

Texas State Affordable Housing Corporation

Sierra Vista Apartments
10501 Montwood Dr., El Paso, Texas 79935

Owner: RHAC – Sierra Vista, LLC **Date Built: 1983**
Management Company: J Allen Management **Property Manager: Juana Pineda**
Inspection Date & Time: May 31, 2024, at 8:30 a.m. **Inspector’s Name: Celina Mizcles Stubbs**

Occupancy at Time of Report:	100%	Average Occupancy Over Last 12 Months:	99.8%
Number of Units: 106			
Number of One Bedrooms:	N/A	Number of Two Bedrooms:	66
Number of Three Bedrooms:	40	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		
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 – see comment		
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 in overall good condition. Prior to the onsite visit, the reviewer was made aware that the HVAC was not working in the management office. The HVAC system was serviced and operable on the day of the onsite visit. There was one cable box that needed to be strengthened so wires are not exposed. There were three shopping carts on the property that were removed prior to the end of the visit.

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		Domestic disturbance – 6
Other		Robbery - 1

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	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: El Paso Police Department 's 911 call logs for the February to April 2024 period were submitted for review. Seven of the 22 calls are noted in the chart above.			

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: The site manager and maintenance team walk the property monthly to determine any risk factors. The last walk was conducted on 5/20/2024.			

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			X
COMMENTS: The site has a swing set but no swings. Management stated the swing/swing seats were stolen recently and mentioned they are working on finding a replacement.			

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
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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 semi-monthly.			
5) What is the policy for following up on completed service requests? ➢ The Assistant Manager conducted call-backs at random to ensure the repair or replacement was completed.			
6) What is the property's after-hours emergency policy? ➢ A cell phone is shared with the on-call maintenance staff member. This member is responsible for contacting the appropriate parties for emergencies.			
7) What capital improvements have been scheduled or completed for this budget year? ➢ N/A – Capital improvements have not been scheduled or completed during the current budget year.			

Detail of Ongoing Repairs and Replacements Completed in Last Budget Year

8) Unit Interior and Appliance upgrades ➢ Interior flooring and unit appliances are upgraded when needed.			
9) Building Exterior and Curb Appeal repairs ➢ None			
10) Amenity upgrades ➢ None			
11) Other repairs or replacements ➢ None			
Number of service requests received:	38		
Number of requests open from prior periods:	0		
Number of service requests completed:	35		
Number of service requests completed within 24 hours:	24		
Number of outstanding service requests:	3		
12) On average, how many days does it take to complete a work order? ➢ Maintenance staff completes work orders within 2 days.			

COMMENTS:

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	\$0	17	13
TOTAL	\$0	17	13

The rental activity reflected in the above table was for the month of: 4/29/24 – 5/31/24

	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: The property utilized a wait list to fill vacancies.

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: 86.8%
3) What percentage of move-outs in the last 12 months were due to eviction for non-payment of rent or "skip"?			8.3%

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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? > The last rent increase was implemented in March 2024, with an average rent increase of \$30.			
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:			

VACANT/MAKE READY UNITS	
1) Number of vacant units at time of activity report:	0
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
4	(3x1) Occupied.
78	(2x1) Occupied.
103	(4x2) Occupied. The back panel of the kitchen cabinet required replacement. See comment.

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? > Occupied units are inspected: Annually			
7) How often are vacant units inspected? > Vacant units are inspected: Twice; at the time the unit become vacant and prior to the move-in date.			
8) How many vacant units are in progress of being made ready? > There are no vacant units.			
9) What is the company policy on the number of days to turn vacant units? > Management is required to turn units within 3-5 business days.			

COMMENTS: During the unit inspection of unit 103, the reviewer determined the back panel of the kitchen sink cabinet needed to be replaced. Maintenance staff replaced the back panel on the day of the onsite visit.

BUDGET MANAGEMENT		YES	NO	N/A
1) Are three bids solicited to obtain materials, supplies, and services?	X			

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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
Administrative Expenses	\$8,090	\$11,829	\$3,738	31%	Advertising, Dues& Subscriptions, Fees, Eviction, Credit checks
Salaries & Benefits	\$43,204	\$52,998	\$9,793	18%	Overtime
Maintenance Expenses	\$8,698	\$6,893	(\$1,805)	(26%)	Tools/Equipment and HVAC
Turnover Expenses	\$2,530	\$1,830	(\$699)	(38%)	Materials - Repairs
Repairs/Replacements Under \$5K	\$21,369	\$28,058	\$6,688	23%	Electrical, Counter/Resurfacing, "Other"

COMMENTS:

REVENUE

FOR THE MONTH ENDING: April 2024		YEAR TO DATE AS OF: April 2024	
Gross Potential	\$80,784	Gross Potential	\$317,012
Budgeted Rental Income	\$80,524	Budgeted Rental Income	\$315,239
Actual Rental Income Collected	\$80,994	Actual Rental Income Collected	\$316,416
Variance + (-)	\$470	Variance + (-)	\$1,177
Other Revenue	\$4,764	Other Revenue	\$9,874
Total Budgeted	\$82,330	Total Budgeted	\$322,466
Total Collected	\$85,758	Total Collected	\$326,291
Variance + (-)	\$3,427	Variance + (-)	\$3,824

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 Vendor Aging report dated 6/24/2024 was utilized to complete this section.	0-30 Days:		\$2,069
	30-60 Days:		(\$32)
	60 Days and Over:		(\$555)
	TOTAL		\$1,482

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 first of each month, a \$5.00 late fee is assessed on the sixth and \$1.00 is charged everyday up to \$30.00.			
3) When is legal action taken against delinquent accounts?			
➤ Legal action is taken on the 17 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: The Delinquent and Prepaid Report dated 5/28/2024 was used to complete this section. According to management, there was a Utility Allowance (UA) increase which resulted in several tenant ledgers credits.	0-30 Days:		(\$6,965)
	30-60 Days:		(\$1,424)
	60 Days and Over:		(\$14,039)
	TOTAL		(\$22,428)

RETURNED CHECKS

	YES	NO	N/A

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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. ➤ Management and maintenance staff is required to attend various Grace Hill trainings.			

COMMENTS: According to management, the property manager position was never filled with a full-time employee. Instead, the property shares a property manager and assistant manager with 2 sister properties. It is unclear if this arrangement is sufficient as there were a few tenant files issues. Please refer to the Compliance Report. Management is advised to review the current arrangement for additional assessments.

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? ➤ Management is required to obtain owner approval for amounts over \$500.			

COMMENTS:

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

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