

Texas State Affordable Housing Corporation

Woodside Village Apartments

2029 MLK Jr., Blvd., Palestine, TX 75803

Owner: DHI Woodside Apartments LLC

Date Built: 1975

Management Company: FPI Management

Property Manager: Kari Howell

Inspection Date & Time: June 15, 2022, at 8:30am

Inspector's Name: Estefania Linares

Occupancy at Time of Report:	91%	Average Occupancy Over Last 12 Months:	95.82%
Number of Units: 92			
Number of One Bedrooms:	10	Number of Two Bedrooms:	30
Number of Three Bedrooms:	42	Number of Four Bedrooms:	10

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 observations made during the onsite physical review; the property is overall in 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	0		
Theft	2	Theft (2)	
Criminal Mischief	2	Criminal Mischief (2)	
Personal Assault	3	Aggravated Assault (1) Assault (2)	
Drug Related Activity	3	Drug Activity (3)	
Gun Related Activity	0		
Domestic Violence	0		
Disturbance	8	Disturbance (8)	
Other	17	Indecent Exposure (1) Juvenile Problems (3) Violation of Protective Order (1) Sex Offense (2) Welfare Concern (7) Suspicious Activity (1) Loud Noise (1) Child Endangerment (1)	
		YES	NO
			N/A
2) Does the property utilize a crime prevention agreement?		X	

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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: This section was completed using the Palestine Police Department call logs dated February 2022 – May 2022. For this year's review, crime increased by approximately 45% compared to last year. Based on a conversation with management, the surveillance cameras are not being monitored at this time due to access issues. Management confirmed a new surveillance camera monitor will be purchased and installed and that they will gain access to the monitoring system within a month from the date of the review. In addition, management stated the local police department drives through the property 3 times a day as a courtesy. Light checks are conducted by management staff weekly.

Observation: It is suggested that management make additional efforts (i.e., daily review monitors, obtain monthly call logs, etc.) so management can get an accurate representation of the criminal activity at the sites. Management should follow up on incidents and issue lease violations when necessary.

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 last risk assessment was conducted in June 2021 by Davis Contractors.

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		
➤ The property maintains a permit for the boiler at the community.			
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 (Horseshoe and Volleyball Court)	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: Management has a 3-lock system, where an individual needs keys to open 3 locks to access the key lockbox.

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		

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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 provided monthly.			
6) What is the policy for following up on completed service requests? ➤ A follow up email is sent to the resident as soon as a service request has been completed.			
7) What is the property's after-hours emergency policy? ➤ When an emergency call is received, the call automatically goes to the Property Manager. The Property Manager then communicates the issue with the maintenance technician.			
8) What capital improvements have been scheduled or completed for this budget year? ➤ A new monument sign is budgeted and scheduled to be installed by the end of July 2022.			
Detail of Ongoing Repairs and Replacements Completed in Last Budget Year			
9) Unit Interior and Appliance upgrades ➤ Unit interior and appliances upgrades were replaced as needed.			
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:	50		
Number of requests open from prior periods:	0		
Number of service requests completed:	46		
Number of service requests completed within 24 hours:	32		
Number of outstanding service requests:	4		
13) On average, how many days does it take to complete a work order? ➤ Based on the Work Order Directory report from May 16, 2022 – June 15, 2022, it takes 1.5 days to complete a work order.			
COMMENTS:			

MARKETING			
1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases
Drive-By/Word of Mouth	\$0	26	6
Flyers	\$0	0	0
Resident Referral	\$0	31	6
Locator Service	\$0	0	0
Printed/Internet Advertising	\$0	1	0
Other Source (Apt.com\$325) (Fair marketing letter \$0) (AffBaseline \$0) (Google \$0)	\$325	12	1
TOTAL	\$325	70	13
The rental activity reflected in the above table was for the months of: January 2022 - June 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: 100%	6 months: N/A	12 months: 72.82%
3) What percentage of move-outs in the last 12 months were due to eviction/non-payment of rent or "skip"?			30.76%

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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., 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? ➤ In January 2022 a rent increase was implemented on the following floorplans: \$17 for one-bedrooms, \$18 for two-bedrooms, \$21 for three-bedrooms, and \$24 for four-bedrooms.			
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: Management submitted the Resident Activity report; however, the report did not have the sufficient details to determine the percentage of residents renewed in the last 6 months.			

VACANT/MAKE READY UNITS					
1) Number of vacant units at time of activity report:			1		
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:			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:			1		
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				
5F	Vacant 3 bedroom – Made ready				
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: 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? ➤ The vacant unit 5F is made ready.					
9) What is the company policy on the number of days to turn vacant units? ➤ Based on management, the company's policy to turn a vacant unit is 5 business days.					
COMMENTS:					

BUDGET MANAGEMENT	YES	NO	N/A
1) Are three bids solicited in order to obtain materials, supplies, and services? ➤ Yes, three bids are solicited in order to obtain materials, supplies, and services.			

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- 2) Have there been any large, unexpected repairs or purchases that have negatively affected the current budget?
 - No unexpected repairs or purchases have negatively affected the current budget.
- 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 Expense	\$39,476	\$63,397	\$23,920	37.73%	Maintenance Supervisor Salary
Administrative Expenses	\$34,578	\$25,448	-\$9,130	-35.88%	Legal and Compliance Expenses
Turnover Expenses	\$1,002	\$1,800	\$798	44.31%	Carpet Cleaning Contract
Replacement Expenses	\$11,902	\$14,933	\$3,031	20.30%	Washer/Dryer, HVAC, and Plumbing

COMMENTS: This section was completed using the Budget Comparison report as of April 2022.

REVENUE

FOR THE MONTH ENDING: April 2022		YEAR TO DATE AS OF: April 2022	
Gross Potential	\$111,565	Gross Potential	\$370,348
Budgeted Rental Income	\$91,966	Budgeted Rental Income	\$366,728
Actual Rental Income Collected	\$90,776	Actual Rental Income Collected	\$344,321
Variance + (-)	\$1,190	Variance + (-)	\$22,407
Other Revenue	\$1,985	Other Revenue	\$5,221
Total Collected	\$92,761	Total Collected	\$349,542
Budgeted	\$90,571	Budgeted	\$362,286
Variance + (-)	-\$2,190	Variance + (-)	\$12,744

COMMENTS: This section was completed using the Budget Comparison report as of April 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		
COMMENTS: This section was completed using the Payables Aging Report as of 5/15/2022.	0-30 Days:		-\$88.75
	30-60 Days:		\$0
	60 Days and Over:		\$0
	TOTAL		-\$88.75

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 1st day of each month. It is considered late on the 6th and there is a \$5 initial late fee and a \$1 daily late fee after.			
3) When is legal action taken against delinquent accounts?			
➤ Legal action is taken on the 11th day of every month.			
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 Affordable Aging Detail report as of 06/2022. Of the \$6,113.43 balance from 60 days and over delinquency amount, \$4,260.03 is from one resident. As of 6/30/2022, that resident's balance is \$1,535.76. Management is working with the resident and plans to sign a repayment plan to pay off the remaining balance.	0-30 Days:		\$3,209.37
	30-60 Days:		\$1,605.34
	60 Days and Over:		\$6,113.34
	TOTAL		\$10,928.05

RETURNED CHECKS

	YES	NO	N/A
1) Total number of returned checks in the past 3 months:		2	
2) Has the manager collected and deposited all returned checks?	X		

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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. ➤ Management is currently taking Grace Hill training.			
COMMENTS: Management is currently looking to occupy the lead maintenance supervisor position.			

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? ➤ Every Monday, management sends the current delinquency, availability, and financial reports to the owner.			
3) What is the dollar amount of an unbudgeted or over budget expense that requires owner approval for the release of funds? ➤ Management is required to get owner's approval for any amount 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
No Observations and No Findings.



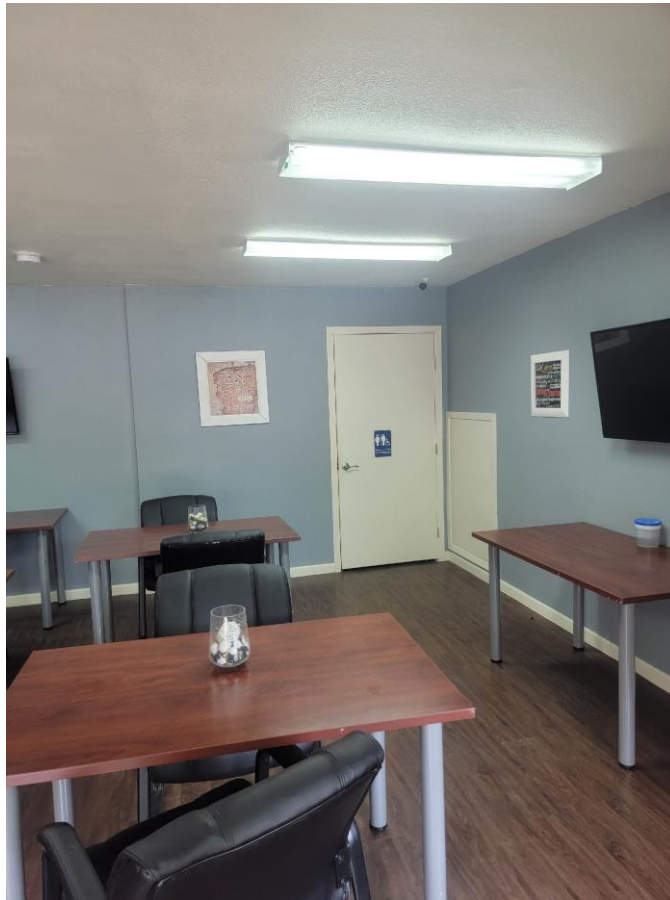
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