

Texas State Affordable Housing Corporation

El Nido Apartments 204 Alicia Dr., El paso, Texas 79905

Owner: RHAC – El Nido, LLC

Date Built: 1951

Management Company: J. Allen Management

Property Manager: Juana Pineda

Inspection Date & Time: July 13, 2021 at 8:00 AM

Inspector's Name: Celina Mizcles Stubbs

Occupancy at Time of Report:	100%	Average Occupancy Over Last 12 Months:	100%
Number of Units: 104			
Number of One Bedrooms:	26	Number of Two Bedrooms:	53
Number of Three Bedrooms:	25	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 the property continues to be well maintained. The overall curb appeal of the property was increased with the recent landscaping work completed by the city of El Paso. The city has a program to help communities install or upgrade landscaping around various neighborhoods throughout the city. In addition to the landscaping, the city installed new streetlights.

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	1	Theft related -1
Criminal Mischief	1	Family Violence- Criminal Mischief – 1
Personal Assault		
Drug Related Activity		
Gun Related Activity		
Domestic Violence	2	Family Violence – 2
Disturbance	2	Disturbance- Shots Fire -1 and Disturbance - 1
Other		

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	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: The El Paso Police Department call logs were submitted for review, 6 of the 19 total calls are noted above. Overall, there is very little activity at the property.

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 completed 12/15/2020.

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? ➤ (Describe)		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 (two playgrounds)	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:

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	x		

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properly?			
5) How often are Pest Control services provided?			
➤ Up to 10 units are treated for pest control services every two weeks.			
6) What is the policy for following up on completed service requests?			
➤ At random, management follows up on completed work orders to ensure customer satisfaction.			
7) What is the property's after-hours emergency policy?			
➤ After-hour calls are answered by the on-call maintenance personal.			
8) What capital improvements have been scheduled or completed for this budget year?			
➤ Due to the pandemic, management wasn't able to complete capital improvements in 2020. Therefore, the installations of artificial grass around the playground and the addition of a cover for the pavilion near the playground are scheduled for the 2021 budget.			
Detail of Ongoing Repairs and Replacements Completed in Last Budget Year			
9) Unit Interior and Appliance upgrades			
➤ Interior upgrades were completed as needed.			
10) Building Exterior and Curb Appeal repairs			
➤ No building exterior or curb appeal repairs were made by management.			
11) Amenity upgrades			
➤ No amenity upgrades were completed.			
12) Other repairs or replacements			
➤ No other repairs or replacements were completed.			
Number of service requests received:	23		
Number of requests open from prior periods:	0		
Number of service requests completed:	23		
Number of service requests completed within 24 hours:	18		
Number of outstanding service requests:	0		
13) On average, how many days does it take to complete a work order?			
➤ On average, it takes 2 days to complete a work order.			
COMMENTS:			

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	1	0
TOTAL	\$0	1	0
The rental activity reflected in the above table was for the month of: July 2021			
	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:			

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: 91.3%
3) What percentage of move-outs in the last 12 months were due to eviction/non-payment of rent or "skip"?			11%
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		

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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., Yardi, 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 increase, which averaged \$10, was implemented on 8/1/2021.			
10) How many households are currently on month-to-month leases? ➢ N/A			
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:			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				
N/A	There were no vacant units on the day of the onsite visit.				
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, 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: Semiannually					
7) How often are vacant units inspected? ➤ Vacant units are inspected: Twice, once at the time of move-out then again, the day prior to the date it is reoccupied.					
8) How many vacant units are in progress of being made ready? ➤ There were no vacant units.					
9) What is the company policy on the number of days to turn vacant units? ➤ Unit should be turned within 5-7 business days.					
COMMENTS:					

BUDGET MANAGEMENT	
1) Are three bids solicited in order to obtain materials, supplies, and services? ➢ Yes, they bids are required to be obtained to obtain materials, supplies and services.	
2) Have there been any large unexpected repairs or purchases that have negatively affected the current budget?	

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➤ There were no large or unexpected repairs/purchases that 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	\$29,981	\$46,437	\$16,437	35%	Salaries-Manager, Salaries-Maintenance, Salaries-Asset Manager
Administrative & Expenses	\$9,297	\$12,286	\$2,988	24%	Bank fees, Dues & Subscriptions, Seminar/Training, Telephone/Pages, Empty- Reimbursement, and Credit Checks
Leasing Expenses	\$269	\$100	-\$169	-16.9%	Advertising
Total Maintenance Expenses	\$5,402	\$4,000	-\$1,402	-35%	Drapes/Blends, HVAC, Cleaning supplies, Pest control supplies
Capital Renovations Over \$5,000	\$0	\$30,000	\$30,000	100%	Roofing

COMMENTS: Management confirmed that the roofs are scheduled to be repaired/replaced and bids are pending approval.

REVENUE

FOR THE MONTH ENDING: May 31, 2021		YEAR TO DATE AS OF: May 31, 2021	
Gross Potential	\$89,804	Gross Potential	\$449,020
Budgeted Rental Income	\$89,804	Budgeted Rental Income	\$448,688
Actual Rental Income Collected	\$90,381	Actual Rental Income Collected	\$450,308
Variance + (-)	\$577	Variance + (-)	\$1,619
Other Revenue	\$31	Other Revenue	\$1,982
Total Collected	\$90,812	Total Collected	\$452,290
Budgeted	\$89,954	Budgeted	\$449,925
Variance + (-)	\$858	Variance + (-)	\$2,365

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:		\$8,185
	30-60 Days:		\$0
	60 Days and Over:		-\$48
	TOTAL		\$8,137

DELINQUENCIES

	YES	NO	N/A
1) Is the delinquency report up to date?			
2) What is the rent collection policy?			
➤ Rent is due on the 1 st of every month and by the 6 th is declared late with a \$5 initial fee and then \$10 every day until rent is paid in full.			
3) When is legal action taken against delinquent accounts?			
➤ According to management, legal action is taken around the 11th of each 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:		-\$644
	30-60 Days:		\$520
	60 Days and Over:		\$267
	TOTAL		\$787

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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) 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 continues to attend virtual 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? ➤ The owner has access to the system and pulls reports as needed.			
3) What is the dollar amount of an unbudgeted or over budget expense that requires owner approval for the release of funds? ➤ Any amount over the budget requires 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
No Observations and Findings.



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