

Texas State Affordable Housing Corporation

Willowick Apartments 1501 Newland, Gainesville, Texas 76240

Owner: HVM BP Gainesville, LLC

Date Built: 1977

Management Company: Hamilton Valley Management, Inc

Property Manager: Giovanni Pacini

Inspection Date & Time: 04/09/2021 at 1:30pm

Inspector's Name: Estefania Linares

Occupancy at Time of Report:	85%	Average Occupancy Over Last 12 Months:	86.69%
Number of Units: 60			
Number of One Bedrooms:	30	Number of Two Bedrooms:	30
Number of Three Bedrooms:	N/A	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- 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

COMMENTS: This is the first virtual review for Willowick Apartments. Property photos were submitted, and the property is still in the process of a full rehabilitation (90% complete). The office sign was visible, the grounds and landscaping looked clean, and the sidewalks were free from trash. The property photos submitted by management did not include pictures to determine if the storage/maintenance area are clean, maintained, and organized. Management is encouraged to keep a clean and well-organized maintenance work areas/sheds.

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	1	
Theft	1	
Criminal Mischief		
Personal Assault		
Drug Related Activity		
Gun Related Activity		
Domestic Violence		
Disturbance	13	9 out of the 13 calls were for the same unit. See comment

Texas State Affordable Housing Corporation

Other	1	Noise Complaint	YES	NO	N/A
			X		
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: Management is aware that majority of the disturbance calls were from one specific unit. Property is taking the necessary measures to address the issue.					

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 staff is properly trained with management protocols if an incident occurs. The regional manager conducts risk assessment on a weekly basis.			

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: The property is still in the process of full rehabilitation			

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 – see comment	
5) Are locks being changed during unit turnovers?	X		
COMMENTS: Management stated keys are properly secured and maintained behind three locks and doors. The reviewer suggests keeping the key code list in a separate room for additional security.			

MAINTENANCE PROGRAM	YES	NO	N/A
1) Does the property have a preventative maintenance program?	X		

Texas State Affordable Housing Corporation

2) Is the preventative maintenance schedule being implemented?	X		
3) Is the maintenance shop clean and organized?	X – unable to determine		
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 is provided to resident monthly.			
6) What is the policy for following up on completed service requests? ➢ Property Manager follows up within 24 hours of completed service requests.			
7) What is the property's after-hours emergency policy? ➢ Residents have the property manager's phone number and the lead maintenance phone number. Tenants are informed to call these numbers for all after-hour emergencies.			
8) What capital improvements have been scheduled or completed for this budget year? ➢ N/A – The property is going through a full rehab.			
Detail of Ongoing Repairs and Replacements Completed in Last Budget Year			
9) Unit Interior and Appliance upgrades ➢ N/A – The property is going through a full rehab.			
10) Building Exterior and Curb Appeal repairs ➢ N/A – The property is going through a full rehab.			
11) Amenity upgrades ➢ N/A – The property is going through a full rehab.			
12) Other repairs or replacements ➢ N/A – The property is going through a full rehab.			
Number of service requests received:	0		
Number of requests open from prior periods:	0		
Number of service requests completed:	0		
Number of service requests completed within 24 hours:	0		
Number of outstanding service requests:	0		
13) On average, how many days does it take to complete a work order? ➢ Based on management, service request is completed within one day.			
COMMENTS: A full rehab will be completed soon; therefore, all units and building exteriors will have been repaired and/or upgraded. Because of the this, the property does not have any open work orders within the last three-month period.			

MARKETING			
1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases
Drive-By/Word of Mouth	\$0		
Flyers	\$250.00		
Resident Referral	\$100.00		
Locator Service	\$0		
Printed/Internet Advertising	\$0		
Other Source	\$250.00		
TOTAL	\$600.00	See comment	See comment
The rental activity reflected in the above table was for the month of: * see comment *			
	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: The property did not submit a Traffic Report, so the reviewer was unable to complete the traffic source section above. However, management provided a copy of the waiting list to show that they are prospects for the property. Management is encouraged to keep track of the traffic source types moving forward. Market surveys are completed quarterly.			

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		

Texas State Affordable Housing Corporation

2) What percentage of residents renewed last month, past 6 months, and past 12 months?	Current: 100%	6 months: 100%	12 months: 95.35%
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		
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? <ul style="list-style-type: none"> > Last rent increase was subject to be approved by Rural Development on 2/26/2021, however management was not able to confirm the approval at the time of the review. The anticipated rent increase is \$178 for 1 bedrooms and \$178 for 2 bedrooms. 			
10) How many households are currently on month-to-month leases? <ul style="list-style-type: none"> > N/A - the property does not offer month-to-month leases. 			
11) What is the charge for month-to-month leases? <ul style="list-style-type: none"> > 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:			3
4) Number of completed two bedroom units at time of activity report:			6
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		
8	Vacant (1 bedroom) Made-ready		
40	Vacant (2 bedrooms) Made-ready		
51	Vacant (2 bedrooms) Made-ready		
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 – see comment	
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? <ul style="list-style-type: none"> > Occupied units are inspected: Occupied units are inspected monthly. 			
7) How often are vacant units inspected? <ul style="list-style-type: none"> > Vacant units are inspected: Vacant units are inspected weekly. 			
8) How many vacant units are in progress of being made ready? <ul style="list-style-type: none"> > All vacant units are ready. 			

Texas State Affordable Housing Corporation

9) What is the company policy on the number of days to turn vacant units? > The company policy is 3-5 days.
COMMENTS: The property has a total of 10 vacant units that are made-ready, 8 of them have been vacant since 2020. Management is advised to lease these 8 vacant units as soon as possible to avoid any additional vacancy loss. Management is advised to utilize the wait list and occupy the units.

BUDGET MANAGEMENT	YES	NO	N/A
1) Are three bids solicited in order to obtain materials, supplies, and services? > Bids are required to obtain material, supplies, or services for anything over \$3000.			
2) Have there been any large, unexpected repairs or purchases that have negatively affected the current budget? > N/A – this property is going through a full rehab.			
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	\$3,003.62	\$5504	\$2,500.38	45%	Maintenance Contract, Grounds Maintenance
Other Expenses	\$298.12	\$1872	\$1,573.88	84%	Dues & Subscriptions

COMMENTS:

REVENUE			
FOR THE MONTH ENDING: January 2021		YEAR TO DATE AS OF: January 2021	
Gross Potential	\$46,060	Gross Potential	\$46,060
Budgeted Rental Income	\$41,100	Budgeted Rental Income	\$41,100
Actual Rental Income Collected	\$30,592	Actual Rental Income Collected	\$30,592
Variance + (-)	\$10,508	Variance + (-)	\$10,508
Other Revenue	\$2,907	Other Revenue	\$2,907
Total Collected	\$33,499	Total Collected	\$33,499
Budgeted	\$39,957	Budgeted	\$39,957
Variance + (-)	\$6,458	Variance + (-)	\$6,458

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 – see comment		
3) Are invoices processed weekly?	X		
COMMENTS: This section was completed using the account payable report dated January 2021. The reviewer requested a recent report however it was not submitted. At that time, the property was in good standings however the reviewer is unable to determine if they are in good standings as of the time of this review (April 2021).	0-30 Days:		\$2,476.36
	30-60 Days:		\$0
	60 Days and Over:		\$0
	TOTAL		\$2,476.36

DELINQUENCIES	YES	NO	N/A
1) Is the delinquency report up to date?	X		
2) What is the rent collection policy? > If rent is not paid in full by the tenth of the month, according to the property regional a late charge in the amount of \$10 is applied.			
3) When is legal action taken against delinquent accounts? > On the 11 th day, management will take legal action against delinquent accounts by issuing a 30-Day Notice to Vacate			
4) Does the property currently have any resident(s) under eviction?			
5) Does Housing have any outstanding balances?		X	
COMMENTS: This section was completed using the delinquent rent report dated 03/26/2021.	0-30 Days:		\$8,334.30

Texas State Affordable Housing Corporation

	30-60 Days:	\$0
	60 Days and Over:	\$0
	TOTAL	\$8,334.30

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: Property confirmed that there are no 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 - see comment	
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. ➤ According to management, staff has completed Grace Hill trainings.			
COMMENTS: Currently the property does not have a property manager, but management is seeking to hire one soon.			

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. Reports include but not limited to the property, financial reports, occupancy report, and delinquency reports.			
3) What is the dollar amount of an unbudgeted or over budget expense that requires owner approval for the release of funds? ➤ The property manager must get owner approval for anything over \$1,000 dollars.			
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
No Findings
The requested Rehab Questionnaire has not been completed for this property. The Owner/Manager is aware that the completed Rehab Questionnaire must be provided to TSAHC within 60 days of the issuance of this report.

Texas State Affordable Housing Corporation



Texas State Affordable Housing Corporation



Texas State Affordable Housing Corporation



Texas State Affordable Housing Corporation



Texas State Affordable Housing Corporation



Texas State Affordable Housing Corporation

