

Texas State Affordable Housing Corporation

Aguila Oaks 3270 Nacogdoches, San Antonio, TX 78217			
Owner: San Antonio Low Income Housing, LLC		Date Built: 1982	
Management Company: Cesar Chavez Foundation		Property Manager: Rocio Marquez	
Inspection Date & Time: April 22, 2015 at 8:30 a.m.		Inspector's Name: Celina Mizcles	
Occupancy at Time of Report:	94.5%	Average Occupancy Over Last 12 Months:	96.5%
Number of Units: 346			
Number of One Bedrooms:	278	Number of Two Bedrooms:	68
Number of Three Bedrooms:	N/A	Number of Four Bedrooms:	N/A

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: During the site visit, the property appeared to be in good condition. The parking lot, recreation areas, sidewalks, common areas, and trash receptacle areas are in good condition and free of debris. The building's siding, gutters, roofs, and walkways all appear to be in good condition. Based on visual observation and conversation with the Property Manager, management has completed exterior building wood repairs in needed areas, resurfaced the parking lot, resurfaced the tennis court for track and exercise, and installed four ash boxes.

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	5	1 - Burglary, 2 - Burglary of Vehicle, and 2 - Burglary Alarm
Theft	1	1 - Theft
Criminal Mischief	1	1 - Criminal Mischief
Personal Assault	3	3 - Assault in Progress
Drug Related Activity		
Gun Related Activity	1	1 - Disturbance with Gun
Domestic Violence	2	2 - Family Violence
Disturbance	19	5 - Music, 6 - Family, 1 - Child Protective Service, 7 - Disturbance

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Other	3	1 - Robbery of Individual and 2- Stolen Vehicle
2) Does the property utilize a crime prevention agreement? ➤ The property does not utilize a crime prevention agreement, however management does pull and review monthly police call logs via the TriTech Software System.		
3) What pro-active measures is the property taking to address crime on the property? ➤ In addition to reviewing monthly police call logs, the property also utilizes Texas Law Man Security and Traffic (a security patrol provider) to monitor the property 3 times a night. The security patrol conducts nightly light checks and reports any activity on a Patrol Report. Patrol Reports are submitted to the Property Manager via email.		
4) How often is a light check conducted on the property? Who performs light checks on the property? ➤ The security patrol conducts weekly light checks and reports any issues to the Property Manager.		
COMMENTS: The criminal activity incidents noted above were taken from an online system called Trittech Software System, which gathers police department call logs. The TriTech report, dated 01/01/2015 through 3/30/2015, listed a total of 59 calls, 35 of the 59 calls are listed above. The Property Manager confirmed that the call log list contained random pedestrian and/or vehicle stops made on the exterior of the property yet they are linked to the property's address. A review of the reports confirms the statement.		

SECURITY PROGRAM Part II	YES	NO	N/A
1) Is the Staff trained to address 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? ➤ 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		
COMMENTS: All employees are trained how to address crime and emergencies on an annual basis. The property has an Emergency Procedures Handbook and has an emergency backpack that contains some emergency essentials. 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 ➤ Occupancy Qualifications	X 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 ➤ Community Room ➤ BBQ/Picnic Area ➤ Laundry Facility (➤ Business Center ➤ Pool ➤ Other (describe)	 X X X x	 X 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 and binders are kept by and in the Cesar Chavez Foundation corporate offices.			
COMMENTS: The community has three laundry facilities, two swimming pools, a fitness blacktop area, and the Property Manager confirmed that their residents are able to use the playground at the neighboring school which becomes available for public use in the afternoons.			

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 unit turnovers?	X		
COMMENTS: The Property Manager confirmed all keys are coded and are kept in a locked and secured area.			

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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) Is the maintenance shop clean and organized?		X		
4) On average, how many days does it take to complete a work order? <ul style="list-style-type: none"> The Work Order Directory dated 3/22/2015 - 4/22/2015 reflected a total of 186 work orders. One hundred forty-five of the 186 work orders were closed within the reported period and were completed within 3 days, on average. Forty-one work orders remain pending, some of which are for vacant units. 				
5) Does the maintenance area have properly documented MSDS material and chemicals labeled properly?		X		
6) How often are Pest Control services provided? <ul style="list-style-type: none"> Pest Control visits the property on Wednesday of every week. Service includes treating the exterior of buildings, vacant units, and occupied units when requested. 				
7) What is the policy for following up on completed service requests? <ul style="list-style-type: none"> Management utilizes a call-back report generated by Yardi to call residents and ensure work is completed to satisfaction. 				
8) What is the property's after-hours emergency policy? <ul style="list-style-type: none"> Management utilizes an answering service. When emergencies are reported, the Property Manager and Maintenance Manager are contacted. 				
9) What capital improvements have been scheduled or completed for this budget year? <ul style="list-style-type: none"> The following capital improvements have been completed: tennis court has been resurfaced and converted to an exercise area, parking lot has been resurfaced/restriped, four ash boxes have been installed, gutters have been repaired/replaced as needed, and the leasing office has been remodeled and made ADA compliant. 				

Detail of Ongoing Repairs and Replacements Completed in Last Budget Year

10) Unit Interior and Appliance upgrades <ul style="list-style-type: none"> Unit interiors and appliance replacements were completed as needed. 			
11) Building Exterior and Curb Appeal repairs <ul style="list-style-type: none"> Exterior building repairs are completed as needed. 			
12) Amenity upgrades <ul style="list-style-type: none"> The tennis court was repaved and converted to an exercise area. 			
13) Other repairs or replacements <ul style="list-style-type: none"> No additional repairs and/or replacements have been completed. 			
Number of service requests received:	186		
Number of requests open from prior periods:	0		
Number of service requests completed:	145		
Number of service requests completed within 24 hours:	41		
Number of outstanding service requests:	41		

COMMENTS: Management utilizes a monthly preventive maintenance program. In addition, the Material Safety Data Sheet (MSDS) binder is maintained in the maintenance shop and a MSDS disk is kept in the management office.

MARKETING

1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases
Drive-By/Word of Mouth	\$0	35	12
Flyers	\$0	0	0
Resident Referral (\$50)	\$50	7	1
Locator Service (50% of one month's rent)	\$700	5	2
Printed Advertising	\$0	0	0
Internet Advertising (Craigslist)	\$0	7	0
Other Source (Return Resident - 2, Unknown - 4, Referral Employee - 2)	\$0	8	2
TOTAL	\$750	62	17
The rental activity reflected in the above table was taken from the property's Traffic Sheet dated 3/22/2015 – 4/22/2015.			
	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		

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COMMENTS: ALN Apartment Data Inc., is utilized to capture closest competitor's rents and monthly specials. Management pulls ALN reports periodically.

LEASE RENEWAL		YES	NO	N/A
1)	Does it appear that an effective lease renewal program is in place? If no, please comment below.	X		
2)	What percentage of residents renewed last month, past 6 months, and past 12 months?	Current: 88%	6 months: 88%	12 months: 68%
3)	What percentage of move-outs in the last 12 months were due to eviction/non-payment of rent or "skip"?	16.67%		
4)	When are the lease renewal/rent increase notices sent to residents? ➤ The first lease renewal notice is sent out 120 days prior to the move-in anniversary date. If the resident fails to respond to the 120 day notice, a 90 day notice will be sent, followed by a 60 day notice, and finally a 30 day notice is sent should there still be no response.			
5)	Are individual files being reviewed to determine renewal/non-renewal status?	X		
6)	How are renewals and re-certifications tracked and monitored? ➤ Management utilizes Yardi to track and monitor renewals and re-certifications.			
7)	Are rent increases being implemented?	X		
8)	When was the last rent increase implemented? What was the average rent increase? ➤ Management confirmed 5% rent increases are implemented annually and confirmed rents will not exceed maximum rent limits.			
9)	How many households are currently on month-to-month leases? ➤ On the date of the onsite visit there was one month-to-month lease (unit 2-1103).			
10)	What is the charge for month-to-month leases? ➤ The property charges an additional \$40 per month for month-to-month leases. Management confirmed rent will not exceed maximum rent limits.			
COMMENTS:				

VACANT/MAKE READY UNITS					
1) Number of vacant units at time of activity report:				14	
2) Number of completed made ready units at time of activity report:				10	
3) Number of completed one bedroom units at time of activity report:				8	
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:				N/A	
6) Number of uncompleted made ready units at time of activity report:				4	
7) Number of uncompleted one bedroom units at time of activity report:				3	
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:				N/A	
Units Walked					
Unit #	Brief Description				
1-0110	(1x1), Vacant - Ready				
1-0203	(1x1), Vacant - Ready				
1-0213	(1x1), Vacant - Ready				
1-0815	(1x1), Vacant - Ready				
1-0821	(1x1), Vacant - Ready				
1-1402	(1x1), Vacant - Ready				
1-0903	(1x1), Vacant - Ready				
Down Units Walked (units vacant and unready for extended period of time and all down units)					
Unit #	Brief Description				
N/A					
			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? If so, please comment below.			X		

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5) What system is used by management to monitor the timely preparation of units?
➤ Management utilizes Yardi to keep track of unit availability and holds staff meetings every Monday morning to discuss staff responsibilities and progress reports for all vacant units.
6) How often are occupied units inspected?
➤ Every quarter, management inspects 25% of the units. Thus, all units are inspected annually.
7) How often are vacant units inspected?
➤ Vacant units are inspected at least 5 times (once per week) after the unit is made-ready.
8) How many vacant units are in progress of being made ready?
➤ There are a total of 4 units that are in the process of being made-ready.
9) What is the company policy on the number of days to turn vacant units?
➤ The company policy is to turn units within 30 days.
COMMENTS: During the site visit, there were two units (units 1-0213 and 1-1306) that have been vacant for over 50 days. A review of each unit confirmed that the units are ready for occupancy.

BUDGET MANAGEMENT					
1) How many bids are solicited in order to obtain materials, supplies, and services? ➤ Management must solicit three bids in order to obtain material, supplies, and services.					
2) Have there been any large unexpected repairs or purchases that have negatively affected the current budget? ➤ There have not been any unexpected repairs or purchases during the current budget.					
3) Explain YTD variances of 10% or greater.					
<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
Advertising and Marketing	\$1,369	\$2,108	\$739	35%	Rental Guides, Other-Advertising, Referral Fees
Administrative Expenses	\$43,904	\$60,972	\$17,068	28%	Legal Expenses, Bad Debt, Other Administrative Expenses, and Health/Dental/ Life Insurance
COMMENTS: Prior to the onsite visit, management provided TSAHC with a copy of the February 2015 month end period-to-date budget comparison. After the onsite visit, TSAHC requested a year-to-date budget comparison. Management provided TSAHC with the year-to-date budget comparison for January 2015 – March 2015.					

REVENUE			
FOR THE MONTH ENDING: February 2015		YEAR TO DATE AS OF March 2015	
Gross Potential	\$193,794	Gross Potential	\$581,318
Budgeted Rental Income	\$193,341	Budgeted Rental Income	\$580,106
Actual Rental Income Collected	\$187,330	Actual Rental Income Collected	\$596,973
Variance + (-)	-\$1,152	Variance + (-)	\$1,867
Other Revenue	\$16,816	Other Revenue	\$53,507
Total Collected	\$204,180	Total Collected	\$648,168
Budgeted	\$204,572	Budgeted	\$610,896
Variance + (-)	-\$392	Variance + (-)	\$37,272
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?				
➤ Invoices are processed monthly.				
COMMENTS: Based on a review of the property's <i>Payable – Aging Summary</i> report (dated as of 4/22/2015), there are not any outstanding balances. Invoices for current balances have been submitted for payment.		0-30 Days:	\$7,546	
		30-60 Days:	\$0	
		60 Days and Over:	\$0	
		TOTAL	\$7,546	5

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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 or before the first day of the month and is considered late on the 4 th . On the 4 th day of the month an initial late fee of \$25.00 is assessed followed by \$10 each day for up to 15 days (totaling \$175) or until balance is paid in full. A three day notice to vacate is issued around the 6 th day of the month.			
3) When is legal action taken against delinquent accounts? ➤ Legal action against delinquent accounts is taken around the 15 th of the month.			
4) Does the property currently have any resident(s) under eviction?	2		
5) Does Housing have any outstanding balances?		X	
COMMENTS: Based on a review of the Affordable Aging Summary Report, dated 4/22/2015, the current balance of \$15,045 includes two residents that were under eviction (\$3,719.21, combined). During the site visit, management confirmed they received judgment against the two evictions. On 5/14/2016, management confirmed the delinquent balance amount is down to \$8,988.	0-30 Days:	\$15,045	
	30-60 Days:	\$1,675	
	60 Days and Over:	\$607	
	TOTAL	\$16,989	

RETURNED CHECKS	YES	NO	N/A
1) Total number of returned checks in the past 3 months:	3		
2) Has the manager collected and deposited all returned checks?	X		
3) Is the manager following company policy on returned checks?	X		
COMMENTS: There were 3 returned checks, all of which resulted in a \$25 fee charged by management.			

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 conducted on a weekly basis.			
10) Have personnel been trained in Fair Housing?	X		
11) List training staff has received in the past year. ➤ Staff has attended Housing Tax Credit, Fair Housing, Pool maintenance, and REAC trainings in the past year.			
COMMENTS: The Property Manager confirmed one new leasing agent was hired since the last site visit.			

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? ➤ Site management submits weekly and monthly 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? ➤ Owner approval is required on unbudgeted items that exceed \$500 for the Property Manager, \$2,500 for the Regional Manager, and \$5,000 for the Director of Property Management.			
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 Observations or Findings.

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