

Texas State Affordable Housing Corporation

Woodside Village

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

Owner: DHI Woodside Apartments LLC

Date Built: 1975

Management Company: FPI Management

Property Manager: Kari Howell

Inspection Date & Time: April 25, 2023 @ 9:00 am

Inspector's Name: Mercedes Dunmore

Occupancy at Time of Report:	95.65%	Average Occupancy Over Last 12 Months:	96.69%
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 – see comment		
5) Are trees and shrubs properly trimmed?	X		
6) Are the grounds free of erosion, foot paths and tree root elevation?	X – see comment		
7) Are sidewalks clean and in good repair?	X – see comment		
8) Are parking lots clean, in good repair with handicap parking spaces clearly marked?		X – see comment	
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, 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: This year's review was conducted virtually. Based on the pictures submitted by management, the building structure presented well. The common areas were well kept, and the new monument sign was a positive addition to the curb appeal. Although the property was overall in good condition, the building exterior shows moss on the buildings siding. Management advised moss is treated annually between the months of March and June prior to the start of extreme heat temperatures. This year the moss is set to be treated in June. Additionally, the parking lot is not in good repair. The parking lot needs to be re-stripped, and several parking spots have dirt debris and stains from fluid leaks. Management confirms repairs have been delayed due to the weather conditions. Once the weather stabilizes the parking lot repairs will resume. Repairs are included in capital improvements and noted in the maintenance program section of this report. TSAHC will continue to monitor these repairs during next year's review. Photos attached below.

Observations:

- **Landscaping presented exposed tree stumps from the recent tree trimming project. TSAHC recommends having the tree stumps removed from the property to prevent any hazards such as tripping hazards for the tenants, visitors, or staff.**
- **Dirt build-up and residues were noted on the sidewalk and throughout the street and parking lot. While maintenance staff power washes 2-3 times a year, TSAHC encourages management to implement a more frequent schedule to preserve and maintain the upkeep exterior of the property.**

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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	2		
Drug Related Activity			
Gun Related Activity	1		
Domestic Violence			
Disturbance	2		
Other	3	Disorderly Conduct - 1 Suspicious Activity – 1 Stalking – 1	
			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 – see comment
4) Are light checks conducted by management staff on a weekly basis? If not, add comment.			X
<p>COMMENTS: This section was completed using the Palestine Police Department call logs dated January 2023 through March 2023. The report shows 35 calls during this period, of which 8 calls are detailed in the chart above. This year's review shows 27 less incidents than the previous year's review. This is credited to the property following the observation from last year's report and utilizing the house rules to enforce and address criminal activity and by sending lease violations and enforcing the eviction policy. In addition, the local police department regularly patrols the property. Management confirms there are a few cameras working and the staff is actively working to gain the proper hardware to have the offline cameras restored.</p>			

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		
<p>COMMENTS: A risk assessment was recently conducted by the insurance company in March 2023. Additionally, regular risk assessments are conducted quarterly by the Regional Manager.</p>			

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 system.	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		

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➤ 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:

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 on the third Monday of each month.			
5) What is the policy for following up on completed service requests? ➤ The Community Director calls the tenant following the completion of the service request to ensure satisfaction.			
6) What is the property's after-hours emergency policy? ➤ The property has an emergency after-hours maintenance line where calls are directed to the community director and then the maintenance technician is called. In addition, the property has an app which can be downloaded on the tenants' phone called Site Plan, where emergency requests can be submitted and delivered to the community director and maintenance technician.			
7) What capital improvements have been scheduled or completed for this budget year? ➤ This year the parking lot has been resurfaced, the daycare center was remodeled, 4 trees were cut down during routine tree trimming, and new computers installed in the business center.			

Detail of Ongoing Repairs and Replacements Completed in Last Budget Year

8) Unit Interior and Appliance upgrades ➤ N/A			
9) Building Exterior and Curb Appeal repairs ➤ A new monument sign was installed at the entrance of the property after obtaining city permits. New streetlights were installed throughout the property.			
10) Amenity upgrades ➤ N/A			
11) Other repairs or replacements ➤ N/A			
Number of service requests received:	14		
Number of requests open from prior periods:	4		
Number of service requests completed:	12		
Number of service requests completed within 24 hours:	4		
Number of outstanding service requests:	6		

12) On average, how many days does it take to complete a work order?
➤ Based on the Work Order Period Overview dated 3/17/2023 through 4/21/2023, the average days to complete a work order is 4.

COMMENTS: The work order directory shows the pending 6 work orders are not emergency related requests.

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 - Weblister	\$99	6	1

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TOTAL	\$99	6	1
The rental activity reflected in the above table was for the month of: 03/11/2023 through 04/11/2023			
	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: This section was completed with the Traffic Sheet reported dated 3/11/2023 through 4/11/2023.			

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: 67.39%
3) What percentage of move-outs in the last 12 months were due to eviction for non-payment of rent or "skip"?			46.66% - see comment
4) Are lease renewal notices sent to residents at the 120-day, 90-day, 60-day and 30-day timeframes prior to 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? <ul style="list-style-type: none"> > The most recent rental increase was in January 2022. The increases were based on each floor plan. One-bedroom units received a \$17 increase, two-bedroom units received a \$18 increase, three-bedroom units received a \$21 increase, and the four-bedroom units received a \$24 increase. 			
9) How many households are currently on month-to-month leases? <ul style="list-style-type: none"> > N/A 			
10) What is the charge for month-to-month leases? <ul style="list-style-type: none"> > N/A 			
COMMENTS: The percentage of move outs has increased 16% since the last review. Management declares the stabilizing in the management staff and the enforcing of the rules and regulations has led to more tenant lead move outs.			

VACANT/MAKE READY UNITS	
1) Number of vacant units at time of activity report:	2
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:	1
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:	0
9) Number of uncompleted three-bedroom units at time of activity report:	1
Units Walked	
Unit #	Brief Description
2A	Ready
7D	Make Ready in progress
Down Units Walked (units vacant and unready for extended period and all down units)	
Unit #	Brief Description
10A	Unit Fire: The fire investigation and testing determined the fire was due to LED lighting on the bed, Building and construction permits are expected to be received within the next 30 days and contractors are currently preparing to start the reconstruction of the units once permits are received.
10B	Unit with shared wall to Fire Unit: The unit did not incur physical damage, however the shared wall to the neighbor's unit was deemed uninhabitable due to a foul odor in the insulation. The unit is considered down until full renovation is complete.

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	YES	NO	N/A
1) Does the Unit Availability Report match the make ready board? Emailed for correct report	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? 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 annually unless there are known housekeeping issues, which are then inspected every 30 days.			
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 is currently one unit being made ready.			
9) What is the company policy on the number of days to turn vacant units? ➢ The company policy is 3 – 5 days to turn a unit. However, due to the conditions of the units and the aging of the property, management has asked the staff to increase the number of days 5 – 7 days to allow for a more detailed unit turn.			
COMMENTS: On January 1, 2023, a fire started in an upstairs bedroom due to LED lighting connected to a bedframe. The fire resulted in 2 Down Units. Insurance claims have been filed and construction for both units are set to begin within the next few weeks. Details on the condition of each unit noted in the chart above. Permits are currently being processed for the reconstruction of the units. Management will provide TSAHC with the unit's photos once the unit has been completed and made ready for occupancy.			

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
Marketing Expense	\$515	\$663	\$147	22.26%	Advertising
Administrative Expense	\$22,308	\$14,485	(\$7,823)	(54.01%)	Meeting/Staff Development, Computer Software, Compliance
Operating and Maintenance Expense	\$7,889	\$9,938	\$2049	20.62%	Grounds Contract, Appliances, Keys/Locks, Equipment Tools, Fire Protection, Heating & AC Repairs
Turnover Expense	\$1,378	\$900	(\$478)	(53.13%)	Carpet Cleaning
Capital Expense	\$18,992	\$4,583	(14,409)	(314.37%)	Plumbing, Heating/Air Conditioning Replacement

COMMENTS: Per management, the monthly compliance fee increased causing a larger variance for the Administrative budget. Additionally, the property suffered from a water line break within three buildings between January and February 2023. Management confirms the water line breaks were not a result of the inclement weather.

REVENUE					
FOR THE MONTH ENDING: February 2023			YEAR TO DATE AS OF: February 2023		
Gross Potential		\$97,343	Gross Potential		\$194,685
Budgeted Rental Income		\$89,417	Budgeted Rental Income		\$178,834
Actual Rental Income Collected		\$88,191	Actual Rental Income Collected		\$177,684
Variance + (-)		\$1,226	Variance + (-)		\$1,150
Other Revenue		\$214	Other Revenue		\$5,998
Total Budgeted		\$88,405	Total Budgeted		\$183,682
Total Collected		\$92,990	Total Collected		\$185,981
Variance + (-)		(\$4,586)	Variance + (-)		(\$2,299)

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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		
COMMENTS: This section was completed using the Payables Aging Report as of 3/31/23.	0-30 Days:		\$2,453
	30-60 Days:		\$(118)
	60 Days and Over:		\$(1,200)
	TOTAL		\$1,135

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 day of the month and a grace period is granted until the 5 th . On the 6 th a \$5 late fee is charged and \$1 fee per day is added until the full balance is paid.			
3) When is legal action taken against delinquent accounts? ➤ Evictions are filed between the 10 th and the 15 th of the month following a full month of delinquency.			
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 dated 4/2023.	0-30 Days:		\$3,851
	30-60 Days:		\$1,228
	60 Days and Over:		\$309
	TOTAL		\$5,388

RETURNED CHECKS	YES	NO	N/A
1) Total number of returned checks in the past 3 months:		6	
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 – see comment	
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. ➤ Grace Hill training courses on safety, fair housing. Tax credit trainings are provided through Zeffert a few times per month.			
COMMENTS: Management states meetings are held daily as a 15-minute huddle. Additionally, management advised since the last review, the maintenance team has been restructured, resulting in retaining two maintenance staff members. The part-time maintenance technician was promoted to the lead maintenance position and the part time grounds keeper was promoted to full time porter/make ready technician.			

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OWNER PARTICIPATION		YES	NO	N/A
1)	Does the owner have access to the software system utilized to manage the property?		X – see comment	
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? ➤ The regional manager is required to send ownership any expenses over \$1500.			
COMMENTS: Per management, ownership declined access to the software system.				

SUMMARY OF OBSERVATIONS AND FINDINGS	
<p>Observations:</p> <ul style="list-style-type: none"> • Landscaping presented exposed tree stumps from the recent tree trimming project. TSAHC recommends having the tree stumps removed from the property to prevent any hazards such as tripping hazards for the tenants, visitors, or staff. • Dirt build-up and residues were noted on the sidewalk and throughout the street and parking lot. While maintenance staff power washes 2-3 times a year, TSAHC encourages management to implement a more frequent schedule to preserve and maintain the upkeep exterior of the property. <p>No Findings.</p>	



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tree stump



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Moss



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sidewalk and parking



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