

Texas State Affordable Housing Corporation

Peoples El Shaddai and St James Manor

2836 E. Overton Road and 3119 Easter Ave, Dallas, TX 75216

Owner: Steele St James Peoples LLC

Date Built: 1969 (St James) 1970 (Peoples El Shaddai)

Management Company: Monroe Group Ltd.

Property Manager: Alisa Cherco

Inspection Date & Time: December 13, 2021, at 2:00 p.m.

Inspector's Name: Estefania Linares

Occupancy at Time of Report:	95.5%	Average Occupancy Over Last 12 Months:	84.50%
Number of Units: 200 (100 units at each facility)			
Number of One Bedrooms:	20 (Peoples) 20 (St James)	Number of Two Bedrooms:	20 (Peoples) 40 (St James)
Number of Three Bedrooms:	30 (Peoples) 30 (St James)	Number of Four Bedrooms:	30 (Peoples) 10 (St James)

PHYSICAL INSPECTION	YES	NO	N/A
1) Are the access gates in operable condition? (Only People El Shaddai Apts has a gate)	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 – see comment	
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 – see comment		

COMMENTS: Based on the pictures provided by management, the properties (People El Shaddai and Saint James Manor) appear to be in great condition. The monuments signs are visible, the sidewalks are clean, and the building's exterior and roofs look to be in an acceptable condition. The access gate for Peoples El Shaddai currently does not work properly but management confirmed they are in the process to get the gate plan approved by the City of Dallas. In addition, management informed the reviewer that the parking lot repairs that have been noted in the previous two reports have been completed. This includes having the parking lot coated and restriped.

Although both properties appear to be in good condition, the maintenance shop from People El Shaddai has several large items such as a hose and dollies in the middle of the shop that may prevent property staff from exiting the shop safely. To ensure the safety of the staff, management must remove all items that are blocking the pathways to the entrance and exit of the maintenance shop.

Finding:

- To ensure the safety of the staff, management must remove all items that are blocking the pathways in the maintenance shop. Once completed, management must submit pictures to TSAHC to support all pathways are clear of any potential tripping hazards.

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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	0		
Criminal Mischief	3	Criminal Mischief (3)	
Personal Assault	0		
Drug Related Activity	1	Drug (1)	
Gun Related Activity	4	Random Gun Fire (2) Shooting (2)	
Domestic Violence	0		
Disturbance	51	Major Disturbance (44) Minor Disturbance (1) Disturbance Emergency (1) Disturbance Armed Encounter (5)	
Other	1	Hot Spot Offender Focus (1)	
		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 for both properties dated September 1, 2021, to December 17, 2021. Sixty of the 119 calls are noted above. For this year's review, the incidents significantly increased. Management confirmed they are issuing lease violations and they have a security officer who conducts drive-by at both properties for a total of six hours a day and submits daily reports to management. In addition, management plans to hire/purchase a system for a third company called Stealth, who will monitor their surveillance cameras. Lights checks are conducted by property staff 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 was unable to confirm when the last risk assessment was conducted in 2021. However, risk assessments for 2020 were conducted at Peoples El Shaddai in July 2020 and at St James Manor in June 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?	X		
➤ The properties require a trash and security alarm permits.			
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 (Libraries at both properties and a police sub-station at Peoples El Shaddai)	X		

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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 properly?	X		
5) How often are Pest Control services provided? ➤ Pest Control services are provided monthly. Management confirmed that all units are treated every quarterly.			
6) What is the policy for following up on completed service requests? ➤ Property staff will follow up on completed service request within 24 hours of completion.			
7) What is the property's after-hours emergency policy? ➤ After-hour calls are answered by the Indatus phone service, emergency calls are transferred to maintenance.			
8) What capital improvements have been scheduled or completed for this budget year? ➤ Peoples El Shaddai had the following improvements completed: property's fence was repaired, exterior lighting was upgraded, new HVACs were replaced. Management has budgeted for a 3 rd party company to monitor the property's surveillance cameras. Saint James Manor replaced HVACs.			

Detail of Ongoing Repairs and Replacements Completed in Last Budget Year

9) Unit Interior and Appliance upgrades ➤ Appliance upgrades were completed as needed.			
10) Building Exterior and Curb Appeal repairs ➤ N/A			
11) Amenity upgrades ➤ N/A			
12) Other repairs or replacements ➤ N/A			
Number of service requests received:	220		
Number of requests open from prior periods:	655		
Number of service requests completed:	663		
Number of service requests completed within 24 hours:	N/A		
Number of outstanding service requests:	212		

13) On average, how many days does it take to complete a work order? ➤ According to management, it takes less than 24 hours to complete a service request.			
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COMMENTS: This section was completed using the Work Order Status Report dated 10/1/2021 to 11/30/2021 for both properties. Management confirmed that none of the 212 outstanding service requests are emergencies.

MARKETING

1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases
Drive-By/Word of Mouth	0	-	-
Fliers	0	-	-
Resident Referral	0	-	-
Locator Service	0	-	-
Printed/Internet Advertising	0	-	-
Other Source	0	-	-

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TOTAL	0	19	19
The rental activity reflected in the above table was for the month of: 10/01/2021 – 11/29/2021			
	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 10/01/2021 – 11/29/2021. The report did not reflect any marketing activity.			

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: N/A	12 months: 95%
3) What percentage of move-outs in the last 12 months were due to eviction/non-payment of rent or "skip"?	20.93%		
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		
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 on May 1, 2021, for both properties. Rent increases are noted below. Peoples El Shaddai: The rent increase for the 1-bedroom was \$18, for the 2- bedrooms was \$20, for the 3- bedrooms was \$23 and for the 4- bedrooms was \$26. Saint James Manor: The rent increase for the 1-bedroom was \$17, for the 2-bedrooms was \$19, for the 3- bedrooms was \$23 and for the 4- bedrooms was \$26.			
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:	9
2) Number of completed made ready units at time of activity report:	9
3) Number of completed one-bedroom units at time of activity report:	2
4) Number of completed two-bedroom units at time of activity report:	2
5) Number of completed three-bedroom units at time of activity report:	3
6) Number of completed four-bedroom units at time of activity report:	2
7) Number of uncompleted made ready units at time of activity report:	0
8) Number of uncompleted one-bedroom units at time of activity report:	0
9) Number of uncompleted two-bedroom units at time of activity report:	0
10) Number of uncompleted three-bedroom units at time of activity report:	0
Units Walked	
Unit #	Brief Description
148	Peoples El Shaddai (Vacant 4x2) Made ready.
161	Peoples El Shaddai (Vacant 3x2) Made ready.
171	Peoples El Shaddai (Vacant 1x1) Not made ready when pictures were submitted to TSAHC but at the time of the review, management confirmed unit is made ready.

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242	Saint James Manor (Vacant 4x2) Not made ready when pictures were submitted to TSAHC but at the time of the review, management confirmed unit is made ready.
132	Saint James Manor (Vacant 3x2) Not made ready when pictures were submitted to TSAHC but at the time of the review, management confirmed unit is 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: 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 units are made ready. - Management submitted pictures of vacant units for 5 vacant units, 3 of the 5 were not made ready. However, on the day of the review, management confirmed the remaining 3 units were made ready.			
9)	What is the company policy on the number of days to turn vacant units? ➤ The company policy to turn a vacant unit is 7 calendar days.			

COMMENTS:

BUDGET MANAGEMENT	YES	NO	N/A
1) Are three bids solicited in order to obtain materials, supplies, and services? ➤ Yes, three bids are solicited to obtain materials, supplies and services.			
2) Have there been any large, unexpected repairs or purchases that have negatively affected the current budget? ➤ N/A			
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
Operating & Maintenance	\$487,374	\$373,776	\$113,598	30.39%	Security, Garbage & Trash Removal, Repair Contracts, Building Inspection Fees, Carpet/Flooring-Rep/Repairs, Exterminating and Contract Labor.

COMMENTS:

REVENUE					
FOR THE MONTH ENDING: OCTOBER 2021			YEAR TO DATE AS OF: OCTOBER 2021		
Gross Potential		\$232,336	Gross Potential		\$2,289,250
Budgeted Rental Income		\$232,336	Budgeted Rental Income		\$2,289,250
Actual Rental Income Collected		\$231,030	Actual Rental Income Collected		\$2,293,180
Variance + (-)		\$1,306	Variance + (-)		-\$3,930
Other Revenue		-\$11,691	Other Revenue		-\$30,477
Total Collected		\$220,644	Total Collected		\$2,258,772
Budgeted		\$226,286	Budgeted		\$2,248,029
Variance + (-)		\$5,642	Variance + (-)		-\$10,743

COMMENTS:

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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 1/10/2022. Management submitted this report late. Based on a review the report, it appears the high balance is for current invoices.	0-30 Days:		\$90,101.47
	30-60 Days:		\$29,079.14
	60 Days and Over:		\$1,635.49
	TOTAL		\$120,816.10

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 to Vacant forms are sent on the 6 th and evictions are filed 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 12/22/2021. Management confirmed that from the \$15,500 has been approved from Texas Rent Relief but not yet received.	0-30 Days:		\$10,715.82
	30-60 Days:		\$6,114.01
	60 Days and Over:		\$12,334.61
	TOTAL		\$29,164.44

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 – see comment		
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, Cibber, Fair housing,			

COMMENTS: Staff turnover did occur since last site review. Management hired a new administrative assistant in May 2020.

Observation: Pre-audit documents were not submitted timely. Management is reminded that pre-audit documents must be submitted to TSAHC 14 days prior to the scheduled review date.

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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 monthly.			
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 that requires owner approval is \$25,000.			
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 timely. Management is reminded that pre-audit documents must be submitted to TSAHC 14 days prior to the scheduled review date.</p> <p>Finding: To ensure the safety of the staff, management must remove all items that are blocking the pathways in the maintenance shop. Once completed, management must submit pictures to TSAHC to support all pathways are clear of any potential tripping hazards.</p> <p>Findings are noted in the chart above. All requested documentation and pictures must be submitted to TSHAC no later than February 13, 2022.</p>

People El Shaddai Pictures



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Finding: Maintenance Shop



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Saint James Manor Pictures



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