

Texas State Affordable Housing Corporation

Pythian Manor Apartments 2719 Illinois Ave, Dallas, Texas 75216

Owner: Steele Pythian LP

Date Built: 1968

Management Company: Monroe Group Ltd.

Property Manager: Alisa Cherco

Inspection Date & Time: December 20, 2021, at 12:00 p.m.

Inspector's Name: Estefania Linares

Occupancy at Time of Report:	97%	Average Occupancy Over Last 12 Months:	97.37%
Number of Units: 76			
Number of Efficiency Bedrooms:	50	Number of One Bedrooms:	26
Number of Two Bedrooms:	0	Number of Three Bedrooms:	0

PHYSICAL INSPECTION	YES	NO	N/A
1) Are the access gates in operable condition?	X- see comment		
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: This is the second TSAHC annual review of Pythian Manor Apartments. Based on the pictures submitted for review, the property appears to be in overall in good condition. The monument sign is visible, the building exterior and interior are in an acceptable condition, hallways and sidewalk are clean, and the waste receptacles areas are clean and in good condition. In the last annual review, management informed the reviewer that the gate was going to be left open permanently. During this year's review, management confirmed that they submitted an approval request for a new module for the gate so it can be fully functional in 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	0	
Theft	2	Theft (2)
Criminal Mischief	1	Criminal Mischief (1)
Personal Assault	0	
Drug Related Activity	0	
Gun Related Activity	0	
Domestic Violence	0	

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Disturbance	9	Major Disturbance (5) Minor Disturbance (2) Loud Music Disturbance (1) Disturbance Emergency (1)		
Other	0			
		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 section above was completed using the incidents listed on the 911 Police Incidents/Calls reports from Dallas Police Department dated October 1, 2021, to January 6, 2022. Management confirmed the property has surveillance cameras and all cameras are working properly. Light checks are conducted by maintenance every week.				

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- see comment
COMMENTS: Management does not have knowledge of when the last risk assessment was conducted at the property.				

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?			
7)	Does the property require licenses or permits?			
➤	The property requires permits and licenses for the elevator, boiler systems, and the multi-tenant certificate for the City of Dallas.	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 - Pergola	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:				

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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 every other week.			
6) What is the policy for following up on completed service requests? ➢ Property staff follows up on completed service request within 48-hours of completion.			
7) What is the property's after-hours emergency policy? ➢ After hour calls are forwarded to pagers that are assigned to on-call maintenance staff.			
8) What capital improvements have been scheduled or completed for this budget year? ➢ The chiller for the whole building was replaced and the washers and dryers are scheduled to be replaced.			
Detail of Ongoing Repairs and Replacements Completed in Last Budget Year			
9) Unit Interior and Appliance upgrades ➢ Due to the property-wide rehab in 2020, no additional unit interior or appliance upgrades have been completed.			
10) Building Exterior and Curb Appeal repairs ➢ No additional building exterior or curb appears repairs were completed after the 2020 rehab.			
11) Amenity upgrades ➢ No additional amenity upgrades were completed after the 2020 rehab.			
12) Other repairs or replacements ➢ No additional repairs or replacements have been completed.			
Number of service requests received:	33		
Number of requests open from prior periods:	29		
Number of service requests completed:	19		
Number of service requests completed within 24 hours:	N/A		
Number of outstanding service requests:	43		
13) On average, how many days does it take to complete a work order? ➢ According to management, it takes about 2 days to complete a work order.			
COMMENTS: This section was completed using the Work Order Status report dated from 11/20/2021 – 12/20/2021. Management confirmed that none of the outstanding service request are emergency related.			

MARKETING			
1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases
Drive-By/Word of Mouth	\$0	0	0
Flyers	\$0	0	0
Resident Referral	\$0	0	0
Locator Service	\$0	0	0
Printed/Internet Advertising - Corporate Website \$0	\$0	0	0
Other Source – Banners	\$0	0	0
TOTAL	\$0	0	0
The rental activity reflected in the above table was for the month of: 11/01/2021 – 12/20/2021			
	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: This section was completed using the Applicant Detail Report dated 11/01/2021 – 12/20/2021. The report did not reflect any marketing activity.			

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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: 100%	12 months: 80.26%
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 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., 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 of \$22 for the efficiency and \$35 for one bedroom was implemented on 04/1/2021.			
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:			2		
2) Number of completed made ready units at time of activity report:			2		
3) Number of completed efficiency bedroom units at time of activity report:			1		
4) Number of completed one-bedroom units at time of activity report:			1		
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				
127	(Vacant 1X1– Made Ready)				
206	(Vacant 0X1 – Made Ready)				
Down Units Walked (units vacant and unready for extended period of time 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 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: Every 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? ➤ All vacant units are made ready.					

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9) What is the company policy on the number of days to turn vacant units?
➤ The company policy is to turn vacant units within 7 calendar days.
COMMENTS:

BUDGET MANAGEMENT	YES	NO	N/A
1) Are three bids solicited in order to obtain materials, supplies, and services?			
➤ Three bids are solicited in order to obtain materials, supplies, and services over \$1000.			
2) Have there been any large, unexpected repairs or purchases that have negatively affected the current budget?			
➤ Yes, the property replaced the chiller system.			
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
Administrative	\$127,959	\$112,498	\$15,461	13.74%	Signage, Conventions and Meetings, Office Salaries, Education, Telephone/Answering Service, State Agency Fees and Travel Expense – Meals.
Operating & Maintenance	\$110,689	\$81,236	\$29,453	36.25%	Repair Contracts, Repair Contracts HVAC, Painting Contract/Supplies, Equipment Rental, Misc. Operating & Maint. Expenses and Contract Labor.

COMMENTS:

REVENUE				
FOR THE MONTH ENDING: SEPTEMBER 2021		YEAR TO DATE AS OF: SEPTEMBER 2021		
Gross Potential	\$88,120	Gross Potential	\$793,080	
Budgeted Rental Income	\$88,120	Budgeted Rental Income	\$793,080	
Actual Rental Income Collected	\$86,792	Actual Rental Income Collected	\$781,334	
Variance + (-)	\$1,328	Variance + (-)	\$11,746	
Other Revenue	-\$1,292	Other Revenue	\$4,814	
Total Collected	\$85,499	Total Collected	\$786,148	
Budgeted	\$87,533	Budgeted	\$788,695	
Variance + (-)	\$2,034	Variance + (-)	\$2,547	

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: This section was completed using the Vendor Aging Report dated 01/06/2022. Based on the report, out of the total \$64,185.63 balance, \$38,679.94 are for management fees. Management submitted this report late. Therefore, the reviewer was unable to get additional information on the remaining balances.	0-30 Days:		\$9,465.55
	30-60 Days:		\$5,194.26
	60 Days and Over:		\$49,525.82
	TOTAL		\$64,185.63

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 every month and late on the 6 th with an initial late fee of \$5 and \$1 after until rent is paid in full. Maximum of late fee is \$30 per month.			
3) When is legal action taken against delinquent accounts?			
➤ Notice is sent on the 6 th and eviction file is on the 17 th .			
4) Does the property currently have any resident(s) under eviction?		X	
5) Does Housing have any outstanding balances?		X	
COMMENTS: This section was completed using the Delinquent and Prepaid report dated 12/2021.	0-30 Days:		\$857

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Management confirmed that the full balance of \$2,868 is pending but not yet approved from Texas Rent Relief.

30-60 Days:		\$871
60 Days and Over:		\$1,140
TOTAL		\$2,868

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- see comment	
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. ➤ Sexual Harassment, Fair Housing and LMS Courses.			

COMMENTS: The property had the following staff turnover since last review; a new site manager started on October 2021, a senior community manager started on September 2021 and a new lead Maintenance started on Feb 2021.

Observation: Pre-audit documents were not submitted on time. A formal request for documents was made on 12/22/2021. Management is reminded that pre-audit documents must be submitted to TSAHC 14 days prior to the scheduled review.

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? ➤ Reports such as financials, delinquency and availability are submitted to the owner weekly.			
3) What is the dollar amount of an unbudgeted or over budget expense that requires owner approval for the release of funds? ➤ The dollar amount of an unbudgeted or over budget expense over \$1,000 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
<p>Observation: Pre-audit documents were not submitted on time. A formal request for documents was made on 12/22/2021. Management is reminded that pre-audit documents must be submitted to TSAHC 14 days prior to the scheduled review.</p> <p>No Findings.</p>

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