



January 10, 2023

Accessible Housing Austin

Attn: Trey Nichols
1915 Briarcliff Blvd.
Austin, TX 78723

RE: AHA! at Briarcliff Apartments

Dear Owner,

On **December 14, 2022**, an Asset Oversight Review was performed at the above referenced property. Details of the review can be found in the enclosed Observation Report.

The results of this review may indicate items in need of correction in order to be in compliance with your TSAHC Multifamily Bonds. A list of Findings and/or Observations resulting from the review is enclosed. Each Finding will include Corrective Action dates for those items considered deficient. Properties with any Corrective Action Requirements will be placed on a Monitoring Status pending correction.

For Clarification:

Observations will address issues that can be improved upon, but do not require immediate action. An **Observation** will always be followed by a **Recommendation**. Management should consider **Recommendations** but there is no written response required. **Findings** address serious issues that need to be cured immediately. **Findings** will always be followed by **Corrective Action Requirements**. Management must complete the **Corrective Action Requirements** and send certification to TSAHC that they have been resolved as stipulated within each **Corrective Action Requirement**. This certification must be on company letterhead and address each item individually.

I appreciate the time and effort your staff allotted to our review. If you wish to discuss the report findings before preparing your response, please feel free to contact me at the number listed below.

Respectfully,

Celina Mizcles Stubbs
Senior Manager, Asset Oversight and Compliance
cstubbs@tsahc.org
512.334.2154

Texas State Affordable Housing Corporation

AHA at Briarcliff

1915 Briarcliff Blvd., Austin, Texas 78723

Owner: Accessible Housing Austin!, Inc.

Date Built: 2020

Management Company: Accessible Housing Austin!, Inc.

Property Manager: Kristen Davis

Inspection Date & Time: December 14, 2022 at 9:00 am

Inspector's Name: Celina Mizcles Stubbs

Occupancy at Time of Report:	88%	Average Occupancy Over Last 12 Months:	93%
Number of Units: 27			
Number of One Bedrooms:	15	Number of Two Bedrooms:	12
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 – see comment		
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 – see comment		
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: The property is in overall good condition except for the following items.

- **HVAC systems are not operable in units 223 and 233 (vacant units):** Tenants were transferred to new units According to management. repairs for units 223 and 233 are on hold due to the mitigation proceedings regarding the on-going issues related to the humidity and moisture problems in all systems . This reoccurring issue was noted in the 2021 Report. Management was advised not to fix the system until after the litigation.
- **Humidity/Moisture (mold) Issue:** The discoloration is contained; however, there is no remediation company that will do the work until HVAC systems are replaced and functioning properly. Management inspects units monthly to ensure there are no signs of mold or new mildew issues. As of the date of this report, there are no new known issues.
- **Dehumidifiers:** Dehumidifiers are still maintained in each unit. Management maintains them however tenants are responsible for emptying the water compartments.

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:

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Burglary		
Theft		
Criminal Mischief		
Personal Assault		
Drug Related Activity		
Gun Related Activity		
Domestic Violence		
Disturbance		
Other		

	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: Management requested call logs from the Austin Police Department but never received the reports. According to management, tenants are aware to completed and submit management forms to the office if they see any activity on the site. Management follows up on all management forms submitted and review 15 surveillance cameras, when needed, to follow up on any incidents.

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: Management conducts monthly property inspection and assesses the property for any risk liabilities.

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 – see comment		
➤ 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 elevators and fire system required annual 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 (describe)			X

COMMENTS: The Fair Housing Poster is displayed in the managed office; however, it is not in plain view.

Observation:

- The Fair Housing Poster must be moved to an area where the general public can get a full view of the poster.

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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 – see comment	
5) How often are Pest Control services provided? ➢ Pest control services are offered every 2 weeks.			
6) What is the policy for following up on completed service requests? ➢ Tenants are aware to submit feedback via the online management system portal if they want management to follow up on the completed work order. If a note is received, management will follow up with the tenant.			
7) What is the property's after-hours emergency policy? ➢ Management uses an on-call answer service, "Always On" that notifies the property manager followed by the operations manager, if needed.			
8) What capital improvements have been scheduled or completed for this budget year? ➢ There have been no capital improvements.			

Detail of Ongoing Repairs and Replacements Completed in Last Budget Year

9) Unit Interior and Appliance upgrades ➢ There have been no upgrades.			
10) Building Exterior and Curb Appeal repairs ➢ There have been no upgrades.			
11) Amenity upgrades ➢ There have been no upgrades.			
12) Other repairs or replacements ➢ There have been no major repairs or replacements.			
Number of service requests received:			
Number of requests open from prior periods:			
Number of service requests completed:			
Number of service requests completed within 24 hours:			
Number of outstanding service requests:	See Comment		
13) On average, how many days does it take to complete a work order? ➢ See comment.			

COMMENTS: A work order report wasn't submitted for review. Based on conversation with the Operations Manager and the Property Manager, work orders are completed within 2-3 days and all emergency work orders are completed within 24 hours. Management further disclosed they replace air filters every month, at which time they conduct a very brief review of the units to ensure there is no new mold issues and/or work orders that need to be created. The property exteriors are power washed annually.

Finding:

- The reviewer was not able to locate the Material Safety and Data Sheet (MSDS) binder. The owner must submit a signed, written certification that a MSDS binder has been created, chemical data sheets for all materials/chemicals are in the binder, and the binder is located near the materials/chemicals to TSAHC no later than 2/10/2023.

MARKETING			
1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases
Drive-By/Word of Mouth		1	0
Flyers			
Resident Referral		4	0
Locator Service			
Printed/Internet Advertising (Google, Affordablehousing.com,		5	0

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Other Source (Church ,Victim Services,		3	0
TOTAL	\$0	13	0

The rental activity reflected in the above table was for the month of: September 2022

	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 does not have a report withing their management software report however management is capturing the traffic source through the applicant's in-take forms. TSAHC recommends creating a traffic report (aka, marketing report) if the management software system allows.

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: N/A	6 months: 50%	12 months: 60%
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? ➤ A rent increase of \$17 for the one-bedroom and \$15 for the two-bedroom was implemented in June 2022.			
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:			3		
2) Number of completed made ready units at time of activity report:			1		
3) Number of completed one bedroom units at time of activity report:			1		
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:			2		
7) Number of uncompleted one bedroom units at time of activity report:			2		
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				
222	(1x1) Unit is made-ready but vacant for 238 days. See comment.				
223	(2x2) Unit is not made-ready. Full turn needed and HVAC is not operable.				
233	(2x2) Unit is not made-ready. Full turn needed. HVAC system not operable and the window screen is damaged.				
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		

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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? ➤ Occupied units are inspected: Semi-annually			
7) How often are vacant units inspected? ➤ Vacant units are inspected: Weekly			
8) How many vacant units are in progress of being made ready? ➤ There are 2 units that are in the process of being made-ready.			
9) What is the company policy on the number of days to turn vacant units? ➤ Per policy, units should be made ready 3-5 days.			
COMMENTS: Unit 222 has been vacant for extended period of time. According to management this unit was left vacant internally for a short period of time to conduct a very thorough turn and to end the amount of traffic so this unit. After the unit was made ready, it was held for a applicant that met the Section 811 requirement (typically takes longer than usual to get a qualified Section 811 applicant). Prior to the issuance of this report, management reported they are screening a section 811 applicant for this unit.			

BUDGET MANAGEMENT					YES	NO	N/A
1) Are three bids solicited in order to obtain materials, supplies, and services? ➤ Three bids are required.							
2) Have there been any large, unexpected repairs or purchases that have negatively affected the current budget? ➤ Three HVACs were replaced however only 1 of these units is functioning properly.							
3) Explain YTD variances of 10% or greater.							
<u>Expense Items that Varied by 10% or Greater from the Budget for Year-to-Date Operations Ending</u>							
(Please note that a positive variance is under budget and a negative variance is over budget.)							
EXPENSE ITEM		ACTUAL	BUDGET	VARIANCE	%	EXPLANATION	
Administrative Expense		\$55,455	\$21,500	\$33,955	258%	Other Consultants	
Maintenance and Improvements		\$44,143	\$34,500	\$9,643	127%	Preventive Maintenance and HVAC Repair	
General Maintenance		\$13,087	\$8,000	\$5,087	163%	Truck Rental	
COMMENTS: The budget variance in the Maintenance and Improvement line item is mainly due to the HVAC system issues the property is experiencing.							

REVENUE					
FOR THE MONTH ENDING: September 2022			YEAR TO DATE AS OF: September 2022		
Gross Potential		\$30,959	Gross Potential		\$371,511
Budgeted Rental Income		\$30,959	Budgeted Rental Income		\$371,511
Actual Rental Income Collected		\$38,891	Actual Rental Income Collected		\$352,850
Variance + (-)		\$7,931	Variance + (-)		-\$18,661
Other Revenue		\$0	Other Revenue		\$828
Total Collected		\$38,986	Total Collected		\$353,678
Budgeted		\$31,050	Budgeted		\$372,611
Variance + (-)		\$7,935	Variance + (-)		-\$18,932
COMMENTS: It appears the revenue section of the Budget vs Actual report for the organization includes other rental income in addition to the income received from AHA at Briarcliff.					

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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 completing using the A/R Aging Summary as of 12/31/2022.	0-30 Days:		\$13,616
	30-60 Days:		\$6,647
	60 Days and Over:		-\$3,529
	TOTAL		\$16,734

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 5 th . On the 5 th day an initial late fee of \$15 is assessed followed by a \$25 charge on the 10 th day if rent has not been paid.			
3) When is legal action taken against delinquent accounts? ➤ Legal action is taken on all delinquent accounts that have not been paid after the 10 th day.			
4) Does the property currently have any resident(s) under eviction?		X	
5) Does Housing have any outstanding balances?		X	
COMMENTS: The section was completed using the accounting report provide by management on the day of the site review dated 12/14/2022. There appears to be to 4 households that make up half of the total delinquency. Management disclosed leases will not be renewed if delinquent balances are not paid off as agreed to by the households.	0-30 Days:		\$
	30-60 Days:		\$
	60 Days and Over:		\$
	TOTAL		\$19,387

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		
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. ➤ Staff attended Section 811, PMCS and rent calculation training.			
COMMENTS: A new Executive Director started in October 2022.			

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 has access and pulls property reports as needed.			
3) What is the dollar amount of an unbudgeted or over budget expense that requires owner approval for the release of funds? ➤ Any amount over \$500 requires owner approval.			

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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		
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COMMENTS:

SUMMARY OF OBSERVATIONS AND FINDINGS

Observation:

- The Fair Housing Poster must be moved to an area where the general public can get a full-view of the poster.

Finding:

- The reviewer was not able to locate the Material Safety and Data Sheet (MSDS) binder. The owner must submit a signed, written certification that a MSDS binder has been created, chemical data sheets for all materials/chemicals are in the binder, and the binder is located near the materials/chemicals to TSAHC no later than 2/10/2023.



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Unit 222



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