

Texas State Affordable Housing Corporation

AHA! at Briarcliff Apartments 1915 Briarcliff Blvd., Austin, Texas 78723

Owner: Accessible Housing Austin!, Inc

Date Built: 2020

Management Company: Accessible Housing Austin!, Inc

Property Managers: Jolene Keene and Kristen Davis

Inspection Date & Time: November 19, 2021 at 8:30 a.m.

Inspector's Name: Celina Stubbs

Occupancy at Time of Report:	92.5%	Average Occupancy Over Last 12 Months:	93%
Number of Units: 27			
Number of One Bedrooms:	15	Number of Two Bedrooms:	12
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 – see comment		
22) Have repairs or corrections recommended or required from the last physical inspection been satisfactorily completed?			X

COMMENTS: This is the first asset oversight review for AHA at Briarcliff. In July 2021 roughly 3.5 months prior to the onsite visit, management notified TSAHC of construction issues (i.e., a pest infestation, two water leaks, and a humidity and moisture issue with the HVAC system.) A summary of those issues is noted below.

- **Pest Infestation:** The property had a rat infection that was due to gaps left in the walls. The property's construction contractor paid for the full-scale rat remediation which fixed the issue. Management provides interior and exterior pest control services.
- **Water Leaks:** There were two leaks caused by HVAC pipes. The leaks disrupted the occupancy of 4 units (units 213, 215, 223, and 225). Tenant were transferred to other units while their units were remedied by the builder. Tenants returned to their units when the work was completed.
- **Humidity/Moisture:** Management believes the humidity and moisture issues was due to faulty HVAC system design. Management mentioned the design may have caused a humidity issue which resulted in mold growth in a couple of units. Management immediately contacted the structural engineers, architects, and builders to determine the course of action required to remedy the issues. In that time frame, management immediately notified tenants of the issues and released tenants of their lease obligations if they wanted to move out (1 tenant moved out). In addition, management disposed of all items showing signs of mold or treated them with proper materials. Management also purchased and provided each unit with a dehumidifier and air purifiers to control the humidity levels. Management certified that there has been no additional mold growth since the dehumidifier and air purifiers were placed in the units.
 - In September of 2021 management notified TSAHC that the property's insurance company was made aware of the potential loss and contracted a TREC Environmental inspector to test every unit in the building for fungus and provide management with a mitigation plan, if necessary.

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- In October of 2021 management notified TSAHC that a Mechanical Engineer, sent by their insurance provider, assessed the installation of the HVAC system.
- In November 2021: As of the date of this site visit, the inspection findings had not been provided. Management certified that professional remediation will begin once the insurance company determines who is at fault. The current estimate of remediation is \$210,000.

Prior to the issuance of the report, management stated they received the Mechanical Engineer's report. Unfortunately, the report was inconclusive and did not provide a solution to the issue the property is experiencing. Management is now working with contractor and board members on how to proceed. Management is required to notify TSAHC of their remediation plan.

Finding:

- **Damaged window screens identified for units 131 and 214. Management must repair the window screens no later than 01/29/2022.**

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	1	
Drug Related Activity		
Gun Related Activity		
Domestic Violence		
Disturbance		
Other		

	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: Austin Police Department's call logs for August 2021 through October 2021 were submitted for review. There were 9 calls logged in that timeframe, 1 of which is noted in the chart above. Management utilizes the AHA Lease Agreement to address criminal activity on the property. In addition, the property has 14 surveillance security cameras that management monitors and uses if needed to issue lease violations.

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: Management confirmed that a TREC inspector will assess the property in December 2021.

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 – see comment	
4) Are the EHO logos clearly posted?	X – see comment		
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		
➤ Elevators and the Fire Security and monitoring system.			

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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: Dog Waste Station	X		

COMMENTS: The office does have the required Equal Housing Opportunity (EHO) logo and the Fair Housing posters and Tenant Qualification displayed in the management office; however, they are not located in the best area of the office. Management stated they provide tenants with a property magnet that displays the emergency phone number.

Observations:

- **TSAHC recommends the EHO logo, the Fair Housing posters and the Tenant Qualifications be moved to a full-view area for better visibility for residents and applicants. In addition, TSAHC recommends the emergency phone number be posted on the office door to ensure people without a magnet can have access to the emergency number.**

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: Management stated keys are properly secured and maintained behind three locks and doors. TSAHC recommends management create a key code list to be kept in a separate place for additional security.

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 – see Finding	
5) How often are Pest Control services provided?			
➤ Interior and exterior pest control services are offered every other week.			
6) What is the policy for following up on completed service requests?			
➤ The property does not have a written policy however tenants can create a note on the online management system if they are not satisfied with the work completed.			
7) What is the property's after-hours emergency policy?			
➤ Currently, tenants can call or text maintenance staff with emergency issues. Management disclosed they are in the process of reviewing answering services options.			
8) What capital improvements have been scheduled or completed for this budget year?			
➤ N/A – This property was constructed in late 2020.			
Detail of Ongoing Repairs and Replacements Completed in Last Budget Year			
9) Unit Interior and Appliance upgrades			
➤ N/A – This property was constructed in late 2020.			
10) Building Exterior and Curb Appeal repairs			
➤ N/A – This property was constructed in late 2020.			
11) Amenity upgrades			
➤ N/A – This property was constructed in late 2020.			
12) Other repairs or replacements			
➤ N/A – This property was constructed in late 2020.			
Number of service requests received:	16		
Number of requests open from prior periods:	0		

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Number of service requests completed:	16		
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 Work Order report, it takes 19 days to close work orders. See comment.			
COMMENTS: According to management, work orders are being completed within a reasonable time frame but not closing them properly in their management system.			
Observation:			
<ul style="list-style-type: none"> Work order entry: It is apparent that management is not closing work order in the property's property management system in a timely manner. Resident retention/satisfaction is often strongly related to the maintenance program. Diligent use of the software system and accuracy of the information being entered is strongly recommended. 			
Finding:			
<ul style="list-style-type: none"> The property does not maintain a Materials Safety and Data Sheet (MSDS) binder. It is essential to the protection of the staff and property for the MSDS binder be created and maintained in the area where the materials and chemicals are stored. The owner must certify that an MSDS binder has been created and stored in the proper location by 1/29/2022. 			

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: Property Website			
Other Source			
TOTAL	Unknown	See comment	See comment
The rental activity reflected in the above table was for the month of: See comment			
	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: Property management confirmed that they do not maintain a traffic source report for this community. According to management, prospects are generated by word of mouth and through caseworkers for the Section 811 program. TSAHC recommends management document the source of traffic moving forward to have a good database of what source generates the property's traffic for future reference.			

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 – see comment
2) What percentage of residents renewed last month, past 6 months, and past 12 months?	Current:	6 months:	12 months: N/A
3) What percentage of move-outs in the last 12 months were due to eviction/non-payment of rent or "skip"?			0%
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 – see comment
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? ➤ A rent increase of \$6 is scheduled to be implemented in January 2022.			

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10) How many households are currently on month-to-month leases?
➤ N/A – there are no month-to-month leases offered.
11) What is the charge for month-to-month leases?
➤ N/A
COMMENTS: Tenants first moved into the property in January 2021; therefore, lease renewals are not due yet. Management is aware of the program requirements. In addition, management plans to review tenant files to determine renewal or non-renewal status this month. Management utilizes Innago property management software to keep track of lease renewals.

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:	1
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:	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:	1
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
113	(2x1) Vacant: Unit is in the make-ready process.
232	(1x1) Vacant: The kitchen faucet is not installed, the toilet needs to be cleaned, there are a few empty boxes, and two chairs are in the unit.
235	(1x1) Vacant: The unit is made-ready.

Down Units Walked (units vacant and unready for extended period 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? 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: Semi-annually			
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 are 2 units in the make-ready process.			
9) What is the company policy on the number of days to turn vacant units?			
➤ Management confirmed that it takes 3 days to make a unit ready.			

COMMENTS:

BUDGET MANAGEMENT	YES	NO	N/A
1) Are three bids solicited to obtain materials, supplies, and services?			
➤ Three bids are required to be solicited for material, supplies and services over \$1,000.			
2) Have there been any large, unexpected repairs or purchases that have negatively affected the current budget?			
➤ As discussed in the physical inspection section of this report, management purchased dehumidifiers and air purifiers for each unit to combat property-wide humidity and moisture issues.			
3) Explain YTD variances of 10% or greater.			

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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
General Maintenance	\$14,563	\$6,112	\$8,451	138%	General maintenance, Supplies, Elevator, and Landscaping
Maintenance	\$9,079	\$18,500	-\$9,420	(51%)	Cleaning, Make-ready, and pest control

COMMENTS: Based on the unforeseen maintenance property expenses and supplies to treat mold issues, the general maintenance line item was over budget by 138%. Management stated a City of Austin grant helped pay for several general maintenance services. The maintenance budget was underbudget as they did not have any make-ready cleanings in the last 12 months.

REVENUE

FOR THE MONTH ENDING: N/A		YEAR TO DATE AS OF: September 2021	
Gross Potential		Gross Potential	\$216,420
Budgeted Rental Income		Budgeted Rental Income	\$216,420
Actual Rental Income Collected		Actual Rental Income Collected	\$231,799
Variance + (-)		Variance + (-)	-\$15,359
1,8271,827		Other Revenue	\$1,391
Total Collected		Total Collected	\$254,460
Budgeted		Budgeted	\$332.037
Variance + (-)		Variance + (-)	-\$77,576

COMMENTS: The chart above was completed by using the Budget vs Actual FY2020-2021 report (as of September 2021) that was submitted for review. The report did not provide end of month totals.

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:		\$11,234
	30-60 Days:		\$7,588
	60 Days and Over:		\$0
	TOTAL		\$18,822

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. On the 5 th day, a \$15 late rent fee is assessed. If rent is not paid in full by the 10 th date, an addition \$25 late fee will be assessed.			
3) When is legal action taken against delinquent accounts?			
➤ Management will work with written request for rent accommodation however, if no effort has been made and rent is not paid, management will take legal action after the 10 th day of the month.			
4) Does the property currently have any resident(s) under eviction?		X	
5) Does Housing have any outstanding balances?		X	
COMMENTS:	0-30 Days:		\$548
	30-60 Days:		\$0
	60 Days and Over:		\$0
	TOTAL		\$548

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		

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3) Is the manager following company policy on returned checks?	X		
COMMENTS: Management charged a \$40 NSF fee.			

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. ➤ Staff attended TDHCA's eligibility training.			
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? ➤ The Owner has access to the software system and pulls reports when needed.			
3) What is the dollar amount of an unbudgeted or over budget expense that requires owner approval for the release of funds? ➤ Management does not have policy that states a specific dollar amount that requires owner approval. However, items that largely exceed the budget are discussed with the Board of Directors.			
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"> TSAHC recommends the EHO logo, the Fair Housing posters and the Tenant Qualifications be moved to a full-view area for better visibility for residents and applicants. In addition, TSAHC recommends the emergency phone number be posted on the office door to ensure people without a magnet can have access to the emergency number. Work order entry: It is apparent that management is not closing work orders in the property's property management system in a timely manner. Resident retention/satisfaction is often strongly related to the maintenance program. Diligent use of the software system and accuracy of the information being entered is strongly recommended. <p>Findings:</p> <ul style="list-style-type: none"> The property does not maintain a Materials Safety and Data Sheet (MSDS) binder. It is essential to the protection of the staff and property for the MSDS binder be created and maintained in the area where the materials and chemicals are stored. The owner must certify that an MSDS binder has been created and stored in the proper location by 1/29/2022. Damaged window screens identified for units 131 and 214. Management must repair the window screens no later than 01/29/2022.



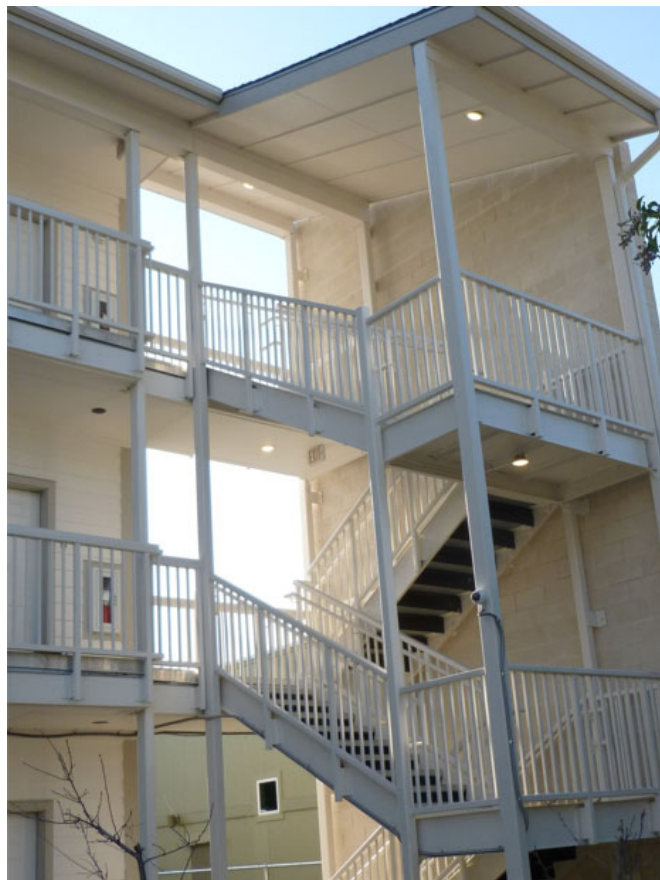
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Window Screen Unit 131



Window Screen Unit 214



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Unit 232



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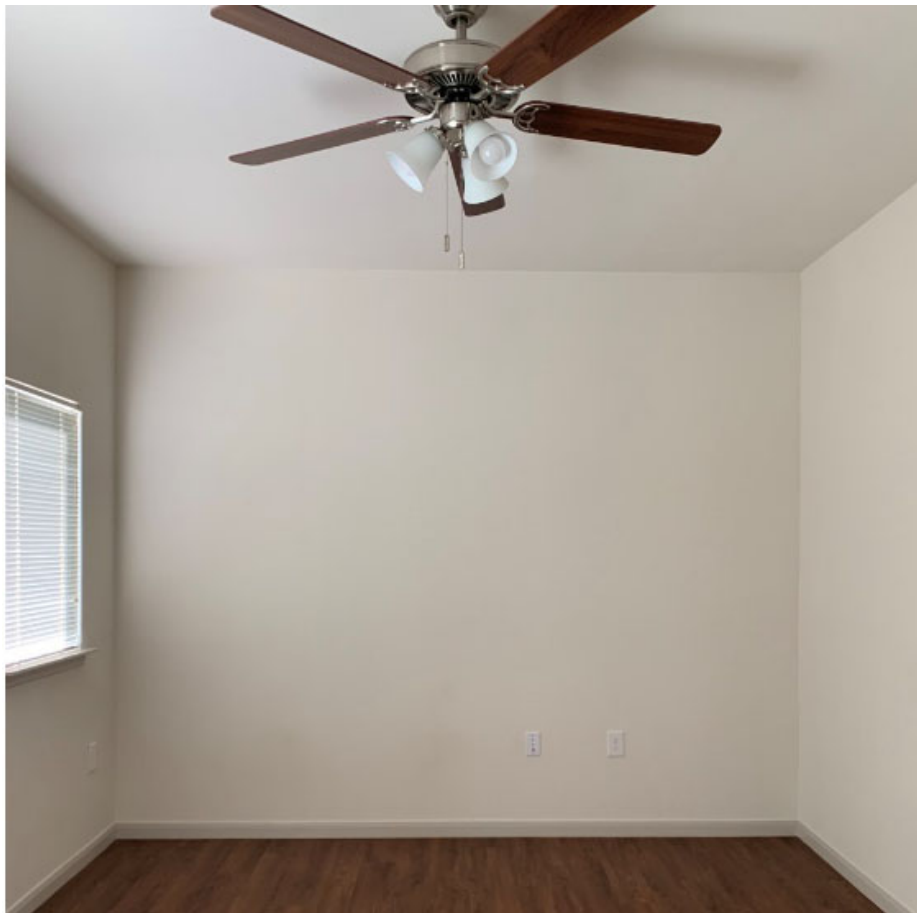


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Unit 325



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