

# Texas State Affordable Housing Corporation

## Villa Rodriguez Apartments

3270 Nacogdoches, San Antonio, Texas 78217

**Owner: San Antonio Low Income Housing, LLC**

**Date Built: 1982**

**Management Company: Cesar Chavez Foundation**

**Property Manager: Lorraine Plata**

**Inspection Date & Time: May 18, 2022 at 8:30 a.m.**

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

<b>Occupancy at Time of Report:</b>	94%	<b>Average Occupancy Over Last 12 Months:</b>	95.3%
<b>Number of Units: 346</b>			
<b>Number of One Bedrooms:</b>	278	<b>Number of Two Bedrooms:</b>	68
<b>Number of Three Bedrooms:</b>	N/A	<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 – see comment		
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 – see comment		
14) Are hallways clean and maintained?	X – see comment		
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?			

**COMMENTS:** Based on visual observations made during the onsite physical inspection, the property appeared to be in overall good condition. The following items were discussed with management.

- Building exteriors: The paint on almost all building exteriors appears to be deteriorating and peeling yet they were painted in 2017. Management disclosed they are aware of how this looks and are in discussions of practical solutions with upper management.
- Stair rails: Most stair rails have peeling or flaking paint. Management said they received bids to repaint the rails, however using outside vendors is too costly at this time. Therefore, management intends to repaint the stair rails in-house as soon as they have a full maintenance staff.
- Hallway Cleaning: A few of the building hallways were dirty (some areas had excessive bird poop). When asked, management mentioned they do power wash but do not power wash frequently due to the maintenance staff being short staffed, but more importantly because they do not want the water to rot the wooded hallways/patios. Management also cited city laws that protect bird habitats. Management is encouraged to reach out to the city for practical solutions.
- Laundry Rooms: The laundry facilities are open and available for use. There was one inoperable machine at the time of the review. Management stated all washers and dryers will be replaced in June 2022.

Windows: The windows in phase 2 appear to be old. Management obtained three bids to have them replaced in 2019; however, shortly after that the covid pandemic started and the property experienced casualty loss (3 building fires) and the covid pandemic hit. According to management, this project is on hold. Note, the windows in Phase 1 were replaced in 2019.

# Texas State Affordable Housing Corporation

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	18	Burglary Alarm (10), Burglary (3), Burglary Vehicle (5)	
Theft	3	Theft (1) and Theft of Vehicle (2)	
Criminal Mischief			
Personal Assault	4	Assault (1), Assault In Progress (3)	
Drug Related Activity	4	Narcotics Laws (3), Overdoes in Progress (1)	
Gun Related Activity	3	Shots Fired (3)	
Domestic Violence	1	Family Violence (1)	
Disturbance	28	Disturbance (15) Disturbance Family (7), Disturbance Neighbor (4), Disturbance Gun (1) Disturbance Loud Music (1)	
Other	5	Threat (1), Fight (1), Suspicious Vehicle (1), and Suspicious Person (2)	
		YES	NO
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	
<b>COMMENTS:</b> The San Antonio Police Department call logs dated 12/1/2021 through 2/28/2022 indicate there were 103 calls; 66 of those are noted above. There has not been a major increase or decrease in the number of incidents noted in the prior reviews. The reviewer strongly encourages management to continue to follow-up on all incidents to ensure the activity at the community decreases. Management is urged to continue their pro-active approach by obtaining call logs, reviewing tenant complaints, reviewing surveillance footage, and conducting tenant interview when deemed necessary. During this time the surveillance cameras are not being monitored by a third-part vendor due to poor picture quality and delayed response time for repairs. According to management, they are looking at other options at the 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		
<b>COMMENTS:</b> Regional staff conducts quarterly risk assessments.			

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		
➤ Pool and Alarm Systems	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: Two pools	X		

# Texas State Affordable Housing Corporation

➤ Other (describe)			X
<b>COMMENTS:</b>			

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		
<b>COMMENTS:</b>			

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?			
➤ Pest control services are offered weekly for 15 units.			
6) What is the policy for following up on completed service requests?			
➤ Management staff follows up on all completed work orders.			
7) What is the property's after-hours emergency policy?			
➤ All after-hour emergency calls are transferred to their answering services. The answer service will contact appropriate services.			
8) What capital improvements have been scheduled or completed for this budget year?			
➤ The only capital improvement scheduled for the current budget year is the replacement of all washer and dryers for 3 laundry rooms.			
<b>Detail of Ongoing Repairs and Replacements Completed in Last Budget Year</b>			
9) Unit Interior and Appliance upgrades			
➤ During unit turns new flooring, lighting, and light switch plates will be upgraded.			
10) Building Exterior and Curb Appeal repairs			
➤ There were no building exteriors or curb appeal repairs.			
11) Amenity upgrades			
➤ New computers were added for the community center in 2022.			
12) Other repairs or replacements			
➤ N/A			
Number of service requests received:	331		
Number of requests open from prior periods:	0		
Number of service requests completed:	325		
Number of service requests completed within 24 hours:	54		
Number of outstanding service requests:	5		
13) On average, how many days does it take to complete a work order?			
➤ On average, it takes about 2.5 days to complete work orders.			
<b>COMMENTS:</b>			

MARKETING			
1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases
Drive-By/Word of Mouth	\$0	44	9
Flyers			
Resident Referral: \$250 annually	\$20	7	0
Locator Service: 50% of rent per qualified move-in when applicable	\$50	6	1
Printed/Internet Advertising: Apt.com and RentCafe.	\$313	78	0
Other Source: Facebook Market and local housing authority	\$0	12	0
<b>TOTAL</b>	<b>\$383</b>	<b>147</b>	<b>10</b>
<b>The rental activity reflected in the above table was for the month of: 4/18/22 – 5/18/22</b>			

# Texas State Affordable Housing Corporation

	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		
<b>COMMENTS:</b>			

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: 88.2%	6 months: 97%	12 months: 95%
3) What percentage of move-outs in the last 12 months were due to eviction/non-payment of rent or "skip"?			28%
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		
8) Are rent increases being implemented?	X		
9) When was the last rent increase implemented? What was the average rent increase? ➢ The last rent increase of \$100 for all bedroom sizes was implemented in September 2021.			
10) How many households are currently on month-to-month leases? ➢ N/A - month-to-month leases are not offered.			
11) What is the charge for month-to-month leases? ➢ N/A			
<b>COMMENTS:</b> There were 103 move-out in the last 12 months, 29 move-outs (28%) were due to non-payment of rent and skips. This percentage is slightly higher than that reports last year.			
<b>Observation:</b>			
<ul style="list-style-type: none"> <li>Due to the high vacancy, down units and slight increase in the percent of move-out due to non-payment of rent and skips, TSAHC recommends management create a resident retention plan to help determine if there are areas management can improve to help decrease the number of skips.</li> </ul>			

VACANT/MAKE READY UNITS	
1) Number of vacant units at time of activity report:	15
2) Number of completed made ready units at time of activity report:	13
3) Number of completed one-bedroom units at time of activity report:	13
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
20201	Vacant (1x1): Not ready, going through pest control treatment
20207	Vacant (1x1): Ready, needs light cleaning
20303	Vacant (1x1): Ready, light cleaning needed and needs shower rod
20310	Vacant (1x1): Ready, light interior cleaning and heavy patio cleaning
20703	Vacant (1x1): Ready, deep cleaning needed. See comment.
20920	Vacant (1x1): Ready.
Down Units (units vacant and unready for extended period of time and all down units)	



Texas State Affordable Housing Corporation

Unit #	Brief Description		
Building 13 - Phase 1 (12 units)	Date of Fire 9/14/19: Building exterior and interiors are complete. Electrical connection and water connections are complete. Certificate of Occupancy anticipated in July 2022.		
Building 8 - Phase 2 (8 units)	Date of Fire 4/27/20: Building exterior, insulation and drywall are complete. At this time, the construction crew is completing all drywall and taping, and interior paint is scheduled. Certificate of Occupancy anticipated in the third quarter of 2022.		
Building 8 - Phase 1 (24 units)	Date of Fire 4/14/21: Per code, additional demolition was required which is taking place at this time. In addition, the architect is currently working on plan revisions. Certificate of Occupancy anticipated for mid-2023.		
	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 – see comment		
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: Quarterly			
7) How often are vacant units inspected? ➤ Vacant units are inspected: Once every 3 weeks. See comment.			
8) How many vacant units are in progress of being made ready? ➤ There are 15 vacant units, 2 of which are in the make-ready process.			
9) What is the company policy on the number of days to turn vacant units? ➤ Per policy, unit should be turned between 3 -5 business days.			
<b>COMMENTS:</b> The units were vacant and made-ready, however all but one unit needed to be cleaned as noted above.			
<b>Observations:</b>			
<ul style="list-style-type: none"><li><b>Extended Vacancy:</b> The units walked on the day of the visit were vacant for an average of 69 days. Upon inspection, it was apparent that the units had not been walked in a while as noted in the chart above. Management is advised to inspect vacant units weekly if not daily, especially when the community has high vacancy. Management should visit units to ensure they are ready to be viewed by prospects on any given day.</li><li><b>Down Units:</b> Forty-four (44) units are still down due to building fires as noted in the chart above. In January 2022, TSAHC required management to submit monthly construction summaries to ensure progress on the buildings and to ensure they are completed and ready for occupancy within a reasonable timeframe.</li></ul>			
Prior to finalized this report, management provided TSAHC with document to support that the vacant units noted above have been professionally cleaned by a third-party vendor on May 20, 2022.			

BUDGET MANAGEMENT					YES	NO	N/A
1) Are three bids solicited in order to obtain materials, supplies, and services? ➤ Three bids are required for materials, supplies and services.							
2) Have there been any large, unexpected repairs or purchases that have negatively affected the current budget? ➤ Management disclosed there have been multiple repairs and replacements for unit balconies and stairs that have negatively affected the budget.							
3) Explain YTD variances of 10% or greater.							
<b><u>Expense Items that Varied by 10% or Greater from the Budget for Year-to-Date Operations Ending</u></b> (Please note that a positive variance is under budget and a negative variance is over budget.)							
EXPENSE ITEM	ACTUAL	BUDGET	VARIANCE	%	EXPLANATION		
Advertising and Marketing	\$12,645	\$9,493	-\$3,152	-33%	Rental Guides, Signage, Referral Fees		
Replacement/Capital Expense	\$44,784	\$68,950	\$24,165	35%	Floor coverings, Windows/Sliding doors/Appliances, Plumbing/Water Heater/Faucets. HVAC		

# Texas State Affordable Housing Corporation

<b>COMMENTS:</b> Management has done an excellent job cutting expenses for this budget except for advertising and marketing. Management is overbudget on advertising and marketing as they maintain high occupancy while having 44 down units.					

REVENUE			
FOR THE MONTH ENDING: April 2022		YEAR TO DATE AS OF: April 2022	
Gross Potential	\$262,276	Gross Potential	\$986,877
Budgeted Rental Income	\$268,950	Budgeted Rental Income	\$1,007,573
Actual Rental Income Collected	\$226,784	Actual Rental Income Collected	\$880,088
Variance + (-)	-\$42,165	Variance + (-)	-\$127,484
Other Revenue	\$19,655	Other Revenue	\$62,688
Total Collected	\$246,441	Total Collected	\$1,063,484
Budgeted	\$282,395	Budgeted	\$1,058,903
Variance + (-)	-\$39,953	Variance + (-)	\$4,581

**COMMENTS:** Per management, the discrepancy in the YTD revenue is due to management including rental income for 12 units (building 13) that were expected to be on-line in February 2022 but are not. Building 13 is now expected to be ready for occupancy by July 2022.

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 Payable Aging Summary report dated as of 5/18/22 was reviewed. The high outstanding balance is for Villa Rodriguez management fees. Management will continue to pay down the debt in annually increments of \$25,000.	0-30 Days:		\$197,456
	30-60 Days:		\$2
	60 Days and Over:		(\$93.00)
	TOTAL		\$197,365

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 <sup>st</sup> of each month and considered late on the 4th of each month. An initial late fee is assessed on the 4th in the amount of \$35. No additional daily fees are charged. However, management is not assessing late fees currently due to covid. Management will help get delinquent renters on a repayment plan and/or direct them to agencies that offer rental assistance.			
3) When is legal action taken against delinquent accounts?			
➤ Legal action is taken on delinquent account after 1 month of non-payment of rent or on accounts that have not secured rent assistance.			
4) Does the property currently have any resident(s) under eviction?	X		
5) Does Housing have any outstanding balances?	X		
<b>COMMENTS:</b> The Delinquency Summary report dated 5/18/22 was reviewed.	0-30 Days:		\$20,161
	30-60 Days:		\$4,221
	60 Days and Over:		\$1,863
	TOTAL		\$26,245

RETURNED CHECKS	YES	NO	N/A
1) Total number of returned checks in the past 3 months:		5	
2) Has the manager collected and deposited all returned checks?	X		
3) Is the manager following company policy on returned checks?	X		
<b>COMMENTS:</b>			

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		

# Texas State Affordable Housing Corporation

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. ➤ In the past year, staff has attended Redbook training, Housing Tax Credit training, Fair Housing training, E-learning sessions, and other industry-based courses.			
<b>COMMENTS:</b> Aside from the Property Manager and Maintenance, every position is filled by new staff members. In addition, there is 1 vacant maintenance position that needs to be filled.			

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 reports to the Owner on Monday.			
3) What is the dollar amount of an unbudgeted or over budget expense that requires owner approval for the release of funds? ➤ Unbudgeted or over budget expenses over \$500 require the owner's approval to release the funds.			
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		
<b>COMMENTS:</b>			

SUMMARY OF OBSERVATIONS AND FINDINGS
<p><b>No Findings.</b></p> <p><b>Observations:</b></p> <ul style="list-style-type: none"> <li>• Due to the high vacancy, down units and slight increase in the percent of move-out due to non-payment of rent and skips, TSAHC recommends management create a resident retention plan to help determine if there are areas management can improve to help decrease the number of skips.</li> <li>• <b>Extended Vacancy:</b> The units walked on the day of the visit were vacant for an average of 69 days. Upon inspection, it was apparent that the units had not been walked in a while as noted in the chart above. Management is advised to inspect vacant units weekly if not daily, especially when units have high vacancy. Management should visit units to ensure they are ready to be viewed by prospects on any given day.</li> <li>• <b>Down Units:</b> Forty-four (44) units are still down due to building fires as noted in the chart above. In January 2022, TSAHC required management to submit monthly construction summaries to ensure progress on the buildings and to ensure they are completed and ready for occupancy within a reasonable timeframe.</li> </ul>



# Texas State Affordable Housing Corporation



Phase 1





# Texas State Affordable Housing Corporation



Laundry room 1





# Texas State Affordable Housing Corporation

Laundry room 2





# Texas State Affordable Housing Corporation





# Texas State Affordable Housing Corporation

Building 8 – Phase 1



Building 13 – Phase 1



# Texas State Affordable Housing Corporation

Building 13 – Unit 1309





# Texas State Affordable Housing Corporation





# Texas State Affordable Housing Corporation



Phase 2





# Texas State Affordable Housing Corporation



Laundry room 3





# Texas State Affordable Housing Corporation





# Texas State Affordable Housing Corporation





# Texas State Affordable Housing Corporation

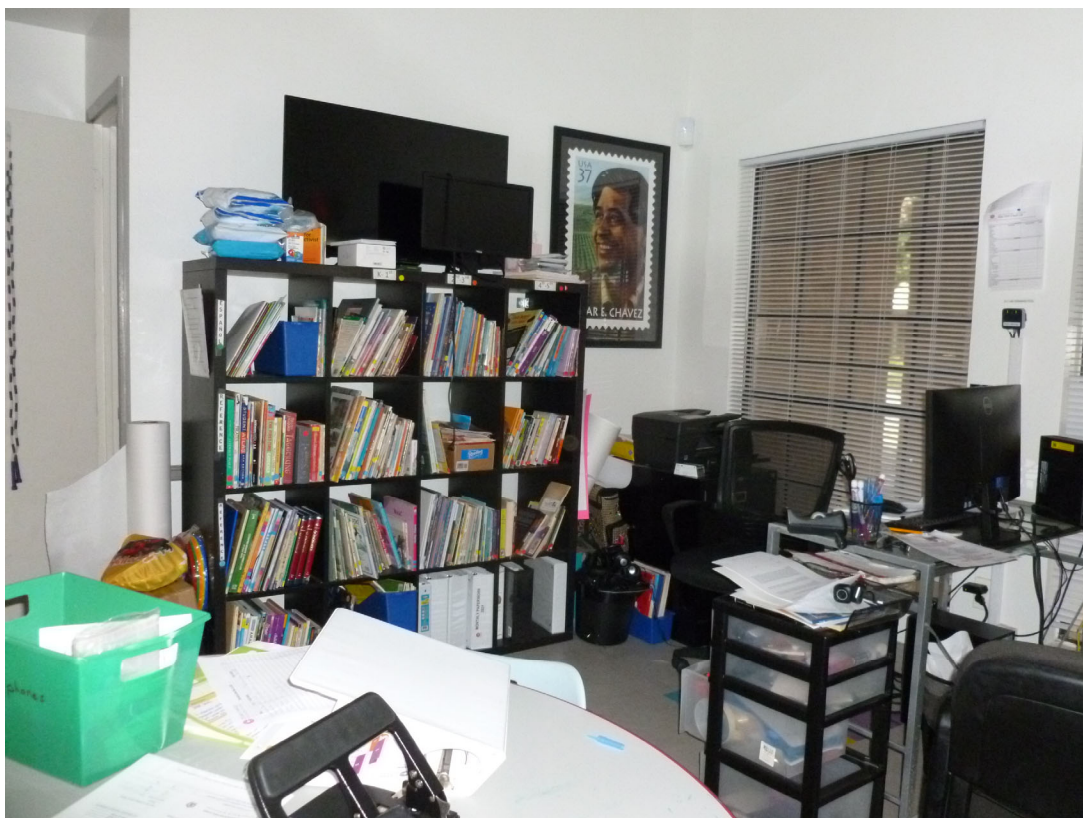
## Phase 2 – Building 8





# Texas State Affordable Housing Corporation

## Communnity Room



# Texas State Affordable Housing Corporation

Phsae 2 – Unit 902





# Texas State Affordable Housing Corporation

