

Texas State Affordable Housing Corporation

Win Lin

5700 Wabash, Amarillo, Texas 79109

Owner: RHAC – Win Lin, LLC

Date Built: 1983

Management Company: J. Allen Management Co., Inc.

Property Manager: Lisa Phillips

Inspection Date & Time: August 10, 2016 at 8:00 a.m.

Inspector's Name: Celina Mizcles

Occupancy at Time of Report:	99%	Average Occupancy Over Last 12 Months:	100%
Number of Units: 50			
Number of One Bedrooms:	N/A	Number of Two Bedrooms:	40
Number of Three Bedrooms:	10	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's monument signs, sidewalks, are in good condition. The property's building exteriors, roof, and sidewalks are in overall good condition. However, during the onsite visit, the reviewer noted a couple of large potholes and the landscaping was not properly picked up or blown as there were lawn trimming all over the parking lot. In addition to that, one window AC unit had a wood board instead of the appropriate accordion panel. During the exit interview, management stated the parking lot will be patched and re-stripped after they complete the same services at a sister property. Management also stated that residents have the option to choose the use of widows ac units versus evaporative coolers.

Observation:

- **On the day of the onsite visit the, the reviewer noted two pot holes and a wood board covering the area surrounding the window ac unit. TSAHC acknowledges that the parking lot issue has been scheduled. TSAHC suggest management create a policy regarding the type or style of window ac unit panels that residents can use in order to ensure a consistent look and maintain the property's curb appeal.**

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	2	
Theft	1	
Criminal Mischief		

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Personal Assault	1	
Drug Related Activity		
Gun Related Activity		
Domestic Violence		
Disturbance		
Other	10	Trespassing – 2, Disorderly conduct – 7, Suspicious activity – 1
2) Does the property utilize a crime prevention agreement? ➤ Crime prevention is addressed in the property's House Rules.		
3) What pro-active measures is the property taking to address crime on the property? ➤ Management no longer hosts crime prevention meeting, instead management distributes flyers to discussing crime prevention on a quarterly basis.		
4) How often is a light check conducted on the property? Who performs light checks on the property? ➤ Light checks are conducted weekly by management staff.		
COMMENTS: According to the Amarillo Police Department call out reports dated 4/01/16 through 6/30/16 a total of 17 calls were made; 10 of the 17 calls are outlined above. Management reviews monthly call reports and issues violation when needed.		

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:			

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 (describe)			X
8) When are property licenses and permits renewed? ➤ There are no licenses or permits maintained at this property.			
9) Where are vendor insurance records/binders maintained? ➤ Vendor information is 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:			

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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? ➢ Work orders are completed within 1day, on average.			
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 conducted monthly.			
7) What is the policy for following up on completed service requests? ➢ Management will contact tenants to ensure work was completed.			
8) What is the property's after-hours emergency policy? ➢ The emergency number is provided to all tenants and is posted on the office window. Tenants are advised to call that number for any emergency work orders.			
9) What capital improvements have been scheduled or completed for this budget year? ➢ The repair of the property's parking lot is scheduled to be completed during this budget year.			
Detail of Ongoing Repairs and Replacements Completed in Last Budget Year			
10) Unit Interior and Appliance upgrades ➢ Unit interior and appliance are upgraded as needed.			
11) Building Exterior and Curb Appeal repairs ➢ There have not been any building exterior or curb appeal repairs completed.			
12) Amenity upgrades ➢ Management stated the owner purchased new laundry room equipment.			
13) Other repairs or replacements ➢ N/A			
Number of service requests received:	31		
Number of requests open from prior periods:	0		
Number of service requests completed:	31		
Number of service requests completed within 24 hours:	22		
Number of outstanding service requests:	0		
COMMENTS:			

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 (Phone Calls)	\$0	7	7
TOTAL	\$0	7	7
The rental activity reflected in the above table was for the month of (note report dates):			
	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: Due to the extensive waiting list, walk-ins and phone calls, management has not marketed the property in the last 12 months. Management mentioned that this is also the reason why the property's Primary Advertising Source Evaluation lacks information, stating there is no actual marketing source to track.			

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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: N/A	6 months: N/A	12 months: 70%
3) What percentage of move-outs in the last 12 months were due to eviction/non-payment of rent or "skip"?	11%		
4) When are the lease renewal/rent increase notices sent to residents? <ul style="list-style-type: none"> ➢ Renewal and rent increase notices are sent at the 120, 90, 60 day timeframes followed by a finally 30 day notice 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? <ul style="list-style-type: none"> ➢ Onsite and a back-up spreadsheet are used to track and monitor renewal and recertification's. 			
7) Are rent increases being implemented?	X		
8) When was the last rent increase implemented? What was the average rent increase? <ul style="list-style-type: none"> ➢ The property had a rent increase in September 2015. 			
9) How many households are currently on month-to-month leases? <ul style="list-style-type: none"> ➢ Management does not offer month-to-month lease term. 			
10) What is the charge for month-to-month leases? <ul style="list-style-type: none"> ➢ N/A 			
COMMENTS: According to the Reasons of Move-out report, 27.7% of move-outs were due to non-payment of rent or skip.			

VACANT/MAKE READY UNITS				
1) Number of vacant units at time of activity report:			3	
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:			3	
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:			1	
Units Walked				
Unit #	Brief Description			
8	(2x1- Vacant) – The unit is in the make ready process.			
18	(3x1- Vacant) – The unit is in the make ready process.			
31	(2x1- Vacant) – The unit is in the make ready process.			
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? <ul style="list-style-type: none"> ➢ Management uses Onesite to monitor vacant units. 				
6) How often are occupied units inspected? <ul style="list-style-type: none"> ➢ Occupied units are inspection semi-annual. 				
7) How often are vacant units inspected? <ul style="list-style-type: none"> ➢ Vacant units are inspected weekly. 				
8) How many vacant units are in progress of being made ready? <ul style="list-style-type: none"> ➢ There are three vacant units in the make-ready process. 				

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9) What is the company policy on the number of days to turn vacant units? > According to management, vacant units should be turned within 3-5 business days.
COMMENTS: Based on move out date for unit 31, the unit has been in the make-ready process for over 16 days. Management is advised to review their current practices as they are not meeting the company policy of turning units within 3-5 business days

BUDGET MANAGEMENT

1) How many bids are solicited in order to obtain materials, supplies, and services? > Three bids are required prior to obtaining supplies or 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 that have negatively affected the current budget.
3) Explain YTD variances of 10% or greater.

Expense Items that Varied by 10% or Greater from the Budget for Year to Date Operations Ending

(Please note that a positive variance is under budget and a negative variance is over budget.)

EXPENSE ITEM	ACTUAL	BUDGET	VARIANCE	%	EXPLANATION
Salaries & Benefits	\$43,968	\$56,081	\$12,112	21%	Overtime
Administrative Expenses	\$7,398	\$9,323	\$1,924	20%	Office Equipment, Professional Fees, Seminars/Training, and Internet Access
Leasing Expenses	\$12	\$137	\$124	90%	Promotions & Entertainment
Maintenance Expenses	\$2,864	\$3,877	\$1,013	26%	Fences/Gates and Uniform Expenses
Routine Replacement Expenses	\$5,113	\$7,828	\$2,715	34%	Windows/Screens, Ceiling Fans, Refrigerators

COMMENTS:

REVENUE

FOR THE MONTH ENDING: July 2016		YEAR TO DATE AS OF: July 30+21	
Gross Potential	\$29,380	Gross Potential	\$205,509
Budgeted Rental Income	\$29,380	Budgeted Rental Income	\$201,869
Actual Rental Income Collected	\$27,922	Actual Rental Income Collected	\$199,539
Variance + (-)	(\$576)	Variance + (-)	\$3,726
Other Revenue	(\$44)	Other Revenue	\$4,256
Total Collected	\$27,877	Total Collected	\$203,796
Budgeted	\$28,774	Budgeted	\$199,059
Variance + (-)	(\$896)	Variance + (-)	\$4,736

COMMENTS:

ACCOUNTS PAYABLE	YES	NO	N/A
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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 property recently experienced a change in asset management. Because of this, their Vendor Aging Payable will include balances and credits that both management companies need to verify as paid or not paid and by whom they were paid. Management disclosed that they are in the process of reconciling all account and amounts.

0-30 Days:	\$2,798
30-60 Days:	\$1,372
60 Days and Over:	\$258
TOTAL	\$4,428

DELINQUENCIES	YES	NO	N/A
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1) Is the delinquency report up to date?	X		
2) What is the rent collection policy? > Rent is always due on the first and considered late on the 6 th . An initial late rent fee of \$5 is charged and a \$1 each day thereafter until paid in full.			
3) When is legal action taken against delinquent accounts? > Legal action is taken around the 20 th of each month.			
4) Does the property currently have any resident(s) under eviction?		X	

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5) Does Housing have any outstanding balances?	X		
COMMENTS: Based on a review the Delinquent and Prepaid report, about \$1,828 of the total balance is due to outstanding housing assistance balances.	0-30 Days:		\$1,361
	30-60 Days:		\$516
	60 Days and Over:		\$643
	TOTAL		\$2,520

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? ➤ The Property Manager conducts weekly staff meeting.			
10) Have personnel been trained in Fair Housing?	X		
11) List training staff has received in the past year. ➤ Site management has completed Grace Hill trainings.			
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? ➤ According to management, the owner has the ability to pull reports at all times.			
3) What is the dollar amount of an unbudgeted or over budget expense that requires owner approval for the release of funds? ➤ Items costing more than \$500 require owner approval.			
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
<p>Observation:</p> <ul style="list-style-type: none"> On the day of the onsite visit the, the reviewer noted two pot holes and a wood board covering the area surrounding the window ac unit. TSAHC acknowledges that the parking lot issue has been scheduled. TSAHC suggest management create a policy regarding the type or style of window ac unit panels that residents can use in order to ensure a consistent look and maintain the property's curb appeal. <p>No Findings.</p>

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