

Texas State Affordable Housing Corporation

Brush Country Apartments 500 Cross Country, Dilley, Texas 78017

Owner: HVM BP Dilley Ret., LLC

Date Built: 1992

Management Company: Hamilton Valley Management, Inc.

Property Manager: Cheryl Morris – Montoya

Inspection Date & Time: May 6, 2022 at 8:30 a.m.

Inspector's Name: Celina Mizcles Stubbs

Occupancy at Time of Report:	100%	Average Occupancy Over Last 12 Months:	98%
Number of Units: 28			
Number of One Bedrooms:	24	Number of Two Bedrooms:	4
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		
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: The property was in overall good condition on the day of the onsite review.

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			
Theft			
Criminal Mischief			
Personal Assault			
Drug Related Activity			
Gun Related Activity			
Domestic Violence			
Disturbance			
Other			
		YES	NO
		N/A	

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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: Based on a review of the Pearsall Sheriff's department dated January 2022 through March 2022, there were a total of 7 non-criminal incidents logged at this property.			

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:

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			
➤ Other: Library, Pantry and Community Garden	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:

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?			

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➤ Every 90 days, pest control services are provided to all units.			
6) What is the policy for following up on completed service requests?			
➤ The Property Manager follows-up on completed work orders by visiting tenants to make ensure tenant satisfaction.			
7) What is the property's after-hours emergency policy?			
➤ The Property Manager receives all after-hours calls and then contacts the appropriate person(s).			
8) What capital improvements have been scheduled or completed for this budget year?			
➤ There have been no capital improvements scheduled or completed outside of the property rehab. The property rehab was completed on December 28, 2021. See observation in the comment section below.			
Detail of Ongoing Repairs and Replacements Completed in Last Budget Year			
9) Unit Interior and Appliance upgrades			
➤ N/A			
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:	9		
Number of requests open from prior periods:	0		
Number of service requests completed:	9		
Number of service requests completed within 24 hours:	9		
Number of outstanding service requests:	0		
13) On average, how many days does it take to complete a work order?			
➤ On average, work orders are completed in one day.			
COMMENTS: The site rehab was completed however TSAHC has not received the detailed rehab cost certification.			
Observation:			
• Management is required to submit the detailed rehab construction summary with associated construction costs upon completion.			

MARKETING			
1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases
Drive-By/Word of Mouth			
Flyers			
Resident Referral: \$100 only when advertised			
Locator Service			
Printed/Internet Advertising: Local Newspaper (\$80 per ad)	\$80		
Other Source			
TOTAL	\$80	0	0
The rental activity reflected in the above table was for the month of: April 4, 2022 – April 25, 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:			

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: N/A	12 months: 82%
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		

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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?			
9) When was the last rent increase implemented? What was the average rent increase? ➤ A rent increase of \$10 was implemented on all units on January 1, 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:			0		
2) Number of completed made ready units at time of activity report:			0		
3) Number of completed one-bedroom units at time of activity report:			0		
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:			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				
N/A	There were no vacant units on the day of the review.				
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? ➤ N/A – There are no vacant units.					
9) What is the company policy on the number of days to turn vacant units? ➤ Unit should be turned in 3-5 business days, per company policy.					
COMMENTS:					

BUDGET MANAGEMENT	YES	NO	N/A
1) Are three bids solicited in order to obtain materials, supplies, and services? ➤ Three bids are required for expenses that exceed \$5,000			
2) Have there been any large, unexpected repairs or purchases that have negatively affected the current budget? ➤ There has not been any unexpected repairs or purchases that have negatively affected the budget.			
3) Explain YTD variances of 10% or greater.			

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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
Other Expenses	\$930	\$304	-\$626	-32%	Office Supplies and Telephone

COMMENTS:

REVENUE

FOR THE MONTH ENDING: February 2022		YEAR TO DATE AS OF: February 2022	
Gross Potential	\$18,760	Gross Potential	\$37,520
Budgeted Rental Income	\$18,366	Budgeted Rental Income	\$36,732
Actual Rental Income Collected	\$18,105	Actual Rental Income Collected	\$36,722
Variance + (-)	\$261	Variance + (-)	\$10
Other Revenue	\$10	Other Revenue	\$22
Total Collected	\$18,115	Total Collected	\$35,038
Budgeted	\$18,366	Budgeted	\$36,732
Variance + (-)	\$250	Variance + (-)	\$1,6963

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 Summary Ages Payables dated February 28, 2022.	0-30 Days:		\$1,279
	30-60 Days:		\$0
	60 Days and Over:		\$0
	TOTAL		\$1,279

DELINQUENCIES

	YES	NO	N/A
1) Is the delinquency report up to date?			
2) What is the rent collection policy?			
➤ Rent is due on the 1 st and late if not paid by the 7 th of the month. Late fees are assessed on the 11 th day.			
3) When is legal action taken against delinquent accounts?			
➤ Management issues a Notice of Termination on the 15 th day of the month followed by a 30-Day Notice to Vacate.			
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 Summary Aged Trail Balance dated February 28, 2022.	0-30 Days:		\$584
	30-60 Days:		(\$48)
	60 Days and Over:		\$0
	TOTAL		\$536

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:

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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. ➤ Site staff is required to attend various Grace Hill trainings.			

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? ➤ Management submits weekly financial, occupant and delinquent 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 expenses over \$300.			
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:</p> <ul style="list-style-type: none"> Management is required to submit the detailed rehab construction summary with associated construction costs upon completion. <p>No Findings.</p>

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