

Texas State Affordable Housing Corporation

Los Ebanos Apartments

2133 Barnard Rd., Brownsville, Texas 78520

Owner: RHAC – Los Ebanos, LLC

Date Built: 1981

Management Company: J. Allen Management Co.

Property Manager: Erika Gomez

Inspection Date & Time: October 29, 2021, at 9:30 a.m.

Inspector's Name: Celina Mizcles Stubbs

Occupancy at Time of Report:	100%	Average Occupancy Over Last 12 Months:	100%
Number of Units: 65			
Number of One Bedrooms:	4	Number of Two Bedrooms:	23
Number of Three Bedrooms:	32	Number of Four Bedrooms:	6

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 a review the property photos that were submitted for review, the property remains in great 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			
Disturbance	2	Domestic Dispute (1) and Disturbance Music (1)	
Other	1	Family Fight - 1	
		YES	NO
			N/A

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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: There were a total of 4 calls logged in the Brownsville Police Department call log reports dated 6/24/21 – 8/26/21. Two of the 4 calls are noted in the chart above. Due to covid and the extremely low incident count at this property, management cancelled crime prevention meetings for the last 12 months. Management resumed meetings for the first time in August 2021.

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: This year's risk assessment was completed in September 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		
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	X		
➤ Community Room	X		
➤ BBQ/Picnic Area	X		
➤ Laundry Facility		X	
➤ Business Center	X		
➤ Pool		X	
➤ Other (describe)		X	

COMMENTS: Management mentioned the

KEY CONTROL	YES	NO	N/A
1) Does the property use an electronic key tracking system? If not, answer questions 2-4.	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 utilizes The Blackhorse key system.

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		

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5) How often are Pest Control services provided?
➤ Pest control services are provided monthly. Each month half of the buildings are services, and units needing service can be added by request.
6) What is the policy for following up on completed service requests?
➤ The Property Manager follows up on all reoccurring maintenance requests.
7) What is the property's after-hours emergency policy?
➤ All after-hour calls are directed to the Property Manager. Once received, the appropriate persons are contacted.
8) What capital improvements have been scheduled or completed for this budget year?
➤ Capital improvements scheduled this budget year include installing a new pergola and a new laundry room.

Detail of Ongoing Repairs and Replacements Completed in Last Budget Year

9) Unit Interior and Appliance upgrades			
➤ Unit interiors and appliance replacements are completed, if needed.			
10) Building Exterior and Curb Appeal repairs			
➤ There were a few trip hazards repaired in the last budget year.			
11) Amenity upgrades			
➤ No amenity upgrades were completed in the last budget year.			
12) Other repairs or replacements			
➤ NA			
Number of service requests received:	77		
Number of requests open from prior periods:	0		
Number of service requests completed:	77		
Number of service requests completed within 24 hours:	34		
Number of outstanding service requests:	0		
13) On average, how many days does it take to complete a work order?			
➤ Work orders are completed within 3 days, on average.			

COMMENTS:

MARKETING

1) Complete the table below with the most recent information available.			
SOURCE	COST	# Of Prospects	# Of Leases
Drive-By/Word of Mouth		1	1
Flyers			
Resident Referral			
Locator Service			
Printed/Internet Advertising			
Other Source (Calls from Daycare/School)	\$0	6	5
TOTAL	\$0	7	6
The rental activity reflected in the above table was for 10/2/2020 through 10/1/2021.			
	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: 100%	6 months: 96%	12 months: 90%
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		

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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 was implemented in May 2021. Rents increased by \$13, \$15, and \$6 for the 1, 2, and 3-bedrooms, respectively.			
10) How many households are currently on month-to-month leases? ➤ Per the HUD lease, leases rolls into a month-to-month terms after the initial term.			
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 at this time,				
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: 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? ➤ There were no vacant units on the date of this review.					
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:					

BUDGET MANAGEMENT	YES	NO	N/A
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 of services and materials.			
2) Have there been any large, unexpected repairs or purchases that have negatively affected the current budget? ➤ The property had an unexpected underground plumbing leak and a gas line repair that negatively affected the current budget.			
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
Salaries & Benefits	\$52,432	\$72,358	\$19,926	27%	Salaries – Manager, Salaries – Maintenance, and Salary – Payroll Taxes
Administrative Expenses	\$9,237	\$10,952	\$1,714	15%	Due & Subscriptions, Seminars/Staff Training and Credit Checks
Capital Renovations Over \$5k	\$0	\$10,000	\$10,000	100%	Community Amenities
Leasing Expenses	\$608	\$400	(\$208)	(52.5%)	Promotions and Entertainment
Turnover Expenses	\$1,940	\$2,550	\$609	23%	Materials – Painting and Materials - Repairs

COMMENTS: The variance in leasing expenses is due to management hosting a large Easter event in 2021. The variance in capital renovations is due to the scheduled pergola and laundry room remodel installation.

REVENUE

FOR THE MONTH ENDING: August 2021		YEAR TO DATE AS OF: August 2021	
Gross Potential	\$49,608	Gross Potential	\$392,978
Budgeted Rental Income	\$48,860	Budgeted Rental Income	\$390,634
Actual Rental Income Collected	\$49,650	Actual Rental Income Collected	\$391,199
Variance + (-)	\$789	Variance + (-)	\$564
Other Revenue	\$121	Other Revenue	\$1,517
Total Collected	\$49,771	Total Collected	\$392,716
Budgeted	\$49,375	Budgeted	\$393,232
Variance + (-)	\$395	Variance + (-)	(\$515)

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: Payable balances were taken from the Vendor Aging Report dated 10/6/2021.	0-30 Days:		\$81
	30-60 Days:		\$0
	60 Days and Over:		\$0
	TOTAL		\$81

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 6 th day. On the 6 th , an initial late fee of \$5 is assessed and an additional daily fee of \$1 is accrued.			
3) When is legal action taken against delinquent accounts?			
➤ Legal action is taken on or around the 20 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: Delinquent and Prepaid Report dated 10/1/2021.	0-30 Days:		(\$247)
	30-60 Days:		\$100
	60 Days and Over:		\$123
	TOTAL		(\$24)

RETURNED CHECKS

	YES	NO	N/A
1) Total number of returned checks in the past 3 months:		0	

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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.			
➤ Site staff is required to log into J. Allen trainings and various 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 can review reports at their discretion.			
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 any amount not budgeted.			
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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