

# Texas State Affordable Housing Corporation

## High Plains Apartments 1607 Iola Avenue, Lubbock, Texas 79419

**Owner:** RHAC – High Plains, LLC

**Date Built:** 1981

**Management Company:** J. Allen Management

**Property Manager:** Michelle Gutierrez

**Inspection Date & Time:** May 29, 2024, at 8:30 a.m.

**Inspector's Name:** Mercedes Dunmore

<b>Occupancy at Time of Report:</b>	98%	<b>Average Occupancy Over Last 12 Months:</b>	99.67%
<b>Number of Units: 50</b>			
<b>Number of One Bedrooms:</b>	N/A	<b>Number of Two Bedrooms:</b>	48
<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		
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 – 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 – see comment		
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 - see comment		
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 visit, the following issues were noted during the property walk. A crack in the concert was observed near building 25, the air conditioner on the top of building 8 is rusting, the blinds in unit 22 were damaged, and the fascia boards on the street side of building 2 are starting to show sign of deterioration, and the handicapped parking spots are beginning to fade. Management is advised to monitor these issues, as needed, to help maintain the curb appeal of the property.

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	2	Auto Theft
Criminal Mischief		
Personal Assault		
Drug Related Activity		
Gun Related Activity		

# Texas State Affordable Housing Corporation

Domestic Violence				
Disturbance	10	5 Domestic Disturbances – 5 Disturbances		
Other	1	Harassment		
		<b>YES</b>	<b>NO</b>	<b>N/A</b>
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		
<b>COMMENTS:</b> The call logs from the Lubbock Police Department had 25 calls reported from February 2024 through April 2024. Thirteen of the 25 calls are listed in the chart above. This is a slight decrease from last year's report. A third-party vendor patrols the property nightly from 6 pm – 6 am and provides daily activity reports. Management utilizes the report, the lease and the house rules to issue lease violations when needed.				

<b>SECURITY PROGRAM Part II</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>
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		
<b>COMMENTS:</b> The most recent risk assessment was conducted in March 2024. Site management conducts quarterly inspections which include a risk assessment of the property. The mortgage agency conducts annual inspections.				

<b>OFFICE</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>
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	
➤				
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			X	
<b>COMMENTS:</b> Management states ownership has rescinded the iPad for the tenant's use.				

<b>KEY CONTROL</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>
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		
<b>COMMENTS:</b>				

# 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 – see comment		
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 at random.			
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 property manager. The property manager then contacts the on-call maintenance staff member.			
7) What capital improvements have been scheduled or completed for this budget year? ➢ Six swamp coolers were replaced in April and 6 are scheduled to be completed in May. Unit countertops are scheduled to be replaced; however, the quotes have not yet been approved by upper management.			

### Detail of Ongoing Repairs and Replacements Completed in Last Budget Year

8) Unit Interior and Appliance upgrades ➢ Unit flooring was replaced as needed.			
9) Building Exterior and Curb Appeal repairs ➢ Lights were replaced across the property in summer 2023.			
10) Amenity upgrades ➢ N/A			
11) Other repairs or replacements ➢ N/A			
Number of service requests received:	7		
Number of requests open from prior periods:	0		
Number of service requests completed:	3		
Number of service requests completed within 24 hours:	1		
Number of outstanding service requests:	4		
12) On average, how many days does it take to complete a work order? ➢ On average it takes 6 days to complete a work order. See observation.			

**COMMENTS:**

**Observation:**

- **Management has not been properly closing work orders in the online property management system. This function is essential for tracking the progress of maintenance technicians. Timely and successful completion of work orders enhances resident satisfaction and overall retention. Management is reminded to update the online property management system as work orders are completed to help with tracking the work orders received.**

### 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 (Waitlist)	\$0	1	1
<b>TOTAL</b>	<b>\$0</b>	<b>1</b>	<b>1</b>

**The rental activity reflected in the above table was for the month of: 4/28/2024 through 5/31/2024**

	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	

# Texas State Affordable Housing Corporation

5) Does the property complete a market survey at least monthly?	X		
<b>COMMENTS:</b> The property maintains a waitlist. According to management, there are roughly 50 active applicants.			

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: 67%	6 months: 94.50%	12 months: 93%
3) What percentage of move-outs in the last 12 months were due to eviction for non-payment of rent or "skip"?			37.5%
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"> <li>➢ The most recent rental increase was implemented in February 2024, the average increase was \$38.</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
<b>Units Walked</b>			
<b>Unit #</b>	Brief Description		
14	2x1 – Occupied – Good condition.		
25	2x1 - Occupied - See comment.		
<b>Down Units Walked (units vacant and unready for extended period and all down units)</b>			
<b>Unit #</b>	Brief Description		
N/A			
		<b>YES</b>	<b>NO</b>
1)	Does the Unit Availability Report match the make ready board?		X
2)	Are units being turned in a timely manner?	X – see comment	
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>		

# Texas State Affordable Housing Corporation

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 1 vacant unit 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 vacant units within 5 to 7 days. See comment
<b>COMMENTS:</b> Due to the understaffed maintenance team, it takes roughly two weeks to complete make-ready units. During the unit inspection, it appeared unit 25 was vacant, not occupied, as noted in the property's availability report. Management is reminded to update property reports as changes occur to ensure accuracy of unit availability.	

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 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
Salaries and Benefits	\$42,163	\$54,891	\$12,728	23.18%	Overtime, Workers Comp, and Maintenance
Maintenance Expenses	\$2,373	\$2,757	\$384	13.92%	Interior, Glass/Screens, and Pest Control Supplies
Turnover Expenses	\$1,075	\$1,735	\$660	38.03%	Painting Materials
Repairs/Replacements Under \$5k	\$3,074	\$19,131	\$16,057	83.93%	Vinyl, HVAC, Plumbing, and Countertops Sink/Resurfacing

**COMMENTS:**

REVENUE					
FOR THE MONTH ENDING: 05/31/2024			YEAR TO DATE AS OF: 05/31/2024		
Gross Potential		\$45,264	Gross Potential		\$197,470
Budgeted Rental Income		\$43,869	Budgeted Rental Income		\$191,303
Actual Rental Income Collected		\$44,258	Actual Rental Income Collected		\$218,608
Variance + (-)		\$389	Variance + (-)		\$27,305
Other Revenue		\$523	Other Revenue		\$6,467
Total Budgeted		\$44,232	Total Budgeted		\$192,911
Total Collected		\$44,781	Total Collected		\$225,075
Variance + (-)		\$549	Variance + (-)		\$32,164

**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 Aging Report dated 5/28/2024.	0-30 Days:		(\$97)
	30-60 Days:		\$0
	60 Days and Over:		(\$1,100)
	TOTAL		(\$1,197)

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

# Texas State Affordable Housing Corporation

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	
<b>COMMENTS:</b> This section of the report was completed using the Delinquency and Prepaid report dated 5/28/2024.	0-30 Days:		\$724
	30-60 Days:		\$66
	60 Days and Over:		\$4
	<b>TOTAL</b>		<b>\$794</b>

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 – see comment	
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. ➤ HOTMA Training, Cyber Awareness, Lubbock Associations – Income Determination Training			
<b>COMMENTS:</b> The maintenance department appears to be understaffed due to staff turnover. Management is actively recruiting.			

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>Observation:</b></p> <ul style="list-style-type: none"> <li>Management has not been properly closing work orders in the online property management system. This function is essential for tracking the progress of maintenance technicians. Timely and successful completion of work orders enhances resident satisfaction and overall retention. Management is reminded to update the online property management system as work orders are completed to help with tracking the work orders received.</li> </ul> <p><b>No Findings.</b></p>



Texas State Affordable Housing Corporation



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## HVAC



## Crack





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