

Texas State Affordable Housing Corporation

Eden Court
 1240 Jefferson Ave., Seguin, Texas 78155

Owner: National Church Residences **Date Built: 2003/1986**
Management Company: National Church Residences **Property Manager: Cynthia Gaudet**
Inspection Date & Time: October 18, 2024 at 8:30 a.m. **Inspector's Name: Celina Mizcles Stubbs**

Occupancy at Time of Report:	99.9%	Average Occupancy Over Last 12 Months:	82.5%
Number of Units: 110			
Number of Efficiency Bedroom:	12	Number of One Bedrooms:	56
Number of Two Bedrooms:	42	Number of Three 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 – 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		
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 is the first asset oversight review for Eden Court. The property is undergoing full rehabilitation. The interior units are complete however the property is still undergoing exterior rehab activities, which include but are not limited to, the installation of exterior window frames, construction of management office (temporary office in unit 315) community centers, and a raised garden. All rehab activities will be reviewed during next year's review to ensure completion and the removal of all construction equipment.

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		

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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 – see comment	
COMMENTS: Management did not provide the reviewer with the requested police reports therefore the Security section of this report could not be completed. Management utilizes the tenant lease and community policy to address criminal activity. Light checks are conducted monthly. Management was informed that call logs will be requested annually by TSAHC. It is strongly recommended management establish a relationship with the local police department to ensure report are requested and received timely for each asset oversight review moving forward.					

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: According to management no formal risk assessments have been conducted. However, management will implement and conduct routine risk assessment after rehabilitation activities have been completed.				

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			
➤ Fire systems and extinguisher, unit pull cords, and back flow irrigation.				
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 – see comment			
➤ BBQ/Picnic Area				x
➤ Laundry Facility	X – see comment			
➤ Business Center	X – see comment			
➤ Pool				x
➤ Other	X – see comment			
COMMENTS: The following amenities are under construction: Washer/Dryer connections, laundry room, fitness center, community room with kitchen, raised garden, and pet park. Amenities will be reviewed and confirmed during the next annual review.				

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			

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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		
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 - see comment		
3) Does the maintenance area have properly documented MSDS material and chemicals labeled properly?	X -see comment		
4) How often are Pest Control services provided? ➢ Pest control services are provided monthly. Units are treated on a quarterly basis.			
5) What is the policy for following up on completed service requests? ➢ Maintenance staff have iPads that sync to the property management system. As work orders are completed, tenants are asked to sign off on the iPad.			
6) What is the property's after-hours emergency policy? ➢ Emergency calls go directly to on-call maintenance staff.			
7) What capital improvements have been scheduled or completed for this budget year? ➢ N/A – The property is currently undergoing a full property rehab.			
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 ➢ N/A			
10) Amenity upgrades ➢ N/A			
11) Other repairs or replacements ➢ N/A			
Number of service requests received:	47		
Number of requests open from prior periods:	0		
Number of service requests completed:	46		
Number of service requests completed within 24 hours:	46		
Number of outstanding service requests:	1		
12) On average, how many days does it take to complete a work order? ➢ On average, work orders are completed in 1 day.			
COMMENTS: There was one open work order noted in the Work Order Director report dated 10/18/2024. Maintenance was working on it at the time of the review. The properties maintenance shops are under construction. Management was informed to maintain MSDS books in the maintenance shop if chemicals are stored.			

MARKETING			
1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases/Applicants
Drive-By/Word of Mouth	\$0		
Resident Referral (Current/Prior)	\$0	5	1
Locator Service	\$0		
Printed/Internet Advertising: Guadalupe media newsletter (\$96/month)	\$1,152		
Other Source	\$0		
TOTAL	\$1,152	5	1
The rental activity reflected in the above table was for the month of: 9/18/2024 – 10/18/2024			
	YES	NO	N/A
2) Is the property doing bilingual advertising?		X	
3) Does the property have any competitors nearby?		X	

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4) Does the property "shop" their competitors?		X	
5) Does the property complete a market survey at least monthly?		X	
COMMENTS: Management utilizes the wait list, the Affirmative Fair Housing Marketing Plan (AFHMP) and the Guadalupe media newsletter to fill vacant units.			

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 – see comment
2) What percentage of residents renewed last month, past 6 months, and past 12 months?	Current: N/A	6 months: N/A	12 months: 100%
3) What percentage of move-outs in the last 12 months were due to eviction for non-payment of rent or "skip"?	5%		
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? <ul style="list-style-type: none"> > Rent increases have not been approved, however there was a \$50 increase due to the increase in the HUD contract rent. 			
9) How many households are currently on month-to-month leases? <ul style="list-style-type: none"> > There are no current month-to-month leases. 			
10) What is the charge for month-to-month leases? <ul style="list-style-type: none"> > N/A 			
COMMENTS: This was a first-year file review therefore there are no lease renewal.			

VACANT/MAKE READY UNITS			
1) Number of vacant units at time of activity report:			1 – see comment
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		
214E	(2x2): Vacant, good condition		
813E	(2x1): Occupied, good condition		
901W	(0x1): Vacant, good condition		
1010E	(1x1): Vacant, good condition		
1301W	(1x1): Vacant, good condition		
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		
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		

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6)	How often are occupied units inspected? ➤ Occupied units are inspected: Annually at the time of recertification
7)	How often are vacant units inspected? ➤ Vacant units are inspected: At the time of move-out and after make-readies.
8)	How many vacant units are in progress of being made ready? ➤ There is one vacant unit that is used temporarily as the management office.
9)	What is the company policy on the number of days to turn vacant units? ➤ Company policy is to turn units within 3-5 business days.
COMMENTS: Unit 315 is temporarily being used as the management office. Additionally, units have pull cords that ring the office followed by emergency services.	

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% or greater in the chart below.						
<u>Expense Items that Varied by 10% or Greater from the Budget for Year-to-Date Operations Ending</u>							
(Please note that a positive variance is under budget and a negative variance is over budget.)							
EXPENSE ITEM	ACTUAL	BUDGET	VARIANCE	%	EXPLANATION		
Managed Expenses	(\$345,866)	(\$404,662)	\$58,796	-14.5%	Benefits and Taxe, Misc admin, and Contractors		
COMMENTS: Management mentioned the budget is still in flux due to the construction activities. Additionally, the budget had a slight swing in expenses because they anticipated rehabilitating 12 units at a time but completed 26 instead.							

REVENUE			
FOR THE MONTH ENDING: September 2024		YEAR TO DATE AS OF: September 2024	
Gross Potential	\$103,209	Gross Potential	\$919,006
Budgeted Rental Income	\$8,8759	Budgeted Rental Income	\$788,312
Actual Rental Income Collected	\$102015	Actual Rental Income Collected	\$750,784
Variance + (-)	\$13,256	Variance + (-)	(\$37,528)
Other Revenue	(\$8)	Other Revenue	\$1,665
Total Budgeted	\$88,919	Total Budgeted	\$789,752
Total Collected	\$102,007	Total Collected	\$752,449
Variance + (-)	\$13,088	Variance + (-)	(\$37,303)
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: The Payables Aging Report dated 10/18/2024 was used to complete this section. According to management, \$525,842 of the \$623,699 (84%) of the balance is for White Stone Construction. The balance listed in the 60-day and over balance is due to an invoice error that the vendor needs to correct.			0-30 Days:		\$603,243
			30-60 Days:		\$20,378
			60 Days and Over:		\$76
			TOTAL		\$623,697

DELINQUENCIES			YES	NO	N/A
1)	Is the delinquency report up to date?		X		

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2) What is the rent collection policy? ➤ Rent is due on the 1 st of the month. Balance due letters are issued on the 6 th of the month.			
3) When is legal action taken against delinquent accounts? ➤ Legal action is taken after a proper 30-day notice is issues to delinquent accounts.			
4) Does the property currently have any resident(s) under eviction?		X	
5) Does Housing have any outstanding balances?	X		
COMMENTS: The Ages Receivables Report dated 10/31/2024 was used to complete this section. According to management, most of the balance is due to HUD's HAP voucher late payments.	0-30 Days:		\$7,479
	30-60 Days:		\$1,540
	60 Days and Over:		(\$1,414)
	TOTAL		\$7,605

RETURNED CHECKS	YES	NO	N/A
1) Total number of returned checks in the past 3 months:		1	
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. ➤ National Churchill required staff to take on-line industry trainings			
COMMENTS: Pre-audit reports were not submitted in a timely manner. Management is reminded that requested information must be submitted timely to TSAHC moving forward to avoid non-compliance penalty fees per Appendix C of the AOC agreement.			

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 amount over \$1,000 for the property manager and over \$5,000 for the Regional Manager.			
COMMENTS:			

SUMMARY OF OBSERVATIONS AND FINDINGS
No Observations and no Findings.

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Managemetn Office/Community Space



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