continue to reach out to the tenant to collect rent.			
3)	When is legal action taken against delinquent accounts? ➤ According to the Property Manager, evictions are rarely filed however if they are, they are filed on the 20 <sup>th</sup> of the month.			
4)	Does the property currently have any resident(s) under eviction?		X	
5)	Does Housing have any outstanding balances?	X		
COMMENTS:		0-30 Days:		\$25,314
		30-60 Days:		\$1,917
		60 Days and Over:		\$1,283
		TOTAL		\$28,514

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)	Has staff turnover occurred since the last site review?	X		
9)	How often are staff meetings held? ➤ Staff meetings are held weekly.			
10)	Have personnel been trained in Fair Housing?	X		
11)	List training staff has received in the past year. ➤ The site staff has received Fair Housing training via webinar and attended TDHCA's HTC training.			
COMMENTS:				

OWNER PARTICIPATION		YES	NO	N/A
1)	Does the owner have access to the software system utilized to manage the property?	X		
2)	How often are reports submitted to the owner? ➤ Management submits weekly reports to the owner.			
3)	What is the dollar amount of an unbudgeted or over budget expense that requires owner approval for the release of funds? ➤ All items and/or amounts must be approved by 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	
<b>Observation:</b> <ul style="list-style-type: none"> <li>TSAHC suggests management adjust their current practices to ensure completion dates are entered as the date the work is completed. In doing so, the Work Order Directory report will adequately detail the creation and completion dates of all work orders. This will allow management to utilize the report as a tool to ensure work orders are being completed within a timely manner.</li> </ul>	



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