

# Texas State Affordable Housing Corporation

## Cove Village Apartments 1102 Golf Course Rd., Copperas Cove, Texas 76522

**Owner: RHAC – Cove Village, LLC**

**Date Built: 1983**

**Management Company: J. Allen Management Co.**

**Property Manager: Jeff Burton**

**Inspection Date & Time: April 26, 2022 at 9:00 a.m.**

**Inspector's Name: Celina Mizcles Stubbs**

<b>Occupancy at Time of Report:</b>	100%	<b>Average Occupancy Over Last 12 Months:</b>	99%
<b>Number of Units: 50</b>			
<b>Number of One Bedrooms:</b>	N/A	<b>Number of Two Bedrooms:</b>	28
<b>Number of Three Bedrooms:</b>	22	<b>Number of Four Bedrooms:</b>	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 appears to be in overall good 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	1	Attempted burglary		
Theft				
Criminal Mischief				
Personal Assault	1	Assault by threat		
Drug Related Activity				
Gun Related Activity				
Domestic Violence				
Disturbance				
Other	1	Suspicious circumstances		
		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:** Police calls logs dated 1/1/2022 through 4/1/2022 were submitted for review. Three of the 5 total calls are listed in the chart above.

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 risk assessment was conducted in April 2021.

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	
➤ (Describe)			
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:**

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?			
➤ Interior and exterior services are provided monthly.			

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6) What is the policy for following up on completed service requests? ➢ Management follows up on all completed work order to ensure tenant satisfaction.
7) What is the property's after-hours emergency policy? ➢ The after-hours emergency number calls the on-call maintenance staff directly.
8) What capital improvements have been scheduled or completed for this budget year? ➢ The following capital improvements are scheduled to be completed, annual tree trimming and restriping the parking lot.

### Detail of Ongoing Repairs and Replacements Completed in Last Budget Year

9) Unit Interior and Appliance upgrades ➢ Unit interior and appliance upgrades were completed as needed.
10) Building Exterior and Curb Appeal repairs ➢ None were completed in the last budget year.
11) Amenity upgrades ➢ None were completed in the last budget year.
12) Other repairs or replacements ➢ A pipe was repaired due to an unexpected pipe bursting (roughly \$9,000).

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

13) On average, how many days does it take to complete a work order? ➢ On average, maintenance complete work orders within 1 day.
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**COMMENTS:**

### 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: Current resident (2) and Prior Resident (1)	\$0	3	3
Locator Service			
Printed/Internet Advertising			
Other Source: (AffordableHousing.com about \$5 monthly)	\$5	6	3
<b>TOTAL</b>	<b>\$5</b>	<b>9</b>	<b>6</b>

The rental activity reflected in the above table was for the month of: April 1, 2022 through April 4, 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: 50%	12 months: 87.5%
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., Yadri, Onesite, or Owner/Agent created software?	X		

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8) Are rent increases being implemented?			
9) When was the last rent increase implemented? What was the average rent increase? > A \$24 rent increase was implemented across all unit sizes on March, 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			
<b>COMMENTS:</b>			

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	
<b>Unit #</b>	<b>Brief Description</b>
N/A	There are no vacant units as this time.

Down Units Walked (units vacant and unready for extended period of time and all down units)	
<b>Unit #</b>	<b>Brief Description</b>
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: Daily			
8) How many vacant units are in progress of being made ready? > N/A			
9) What is the company policy on the number of days to turn vacant units? > Units are required to be made-ready withing 3-5 business days.			

<b>COMMENTS:</b>
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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? > There were no unexpected repairs or purchases in this current 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
Turnover Expenses	\$308	\$440	\$131	29%	Material - painting
Repairs/Replacements Under \$5k	\$3524	-\$19492	\$15,967	81%	Other
Administrative Expenses	\$3,784	\$1,939	(\$1,844)	(95%)	Personal Ad, Professional Fees, Travel/Hotel, Office Supplies and Other Admin
Service Expense	\$4,872	\$3,726	(\$1,145)	(30%)	Trash Removal

**COMMENTS:** Management confirmed the "Other" line item in the Repairs/Replacements Under \$5k expenses was due to a contingency fund.

### REVENUE

FOR THE MONTH ENDING: February 2022		YEAR TO DATE AS OF: February 2022	
Gross Potential	\$40,024	Gross Potential	\$80,048
Budgeted Rental Income	\$39,373	Budgeted Rental Income	\$79,397
Actual Rental Income Collected	\$38,863	Actual Rental Income Collected	\$78,524
Variance + (-)	(\$510)	Variance + (-)	(\$873)
Other Revenue	\$59	Other Revenue	\$252
Total Collected	\$38,922	Total Collected	\$78,776
Budgeted	\$39,917	Budgeted	\$80,660
Variance + (-)	(\$995)	Variance + (-)	(\$1,884)

**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		
<b>COMMENTS:</b> The Vendor Aging Report dated 4/4/2022 was used to complete this section.	0-30 Days:		\$0
	30-60 Days:		(\$222)
	60 Days and Over:		(\$444)
	TOTAL		(\$666)

### 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 1st day of the month. On the 6 <sup>th</sup> day, a \$5 late rent fee is assessed followed by a \$1 daily late fee until rent is paid in full.			
3) When is legal action taken against delinquent accounts?			
➤ Management takes legal action on delinquent accounts around the 20 <sup>th</sup> of the month.			
4) Does the property currently have any resident(s) under eviction?		X	
5) Does Housing have any outstanding balances?	X		
<b>COMMENTS:</b> The Delinquent and Prepaid Report dated 4/2/2022 was used to complete this section.	0-30 Days:		\$3,570
	30-60 Days:		(\$105)
	60 Days and Over:		\$384
	TOTAL		\$3,849

### 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

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**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 is required to attend 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? ➤ The owner 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? ➤ Owner approval is required for items over the amount \$1,500.			
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 Observation and Findings.**



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