

Texas State Affordable Housing Corporation

Residence at the Oaks 2740 Duncanville Rd., Dallas Texas 78211

Owner: Residential Los Robles LD

Date Built: 1999

Management Company: Pace Realty Corporation

Property Manager: Sandra Martin

Inspection Date & Time: October 29, 2020 at 10:00 a.m.

Inspector's Name: James Matias

Occupancy at Time of Report:	99.5%	Average Occupancy Over Last 12 Months:	99%
Number of Units: 212			
Number of One Bedrooms:	124	Number of Two Bedrooms:	88
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: Based on visual observation on the day of the onsite visit, the property is managed and maintained in excellent condition. The property grounds and landscaping were well kept and very clean. The management office, common areas, and amenities were clean and accessible to the public. The building exterior and building roofs also appeared to be in good condition. The siding on all buildings were repainted last year, as well as all stair rails. In addition, the building structures (i.e., roof, windows, gutters and stairs) appeared to be in good condition.

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		
Personal Assault		
Drug Related Activity		
Gun Related Activity		
Domestic Violence		

Texas State Affordable Housing Corporation

Disturbance		
Other		
	YES	NO
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: The property continues to host monthly crime watch meeting with the local police department. The community has a courtesy officer who patrols the grounds 4-5 times a week and provides feedback to the Property Manager as needed. There is a total of 8 surveillance cameras that are monitored daily by management. Based on a review of the Dallas Police call logs, there was no criminal activity in the last 3 months. Nightly light checks are conducted by maintenance staff.		

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 last risk assessment was conducted in August 2019.			

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): Horseshoe pit and 9-Hole Golf Course	X		
COMMENTS: Annual permits/licenses are obtained for the pool, hot water, and property gate.			

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: The property uses the Handytrack key tracking system.			

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?	<ul style="list-style-type: none"> ➤ Each unit gets treated twice a year and when requested. During the covid-19 pandemic units are being treated upon request and after the pandemic things will go back to a normal schedule. 			
6) What is the policy for following up on completed service requests?	<ul style="list-style-type: none"> ➤ The Property Manager follows up on 10% or more of all completed work orders to ensure the work was completed satisfactorily. 			
7) What is the property's after-hours emergency policy?	<ul style="list-style-type: none"> ➤ The afterhours number is provided to all tenants. The answering service notifies the Property Manager or maintenance. 			
8) What capital improvements have been scheduled or completed for this budget year?	<ul style="list-style-type: none"> ➤ According the Property Manager, gutter clean outs are scheduled for November. In addition, landscaping upgrades and parking lot restriping will be completed in 2020. 			
Detail of Ongoing Repairs and Replacements Completed in Last Budget Year				
9) Unit Interior and Appliance upgrades	<ul style="list-style-type: none"> ➤ Unit interior and appliances are upgraded are completed as needed. 			
10) Building Exterior and Curb Appeal repairs	<ul style="list-style-type: none"> ➤ Building exteriors received new paint and all wood was replaced that needed it. 			
11) Amenity upgrades	<ul style="list-style-type: none"> ➤ The awnings outside the leasing office were replaced. 			
12) Other repairs or replacements	<ul style="list-style-type: none"> ➤ Exterior lighting was upgraded for the building and courtyards 			
Number of service requests received:		143		
Number of requests open from prior periods:		10		
Number of service requests completed:		141		
Number of service requests completed within 24 hours:		108		
Number of outstanding service requests:		2		
13) On average, how many days does it take to complete a work order?	<ul style="list-style-type: none"> ➤ On average, it takes maintenance staff one day to complete a work order. 			
COMMENTS: The preventive maintenance program is on the board in the manager's office. The Maintenance Report dated 9/1/2020 through 9/30/2020, reflects that 143 work orders were opened and all but two were closed. The two open requests are recent and will be completed soon. Overall, the maintenance program appears to be very efficient.				

MARKETING			
1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases
Drive-By/Word of Mouth	\$15	4	0
Flyers			
Resident Referral: Prior or Current (\$50 per approved tenant and 1 every other month)	\$300	8	1
Locator Service: 25%			
Printed/Internet Advertising: Rentvision.com, property website, after55.com, and google (\$260 monthly)	\$260	12	0
Other Source: Property website (48), after55.com, ICT and google (15)	\$0	63	1
TOTAL	\$575	87	2
The rental activity reflected in the above table was for the month of: 08/30/2020 – 09/28/2020			
	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: According to management, competitors are shopped annually. In addition to the 2 leases noted in the chart above, 5 additional prospects were added to the wait list.			

Texas State Affordable Housing Corporation

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: 82.6% (September)	6 months: 75.0%	12 months: 77.5%
3)	What percentage of move-outs in the last 12 months were due to eviction/non-payment of rent or “skip”?	6.1% (two)		
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? ➤ According to the Property Manager, rent increases are processed annually and at the time of renewal. The current rent increase is about \$35.			
10)	How many households are currently on month-to-month leases? ➤ N/A - there were no month-to-month leases.			
11)	What is the charge for month-to-month leases? ➤ N/A			
COMMENTS:				

VACANT/MAKE READY UNITS				
1) Number of vacant units at time of activity report:		1		
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:		1		
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:		1		
9) Number of uncompleted three bedroom units at time of activity report:		0		
Units Walked				
Unit #	Brief Description			
215	(1x1) Vacant: Unit is in the make-ready process			
813	(1x1) Vacant: Unit is in the make-ready process			
1123	(1x1) Occupied: Unit is in good condition			
1626	(1x1) Occupied: Unit is in good condition			
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		
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, Onsite, 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: Semiannually (see comments)				

Texas State Affordable Housing Corporation

7) How often are vacant units inspected?
➤ Vacant units are inspected: Daily
8) How many vacant units are in progress of being made ready?
➤ There is one unit in the make-ready process.
9) What is the company policy on the number of days to turn vacant units?
➤ According to management, units should be turned in 5 business days.
COMMENTS: The "Units Walked" section above does not match the vacant unit list in its entirety because some of the units that were reviewed via photos were moved in prior to the virtual site visit. In addition, the property had a move out between the initial submission of the availability report (09/28/2020) and the virtual site visit (10/29/2020). Regarding item 6 above, in a normal year, occupied units are reviewed semiannually; however, in 2020 they are skipping or delaying inspections due to covid-19.

BUDGET MANAGEMENT					
1) Are three bids solicited in order to obtain materials, supplies, and services? ➤ The Property Manager is required to obtain three bids for services and supplies outside the budget and over \$1,000.					
2) Have there been any large unexpected repairs or purchases that have negatively affected the current budget? ➤ The community had some large trees that split that had to be removed. These expenses had a small negative affect on 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
Make-Ready	\$12,457	\$14,045	\$1,588	11.3%	Carpet Cleaning, Interior Paint Labor, Cleaning Service
Maintenance	\$92,278	\$81,331	(\$10,947)	(13.5%)	Pest Control, Light Bulbs/Fixtures, Access gate, Pandemic Related Expenses
Advertising	\$5,056	\$6,429	\$1,373	21.4%	Printed Materials, Flags/Poles
Resident Retention	\$22,642	\$25,823	\$3,181	12.3%	Activities Coordinator, Resident Activities
General & Administrative	\$42,482	\$48,848	\$6,366	13.0%	Professional Fees, Compliance Fee
COMMENTS: The property has gone over budget on Maintenance expenses because of the large amount of Pandemic Related Expenses.					

REVENUE			
FOR THE MONTH ENDING: August 20, 2020		YEAR TO DATE AS OF: August 20, 2020	
Gross Potential	\$211,676	Gross Potential	\$1,645,440
Budgeted Rental Income	\$173,510	Budgeted Rental Income	\$1,373,134
Actual Rental Income Collected	\$172,370	Actual Rental Income Collected	\$1,374,530
Variance + (-)	(\$1,140)	Variance + (-)	\$1,396
Other Revenue	\$2,221	Other Revenue	\$25,289
Total Collected	\$174,591	Total Collected	\$1,399,818
Budgeted	\$177,553	Budgeted	\$1,410,378
Variance + (-)	(\$2,962)	Variance + (-)	(\$10,560)
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) Are invoices processed weekly?	X		
COMMENTS:	0-30 Days:		\$4,996
	30-60 Days:		\$504
	60 Days and Over:		\$0
	TOTAL		\$5,500

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 always due on the 1 st and considered late on the 5 th day. Three-day notice to vacate notices are sent on the 6 th day. The Property Manager sated they adhere to the new late rent charges, charges not to exceed 10% of the monthly rent.			
3)	When is legal action taken against delinquent accounts? ➤ If needed, the Property Manager will process eviction on the 15 th and 20 th of the month.			
4)	Does the property currently have any resident(s) under eviction?		X	
5)	Does Housing have any outstanding balances?		X	
COMMENTS: A large portion of the 30-60-day balance is due to two units. The Manager is working with unit 123 to come to terms on a payment plan. In addition, the manager is waiting for a check from the city of Dallas who is helping unit 1411 pay the rent balance.		0-30 Days:		\$0
		30-60 Days:		\$2,733
		60 Days and Over:		\$790
		TOTAL		\$3,523

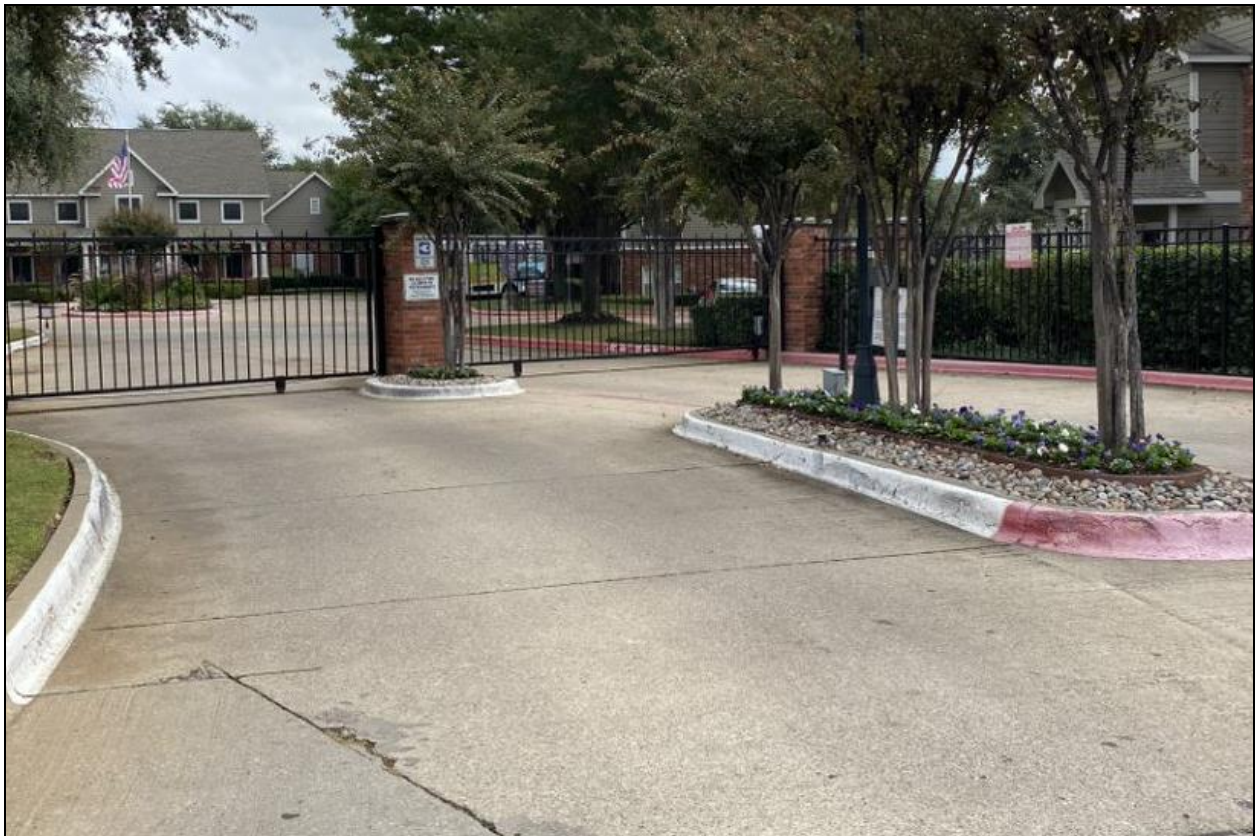
RETURNED CHECKS		YES	NO	N/A
1)	Total number of returned checks in the past 3 months:		0	
2)	Has the manager collected and deposited all returned checks?	X		
3)	Is the manager following company policy on returned checks?	X		
COMMENTS:				

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 (see comments)		
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. ➤ Management is required to complete in-house training and Real Page LMS training.			
COMMENTS: The assistant manager and assistant maintenance position have changed since the property was reviewed last year (August 2019).				

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? ➤ Owners have access to the software system utilized onsite; reports are pulled at their convenience.			
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 expense that exceed \$750.			
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 or Observations.	

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