

Texas State Affordable Housing Corporation

Chaparral Village Apartments

1411 S. Grant Avenue, Odessa TX 79761

Owner: RHAC-Chaparral, LLC

Date Built: 1981

Management Company: Capstone Real Estate Services

Property Manager: Celia Arenivas

Inspection Date & Time: 2.23.2016 at 8:30 AM

Inspector's Name: James Matias

Occupancy at Time of Report:	98%	Average Occupancy Over Last 12 Months:	98.9%
Number of Units: 80			
Number of One Bedrooms:	NA	Number of Two Bedrooms:	70
Number of Three Bedrooms:	8	Number of Four Bedrooms:	2

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 onsite visit, the property grounds appeared to be in acceptable condition. The property's perimeter fence, grounds and landscaping were found to be in good condition. One dumpster was found to be overflowing with garbage spilling on the ground. The exterior of the buildings also appeared to be in good condition; however, the following item was discussed with management.

Observations:

- **Discolored building walls:** Management used a different exterior wall paint color to cover graffiti or make repairs to the stucco on the property buildings. Management has stated in the past that they have had a very hard time matching this paint color. All buildings and the entire property appear to be overdue for repainting.
- **On the day of the site visit, water was found standing in one of the allies where the dumpsters are picked up. Picture attached. The property received some rain fall the night before the inspection occurred therefore, the reviewer was unable to determine how long the water tends to stand in this area. If pooling water is stagnate for more than 72 hours after the rain, it is recommended that the area that has inadequate drainage be leveled or raised to improve drainage.**

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		

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Theft	2	
Criminal Mischief		
Personal Assault		
Drug Related Activity		
Gun Related Activity	1	Weapons/Shots fired (1)
Domestic Violence		
Disturbance	6	Verbal (2), Domestic (1), Physical (3)
Other	4	Trespassing (2), Noise Complaints (2)
2) Does the property utilize a crime prevention agreement? ➤ The property has residents sign House Rules and a Zero Tolerance Policy to assist with crime prevention.		
3) What pro-active measures is the property taking to address crime on the property? ➤ Management stated that flyers about safety are sent out regularly by the Resident Services Coordinator. The property also hosted a National Night Out this past year.		
4) How often is a light check conducted on the property? Who performs light checks on the property? ➤ Light check conducted weekly by the Property Manager.		
COMMENTS:		

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		
COMMENTS: The last risk assessment was completed in September 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 (see comment)		
➤ Community Room		X	
➤ BBQ/Picnic Area	X		
➤ Laundry Facility	X		
➤ Business Center		X	
➤ Pool		X	
➤ Other		X	
8) When are property licenses and permits renewed? ➤ The property does not have any facilities that require the property to maintain a permit.			
9) Where are vendor insurance records/binders maintained? ➤ The Capstone Management's vendor compliance department approves all vendors and maintains vendor insurance at the corporate office.			
COMMENTS: Management stated that the old playground was removed about 3 months ago due to graffiti and damages. A new playground is scheduled to be installed in March 2016.			

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		

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4) Are locks being changed during unit turnovers?	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) Is the maintenance shop clean and organized?	X		
4) On average, how many days does it take to complete a work order? ➤ The Service Request List Report provided indicates that it takes less than one day 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 is provided monthly for all units and as needed for any other issue.			
7) What is the policy for following up on completed service requests? ➤ To ensure resident satisfaction, management stated they follow up on all make readies and 20% of all work orders.			
8) What is the property's after-hours emergency policy? ➤ All emergency calls go to the property manager and the manager determines who and what is needed.			
9) What capital improvements have been scheduled or completed for this budget year? ➤ Capital improvements scheduled for this budget year include the following: new playground equipment and the re-stripping and sealing of the parking lot.			

Detail of Ongoing Repairs and Replacements Completed in Last Budget Year

10) Unit Interior and Appliance upgrades ➤ In 2015 interior upgrades and appliances were completed as needed.			
11) Building Exterior and Curb Appeal repairs ➤ No exterior or curb appeal upgrades were completed.			
12) Amenity upgrades ➤ No amenity upgrades completed in the last budget year.			
13) Other repairs or replacements ➤ No additional repairs or replacements were made in 2015.			
Number of service requests received:	10		
Number of requests open from prior periods:	.0		
Number of service requests completed:	10		
Number of service requests completed within 24 hours:	10		
Number of outstanding service requests:	0		

COMMENTS:

Observation:

- The Service Request List Report provided is from 1/1/2016 through 2/23/2016. The report reflects 10 total work orders for a period of almost 8 weeks. Ten total work orders for an 80 unit property of this age seem low and the condition of the units inspected indicate that the interior of the units require much more attention. Management is encouraged to open and close all maintenance related request in the system and encourage residents to report any problems that arise inside their units.

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 (Waiting List)	\$0	16	16
TOTAL	\$0	16	16
The rental activity reflected in the above table is from 1/23/2016 to 2/23/2016.			
	YES	NO	N/A
2) Is the property doing bilingual advertising?		X	

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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: The property appears to be obtaining most new leases from the current waiting list. The source of the traffic from the waiting list does not appear on the Primary Advertising Source Evaluation because the new prospect was put on the waiting list prior to the period on the report.

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: N/A	6 months: N/A	12 months: 76.3%
3) What percentage of move-outs in the last 12 months were due to eviction/non-payment of rent or "skip"?	35%		
4) When are the lease renewal/rent increase notices sent to residents? ➤ Lease renewal notices are sent 120 days in advance and reminder notices are sent at 90, 60 and 30 days. Rent increases 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 and re-certifications are tracked and monitored using Onesite.			
7) Are rent increases being implemented?	X		
8) When was the last rent increase implemented? What was the average rent increase? ➤ The most recent gross rent change occurred in April 2015.			
9) How many households are currently on month-to-month leases? ➤ Due to the nature of the HUD lease, all residents utilize a month-to-month lease.			
10) What is the charge for month-to-month leases? ➤ N/A			

COMMENTS: Due to the type of lease used at this property, all residents are on a lease that is renewed annually with HUD.

VACANT/MAKE READY UNITS					
1) Number of vacant units at time of activity report:			2		
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:			2		
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:			2		
9) Number of uncompleted three bedroom units at time of activity report:			0		
Units Walked					
Unit #	Brief Description				
3	2x1, Vacant, Full turn needed				
20	3x1, Occupied, Leak under the kitchen sink, Front door needs a unit number, Ceiling repairs in 2 bedrooms upstairs, Ceiling repairs in the hot water heater closet, and Broken drawers in the kitchen				
66	2x1, Vacant, Full turn needed				
79	4x1, Broken or missing blinds in 3-4 areas, Hole in bathroom door, Bathroom door frame broken and unlockable, 2 Smoke detectors needed in the bedrooms.				
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		

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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 uses the Onsite system to ensure units are made ready according to policy.			
6) How often are occupied units inspected? ➤ Occupied units are inspected at least once annually.			
7) How often are vacant units inspected? ➤ Vacant units are inspected each day until they are occupied.			
8) How many vacant units are in progress of being made ready? ➤ Two units are in the process of being made ready.			
9) What is the company policy on the number of days to turn vacant units? ➤ Management has a policy to complete make readies in 5 business days.			
COMMENTS: Prior to the completion of this report, management provided TSAHC with completed work orders on all maintenance item mentioned above for units 3, 20, 66, and 79.			
Observation:			
<ul style="list-style-type: none"> Management stated that occupied units are being reviewed once annually. Based on the amount of repairs needed in the occupied units that were reviewed and the low amount of work orders completed on the Service Request List provided, it is recommended that more frequent inspections are conducted for occupied units. 			

BUDGET MANAGEMENT					
1) How many bids are solicited in order to obtain materials, supplies, and services? ➤ Three bids are solicited in order to obtain materials, supplies, and services.					
2) Have there been any large unexpected repairs or purchases that have negatively affected the current budget? ➤ Large unexpected repairs or purchases that have negatively affected the current budget include sewer and gas lines that broken in the last few months, two heaters and a few hot water heaters that have been replaced.					
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
Administrative Expenses	\$2,749	\$713	(\$2,036)	(285.6%)	Real Page
Maintenance Expense	\$35	\$810	\$775	95.7%	Doors/Locks/Keys, Electrical/Lights, Plumbing
Services Expense	\$830	\$1,522	\$692	45.5%	Landscaping, Pest Control
Turnover Expense	\$486	\$620	\$134	21.5%	Repairs(Resurfacing Contract) Painting (Contract)
COMMENTS:					

REVENUE			
FOR THE MONTH ENDING JANUARY 31, 2016:		YEAR TO DATE AS OF JANUARY 31, 2016:	
Gross Potential	\$67,610	Gross Potential	\$67,610
Budgeted Rental Income	\$66,446	Budgeted Rental Income	\$66,446
Actual Rental Income Collected	\$69,118	Actual Rental Income Collected	\$69,118
Variance + (-)	\$2,672	Variance + (-)	\$2,672
Other Revenue	\$389	Other Revenue	\$389
Total Collected	\$69,507	Total Collected	\$69,507
Budgeted	\$66,978	Budgeted	\$66,978
Variance + (-)	\$2,528	Variance + (-)	\$2,528
COMMENTS:			

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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 weekly.			
COMMENTS: The entire Accounts Payable balance of \$5,317.23 is due to Robert Saenz. Robert Saenz completed the plumbing related jobs which included the broken sewer line and the replacement of the hot water heaters. The vendor, Robert Saenz, submitted the invoice very late and therefore has not been paid. The Regional Manager stated that management recently received the invoices and payment is scheduled to go out very soon.	0-30 Days:		\$0
	30-60 Days:		\$5,317.23
	60 Days and Over:		\$0
	TOTAL		\$5,317.23

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 5 th of the month, on which a \$5 late fee is assessed. An additional late fee of \$1 is assessed daily thereafter. A 3 Day Notice to Vacate (NTV) is sent around the 17 th of each month.			
3) When is legal action taken against delinquent accounts? ➤ Evictions are filled around the 20 th of each month.			
4) Does the property currently have any resident(s) under eviction?		X	
5) Does Housing have any outstanding balances?	X		
COMMENTS: Of the entire delinquent balance (\$3,729.52), \$1,525 is for the tenant portion of the rent. The remaining balance is due to housing subsidy balances.	0-30 Days:		\$1,751.27
	30-60 Days:		\$1,902.26
	60 Days and Over:		\$75.99
	TOTAL		\$3,729.52

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 daily.			
10) Have personnel been trained in Fair Housing?	X		
11) List training staff has received in the past year. ➤ In the past year staff has completed a series of Grace Hill and Elizabeth Moreland training. These include fair housing, sexual harassment, conflict resolution, and curb appeal for the Property Manager and a make ready training for maintenance. In addition, Capstone gave an assistance animal training in February 2016.			
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? ➤ Weekly activity report and month end reports are submitted to the owner.			

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3) What is the dollar amount of an unbudgeted or over budget expense that requires owner approval for the release of funds? ➤ The Regional Manager has a \$500 threshold for unbudgeted or over budget expenses.			
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.

Observations:

- **Discolored building walls:** Management used a different exterior wall paint color to cover graffiti or make repairs to the stucco on the property buildings. Management has stated in the past that they have had a very hard time matching this paint color. All buildings and the entire property appear to be overdue for repainting.
- **On the day of the site visit,** water was found standing in one of the allies where the dumpsters are picked up. Picture attached. The property received some rain fall the night before the inspection occurred therefore, the reviewer was unable to determine how long the water tends to stand in this area. If pooling water is stagnate for more than 72 hours after the rain, it is recommended that the area that has inadequate drainage be leveled or raised to improve drainage.
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Equal Housing Opportunity
We Do Business in Accordance With the Federal Fair Housing Law
(The Fair Housing Amendments Act of 1988)

It is illegal to discriminate against any person because of Race, Color, Religion, Sex, Handicap, Familial Status, or National Origin

<ul style="list-style-type: none"> ■ In the sale or rental of housing or residential lots ■ In advertising this sale or rental of housing ■ In the financing of housing 	<ul style="list-style-type: none"> ■ In the provision of real estate brokerage services ■ In the appraisal of housing ■ Discriminating is also illegal
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U.S. Department of Housing and Urban Development
Assistant Secretary for Fair Housing and Equal Opportunity
Washington, D.C. 20410


Igualdad de Oportunidad en la Vivienda
Conducimos nuestros negocios de acuerdo a la Ley Federal de Vivienda Justa
(Ley de Enmiendas de 1988 de la Ley Federal de Vivienda Justa)

Es ilegal discriminar contra cualquier persona por razón de su raza, color, religión, sexo, incapacidad física o mental, la presencia de niños menores de 18 años o de mujer embarazada en su familia o su origen nacional

<ul style="list-style-type: none"> ■ En la venta o renta de viviendas y terrenos residenciales ■ En las ofertas de venta o renta de viviendas ■ En la financiación de viviendas ■ Advertir o intentar hacer de advertir a otros que no se venden o rentan 	<ul style="list-style-type: none"> ■ En los servicios de corretaje inmobiliario ■ En la valoración de viviendas ■ Discriminar es también ilegal a nivel de ■ Compañías de seguros de vivienda o ■ Compañías de servicios públicos ■ Compañías de servicios de transporte
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M.D. Development Corporation
1411 S. Lamar Ave.
Dallas, TX 75201
Tel: (214) 342-2000 Fax: (214) 342-2007

CHAPARRAL VILLAGE APARTMENTS
1411 S. LAMAR AVE.
DALLAS, TEXAS 75201
(432) 887-8807

NOTICE OF PEST CONTROL TREATMENT

DATES OF PLANNED TREATMENT:
6TH MONDAY AFTER 5:30
7TH MONDAY AFTER 9:00

EXTERMINATING CIRCUMSTANCES MAY REQUIRE UNPLANNED TREATMENTS.

PEST CONTROL SERVICE PROVIDED BY: NATIONAL PEST CONTROL
IF ANY FURTHER INFORMATION IS REQUESTED PLEASE INQUIRE AT LEASING OFFICE.

NATIONAL PESTICIDE TELECOMMUNICATIONS NETWORK
1-800-858-7378

A CONSUMER INFORMATION SHEET MAY BE OBTAINED FROM MANAGEMENT.

PEST CONTROL APPLICATORS ARE LICENSED BY THE TEXAS STRUCTURAL PEST CONTROL BOARD, PO BOX 15227, AUSTIN, TEXAS 78767-3927.

CHAPARRAL VILLAGE APARTMENTS
1411 S. LAMAR AVE.
DALLAS, TEXAS 75201
Tel: (432) 887-8807 Fax: (432) 887-8807

BUSINESS HOURS:
MONDAY - FRIDAY
9:00AM - 12:00PM
1:00PM - 4:00PM

SATURDAY
CLOSED

SUNDAY
CLOSED

CHAPARRAL VILLAGE APARTMENTS
AFTER HOURS - EMERGENCY NUMBER
PLEASE CALL:
(432) 208-8807

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