

# Texas State Affordable Housing Corporation

## Vista Verde Apartments 404 Medina Street, Cotulla, Texas 78014

**Owner:** HVM BP Cotulla, LC

**Date Built:** 1999

**Management Company:** Hamilton Valley Management, Inc.

**Property Manager:** Maria Sada

**Inspection Date & Time:** May 5, 2022 at 2:30 a.m.

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

<b>Occupancy at Time of Report:</b>	100%	<b>Average Occupancy Over Last 12 Months:</b>	87.5%
<b>Number of Units: 24</b>			
<b>Number of One Bedrooms:</b>	20	<b>Number of Two Bedrooms:</b>	4
<b>Number of Three Bedrooms:</b>	0	<b>Number of Four Bedrooms:</b>	0

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:** Based on visual observation made on the day of the onsite review, the property was 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:			
<b>Incident Type</b>	<b># of Occurrences</b>	<b>Comments:</b>	
Burglary			
Theft	1		
Criminal Mischief			
Personal Assault			
Drug Related Activity			
Gun Related Activity			
Domestic Violence			
Disturbance			
Other	3	Neighbor Dispute (1), Break-in (1) and Suspicious Person (1)	
		<b>YES</b>	<b>NO</b>
		<b>N/A</b>	

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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:** According to the CAD Incident Reports dated January 2022 through March 2022, there were 4 incidents logged.

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			X
➤ Other: Library and Food Pantry	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? ➤ Both interior and exterior pest control services are provided quarterly at this development.			

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6) What is the policy for following up on completed service requests?			
➤ Once work orders are completed, the Property Manager calls tenants to ensure completion and customer satisfaction.			
7) What is the property's after-hours emergency policy?			
➤ All after-hours calls are directed to the Property Manager. The Property Manager then calls the appropriate person(s).			
8) What capital improvements have been scheduled or completed for this budget year?			
➤ N/A - The property recently completed a full-site rehab. According to management, the rehab was completed on July 28, 2021. See observation in the comment section below.			
<b>Detail of Ongoing Repairs and Replacements Completed in Last Budget Year</b>			
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:	5		
Number of requests open from prior periods:	0		
Number of service requests completed:	5		
Number of service requests completed within 24 hours:	2		
Number of outstanding service requests:	0		
13) On average, how many days does it take to complete a work order?			
➤ Work orders are completed in 2 days, on average.			
<b>COMMENTS:</b> The site rehab is completed however TSAHC has not received the detailed rehab cost certification.			
<b>Observation:</b>			
• 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	\$0	2	0
Flyers			
Resident Referral			
Locator Service			
Printed/Internet Advertising			
Other Source: Local newspaper ad, as needed	\$0		
<b>TOTAL</b>	<b>\$0</b>	<b>2</b>	<b>0</b>
<b>The rental activity reflected in the above table was for the month of: January 1, 2022 – May 5, 2022</b>			
	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> Traffic Reports are maintained at the property. As previously mentioned, the traffic reports do not collect the traffic source type. Management should consider including this information on the traffic sheets moving forward.			

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: 96%
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?	X		
9) When was the last rent increase implemented? What was the average rent increase? ➤ The last rent increase was implemented 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			
<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				
Unit #	Brief Description			
N/A	No vacant units at the time of this review.			
Down Units Walked (units vacant and unready for extended period of time and all down units)				
Unit #	Brief Description			
NA				
				</

BUDGET MANAGEMENT	YES	NO	N/A
1) Are three bids solicited in order to obtain materials, supplies, and services? ➤ Three bids are required to be obtained.			
2) Have there been any large, unexpected repairs or purchases that have negatively affected the current budget? ➤ A plumbing pipe burst on the exterior of an apartment building that required immediate repair. This repair negatively affected the operating expense budget.			

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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	\$4,461	\$5,016	\$554	11%	Capital Improvements – Items Expensed
Other Expenses	\$742	\$1,166	\$432	(36%)	Office Supplies and Advertising

**COMMENTS:**

## REVENUE

FOR THE MONTH ENDING: February 2022		YEAR TO DATE AS OF: February 2022	
Gross Potential	\$16,020	Gross Potential	\$32,040
Budgeted Rental Income	\$15,763	Budgeted Rental Income	\$31,526
Actual Rental Income Collected	\$16,041	Actual Rental Income Collected	\$31,948
Variance + (-)	\$278	Variance + (-)	\$422
Other Revenue	\$239	Other Revenue	\$448
Total Collected	\$16,279	Total Collected	\$32,396
Budgeted	\$15,763	Budgeted	\$31,526
Variance + (-)	\$516	Variance + (-)	\$870

**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> This section was completed using the Summary Ages Payables dated February 28, 2022.	0-30 Days:		\$1,618
	30-60 Days:		\$0
	60 Days and Over:		\$0
	TOTAL		\$1,618

## 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> and late on the 10 <sup>th</sup> . On the 11 <sup>th</sup> of the month a lease violation for nonpayment of rent is posted. On the 15 <sup>th</sup> a 3-day Notice to Vacate is posted.			
3) When is legal action taken against delinquent accounts?			
➤ Management issues a Notice of Termination on the 20 <sup>th</sup> 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	
<b>COMMENTS:</b> This section was completed using the Summary Aged Trail Balance dated February 28, 2022.	0-30 Days:		(\$4)
	30-60 Days:		\$2
	60 Days and Over:		(\$129)
	TOTAL		(\$131)

## 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. ➤ 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 \$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

**Observation:**

- Management is required to submit the detailed rehab construction summary with associated construction costs upon completion.

**No Findings.**

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