

Texas State Affordable Housing Corporation

AHA at Briarcliff

1915 Briarcliff Bld., Austin, Texas and 78723

Owner: Accessible Housing Austin!, Inc.

Date Built: 2020

Management Company: Accessible Housing Austin!, Inc.

Property Manager: Kristen Davis

Inspection Date & Time: October 10, 2023 at 9:00 am

Inspector's Name: Mercedes Dunmore

Occupancy at Time of Report:	85%	Average Occupancy Over Last 12 Months:	85.05%
Number of Units: 27			
Number of One Bedrooms:	15	Number of Two Bedrooms:	12
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) Are parking lots clean, in good repair with handicap parking spaces clearly marked?	X		
9) Are all recreational, common areas and amenity areas clean, maintained, and accessible?	X		
10) Is facility equipment operable and in acceptable condition?	X		
11) Is the area around the waste receptacles clean and are the enclosures in good repair?	X		
12) Is the exterior of the buildings in acceptable condition?	X		
14) Are hallways/breezeways 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 condition, 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: Overall, the property was in great condition. The building exterior and landscaping were well-kept, management has confirmed the landscaper frequents the property every two weeks in the summer and once a month in the winter. Management advised the reviewer the outstanding HVAC repairs are still pending as the case is currently in litigation. Due to the severity of the HVAC repairs and issues, the City of Austin presented the property with a grant to assist with the loss of revenue due to the HVAC damages. Management states if the lawsuit is in the favor of the management company the grant will need to be paid back. However, if the management company loses the case, the funds do not need to be repaid. TSAHC will continue to monitor the progress of the HVAC repairs.

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:

Type	# of Occurrences	Comments:
Burglary		See Finding below.
Theft		
Criminal Mischief		
Personal Assault		
Drug Related Activity		
Gun Related Activity		

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Domestic Violence					
Disturbance					
Other					
			YES	NO	N/A
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: Management states they currently have fifteen working cameras to assist with monitoring the property.					
Finding:					
<ul style="list-style-type: none"> • Management failed to request and submit police reports (911 call sheet) for a three-month period as required by TSAHC. It is important that management periodically review 911 call logs for the property to monitor any activity on the property. Management must obtain 911 call log reports for the previous 3 months and submit them to TSAHC no later than <u>1/5/2024</u>. 					

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			
4)	Are criminal background checks being conducted on residents as they age to be 18 while living in the unit?			X	
5)	Has a risk assessment been conducted to determine risk liabilities at the property? If yes, when?	X – see comment			
COMMENTS: The most recent risk assessment was completed in March 2023.					

OFFICE			YES	NO	N/A
1)	Is the office neat, the desk uncluttered?	X			
2)	Are accurate office hours posted?			X - see comment	
3)	Are emergency phone numbers posted?			X- see comment	
4)	Are the EHO logos clearly posted?	X			
5)	Are the following displayed in full view in the leasing office?				
	➤ Fair Housing Poster	X -- see comment			
	➤ 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			
	➤ Elevators, Fire Alarms, and Fire Sprinklers				
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 (Dog Station)	X			

COMMENTS: At the time of the review, management did not have the office hours and the emergency phone number posted for residents and visitors. Within 24 hours management provided the reviewer with a photo as evidence of the newly displayed office hours and emergency phone number. The coffee maker covers the Fair Housing poster; management is instructed to move the coffee maker to ensure the sign is visible at all times.

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 – see comment	

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3) Is key box locked and secured?	X		
4) Is the key code list kept separate from the key box?		X – see comment	
5) Are locks being changed during unit turnovers?	X		

COMMENTS:

Finding:

- **The key tracking system is properly secured; however, management does not have the keys coded properly. Management must properly and securely relabel keys and create a key log to properly identify each key. Management must also store the key log in a safe secure location in efforts to minimize the risk of liability and maintain the safety of all residents, staff, and the property. Management must provide TSAHC with a photo once the key log is removed from the key tracking system no later than 1/5/2024.**

MAINTENANCE PROGRAM	YES	NO	N/A
1) Does the property have a preventative maintenance program that is being followed?	X		
2) Is the maintenance shop clean and organized?	X		
3) Does the maintenance area have properly documented MSDS material and chemicals labeled properly?	X		
4) How often are Pest Control services provided? ➢ Pest control services are provided every two weeks.			
5) What is the policy for following up on completed service requests? ➢ Management contacts the tenants at random to follow up on completed services request.			
6) What is the property's after-hours emergency policy? ➢ After-hour calls are routed to the answering service; the maintenance manager is contacted for any emergency request.			
7) What capital improvements have been scheduled or completed for this budget year? ➢ N/A			

Detail of Ongoing Repairs and Replacements Completed in Last Budget Year

8) Unit Interior and Appliance upgrades ➢ 1 Dishwasher, 2 Stoves, 1 Refrigerator, 1 Dehumidifier, and 4 microwaves were replaced.			
9) Building Exterior and Curb Appeal repairs ➢ Landscaping was updated and a flower box was added, leveled and a bird bath were installed.			
10) Amenity upgrades ➢ N/A			
11) Other repairs or replacements ➢ Management disclosed there was a main water leak behind building one that has been repaired.			
Number of service requests received:	6		
Number of requests open from prior periods:	0		
Number of service requests completed:	6		
Number of service requests completed within 24 hours:	3		
Number of outstanding service requests:	0		
12) On average, how many days does it take to complete a work order? ➢ On average, it takes two days to complete work order requests.			

COMMENTS:

MARKETING

1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases
Drive-By/Word of Mouth		3	
Resident Referral (Current/Prior)		1	
Locator Service			
Printed/Internet Advertising (Google, Affordablehousing.com)		8	
Other Source			
TOTAL	\$0	12	0
The rental activity reflected in the above table was for the month of: October 2023			
	YES	NO	N/A
2) Is the property doing bilingual advertising?	X		

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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:

Observation:

- Last year's report noted the property did not currently have a report within the property management software which tracks the traffic source for marketing. TSAHC strongly encourages management to implement a report to track the traffic source. This will be requested at next year's Review.

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: 85%	12 months: 89%
3) What percentage of move-outs in the last 12 months were due to eviction for non-payment of rent or "skip"?	See Finding		
4) Are lease renewal 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 – see comment	
8) When was the last rent increase implemented? What was the average rent increase? > The most recent rental increase took place in 2022, the average increase was \$8.			
9) How many households are currently on month-to-month leases? > N/A			
10) What is the charge for month-to-month leases? > N/A			

COMMENTS: Management states renewals and recertifications are not tracked in the property management software. Instead, they track annual recertifications by using a personal file.

Finding:

- Management does not have a policy in place to track the reasons for move out. Management must provide TSAHC with written certification that a policy will be created to track the reasons for move-outs moving forward as this information will be requested annually. The corrective action is due to TSAHC no later than 1/5/2024.

VACANT/MAKE READY UNITS	
1) Number of vacant units at time of activity report:	6
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:	1
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:	5
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:	3
9) Number of uncompleted three-bedroom units at time of activity report:	0

Units Walked	
Unit #	Brief Description
222	Ready

Down Units Walked (units vacant and unready for extended period and all down units)	
Unit #	Brief Description
223	(2x2) HVAC is inoperable
233	(2x2) HVAC is inoperable

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	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? 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: Twice a year			
7) How often are vacant units inspected? ➤ Vacant units are inspected: Weekly			
8) How many vacant units are in progress of being made ready? ➤ There are currently five units in the process of being made ready.			
9) What is the company policy on the number of days to turn vacant units? ➤ Company policy is to turn units within thirty days, which depends on the severity of the make ready.			
COMMENTS: Due to the HVAC repairs units 223 and 233, the units have been vacant for extended period of time. Management confirmed the units will remain vacant through the pending litigation.			

BUDGET MANAGEMENT	YES	NO	N/A
1) Are three bids solicited to obtain materials, supplies, and services?	X		
2) Have there been any large, unexpected repairs or purchases that have negatively affected the current budget? If so, comment below.	X – see comment		
3) Explain YTD variances of 10% of greater in the chart below.			

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
Supplies/Copies/Postage	\$6,555	\$6,300	\$254.85	104%	Office Supplies
Maintenance & Improvement	\$74,702	44,500	30,202	167%	Misc. Carpentry, Landscaping, Lawns, and Trees, Supplies
Salaries & Wages	\$179,220	\$190,500	(11,280)	94%	Maintenance Manager and Operations Manager

COMMENTS: Management confirms the expenses may be coded incorrectly which led to higher-than-normal variance. Additionally, management states a water main leak on the back side of building one led to a large, unexpected purchase in order to repair the damages.

REVENUE			
FOR THE MONTH ENDING: September 2023		YEAR TO DATE AS OF: September 2023	
Gross Potential	See comment	Gross Potential	\$348,554
Budgeted Rental Income		Budgeted Rental Income	\$375,300
Actual Rental Income Collected		Actual Rental Income Collected	\$350,886
Variance + (-)		Variance + (-)	\$(24,413)
Other Revenue		Other Revenue	\$700
Total Budgeted		Total Budgeted	\$573,850
Total Collected		Total Collected	\$504,983
Variance + (-)		Variance + (-)	\$(68,866)

COMMENTS: The report that was submitted for review provides year-to-date actual vs budget comparison, but not a point in time vs year to date therefore the review was unable to complete the section above.

Observation:

- **TSAHC requests a variance report including budget income comparison with Actual point in time vs Year To Date budgets which was not submitted. Management is reminded that this report will be requested annually moving forward.**

ACCOUNTS PAYABLE	YES	NO	N/A
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1) Is the payable report up to date?		X – see comment	
2) Is the property in good standing with all vendors?	X		
3) Are invoices processed weekly?	X		
COMMENTS:	0-30 Days:		
Finding:	30-60 Days:		
<ul style="list-style-type: none"> Management did not provide an account payable report. Management is required to maintain this information as TSAHC will be requesting it annually to ensure vendors are paid timely and are in good standing. must provide TSAHC with an updated Account Payable report dated as of October 2023 no later than <u>1/5/2024</u>. 	60 Days and Over:		
	TOTAL	See Finding	

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 st and late on the 5 th . On the 5 th an initial late fee of \$15 is assessed. A late fee of \$25 is assessed to any delinquent accounts as of the 10 th of the month.			
3) When is legal action taken against delinquent accounts? ➤ Legal action is taken on accounts delinquent as of the 10 th of the month.			
4) Does the property currently have any resident(s) under eviction?			
5) Does Housing have any outstanding balances?		X	
COMMENTS:	0-30 Days:		\$2,969
	30-60 Days:		\$0
	60 Days and Over:		\$0
	TOTAL		\$2,969

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:			

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 – See comment		
5) Does it appear that personnel are team oriented?	X		
6) Was management staff prepared for the site visit?	X		
7) Has staff turnover occurred since the last site review?	X		
8) Are weekly staff meetings held?	X		
9) Have personnel been trained in Fair Housing?	X		
10) List training staff has received in the past year. ➤ Income Determination Training, Cyber Security Training.			
COMMENTS: Although management responded to the notification in a timely manner, all reports were not submitted as requested. Management is reminded that it is the Borrowers responsibility to ensure requested reports be submitted timely.			

OWNER PARTICIPATION	YES	NO	N/A
1) Does the owner have access to the software system utilized to manage the property?	X		
2) Is site management required to submit weekly reports to the owner?	X		
3) 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		
4) What is the dollar amount of an unbudgeted or over budget expense that requires owner approval for the release of funds?			

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➤ Management must have any amounts over \$1,000 approved.

COMMENTS:

SUMMARY OF OBSERVATIONS AND FINDINGS

Observation:

- Last year's report noted the property did not currently have a report within the property management software which tracks the traffic source for marketing. TSAHC strongly encourages management to implement a report to track the traffic source. This will be requested at next year's Review.
- TSAHC requests a variance report including budget income comparison with Actual point in time vs Year To Date budgets which was not submitted. Management is reminded that this report will be requested annually moving forward.

Findings:

- Management failed to request and submit police reports (911 call sheet) for a three-month period as required by TSAHC. It is important that management periodically review 911 call logs for the property to monitor any activity on the property. Management must obtain 911 call log reports for the previous 3 months and submit them to TSAHC no later than 1/5/2024.
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Corrective Actions are due to TSAHC no later than 1/5/2023.



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