

# Texas State Affordable Housing Corporation

## Residence at the Oaks

2740 Duncanville Rd. Dallas, Texas 75211

**Owner:** Residential Los Robles LTD

**Date Built:** 1999

**Management Company:** Pace Realty Corporation

**Property Manager:** Sandra martin

**Inspection Date & Time:** September 24, 2015 at 8:30 a.m. **Inspector's Name:** James Matias

<b>Occupancy at Time of Report:</b>	100%	<b>Average Occupancy Over Last 12 Months:</b>	99.3%
<b>Number of Units: 212</b>			
<b>Number of One Bedrooms:</b>	124	<b>Number of Two Bedrooms:</b>	88
<b>Number of Three Bedrooms:</b>	N/A	<b>Number of Four Bedrooms:</b>	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:** The property appeared to be in great condition on the day of the onsite visit. The property grounds are clean and free of debris. The exterior of all buildings (sidewalks, roofs, fascia boards) appear to be in good condition. The monument and office signs were in good condition and visible. The parking lots examined were found to be well kept with the handicap spaces clearly marked.

### 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		
Theft		
Criminal Mischief	1	Individual broke a car window
Personal Assault		
Drug Related Activity		
Gun Related Activity		
Domestic Violence		
Disturbance		
Other		

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2) Does the property utilize a crime prevention agreement?
➤ Management stated the Texas Apartment Association (TAA) lease addresses the community's expectations regarding crime.
3) What pro-active measures is the property taking to address crime on the property?
➤ The pro-active measures taken to address crime include monthly voluntary crime watch meetings, security cameras, and a courtesy officer.
4) How often is a light check conducted on the property? Who performs light checks on the property?
➤ Light checks are completed daily by the courtesy officer.
<b>COMMENTS:</b> The police reports obtained reflected one incident at the property in the last three months.

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?	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 that the last risk assessment was conducted in the summer of 2015.			

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 (Horseshoe pit and small 9-hole golf course)	X		
8) When are property licenses and permits renewed?			
➤ The property's licenses and permits for the pool, pool operator, gate, hot works (welder use), and fire, are all renewed annually.			
9) Where are vendor insurance records/binders maintained?			
➤ Compliance depot is used for all outside vendor records.			
<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 unit turnovers?	X		
<b>COMMENTS:</b> Management confirmed the property utilizes the HandyTrack key system.			

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?			
➤ Management stated that on average, work orders are completed in one day.			
5) Does the maintenance area have properly documented MSDS material and chemicals labeled properly?	X		
6) How often are Pest Control services provided?			

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➤ Pest control services are provided twice per month and each unit gets treated annually.			
7) What is the policy for following up on completed service requests?			
➤ Management stated that they follow up with about 10% of all work orders.			
8) What is the property's after-hours emergency policy?			
➤ Residents call the posted emergency phone number and leave a message with the answering service. The answering service sends the message to the on-call maintenance staff.			
9) What capital improvements have been scheduled or completed for this budget year?			
➤ Capital improvements completed and/or scheduled for the current budget year include parking lot repairs which are scheduled and security cameras which are completed.			
<b>Detail of Ongoing Repairs and Replacements Completed in Last Budget Year</b>			
10) Unit Interior and Appliance upgrades			
➤ Appliances and interior upgrades were completed as needed in 2014.			
11) Building Exterior and Curb Appeal repairs			
➤ In 2014 the exterior of the buildings were painted and the trim was replaced.			
12) Amenity upgrades			
➤ New sod and signage was put on the nine-hole golf course and the pool and hot tub was resurfaced in 2014.			
13) Other repairs or replacements			
➤ Management stated that no other repairs and/or replacements were completed to her knowledge.			
Number of service requests received:	191		
Number of requests open from prior periods:	28		
Number of service requests completed:	209		
Number of service requests completed within 24 hours:	See Comment Below		
Number of outstanding service requests:	10		
<b>COMMENTS:</b> The Work Order Status Report provided does not include dates to show how quickly work orders are being completed. The organization and staff for the maintenance program appear to be performing at a very high level. This observation, coupled with the satisfaction of the residents in regarding the maintenance program implies that work orders are being handled timely.			

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 (1/ month)	\$50	6	3
Locator Service (1/QTR)	\$150	2	1
Printed Advertising	\$0	0	0
Internet Advertising (rentping.com)	\$150	10	1
Other Source	\$0	33	2
<b>TOTAL</b>	<b>\$350</b>	<b>51</b>	<b>7</b>
<b>The rental activity reflected in the above table was from 6/1/2015 through 8/31/2015.</b>			
	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		
<b>COMMENTS:</b> Management stated that Apartment Data Incorporated (ALN) is a service that is outsourced for market data in the area. A market survey is completed monthly by ALN. Management stated they have very little market expenditures at this time because they have been operating at 100% occupancy for the last few months.			

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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: 91%	6 months: 89%	12 months: 92%
3)	What percentage of move-outs in the last 12 months were due to eviction/non-payment of rent or “skip”?	0%		
4)	When are the lease renewal/rent increase notices sent to residents? ➤ Lease renewal notices are sent no less than 90 days in advance. Follow up notices are sent 30 days in advance.			
5)	Are individual files being reviewed to determine renewal/non-renewal status?	X		
6)	How are renewals and re-certifications tracked and monitored? ➤ Renewals/Re-certifications are tracked in Onsite.			
7)	Are rent increases being implemented?	X		
8)	When was the last rent increase implemented? What was the average rent increase? ➤ Management stated that rent increases are generally implemented at renewal and the most recent average rent increase was about \$20 per unit.			
9)	How many households are currently on month-to-month leases? ➤ The community currently has four households on month to month leases. The four month to month leases include two employee units and two units occupied by residents who provided Notices to Vacate.			
10)	What is the charge for month-to-month leases? ➤ If the community has a month to month lease, maximum rent will be charged.			
COMMENTS: The month to month units mentioned above are not being charged max rent because they are employee or have provided notices to vacate.				

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	
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					
Unit #	Brief Description				
123	(1x1), Occupied, electrical wall plate missing.				
713	(2x2), Occupied				
1122	(1x1), Handicap accessible unit, Occupied				
1618	(2x2), Occupied				
1621	(2x2), Occupied				
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	
5) What system is used by management to monitor the timely preparation of units? ➤ Management monitors the make ready process by using the Onesite reports.					
6) How often are occupied units inspected? ➤ Occupied units are inspected annually.					

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7) How often are vacant units inspected? ➤ Vacant units are inspected daily.
8) How many vacant units are in progress of being made ready? ➤ At the time of the site visit the property was 100% occupied.
9) What is the company policy on the number of days to turn vacant units? ➤ The company policy for turning vacant units is 5 business days.
<b>COMMENTS:</b> Management provided a completed work order for the electrical plate in unit 123 prior to the completion or issuance of this report.

BUDGET MANAGEMENT					
1) How many bids are solicited in order to obtain materials, supplies, and services? ➤ Three bids are solicited for materials and services.					
2) Have there been any large unexpected repairs or purchases that have negatively affected the current budget? ➤ Large unexpected repairs for the current budget year include two units that had flood damage from washer and dryers that overflowed. In addition, the City of Dallas required the property add two fire extinguishers to each building.					
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
Make Ready	\$2,149	\$1,877	-\$272	(14.5%)	Carpet Repairs, Interior paint labor
Maintenance Expense	\$8,706	\$7,880	-\$826	(10.5%)	Roof Repairs, Pest Control, and Grounds Maintenance
Advertising Expense	\$260	\$615	\$355	57.7%	Newspaper, Printed material
Resident Retention	\$2,062	\$2,498	\$436	17.5%	Activities Coordinator, Refreshments
<b>COMMENTS:</b>					

REVENUE			
FOR THE MONTH ENDING: JULY 2015		YEAR TO DATE AS OF JULY 2015	
Gross Potential	\$150,405	Gross Potential	\$1,052,835
Budgeted Rental Income	\$139,389	Budgeted Rental Income	\$970,844
Actual Rental Income Collected	\$135,922	Actual Rental Income Collected	\$979,963
Variance + (-)	(\$3,467)	Variance + (-)	\$9,119
Other Revenue	\$3,114	Other Revenue	\$23,368
Total Collected	\$139,037	Total Collected	\$1,003,331
Budgeted	\$142,930	Budgeted	\$996,937
Variance + (-)	(\$3,893)	Variance + (-)	\$6,394
<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 stated invoices are processed every 30 days.			
<b>COMMENTS:</b>	0-30 Days:		\$0
	30-60 Days:		\$0
	60 Days and Over:		\$0
	TOTAL		\$0

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

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2) What is the rent collection policy?	➤ Rent is due on the fourth of the month and late on the fifth of the month. A three day Notice to Vacate (NTV) is sent around the sixth or seventh. After a \$35 initial late fee is charged, a \$10 daily penalty is administered.		
3) When is legal action taken against delinquent accounts?	➤ Management stated that legal action is taken around the 15th of each month when needed.		
4) Does the property currently have any resident(s) under eviction?		X	
5) Does Housing have any outstanding balances?	X		
<b>COMMENTS:</b> Management stated the outstanding balances are due to new move ins. The total outstanding housing subsidy balance is \$1,447.23, which is about 92% of the total delinquent balance. Non-subsidy rent has a total balance of \$125.47 and no tenant rent is greater than 30 days delinquent.	0-30 Days: (Current)		0.00
	30-60 Days:		929
	60 Days and Over:		643
	TOTAL		\$1,572

RETURNED CHECKS	YES	NO	N/A
1) Total number of returned checks in the past 3 months:	5		
2) Has the manager collected and deposited all returned checks?	X (see comments)		
3) Is the manager following company policy on returned checks?	X		
<b>COMMENTS:</b> Management stated that they did reverse one NSF due to a bank error for customer service reasons.			

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 following in house and Grace Hill trainings have been completed: Pool certificates, monthly safety meeting, sexual harassment, and fair housing.			
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?	➤ The occupancy reports are submitted weekly.		
3) What is the dollar amount of an unbudgeted or over budget expense that requires owner approval for the release of funds?	➤ The manager stated that she has a \$1,000 limit for an unbudgeted item or any item that is over budget.		
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		
<b>COMMENTS:</b>			

SUMMARY OF OBSERVATIONS AND FINDINGS
No observations or findings.



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## A large outdoor swimming pool with a hot tub in the foreground. The pool has a metal handrail leading into the water. In the background, there are red patio umbrellas, wicker furniture, and a brick building.

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