

Texas State Affordable Housing Corporation

Walnut Creek Apartments 6409 Springdale Rd, Austin Texas 78723

Owner: LIH Walnut Creek LP

Date Built: 1971

Management Company: ALPHA–Barnes Real Estate Services

Property Manager: Electra Taylor

Inspection Date & Time: June 11, 2021 at 2:00p.m.

Inspector's Name: Estefania Linares

Occupancy at Time of Report:	97.96%	Average Occupancy Over Last 12 Months:	99%
Number of Units: 98			
Number of One Bedrooms:	36	Number of Two Bedrooms:	44
Number of Three Bedrooms:	18	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: This review was performed virtually, therefore, this section was completed using photos submitted by management. Overall, the property looks clean and in great condition. The monument sign, the perimeter fence, the exterior of the buildings, and the landscaping, all looked in acceptable 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	0	None
Theft	0	None
Criminal Mischief	0	None
Personal Assault	0	None
Drug Related Activity	0	None
Gun Related Activity	0	None
Domestic Violence	0	None
Disturbance	0	None
Other	8	Loud Music (7) Physical Altercation (1)

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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.			

COMMENTS: Austin Police Department (APD) visits this property 3 times a week and after every shift, the manager receives a completed report of any incidents for that day. According to the report submitted by APD dated from March 2021 – May 2021, APD conducted 11 site visits. During those 11-site visits, there were 8 total incidents that are listed above. Light checks are being conducted by the lead maintenance on a weekly basis.

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: Risk assessments are conducted by the regional manager every month.

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 Gas Meter and Boilers require 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 – 6 dryers and 6 washers	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: Locks are being changed within 12-24 hours of the unit becoming vacant.

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		

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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 weekly upon resident's requests. However, management requests pest control service to be done on every unit and buildings quarterly (internal and external).			
6) What is the policy for following up on completed service requests? ➢ Staff follows up with the resident within 48 hours after the service request has been completed.			
7) What is the property's after-hours emergency policy? ➢ The property's after hour emergency policy is that once a phone call is being received, the call automatically transfers to the lead maintenance.			
8) What capital improvements have been scheduled or completed for this budget year? ➢ Flooring replacements on all vacant units and window replacements as needed.			

Detail of Ongoing Repairs and Replacements Completed in Last Budget Year

9) Unit Interior and Appliance upgrades ➢ Flooring and window blinds as needed on vacant units.			
10) Building Exterior and Curb Appeal repairs ➢ Plumbing leaks on buildings 4,5,7 and 2. ➢ Fire hydrant repairs. ➢ Electrical repair in one unit. ➢ Stairs case repairs on buildings 5 and 8. ➢ Office roof repair.			
11) Amenity upgrades ➢ N/A			
12) Other repairs or replacements ➢ N/A			

Number of service requests received:	34		
Number of requests open from prior periods:	0		
Number of service requests completed:	23		
Number of service requests completed within 24 hours:	13		
Number of outstanding service requests:	11		

13) On average, how many days does it take to complete a work order? ➢ On average it takes 2-3 days, based on the Closed Request Summary report submitted by management.			
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COMMENTS: According to management, the pending work orders do not consist of any emergency work orders.

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	\$235	0	0
Resident Referral	\$0	0	0
Locator Service	\$0	0	0
Printed/Internet Advertising	\$0	0	0
Other Source – Housing (3) Other Property Referral (1) Other (1)	\$0	6	0
TOTAL	\$235	6	0

The rental activity reflected in the above table was for the month of: 04/01/2021 – 05/13/2021

	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 Leasing Activity Detail report submitted by management.

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8)	How many vacant units are in progress of being made ready? <ul style="list-style-type: none"> ➤ Currently, the property does not have any vacant units.
9)	What is the company policy on the number of days to turn vacant units? <ul style="list-style-type: none"> ➤ The company policy to turn vacant units is to have them ready no more than 7 business days after the resident moves out.
COMMENTS:	

BUDGET MANAGEMENT	YES	NO	N/A
1) Are three bids solicited in order to obtain materials, supplies, and services? <ul style="list-style-type: none"> ➤ Management must obtain three bids in order to obtain material, supplies and/or services. 			
2) Have there been any large, unexpected repairs or purchases that have negatively affected the current budget? <ul style="list-style-type: none"> ➤ There have not been any unexpected repairs or purchases during 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
Operating Expenses	\$42,163	\$51,898	\$9,734	18%	Office Salaries, Resident Services, Management Fee,
Maintenance	\$45,691	\$37,458	-\$8,233	-22%	Repairs Payroll, Grounds Payroll, Security Payroll/Contract.

COMMENTS:

REVENUE					
FOR THE MONTH ENDING: March 2021			YEAR TO DATE AS OF: March 2021		
Gross Potential		\$132,182	Gross Potential		\$396,546
Budgeted Rental Income		\$129,457	Budgeted Rental Income		\$388,371
Actual Rental Income Collected		\$133,455	Actual Rental Income Collected		\$400,408
Variance + (-)		\$3,998	Variance + (-)		\$12,037
Other Revenue		\$1,304	Other Revenue		\$3,676
Total Collected		\$134,759	Total Collected		\$401,208
Budgeted		\$130,362	Budgeted		\$391,087
Variance + (-)		\$4,397	Variance + (-)		\$10,121

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 as of 5/13/2021.	0-30 Days:		8,599.10
	30-60 Days:		\$0
	60 Days and Over:		\$0
	TOTAL		8,599.10

DELINQUENCIES	YES	NO	N/A
1) Is the delinquency report up to date?	X		
2) What is the rent collection policy? <ul style="list-style-type: none"> ➤ Rent is due on the 1st day of each month. A late fee of \$5 is charged on the 6th day of the month and \$1 after that if rent is not paid in full. 			
3) When is legal action taken against delinquent accounts? <ul style="list-style-type: none"> ➤ Legal action is typically taken after the proper 3-day and 10-day notices to vacant have been issued. 			
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 as of 5/13/2021.	0-30 Days:		-\$298

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	30-60 Days:	-\$114
	60 Days and Over:	-\$353
	TOTAL	-\$765

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: Management currently does not have any return check, if any, there is a \$25 fee for returned checks.			

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? Yes Assistant	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. ➤ Property staff completes Grace Hill training every month.			
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? ➤ Reports are submitted weekly. This includes, move-in and move-outs, delinquency, availability and monthly financials reports.			
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 unbudgeted or over budget expenses that are more than \$1,000.			
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
No Observations or Findings.

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