

Texas State Affordable Housing Corporation

Woodglen Apartments 6800 Cockrell Hill Dr., Dallas TX 75236

Owner: Dalcor Woodglen, Ltd.

Date Built: 2004

Management Company: Dalcor Management, LLC

Property Manager: Veronica Moreno

Inspection Date & Time: September 23, 2015 at 8:00 a.m. **Inspector's Name:** James Matias

Occupancy at Time of Report:	97%	Average Occupancy Over Last 12 Months:	97.1%
Number of Units: 232			
Number of One Bedrooms:	64	Number of Two Bedrooms:	112
Number of Three Bedrooms:	56	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: 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 parking lot, dumpster surroundings, and perimeter fence were found to be well taken care of and clean.

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	4	
Criminal Mischief	2	
Personal Assault		
Drug Related Activity		
Gun Related Activity		
Domestic Violence		
Disturbance		
Other		

Texas State Affordable Housing Corporation

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.
COMMENTS: Since multiple auto thefts have taken place recently, management coordinated with the Dallas Police Department to run a test with a bait car. According to management, the first night they placed the bait car on the property, Dallas Police Department successfully apprehend the individual(s) who had been breaking in to the bait cars in the area and at the property.

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 X		
4) Has a risk assessment been conducted to determine risk liabilities at the property?	X		
COMMENTS: Management stated the last risk assessment was completed in 2012.			

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) Fitness Center & Volleyball Court	X X X X X X	 X	
8) When are property licenses and permits renewed? ➤ Multitenant registration, security alarm, and the pool permits are all renewed annually.			
9) Where are vendor insurance records/binders maintained? ➤ All vendor insurance records/binders are maintained at the corporate office.			
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 unit turnovers?	X		
COMMENTS: Management confirmed the property utilizes The Hardytrack 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		

Texas State Affordable Housing Corporation

4) On average, how many days does it take to complete a work order? ➤ On average it takes about 2 days to complete a work order.			
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 all buildings are done at least twice per year.			
7) What is the policy for following up on completed service requests? ➤ Management stated that 100% of completed work orders get follow up emails or phone calls.			
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? ➤ Capital improvements for this budget year include repairs to the irrigation system, a new golf cart, new security cameras, and the brush was cleared from the perimeter fence line on the south side of the property.			

Detail of Ongoing Repairs and Replacements Completed in Last Budget Year

10) Unit Interior and Appliance upgrades ➤ Interior and appliance upgrades were completed as needed.			
11) Building Exterior and Curb Appeal repairs ➤ No exterior or curb appeal upgrades, other than regular flower replacements, were completed in 2014.			
12) Amenity upgrades ➤ The motor on the access gate was replaced in the last budget year.			
13) Other repairs or replacements ➤ Management stated that no other repairs or replacements were completed.			
Number of service requests received:	107		
Number of requests open from prior periods:	0		
Number of service requests completed:	77		
Number of service requests completed within 24 hours:	40		
Number of outstanding service requests:	30		

COMMENTS:

Observation:

- The report provided, which ranges from August 23, 2015 through September 23, 2015, has thirty work orders open and not completed. Seven of those work orders are recently opened but twenty-three of them range from two to twenty-four days old. The majority of the open work orders have a status of "call". It is likely that the incomplete work orders with "call" as the status are either work orders created by the answering service, work orders that should possibly be cancelled, and/or work orders that have been completed but the system has not been updated. It is strongly suggested that these work orders be reviewed and completed if they are found to be outstanding. It is also suggested that notes be attached to work orders in the cases where parts are being ordered or other delays are occurring. A diligent work order report can lead to timely completion of work orders, which in turn leads to satisfied residents.

MARKETING

1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases
Drive-By/Word of Mouth	\$0	12	0
Flyers	\$100	0	0
Resident Referral (\$50 each, 1 per quarter)	\$17	2	0
Locator Service	\$0	0	0
Printed Advertising (Apartment finder)	\$0	17	0
Internet Advertising (property website, rent.com and section 8.com)	\$200	8	0
Other Source (Housing agency , NA)	\$0	19	5
TOTAL	\$317	58	5
	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: Management stated a market survey is completed monthly.

Texas State Affordable Housing Corporation

Observation:

- The Traffic Sheet provided by management used a time frame from August 23, 2015 through September 23, 015. The Traffic Sheet appeared to have some inconsistencies; the traffic source appeared more than once on the report and prospects are sometimes showing up twice under source sections with the same title. For example, the source "Apartment Finder" shows up on page 1 of the report with a total count of 13 entries and "Apartment Finder" shows up again on page 7 with 6 additional entries. Of the 6 additional entries, 2 of the prospects are repeats from page 1. It is suggested that management review the inconsistencies of this report, and if a prospect that has been cancelled returns, reopen the previous entry as opposed to creating a new entry.

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: 69%	6 months: 80%	12 months: 82%
3) What percentage of move-outs in the last 12 months were due to eviction/non-payment of rent or "skip"?	10%		
4) When are the lease renewal/rent increase notices sent to residents? ➤ Management provides all residents with a 90 day recertification notice and a 30 day renewal notice. Follow ups for recertification's are given at 60 and 30 days.			
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? ➤ Management stated the last rent increase was implemented on 8/1/15 and any residents not at max rent upon lease expiration are offered to renew with a minimum of \$35 increase until brought up to max rent.			
9) How many households are currently on month-to-month leases? ➤ On the day of the site visit, management stated they do not have any month to month leases.			
10) What is the charge for month-to-month leases? ➤ It is against management policy to allow month to month leases.			
COMMENTS:			

VACANT/MAKE READY UNITS				
1) Number of vacant units at time of activity report:			6	
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:			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:			2	
6) Number of uncompleted made ready units at time of activity report:			3	
7) Number of uncompleted one bedroom units at time of activity report:			1	
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:			1	
Units Walked				
Unit #	Brief Description			
206	(2x2), Vacant - Model			
615	(2x2), Vacant - Needs new carpet and full cleaning			
906	(3x2), Vacant - Full turn needed			
1209	(2x2), Vacant - Ready			
1905	(3x2), Vacant - Ready			
2004	(3x2), 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	

Texas State Affordable Housing Corporation

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? ➤ The property utilizes Yardi and the make ready board to monitor timely preparation of units.			
6) How often are occupied units inspected? ➤ Management stated they inspect occupied units at least quarterly.			
7) How often are vacant units inspected? ➤ Vacant units are inspected weekly.			
8) How many vacant units are in progress of being made ready? ➤ During the physical inspection of the property, it was determined that three units are in process 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 - 7 business days.			

COMMENTS:

BUDGET MANAGEMENT					
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 current budget? ➤ Management confirmed there have been no large unexpected repairs/purchases that have negatively affected the 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
Payroll Expense	\$139,667	\$166,406	\$26,739	16.1%	Payroll, Bonuses, Payroll Taxes, Health Insurance
Utilities	\$104,441	\$122,100	\$17,659	14.7%	House Meters Electric, Water and Sewer
Advertising Expense	\$11,582	\$16,500	\$4,918	29.8%	Advertising, Social recreation, Resident Retention

COMMENTS:

REVENUE					
FOR THE MONTH ENDING: JULY 2015			YEAR TO DATE AS OF JULY 2015		
Gross Potential		\$195,776	Gross Potential		\$1,373,692
Budgeted Rental Income		\$174,336	Budgeted Rental Income		\$1,220,352
Actual Rental Income Collected		\$180,980	Actual Rental Income Collected		\$1,226,201
Variance + (-)		\$6,644	Variance + (-)		\$45,849
Other Revenue		\$5,284	Other Revenue		\$35,137
Total Collected		\$186,264	Total Collected		\$1,301,339
Budgeted		\$180,035	Budgeted		\$1,260,245
Variance + (-)		\$6,229	Variance + (-)		\$41,094

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? ➤ Management confirmed that invoices are processed every 30 days.				
COMMENTS: The Payable – Aging Summary Report for an identical timeframe for 2014 had a total balance of \$9,063.58 which is about half of the 2015 total reflected in this year's report.		0-30 Days:		\$19,263
		30-60 Days:		\$768
		60 Days and Over:		\$0
		TOTAL		\$20,031

Texas State Affordable Housing Corporation

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 st of the month and late on the 6 th . A 3-day Notice to Vacate (NTV) is sent on the 6 th . Between the 6 th and the 20 th 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 immediately after the 3 day NTV expires.			
4)	Does the property currently have any resident(s) under eviction?		X	
5)	Does Housing have any outstanding balances?	X		
COMMENTS: Management stated the majority of the delinquent balance is a result of three large balances with the housing subsidy due to recent move in's.		0-30 Days:	\$5,589	
		30-60 Days:	-\$1,177	
		60 Days and Over:	\$6,896	
		TOTAL	\$11,308	

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:				

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 current manager has attended the Housing Tax Credit (HTC) and Yardi trainings in the past year.			
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:				

Texas State Affordable Housing Corporation

SUMMARY OF OBSERVATIONS AND FINDINGS

No Findings

Observation:

- The report provided, which ranges from August 23, 2015 through September 23, 2015, has thirty work orders open and not completed. Seven of those work orders are recently opened but twenty-three of them range from two to twenty-four days old. The majority of the open work orders have a status of "call". It is likely that the incomplete work orders with "call" as the status are either work orders created by the answering service, work orders that should possibly be cancelled, and/or work orders that have been completed but the system has not been updated. It is strongly suggested that these work orders be reviewed and completed if they are found to be outstanding. It is also suggested that notes be attached to work orders in the cases where parts are being ordered or other delays are occurring. A diligent work order report can lead to timely completion of work orders, which in turn leads to satisfied residents.
- The Traffic Sheet provided by management used a time frame from August 23, 2015 through September 23, 2015. The Traffic Sheet appeared to have some inconsistencies; the traffic source appeared more than once on the report and prospects are sometimes showing up twice under source sections with the same title. For example, the source "Apartment Finder" shows up on page 1 of the report with a total count of 13 entries and "Apartment Finder" shows up again on page 7 with 6 additional entries. Of the 6 additional entries, 2 of the prospects are repeats from page 1. It is suggested that management review the inconsistencies of this report, and if a prospect that has been cancelled returns, reopen the previous entry reopened as opposed to creating a new entry.



Texas State Affordable Housing Corporation



Texas State Affordable Housing Corporation



Texas State Affordable Housing Corporation



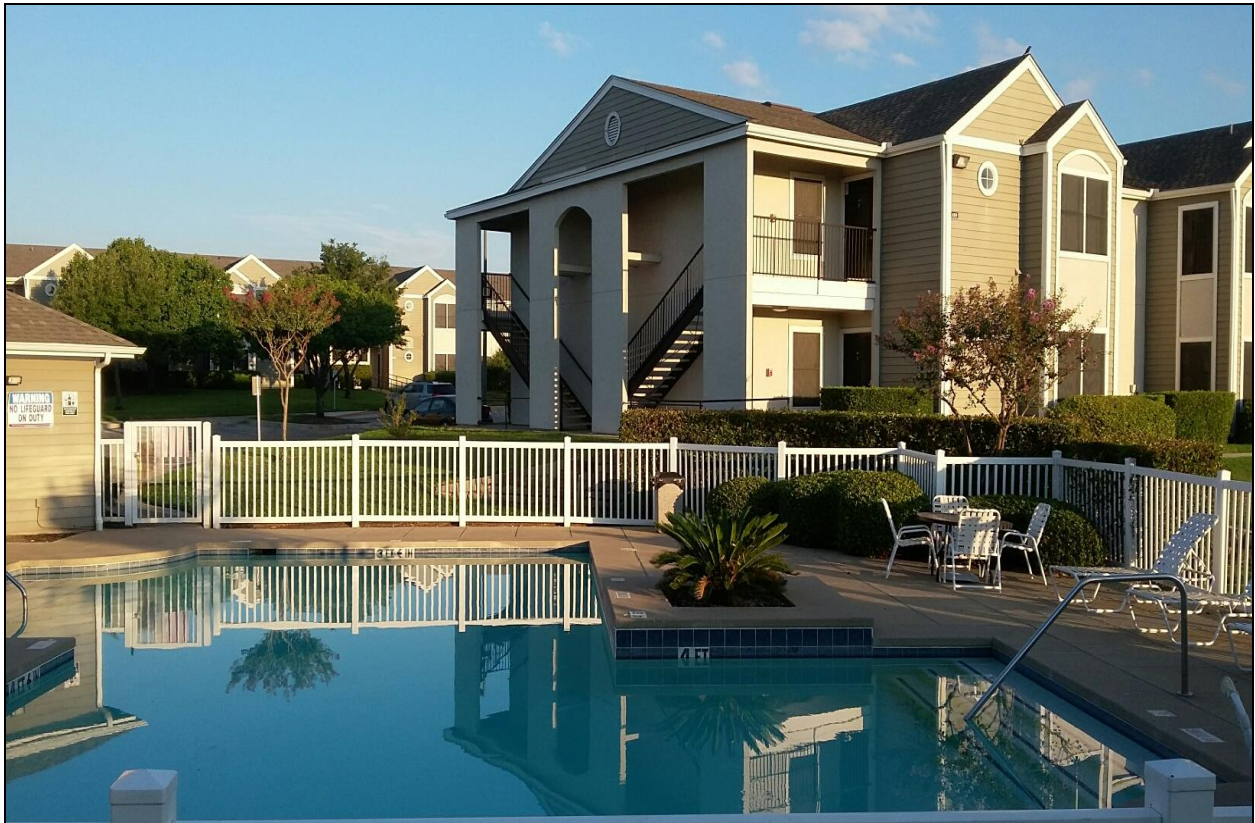
Texas State Affordable Housing Corporation



Texas State Affordable Housing Corporation



Texas State Affordable Housing Corporation



Texas State Affordable Housing Corporation

