

# Texas State Affordable Housing Corporation

## Garden Apartments

1340 65<sup>th</sup> Dr., Lubbock, Texas 76412

**Owner:** RHAC-Garden, LLC

**Date Built:** 1981

**Management Company:** J. Allen Management Company

**Property Manager:** Antionette Flowers

**Inspection Date & Time:** May 30, 2024, at 8:30 AM

**Inspector's Name:** Mercedes Dunmore

<b>Occupancy at Time of Report:</b>	96.77%	<b>Average Occupancy Over Last 12 Months:</b>	94.08%
<b>Number of Units: 62</b>			
<b>Number of One Bedrooms:</b>	N/A	<b>Number of Two Bedrooms:</b>	60
<b>Number of Three Bedrooms:</b>	2	<b>Number of Four Bedrooms:</b>	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		
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:** The property is located over two sites. On the day of the review the property is in overall good condition. There are still dead patches of grass throughout the property however, management stated the grass does not grow as the property does not have a sprinkler system. There was bulk furniture located near one of the waste receptacles near the office. Management states they have a third-party vendor who picks up bulk items as needed.

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	1	(1) Robbery
Theft	4	(3) Auto Theft
Criminal Mischief	1	
Personal Assault		
Drug Related Activity		
Gun Related Activity	2	Shots fired
Domestic Violence	17	Domestic Disturbance
Disturbance	5	

# Texas State Affordable Housing Corporation

Other	4	(2) Suicides (1) Prowler (1) Suspicious Vehicle			
			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		
<p><b>COMMENTS:</b> Based on the Lubbock Police Department call logs 62 calls were reported between February 2024 through April 2024. Thirty-four of the 62 calls are noted on the chart above. This is a slight increase from last year's report, management is aware and working to resolve the issues. The property is patrolled nightly from 6 pm – 6 am, by a third-party security vendor who provides activity reports daily. Management utilizes the lease and house rules to issue lease violations when needed.</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		
<p><b>COMMENTS:</b> The most recent risk assessment was conducted in April 2024. Site management conducts quarterly inspections which include a risk assessment of the property. Additionally, the mortgage agency conducts annual inspections.</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? ➤ (Describe)		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
➤ Pool			X
➤ Other (iPad for tenant use)	X		
<p><b>COMMENTS:</b> Management states ownership has rescinded the iPad for the tenant's use.</p>			

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		
<p><b>COMMENTS:</b></p>			

# Texas State Affordable Housing Corporation

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? ➢ Per management, pest control services are provided once a month for all buildings.			
5) What is the policy for following up on completed service requests? ➢ The Property Manager follows up with completed work orders by calling residents all residents to confirm completion.			
6) What is the property's after-hours emergency policy? ➢ After-hours calls are routed to the emergency property cell phone which is answered by the maintenance staff member.			
7) What capital improvements have been scheduled or completed for this budget year? ➢ Laundry machines were replaced with credit card machines.			
Detail of Ongoing Repairs and Replacements Completed in Last Budget Year			
8) Unit Interior and Appliance upgrades ➢ Appliances such as stoves and refrigerators were replaced as needed.			
9) Building Exterior and Curb Appeal repairs ➢ N/A			
10) Amenity upgrades ➢ N/A			
11) Other repairs or replacements ➢ One a/c unit was replaced In June 2023.			
Number of service requests received:	<b>See comment</b>		
Number of requests open from prior periods:			
Number of service requests completed:			
Number of service requests completed within 24 hours:			
Number of outstanding service requests:			
12) On average, how many days does it take to complete a work order? ➢ The reviewer is unable to determine the number of days it takes to complete a work order. See comment.			
<b>COMMENTS:</b> Per management, maintenance completed a property-wide unit inspection and did not record any work orders. Management is reminded of the importance of entering work orders in the property management software. This is essential in tracking the progress of maintenance technicians along with keeping records of what maintenance issues are taking place property-wide.			

MARKETING			
1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases
Drive-By/Word of Mouth	\$0	2	1
Resident Referral (Current/Prior)			
Locator Service			
Printed/Internet Advertising			
Other Source	\$0	1	1
<b>TOTAL</b>	<b>\$0</b>	<b>3</b>	<b>2</b>
<b>The rental activity reflected in the above table was for the month of: 4/29/2024 through 5/31/2024</b>			
	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	
<b>COMMENTS:</b>			

# Texas State Affordable Housing Corporation

LEASE RENEWAL	YES	NO	N/A
1) Does it appear that an effective lease renewal program is in place? If no, please comment below.			
2) What percentage of residents renewed last month, past 6 months, and past 12 months?	Current: 83%	6 months: 93%	12 months: 81.25%
3) What percentage of move-outs in the last 12 months were due to eviction for non-payment of rent or "skip"?			52%
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"> <li>➢ The most recent rental increase was implemented in November 2023; the average increase was \$32.</li> </ul>			
9) How many households are currently on month-to-month leases? <ul style="list-style-type: none"> <li>➢ The property utilizes HUD Model lease which rolls into month-to-month terms after its initial 12 months.</li> </ul>			
10) What is the charge for month-to-month leases? <ul style="list-style-type: none"> <li>➢ There is no charge for month-to-months leases.</li> </ul>			
<b>COMMENTS:</b>			

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		
5B	2x1 - Occupied		
8A	2x1 - Vacant		
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		
6) How often are occupied units inspected? <ul style="list-style-type: none"> <li>➢ Occupied units are inspected: Quarterly</li> </ul>			
7) How often are vacant units inspected? <ul style="list-style-type: none"> <li>➢ Vacant units are inspected: Weekly</li> </ul>			
8) How many vacant units are in progress of being made ready? <ul style="list-style-type: none"> <li>➢ One unit is in the make-ready process.</li> </ul>			

# Texas State Affordable Housing Corporation

9) What is the company policy on the number of days to turn vacant units? ➤ Company policy is to turn vacant units within 5 to 7 days.	
<b>COMMENTS:</b>	

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
Maintenance Expenses	\$8,486	\$5,788	(\$2,699)	(46.62)	Doors/Locks/Keys, Electrical Light, Pest Control Supplies
Turnover Expenses	\$4,494	\$5,685	\$1,191	20.94	Materials – Repairs, Painting, Contract Cleaning
Repairs/Replacements Under \$5k	\$6,528	\$11,094	\$4,566	41.15	Vinyl, Landscaping, Plumbing, Other

**COMMENTS:** There were two unexpected repairs that negatively affected the budget. The water heaters burst and the waterline break behind the office (clogged building A and B).

REVENUE					
FOR THE MONTH ENDING: 05/31/2024			YEAR TO DATE AS OF: 05/31/2024		
Gross Potential	\$45,414		Gross Potential		\$200,701
Budgeted Rental Income	\$42,377		Budgeted Rental Income		\$182,152
Actual Rental Income Collected	\$43,930		Actual Rental Income Collected		\$200,978
Variance + (-)	\$1,553		Variance + (-)		\$18,825
Other Revenue	\$89		Other Revenue		\$2,684
Total Budgeted	\$43,102		Total Budgeted		\$185,354
Total Collected	\$44,019		Total Collected		\$203,661
Variance + (-)	\$917		Variance + (-)		\$18,307

**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		
<b>COMMENTS:</b> This section of the report was completed using the Vendor Aing Report dated 5/29/2024. Management states \$13,000 of the total balance is in the 60 days and over column is due to unpaid Property Management fees.	0-30 Days:		\$14,720
	30-60 Days:		\$6,142
	60 Days and Over:		\$13,216
	TOTAL		\$34,077

DELINQUENCIES	YES	NO	N/A
1) Is the delinquency report up to date?	X		
2) What is the rent collection policy? ➤ The rent is due on the 1 <sup>st</sup> and considered late on 6 <sup>th</sup> . An initial \$5 late fee is assessed on the 6 <sup>th</sup> and \$1 daily thereafter			
3) When is legal action taken against delinquent accounts? ➤ Legal action against delinquent accounts is taken around the 10 <sup>th</sup> day 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 of the report was completed using the Delinquency and Prepaid report dated 0-30 Days: \$3,215

# Texas State Affordable Housing Corporation

5/29/2024. Per management, the property currently has 2 pending evictions.

30-60 Days:		\$1,550
60 Days and Over:		\$203
TOTAL		\$4,968

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
<b>COMMENTS:</b>			

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. ➤ In addition to the various online Grace Hill training courses site management is required to attend, staff also attended Income Determination and HOTMA courses.			
<b>COMMENTS:</b>			

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? ➤ Amounts over \$500 must obtain ownership approval.			
<b>COMMENTS:</b>			

SUMMARY OF OBSERVATIONS AND FINDINGS
<p><b>No Observations and no Findings.</b></p>

# Texas State Affordable Housing Corporation



# Texas State Affordable Housing Corporation





# Texas State Affordable Housing Corporation



# Texas State Affordable Housing Corporation

## Vacant Unit



# Texas State Affordable Housing Corporation

