

# Texas State Affordable Housing Corporation

## Chaparral Village Apartments

1411 S. Grant Avenue, Odessa, Texas 79761

**Owner: RHAC- Chaparral, LLC**

**Date Built: 1981**

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

**Property Manager: Pamela Hand**

**Inspection Date & Time: March 8, 2018 at 8:00 a.m.**

**Inspector's Name: Celina Mizcles Stubbs**

<b>Occupancy at Time of Report:</b>	100%	<b>Average Occupancy Over Last 12 Months:</b>	99%
<b>Number of Units: 80</b>			
<b>Number of One Bedrooms:</b>	0	<b>Number of Two Bedrooms:</b>	70
<b>Number of Three Bedrooms:</b>	8	<b>Number of Four Bedrooms:</b>	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 – see comment		
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:** Chaparral Village had great curb appeal on the day of the onsite visit. The property grounds, sidewalks, and parking lots were clean and free of debris. The common areas, buildings including roofs, were found to be in good condition. The reviewer noticed that there were less visual condensation drips on the roofs and noticed that management has repaired/replaced 100% of the window blinds. Additionally, the building exteriors were painted with a new color-scheme which added to the overall great curb appeal. The reviewer noticed that 2 of the 3 washing machines and 1 of the 3 dryers were out of order. Management confirmed work orders with the washer/dryer machine contractor have been placed. During the conversation, management stated that they plan to purchase an additional 4 dryers because they removed the clothes lines at the property.

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	
Personal Assault		
Drug Related Activity		
Gun Related Activity		

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Domestic Violence		
Disturbance	4	
Other	1	Indecent exposure - 1

	YES	NO	N/A
2) Does the property utilize a crime prevention agreement?	X		
3) Does the property take pro-active measures to address crime on property? If so, add comment	X		
4) Are light checks conducted by management staff on a weekly basis? If not, add comment.	X		

**COMMENTS:** According to the Calls for Service log (from 12/5/17 to 2/3/18), there were a total of 16 calls. Six of the 16 calls are noted in the chart above. There has been a slight decrease in activity since the last onsite visit. Management continues to utilize the lease and house rules to address crime prevention measures. In addition, management hosts neighborhood watch meeting and stated that the local police department continues to drive through the property as a courtesy. The property oversight appears to be working well.

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? If yes, when?	X		

**COMMENTS:** The risk assessment was conducted by the Regional Property Manager.

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) Does the property require licenses or permits?		X	
➤ (Describe)			
8) Are property licenses and permits renewed as required?		X	
9) Are vendor insurance records/binders properly maintained?	X		
10) Are vendors properly screened to ensure proper insurance documents are being maintained?	X		
11) 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

**COMMENTS:**

KEY CONTROL	YES	NO	N/A
1) Does the property use an electronic key tracking system? If not, answer questions 2-5.		X	
2) Are all property keys properly coded?	X		
3) Is key box locked and secured?	X		
4) Is the key code list kept separate from the key box?	X		
5) 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) Does the maintenance area have properly documented MSDS material and chemicals labeled properly?	X		
5) How often are Pest Control services provided? ➢ Monthly pest control services are provided.			
6) What is the policy for following up on completed service requests? ➢ Once work order have been completed, the Property Manager will call the tenant to ensure the work order was completed satisfactorily.			
7) What is the property's after-hours emergency policy? ➢ The Property Manager receives all after-hour emergency calls. The Property Manager is then responsible to take action and inform any other necessary parties.			
8) What capital improvements have been scheduled or completed for this budget year? ➢ The Regional Manager stated the following capital improvements will be scheduled or have been completed for this budget year. The management office will be remodeled to make space for a community club house, 7% of the property will get new appliances and flooring, a few HVACs are scheduled to be replaced, and the laundry facility will get 4 new dryers.			
Detail of Ongoing Repairs and Replacements Completed in Last Budget Year			
9) Unit Interior and Appliance upgrades ➢ Some floors and appliances were replaced as needed during unit turns.			
10) Building Exterior and Curb Appeal repairs ➢ Various wood replacements, building stucco repairs, exterior paint job, and the removal of clothe lines.			
11) Amenity upgrades ➢ N/A – there were no repairs or replacements made to the amenities.			
12) Other repairs or replacements ➢ Some parking lot repairs and the replacement of 16 HVAC coolers.			
Number of service requests received:	11		
Number of requests open from prior periods:	0		
Number of service requests completed:	11		
Number of service requests completed within 24 hours:	0		
Number of outstanding service requests:	0		
13) On average, how many days does it take to complete a work order? ➢ According to the Service Request Activity Report (dated 2/1/18 to 2/28/18), it takes an average of 8 days to complete a work order. See comment.			
<p><b>COMMENTS:</b> The Property Manager stated she allows for completed work orders to accumulate prior to closing them in the system. Therefore, the report does not reflect when the actual work was completed. This practice is discouraged. In addition, the report that was used to determine the time it takes to close a work order is not accurate. According to the report work orders 1022 and 1029 were open for 27 days and 14 days, respectively. The Property Manager confirmed those two work order were completed within 1 business day. This would bring the average time it takes to complete a work order to 4.5 days (assuming the other completed days are accurate).</p> <p><b>Observation:</b></p> <ul style="list-style-type: none"> <li>It is important to document when work orders are opened and completed. Resident retention and satisfaction is often strongly related to the maintenance program. Diligent use of the software system and accuracy of the information entered is strongly recommended. Following these recommendations will create a record showing the effectiveness of the maintenance staff.</li> </ul>			

MARKETING			
1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases
Drive-By/Word of Mouth			
Flyers			
Resident Referral			
Locator Service			
Printed/Internet Advertising			
Other Source	\$0	16	1
<b>TOTAL</b>	<b>\$0</b>	<b>16</b>	<b>1</b>
<b>The rental activity reflected in the above table was for the month of 1/1/18 – 2/28/18.</b>			
	YES	NO	N/A

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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:**

**Observation:**

- The property continues to use the source "Other" to document traffic. Management is strongly encourage to find a better way to describe the source of traffic. If "other" means the applicant was taken from the waiting list, then please list how the applicant first got on the waiting list (i.e., phone call, drive by, etc.). This will be reviewed during the next onsite visit.

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: 69%
3) What percentage of move-outs in the last 12 months were due to eviction/non-payment of rent or "skip"?	31%		
4) Are lease renewal/rent increase notices sent to residents at the 120-day, 90-day, 60-day and 30-day timeframes prior the end of the lese contract? If not, comment below.	X		
5) Are rent increase notices sent to residents at least 30-days prior to the rent increase implementation?	X		
6) Are individual files being reviewed to determine renewal/non-renewal status?	X		
7) Are renewals and re-certifications tracked and monitored with property management software? I.e., Yadri, Onesite, or Owner/Agent created software?	X		
8) Are rent increases being implemented?	X		
9) When was the last rent increase implemented? What was the average rent increase? ➢ The last rent change was effective November 2017.			
10) How many households are currently on month-to-month leases? ➢ There are no month-to-month leases.			
11) What is the charge for month-to-month leases? ➢ This is not applicable to the HUD lease.			

**COMMENTS:**

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
1	(2x1) Occupied: The unit is in good condition.
22	(3x1) Occupied: The unit is in good condition.
62	(2x1) Occupied: The vent in the bathroom needs to be retightened.
80	(4x1) Occupied: Smoke alarm was not operable in the bedroom.

**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	

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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) Is management utilizing property software (i.e., Yardi, Onesite, or an owner/agent created) to monitor the timely preparation of units? If not, comment.	X		
6) How often are occupied units inspected? ➢ Occupied units are inspected: Quarterly			
7) How often are vacant units inspected? ➢ Vacant units are inspected: Daily			
8) How many vacant units are in progress of being made ready? ➢ None, all units were occupied.			
9) What is the company policy on the number of days to turn vacant units? ➢ The company policy is to turn vacant units within 3-5 business days.			

**COMMENTS:** Completed work orders for units 62 and 80 where provided to TSAHC prior to the issuance of this report.

BUDGET MANAGEMENT	YES	NO	N/A
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1) Are three bids solicited in order to obtain materials, supplies, and services? ➢ Three bids are required to be obtained and reviewed prior to moving forward with purchases or services.			
2) Have there been any large unexpected repairs or purchases that have negatively affected the current budget? ➢ Management stated the window screens were over budget due to maintenance making their own black-out screens for each window to help keep the units cooler during the summer months. However it did not necessarily have a negatively affect the 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
Administrative Expenses	\$3,036	\$1,364	(\$1,672)	(122%)	Office Supplies, Postage/Shipping Seminars/Staff training, Credit Checks, Real Page
Turnover Expenses	\$449	\$745	\$296	39%	Cleaning (Contract)
Routine Replacement Expense	\$1,445	\$4,593	\$3,148	68%	Vinyl and Dishwashers

**COMMENTS:**

### REVENUE

FOR THE MONTH ENDING: JANUARY 2018		YEAR TO DATE AS OF: JANUARY 2018	
Gross Potential	\$69,824	Gross Potential	\$69,824
Budgeted Rental Income	\$69,824	Budgeted Rental Income	\$69,824
Actual Rental Income Collected	\$69,823	Actual Rental Income Collected	\$69,823
Variance + (-)	\$1,060	Variance + (-)	\$1,060
Other Revenue	\$399	Other Revenue	\$399
Total Collected	\$70,222	Total Collected	\$70,222
Budgeted	\$69,322	Budgeted	\$69,322
Variance + (-)	\$890	Variance + (-)	\$890

**COMMENTS:**

### ACCOUNTS PAYABLE

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) Are invoices processed weekly? ➢ The Property Manager processes invoices daily.			

**COMMENTS:**

0-30 Days:	\$606
30-60 Days:	\$11
60 Days and Over:	\$289
TOTAL	\$906

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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 the 1 <sup>st</sup> and considered late on the 6 <sup>th</sup> day. An initial late fee of \$5 is incurred at that time and an additional daily fee of \$1 is accrued until rent is paid. Late fees will not exceed \$30.			
3) When is legal action taken against delinquent accounts? ➤ According to management, legal action against delinquent accounts is taken around the 22 <sup>nd</sup> of each month.			
4) Does the property currently have any resident(s) under eviction?		X	
5) Does Housing have any outstanding balances?	X		
<b>COMMENTS:</b> On the day of the onsite visit, the property provided the reviewer with the delinquency report dated 3/1/18 which listed an outstanding balance of \$10,247. The reviewer requested an updated delinquency report (dated 3/19/18) to use to complete this section. Based on a review of the report, more than half of the current balance is due to outstanding housing balances.	0-30 Days:		\$4,542
	30-60 Days:		\$534
	60 Days and Over:		\$0
	TOTAL		\$5,076

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
<b>COMMENTS:</b>			

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) Are weekly staff meetings held?	X		
10) Have personnel been trained in Fair Housing?	X		
11) List training staff has received in the past year. ➤ Onsite staff has completed Grace Hill and On Site training.			
<b>COMMENTS: New Property Manager and new maintenance staff.</b>			

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? ➤ Reports are requested and/or pulled from the Onsite system at the Owner's discretion.			
3) What is the dollar amount of an unbudgeted or over budget expense that requires owner approval for the release of funds? ➤ The Property Manager is required to get the owner's approval for any dollar amount on expenses that are not budgeted. The Regional Manager is required to get owner approval for amounts over \$1,000.			
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
<p><b>Observations:</b></p> <ul style="list-style-type: none"> <li>It is important to document when work orders are opened and completed. Resident retention and satisfaction is often strongly related to the maintenance program. Diligent use of the software system and accuracy of the information entered is strongly recommended. Following these recommendations will create a record showing the effectiveness of the maintenance staff.</li> <li>The property continues to use the source "Other" to document traffic. Management is strongly encourage to find a better way to describe the source of traffic. If "other" means the applicant was taken from the waiting list, then please list how the applicant first got on the waiting list (i.e., phone call, drive by, etc.). This will be reviewed during the next onsite visit.</li> </ul> <p><b>No Findings.</b></p>

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