

Texas State Affordable Housing Corporation

Villa Rodriguez

3270 Nacogdoches, San Antonio, Texas 78217

Owner: San Antonio Low Income Housing, LLC

Date Built: 1982

Management Company: Cesar Chavez Foundation

Property Manager: Lorraine Plata

Inspection Date & Time: October 1, 2020 @ 10:00 a.m.

Inspector's Name: James Matias

Occupancy at Time of Report:	93.3%	Average Occupancy Over Last 12 Months:	94.9%
Number of Units: 346 (20 are designated as Down Units)			
Number of One Bedrooms:	278	Number of Two Bedrooms:	68
Number of Three Bedrooms:	N/A	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 sign was easily visible, and the property grounds were clean and free of debris. The laundry centers were clean and appear to be well maintained. The building exteriors were also in good repair. Due to the Covid-19 pandemic some property improvements have been delayed. A few of the landings leading up to the buildings are aging and showing some deterioration. Management said they are budgeting to complete some of the wooden landings and bridges that lead to some of the buildings.

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	15	Burglary (3), Burglary Alarm (7), Burglary In progress (1), Burglary of a vehicle (4)
Theft	5	Theft of a vehicle (1), Theft (4)
Criminal Mischief	1	Criminal Mischief (1)
Personal Assault	2	Assault (1) Assault in Progress (1)
Drug Related Activity		
Gun Related Activity		
Domestic Violence		
Disturbance	53	Disturbance-Neighbor (1), Disturbance (31), Disturbance (gun) - 1, Disturbance-Family (8), Disturbance-loud music (9), Disturbance-Mental health (3)

Texas State Affordable Housing Corporation

Other	10	Cutting in Progress (1), Family Violence (5), Fight (2), Prowler (1), Robbery of Individual (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: TriTech's call logs for April through June 2020 show a total of 113 calls, 86 of which are noted above. The number of calls and incidents listed have stayed about the same in the last couple of years. Management is advised to continue their efforts and to follow up on all disturbances and document the tenant files when necessary. Management stated they will utilize the surveillance cameras and Stealth's monitoring services to monitor the criminal activity on the property. Currently the property posts monthly notices to the community regarding crime incidents and prevention. Light checks are conducted weekly.					

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: Risk liabilities are assessed during the corporate staff's monthly property inspection.				

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? ➤ The property must maintain licenses for the pool, mechanical and alarm systems.	X		
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: Learning Center	X		
	➤ BBQ/Picnic Area	X		
	➤ Laundry Facility: Three Laundry Facilities	X		
	➤ Business Center		X	
	➤ Pool: Two pools	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:				

Texas State Affordable Housing Corporation

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? ➤ Pest control services are provided for one building per week and up to 15 units of requested service.			
6)	What is the policy for following up on completed service requests? ➤ Management follows up on a handful of completed service request to ensure they are completed satisfactorily.			
7)	What is the property's after-hours emergency policy? ➤ The after-hour answering service (KB National) will contact the maintenance staff directly when the call is deemed an emergency.			
8)	What capital improvements have been scheduled or completed for this budget year? ➤ Capital improvements scheduled or completed in 2020 include: new or repaired concrete for handicap ramps, walkways, and dumpster pads, new asphalt in a damaged section, fresh paint for buildings 4 and 7, window replacement in a few buildings, and a few balcony, staircase, and mailbox replacements. In addition, the property has budgeted for a few water heaters and HVAC replacements.			
Detail of Ongoing Repairs and Replacements Completed in Last Budget Year				
9)	Unit Interior and Appliance upgrades ➤ The following upgrades were complete as units became available; window replacements, flooring, and upgraded fixtures.			
10)	Building Exterior and Curb Appeal repairs ➤ Walkway landing were repaired or replaced as needed.			
11)	Amenity upgrades ➤ An ADA chair for the pool was installed in Phase I.			
12)	Other repairs or replacements ➤ Water heater and HVAC units were replaced as needed for 2019.			
Number of service requests received:		141		
Number of requests open from prior periods:		56		
Number of service requests completed:		85		
Number of service requests completed within 24 hours:		17		
Number of outstanding service requests:		0		
13)	On average, how many days does it take to complete a work order? ➤ A review of the work order report indicates maintenance staff completes work order in about 4 days.			
COMMENTS: After a review of the Work Order directory dated 9/1/2020 through 9/29/2020, 141 work orders were opened. The maintenance department closed 85 of the work orders in 4 days or less (on average). A large portion of work orders (39.7%) are not being closed and those work orders appear to all have a status of "call". It is important that the maintenance team or administrative staff deletes duplicate work orders that were called in after hours or closes them as needed. Management stated they would investigate this as it may be repeat work orders or deferred maintenance due to Covid-19.				

MARKETING			
1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Applications Submitted
Drive-By/Word of Mouth	\$5,600		1
Flyers			
Resident Referral/Family Friend (\$150 / referral) 1 per month	\$1,800	2	0
Locator Service: 50% for successful move ins. About \$300 each at 2/month	\$7,200	6	1
Printed/Internet Advertising: ChavezFoundatoin.org, RentPath (\$200/month & AptGuide (\$399/month), Aptlist.com (\$250/month), GoSection8.com	\$10,188	84	
Other Source: Housing Authority, Other	\$0	76	4
TOTAL	\$24,788	168	6
The rental activity reflected in the above table was from 8/15/2020 through 9/15/2020.			
	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: Market surveys are completed every Monday. When compared with prior years, Management appears to be increasing its marketing			

Texas State Affordable Housing Corporation

expenses and activity. The increased activity is needed to lower the vacancy at the community which is a result of high turnover at the community.

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: 29%	6 months: 61%%	12 months: 42%
3) What percentage of move-outs in the last 12 months were due to eviction/non-payment of rent or "skip"?	18.5% - See Observation		
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 lease 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, Onsite, 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? ➢ If allowed, it will be a \$50 rent increase in January of 2021. Previous rent increases averaged \$45.			
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? ➢ N/A			
COMMENTS: The reviewer noticed that turnover is very high at the community in the last six months. Management stated the recent fires lead to a lot of turn over because tenants became worrisome and the buildings were unsightly. The property has held off on rent increase, evictions, and late fees since March of this year when Covid-19 became a concern. Rent increases, evictions, and late fees will start again in January if allowed.			
Observation: <ul style="list-style-type: none"> After a review of the Reasons for Move Out Report for the last year, the community has 25 move outs due to skip (18.5%). Management is encouraged to perform frequent occupancy checks for extended delinquency and stay in constant communication with all residents that they are aware are struggling. When possible, having prior knowledge of a possible vacancy will help the property plan accordingly regarding make ready maintenance, marketing, and revenue. 			

VACANT/MAKE READY UNITS			
1) Number of vacant units at time of activity report:	14		
2) Number of completed made ready units at time of activity report:	2		
3) Number of completed one-bedroom units at time of activity report:	1		
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:	N/A		
6) Number of uncompleted made ready units at time of activity report:	12		
7) Number of uncompleted one-bedroom units at time of activity report:	8		
8) Number of uncompleted two-bedroom units at time of activity report:	4		
9) Number of uncompleted three-bedroom units at time of activity report:	N/A		
Units Walked			
Unit #	Brief Description		
2-0103	Vacant (45 days): Not Ready		
1-0908	Vacant (45 days): Made-ready		
1-0820	Vacant (35 days): Made-ready		
1-0403	Vacant (134 days): Made-ready		
Down Units Walked (units vacant and unready for extended period and all down units)			
Unit #	Brief Description		
N/A	See comment		
	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 (see comments)		

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) 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: Weekly			
8) How many vacant units are in progress of being made ready? ➤ There are 12 units in the process of being made-ready at this time.			
9) What is the company policy on the number of days to turn vacant units? ➤ According to management policy, units should be made ready within 3 - 5 business days. See comment.			
COMMENT: Two recent property fires have resulted in 20 Down Units. The first fire took place in September 2019 and all 12 units in building 11 (phase I) were lost. This building has since been demolished. The second fire took place in March 2020 and 8 of X units in Building 8 (phase 1) were burned significantly. Insurance claims were filed and approved for both fires and construction and rehabilitation for both buildings will start very soon.			

BUDGET MANAGEMENT					
1) Are three bids solicited in order to obtain materials, supplies, and services? ➤ Management requires 3 bids to be collected prior to obtaining 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: landing repairs, parking lot repairs, and a two large plumbing repairs for building 10 (phase II).					
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
Advertising and Marketing	\$48,132	\$27,718	(\$20,414)	(74%)	Promotions, Signage, Referral fees, Tenant Screening Reports, Other-Advertising
Replacements and Capital	\$745,203	\$333,650	(\$411,553)	(123%)	Windows/Sliding Doors/Window Coverings, Appliances, Plumbing, Concrete Walkway Repairs
COMMENTS: Regarding the large Replacement and Capital expenses that went over budget, the windows went over because they needed a lot of additional framing work. In addition, 2 golf carts were stolen that needed to be replaced.					

REVENUE			
FOR THE MONTH ENDING: August 2020		YEAR TO DATE AS OF: August 2020	
Gross Potential	\$2,797,137	Gross Potential	\$4,671,210
Budgeted Rental Income	\$2,633,915	Budgeted Rental Income	\$4,325,212
Actual Rental Income Collected	\$2,634,672	Actual Rental Income Collected	\$4,365,448
Variance + (-)	\$757	Variance + (-)	\$40,326
Other Revenue	\$214,991	Other Revenue	\$339,011
Total Collected	\$2,932,162	Total Collected	\$4,787,139
Budgeted	\$2,825,130	Budgeted	\$4,649,163
Variance + (-)	\$107,032	Variance + (-)	\$137,976
COMMENTS:			

Texas State Affordable Housing Corporation

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 weekly.			
COMMENTS: The Payables Aging Summary dated August 2020 indicated that 99% of the balance is due to a Cesar Chavez Foundation invoices totaling \$436,913. According to the Regional Property Manager, the Cesar Chavez Foundation invoices will be paid in increments (\$25,000 annually) once occupancy is better and cash flow increases. The remaining balance of \$775 is a current payable for the City of San Antoni for alarm permit fees.	0-30 Days:		\$36,652
	30-60 Days:		\$68,923
	60 Days and Over:		\$332,275
	TOTAL		\$437,850

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 and late on the 4 th of each month. An initial late fee is assessed on the 4 th in the amount of \$35. No additional daily fees are charged.			
3) When is legal action taken against delinquent accounts? ➤ According to management, legal action is taken around the 15 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: The majority of the large balances (11 of 12) are due to evictions that are on hold. These balances total just under \$32,000. The other small balance is just over \$1,000 and is due to a housing interim certification.	0-30 Days:		\$7,116
	30-60 Days:		(\$1,303)
	60 Days and Over:		\$23,366
	TOTAL		\$29,179

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: According to the ledgers provided, Management is following the NSF policy.			

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. ➤ Training includes, but is not limited to housing tax credit, marketing, and maintenance training. Due to Covid-19, staff is not attending in person training.			
COMMENTS: Three maintenance positions have turned over in the last year. Two of the maintenance positions have been filled and one is open at this time. In the office, two new leasing agents have been hired and they had a total turnover of three.			

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 owner has access to the property management systems and can pull reports as needed.			

Texas State Affordable Housing Corporation

3) What is the dollar amount of an unbudgeted or over budget expense that requires owner approval for the release of funds? ➤ Owner approval is required for unbudgeted or over budget items in excess of \$500 for the Property Manager and \$3,000 for the Regional Manager.			
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.

Observation:

- After a review of the Reasons for Move Out Report for the last year, the community has 25 move outs due to skip (18.5%). Management is encouraged to perform frequent occupancy checks for extended delinquency and stay in constant communication with all residents that they are aware are struggling. When possible, having prior knowledge of a possible vacancy will help the property plan accordingly regarding make ready maintenance, marketing, and revenue.



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





