

Texas State Affordable Housing Corporation

Cove Village Apartments

1102 Gold 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: March 22, 2023, at 9:30 a.m.

Inspector's Name: Mercedes Dunmore

Occupancy at Time of Report:	98%	Average Occupancy Over Last 12 Months:	100%
Number of Units: 50			
Number of One Bedrooms:	N/A	Number of Two Bedrooms:	28
Number of Three Bedrooms:	22	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 – see comment		
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 – see comment		
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 – see comment		
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 – see comment	
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: On the day of the site visit the building exteriors, grounds, and landscaping were in overall good condition. The majority of waste receptacle were in good condition; however, several large pieces of furniture were found lying on the ground outside of the receptacle located in the back of the property. Management stated the city was scheduled to haul the bulk items by the end of the day.

Observations:

- Management states the neighborhood surrounding the property dumps their bulk items resulting in management having to pay for the hauling of these items. TSAHC recommends management and ownership facilitate a plan of action to help eliminate the illegal dumping of trash at the property.
- The reviewer noticed a crack in the drywall in the laundry room. There was no noticeable leaks behind the damaged drywall, however TSAHC recommends repairing the dry wall to prevent any further damage. See photo at the end of this report for evidence of the damage.
- The roof on building 6 is starting to buckle, although small, management is advised to periodically monitor the condition of the roof as it can lead to potential interior leaks if not monitored. TSAHC will observe the condition of the roof during next year's review. See photo at the of this report for evidence of the roof buckling.

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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			
Theft			
Criminal Mischief			
Personal Assault			
Drug Related Activity			
Gun Related Activity			
Domestic Violence			
Disturbance			
Other	1	Noise Complaint	
			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: Based on the reports dated between December 1, 2022, through February 28, 2023, there were three calls made to the Copperas Cove Police Department. One call is noted in the above chart. Management confirms they maintain an effective relationship with the police department, resulting in the proactive patrol of the property to minimize crime.			

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		
COMMENTS: Risk assessments are conducted once a month. The last risk assessment was conducted in February 2023.			

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:			

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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		
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 states they do not have a key code list. Instead, it is memorized by the staff.			
Observation:			
<ul style="list-style-type: none"> TSAHC recommends implementing a physical or digital key code list in case of emergency where property staff isn't available and regional management or other owner representative needs to gain access to a unit. 			

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 monthly. Each building receives service at least once quarterly.			
5) What is the policy for following up on completed service requests? ➢ Management will call or visit the tenant to ensure completion of each service request.			
6) What is the property's after-hours emergency policy? ➢ The after-hours calls route directly to the management or maintenance staff.			
7) What capital improvements have been scheduled or completed for this budget year? ➢ A new front loader washer and dryer are scheduled to be installed around May 2023.			

Detail of Ongoing Repairs and Replacements Completed in Last Budget Year			
8) Unit Interior and Appliance upgrades ➢ Appliances, lighting, cabinets, and flooring were replaced as needed.			
9) Building Exterior and Curb Appeal repairs ➢ In November 2022, trees through the property were removed due to extensive damage from the 2021 winter storm. Additionally, the parking lot throughout the property was restriped in September 2022.			
10) Amenity upgrades ➢ N/A			
11) Other repairs or replacements ➢ N/A			
Number of service requests received:			19
Number of requests open from prior periods:			0
Number of service requests completed:			19
Number of service requests completed within 24 hours:			19
Number of outstanding service requests:			0
12) On average, how many days does it take to complete a work order? ➢ Work orders are completed within one day.			

COMMENTS: This chart above was completed by using the Maintenance Summary Report dated 2/21/2023 through 3/21/2023. The maintenance staff has done a great job of addressing residents' maintenance concerns in a timely manner.

MARKETING			
1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases
Drive-By/Word of Mouth			
Resident Referral (Current/Prior)			
Locator Service			
Printed/Internet Advertising			
Other Source (Affirmative Fair Housing mailers)	\$0	1	1

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TOTAL			
The rental activity reflected in the above table was for the month of: 02/21/2023 through 03/21/2023			
	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: Per management, due to the extended waitlist period, there is currently no advertising sources. Management is required to send monthly Affirmative Fair Housing Letters. The letters are sent to local homeless shelters, churches, and YMCA. This section of the report was completed using the Primary Advertising Source Evaluation report.			

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: 88%
3) What percentage of move-outs in the last 12 months were due to eviction for non-payment of rent or "skip"?			16.67%-
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		
8) When was the last rent increase implemented? What was the average rent increase? > The last rent increase of \$24 was implemented on March 1, 2022. See comment.			
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: Per Management, a rent adjustment took place on March 1, 2023. Due to the Utility Allowances increasing, rents were decreased by \$37 for two-bedroom units and \$45 dollars for three-bedroom units.			

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:			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:			1
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:			1
9) Number of uncompleted three-bedroom units at time of activity report:			0
Units Walked			
Unit #	Brief Description		
23	56 days Vacant 2-bedroom unit, make-ready in progress.		
Down Units Walked (units vacant and unready for extended period 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 – see comment	

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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	
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? ➤ There is one vacant unit in the process of being made ready.			
9) What is the company policy on the number of days to turn vacant units? ➤ The company policy is to turn units within 5 – 7 days.			

COMMENTS: Management advised the lengthy turn time for unit 23 (28 days) is due to the extensive damage the unit was left in (prior household evicted). A full unit renovation was required. To date, all renovations with the exception of the flooring has been completed by the maintenance technician.

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	
3) Explain YTD variances of 10% of greater in the charet 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
Administrative Expenses	\$1,798	\$1,074	(\$724)	(67.43%)	Office Supplies, Postage/Shipping, and Evictions
Maintenance Expenses	\$771	\$575	(\$196)	(34.10%)	Doors/Locks/Keys, HVAC, Plumbing
Turnover Expenses	\$348	\$0	(\$348)	(100%)	Materials Painting, Materials Repairs
Repairs/Replacements (Under \$5k)	\$1,894	\$16,900	\$15,006	88.79%	Refrigerator, Stove, Dishwasher, and Other (see comment)

COMMENTS: Management stated, the "Other" expense line item is for repairs and replacements (under \$5k) that was implemented by ownership to be proactive in the preparing for an upcoming property inspection.

REVENUE			
FOR THE MONTH ENDING: January 2023		YEAR TO DATE AS OF: January 2023	
Gross Potential	\$41,062	Gross Potential	\$41,062
Budgeted Rental Income	\$41,062	Budgeted Rental Income	\$41,062
Actual Rental Income Collected	\$33,110	Actual Rental Income Collected	\$33,110
Variance + (-)	(\$7,952)	Variance + (-)	(\$7,952)
Other Revenue	(\$201)	Other Revenue	(\$201)
Total Budgeted	\$32,909	Total Budgeted	\$32,909
Total Collected	\$41,304	Total Collected	\$41,304
Variance + (-)	(\$8,395)	Variance + (-)	(\$8,395)

COMMENTS: Per Management, the variance for the write-offs is due to the recent eviction for unit 23.

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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: The Vendor Aging report dated 3/22/23 was used to complete this section. Per management, invoices are processed the day invoice is received to maintain a healthy relationship with all vendors. The prepay balances are a result of utility payments due to tenants.	0-30 Days:		\$130
	30-60 Days:		\$0
	60 Days and Over:		(\$567)
	TOTAL		(\$437)

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 1 st of the month and late on the 6 th day. On the 6 th day a \$1 late charge is billed each day until the account balance is paid.			
3) When is legal action taken against delinquent accounts? ➤ Evictions are filed on the 19 th of the 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 Delinquent and Prepaid report dated 3/22/2023. Management has done an excellent job of controlling delinquency at the property.	0-30 Days:		\$0
	30-60 Days:		\$0
	60 Days and Over:		\$0
	TOTAL		\$0

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		
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. ➤ The staff has taken Grace Hill courses for; Fair Housing, Sexual Harassment, Conflict Resolution, and Tax Credit 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) 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? ➤ Owner approval is required for any purchases over \$1,000.			
COMMENTS:			

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SUMMARY OF OBSERVATIONS AND FINDINGS

Observations:

- Management states the neighborhood surrounding the property dumps their bulk items resulting in management having to pay for the hauling of these items. TSAHC recommends management and ownership facilitate a plan of action to help eliminate the illegal dumping of trash at the property.
- The reviewer noticed a crack in the drywall in the laundry room. There was no noticeable leaks behind the damaged drywall, however TSAHC recommends repairing the dry wall to prevent any further damage. See photo at the end of this report for evidence of the damage.
- The roof on building 6 is starting to buckle, although small, management is advised to periodically monitor the condition of the roof as it can lead to potential interior leaks if not monitored. TSAHC will observe the condition of the roof during next year's review. See photo at the end of this report for evidence of the roof buckling.
- TSAHC recommends implementing a physical or digital key code list in case of emergency where property staff isn't available and regional management or other owner representative needs to gain access to a unit.

No findings.



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roof observation



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drywall observation



illegal dumping

