### NCSHA 2016 Annual Awards Entry Form

(Complete one form for each entry)

Deadline: Wednesday, June 15, 2016

Visit <a href="ncsha.org/awards">ncsha.org/awards</a> to view the Annual Awards Call for Entries.

<u>Instructions:</u> Type entry information into the form and save it as a PDF. Do not write on or scan the form. If you have any questions contact awards@ncsha.org or 202-624-7710.

Fill out the entry name exactly as you want it listed in the program.

Entry Name:

HFA:

Submission Contact: (Must be HFA Staff Member) \_\_\_\_\_\_ Email:

Please provide a 15-word (maximum) description of your nomination to appear on the NCSHA website.

Use this header on the upper right corner of each page:

HFA:

Entry Name:

Select the appropriate subcategory of your entry and indicate if you are providing visual aids.

Communications	Homeownership	Legislative Advocacy	Management Innovation				
Annual Report	Empowering New Buyers	Federal Advocacy	Financial				
Creative Media	Encouraging New Production	State Advocacy	Human Resources				
Promotional Materials and Newsletters	Home Improvement and		Operations				
and Newsletters	Rehabilitation		Technology				
Rental Housing	Special Needs Housing	Special Achievement	Are you providing visual aids?				
Encouraging New Production	Combating Homelessness	Special Achievement	Yes				
	Housing for Persons with		No				
Multifamily Management	Special Needs						
Preservation and Rehabilitation							

#### **LEAN Performance Assessment System**

In these tough budget times, HFAs need to find new, efficient ways to work. Real efficiency requires looking at the processes, the design of the work, and finding ways to streamline work to eliminate the non-value activities so that the employees can accomplish more important tasks.

The Connecticut Housing Finance Authority (CHFA) embarked on a Kaizen event as part of its on-going LEAN initiative, focused on the Asset Management Performance Assessment System and Watch list. The group focused on methods to improve processes based upon "what the customer values," seeking to optimize value delivered to the public. During 2015, the LEAN team and additional staff addressed the action in the implementation plan developed in the Kaizen. While changes to processes rolled out from mid-2015 to early 2016, the team continued to research, plan and test. Kaizen simply means "change for the better" and CHFA's Asset Management Department Performance Assessment System has definitely changed for the better.

## Reason for Change- Existing Performance Assessment System and "Watch list" Required Streamlining

1. Asset Management had a Performance Assessment System and "Watch list," (a tool that identifies properties that require close surveillance, due to higher risk evidenced by poor financial performance, physical condition or management non-compliance) in place for the past several years that had become overly complex and time consuming for staff to maintain. It also provided disjointed information. Tracking the Performance Assessment utilized a combination of Excel spreadsheets and an in-house database, Mfasys. The existing Performance Assessment system covered the areas of financial, management and physical condition; however the score given was a consolidated, weighted score.

By using a single consolidated score, Asset Managers were not alerted to problems at properties because the overall score may have been masking problems. For example, a property could get a high score for having no debt, which could outweigh a low score for the property's poor physical condition, causing the property to be reported as average with no risk. As we analyzed the situation, more closely, staff decided to make each category a stand-alone score.

With the help of owner feedback during the Kaizen event, staff also recognized that all information was historical, with no consideration for the projection of future financial health. To remedy the situation, a cash flow model and capital improvement projection was incorporated in the assessment.

#### **New Performance Assessment System**

- Categories in the Performance Assessment Form were revised to focus on the following:
  - Physical Condition Financial (DCR/mortgage status)
  - -Management Compliance Cash Flow (Forward Looking)
- Rating scores are stand alone, not cumulative –The above categories have separate and distinct scores:
- Eliminate redundancy in Site Visits For properties with other program overlays requiring inspections (Section 8 and Low Income Housing Tax Credits or state rental subsidy), CHFA now accepts those scores. Eliminating duplicate site visits reduces the burden of multiple inspections on owners and tenants, a common complaint.
- Rename "Watch list" to "Sustainability Report" reflecting a greater focus on future sustainability and to be proactive rather than reactive.
- Reduce Sustainability Report criteria The existing system, which had three levels of concern was prioritized to focus on the higher levels of risk to CHFA and the property.

- Implement use of electronic tablets with remote access to all CHFA databases while in the field. This allowed access to financial and physical information as Asset Managers engage with owners/management agents. The access also allowed the capability of executing, uploading and emailing documentation.
- Reduce reporting requirements for high performers to relieve administrative burdens on properties that do not pose a risk to the CHFA portfolio. The time savings allow staff to focus on lower performing assets in a more proactive manner and dive deeper into the issues that may be affecting the downward performance.
- Increase accuracy of projections of property performance, which informs the Agency's loan loss reserve.
- Improve Excel budget and interim reporting forms by incorporating a single input page that increases accuracy by linking subsequent worksheets and also includes an additional worksheet that projects a 10-year cash flow schedule.

#### Reasons for Nomination of the NCSHA Award:

#### Innovative:

The overall focus on LEAN within the agency has repositioned CHFA for a new business reality of working more effectively in the field and serving the needs of our customers in a pro-active rather than a reactive manner. Asset Managers increased their portfolio of assets from an average of 45 to 63. The reduced number of site observations and average site observation time saved approximately 488 hours per year department wide, through the implementation of this LEAN event.

#### **Replicable Model:**

CHFA's newly designed site visit form, budget and interim reporting form (with 10-year cash flow), sustainability criteria and operations manual guidance can easily be shared with other HFAs to implement. While CHFA has a very proprietary in-house database, the information captured in the majority of the Performance Assessment and Sustainability could be added to another system.

#### Responds to an important state housing need:

Property owners and managers have repeatedly stated that reporting requirements and duplicate site visits by multiple agencies are overly burdensome.

#### **Measurable benefits to CHFA customers:**

- Reduced reporting for owners/managing agents of higher performing properties.
- More oversight for owners of lower performing properties.
- Forward looking projection serves as an "early warning" system for owners of when expenses will exceed income or debt coverage ratio is projected to drop.
- Fewer site visits/elimination of duplicated visits reduced burden on owners and tenants for access to units and property.
- Improved budget and reporting forms now include an automated 10-year cash flow for owners use.

#### **Proven Track Record of Success in the Marketplace**

Owners and Management Agents are now benefitting from reduced reporting requirements, less time spent on site visit questions and more time devoted to problem solving for success. CHFA staff is more efficient and effective with the enhanced technology and access to databases from the field. When CHFA unveiled the first draft of a new budget and interim reporting workbook, that includes the 10 year cash flow, owners were thrilled to have this planning tool.

#### **Provides Benefits that Outweigh Costs**

The change to CHFA's Performance Assessment System has resulted in significant labor savings, allowing the department to absorb the work of one full time Asset Manager and three support staff that left the company and were not replaced. The work of changing forms, process and database systems was completed in-house. The cost of the Surface tablets already seems to be outweighed by the staff's enthusiasm as well as the ability to represent CHFA in a more professional and responsive manner.

#### **Effective Use of Resources**

Improve accuracy of Sustainability (Watch) Report for low performing properties by 30% through automation and redesign of current rating process. The initial baseline of properties on the Sustainability Report is expected to increase substantially (temporarily) for the portfolio due to several new categories, however the value of the more accurate report is that assets needing assistance will receive more help earlier. Over time, we anticipate a reduction in number of properties placed on the Sustainability Report by 10% as asset managers proactively engage with owners, identifying problems earlier and providing technical guidance on maintaining the physical and financial health of the property.

#### Effectively employed partnerships

CHFA values the partnerships with owners/managing agents and engaged several in the Kaizen event. It was through this engagement that an owner pointed out that "CHFA always looks at the history of what happened at the property, when you should be looking at what's coming down the road". This was an "Aha moment" for staff; we always look out 20 years (proforma) when we analyze an application for funding, but we were not doing anything of that nature for existing assets. The staff reviewed the proforma and decided to combine forces with another LEAN initiative in Asset Management that was revamping the financial reporting forms. A ten-year cash flow form was added to another new form- the owners' financial budget and interim report.

The Performance Assessment criteria were established using a 10- year forecast. Rather than wait to implement the new form, CHFA's summer intern begun running the forecast on all existing assets. This is an area that will involve our partners at the properties in an on-going discussion each year to capture capital improvements and outside funding sources that will affect the forecast of financial stability. We will also seek additional input from our partners to continuously improve the assessment.

#### **Achieve Strategic Objectives**

LEAN is a statewide strategic objective for all Connecticut agencies and quasi-agencies. CHFA staff has participated in more than 10 LEAN events in the last several years and find them to be quite successful in implementing "value added" change to our way of doing business. CHFA's Strategic Objectives include Preservation of existing assets. The changes implemented as a result of the LEAN Performance Assessment System will focus staff resources and time on lower performing properties to assist in their long term preservation and sustainability.

The LEAN event also encompasses several of CHFA's Values:

- Bring Compassion to our customer-focus
  - We bring courtesy, responsiveness, efficiency and respect to all of our relationships.
- Work as a Team
  - We achieve a common goal through teamwork, communication, and sharing our knowledge and resources
- Partner to Innovate
  - We are an innovative partner who is forward-thinking, committed to continuous improvement and open to new ideas and perspectives.



## CONNECTICUT HOUSING FINANCE AUTHORITY

## SUBMISSION TO

NCSHA-2016 AGENCY AWARDS FOR PROGRAM
EXCELLENCE

PROGRAM- LEAN PERFORMANCE ASSESSMENT SYSTEM

## Asset Management Performance Assessment Rating System LEAN Team

Orrie Vardar, Brenda Kimber, Lynn Koroser-Crane, Penny Fisher, Jessica Abreu, Jan Bonner, Lisa Kidder, Barry Wilcock





- A Performance Assessment is a formal testing format using a set of criteria to grade against the whole. CHFA's Performance Assessment is critical in evaluating the potential challenges to the property including financial position, physical condition and operational status in order to facilitate improvement.
- The Performance Assessment Rating System was last updated in 2011





## Why have a Performance Assessment?

- CHFA oversees over 650 developments with over 38,000 units. CHFA and State financed projects are overlaid with programs such as tax credits, supportive housing, limited equity cooperatives, small unit rentals, assisted living, market rate and the DOH acquired State Portfolio.
- Within the portfolios are Housing Authority, Non-Profit and For-Profit owners.
- Each property is unique and CHFA has the responsibility to ensure the stability of all.
- A clear set of objectives is necessary to assess performance and to set a platform for improvement, if needed.





## Lean "Kaizen" Event

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CHFA engaged a firm to facilitate a Kaizen event to improve processes based upon "what the customer values."

- Gather feedback from external and internal "customers"
- Analyze current assessment process and systems
- Identify opportunities for improvement



## **External Customer Feedback**



- See CHFA's role as more forward-looking and focus on long-term viability of assets
- Give Asset Managers more discretion to address the particular property's shortfalls
- Site visits from multiple agencies are intrusive and take up too much time
- Work to standardize forms and reporting
- Like CHFA, Developer/Owner property
   evaluations also are heavily weighted toward
   finance metrics and include physical condition



## Internal Customer Feedback



- Framework within in-house database already exists in part. Edit and utilize existing and hidden screens
- Elimination of Excel forms is good
- Need to have more Asset Management/Finance coordination on Loan Loss Reserve and create one delinquency report for both



## Lean "Kaizen" Action Items

The event brought about the following two important action items.

- Streamline internal processes to reduce unnecessary steps, paperwork, and increase accuracy of documenting performance issues.
- Re-design the CHFA Property Performance Assessment process and associated Watch List to more accurately reflect the true assessment of the properties.





# Why streamline and redesign the Performance Assessment process?

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- more effectively assess risk
- improve internal/external communications
- reduce staff time
- increase opportunities to assist properties and their residents when challenges occur
- allow staff more time to concentrate on lower performing properties
- allow higher performing properties to be monitored less frequently without sacrificing the integrity of the assessment



## Outcome Goals of the Re-designed Performance Assessment Process

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- Improve accuracy of Watch List by 30%
- Reduce processing time by 30% through automation, allowing asset manager to be more engaged with owners, providing more value with resources and insights
- Reduce number of properties that fall into lowest performance rating by ID'ing problems earlier
- Strengthen the overall financial and physical condition of the Multifamily Portfolio



## Tasks Necessary to Accomplish Goals



- Change name of Watch List to Sustainability Report to establish a more positive outlook on the property's performance. Takes on a proactive and forwardlooking approach rather than reactive.
- In-house database generates an alert to the Asset Manager when a property scores low on any of the Performance Assessment categories.
- Subordinate to inspection reports by other agencies.
- Generate report from in-house database with performance assessments for review, comparison, and planning.

## Results



- Streamline the five existing rating levels to three
  - <del>Superior</del> Above Average Satisfactory
  - Below Average Unsatisfactory
- Categories in Performance Assessment revised to:
  - Physical Financial
  - Mgmt Compliance Cash Flow (Forward-looking)
- Ratings to be stand-alone, not cumulative
- Use of electronic resources (tablet and in-house database) to automate processes and eliminate handwritten and Excel based workbooks.



## Capacity Savings from Process Streamline

Asset Manager performing a Site Visit:

Current: 8.50 hours (average)

Future: <u>5.25</u> hours (average)

3.25 hours saved

15 site visits per year x 10 Asset Managers x 3.25 hours =

Savings: 488 hours/year saved

or

1 week/Asset Manager to work with low performing properties and relationship building

Operations Department Enters Performance Rating into Excel spreadsheet:

Current: 5 minutes (average)

Future: <u>0 minutes</u> (Asset Manager enters into MFaSys as part of their process)

5 minutes saved

600 properties x 5 minutes = 3,000 minutes or 50 hours

Savings: 50 hours/year freed up for other tasks

## **Key Performance Indicators**

- Customer Satisfaction Property Owners/Managers
- Customer Satisfaction Housing Authorities
- Improve % of Properties On Sustainability Report







- Improve accuracy of Sustainability Report by 30% through automation
- 2% Increase in applications from existing assets currently on Sustainability Report
- 5% Improvement in Tracking and Collection of Cash Flow Sharing, in conjunction with Finance using MFaSys and Finance's software program, Benedict

# Workflow of the Four Categories of Performance Assessment

- Physical
- Management Compliance
- Financial (DCR)
- Cash Flow (Forward-looking)





#### **Physical and Management Compliance Review**

- In-house database system generated document exported to tablet for completion and scoring while in the field.
- Re-upload to the in-house database.

#### Site Visit Form

CHFA Form HM 7-25B (Rev. 03/06/2015)

#### MANAGEMENT REVIEW SECTION

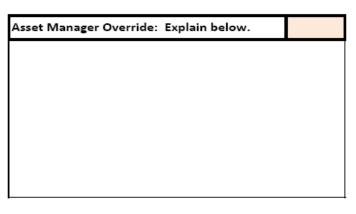
CHFA Form HM 7-25B (Rev. 10/1/2015)

	Performance Value
If Overall Rating Is	Range
Below Average	<=69
Satisfactory	70 - 79
Above Average	80 - 100

Number of questions answered Number of positive responses

**Below Average** 

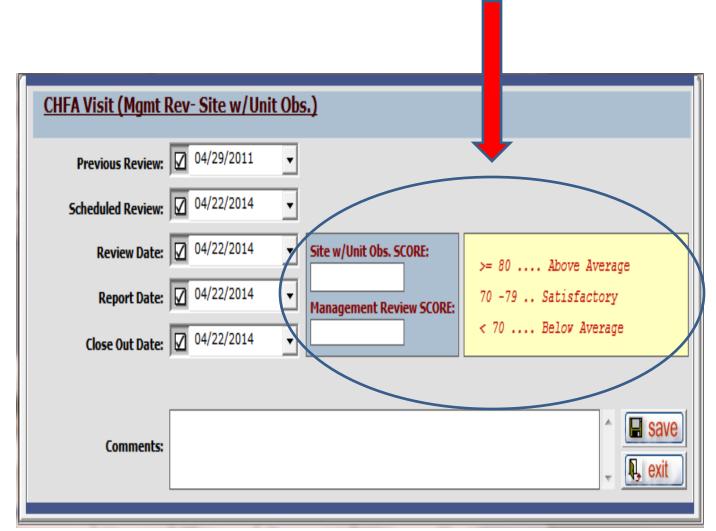
Score







Site Observation/Management Review score is entered/uploaded into the in-house database.







#### Financial (DCR)



ecticut Housing Finance Authority

set Management-Multifamily Housing

- Financial Score is derived from Debt Coverage Ratio which comes from review and analysis of the Audited Financial Statements.

## ANNUAL FINANCIAL STATEMENT REVIEW STATE PORTFOLIO

CHFA Form HM 6-55SH (Rev. 06/2014)

Debt Coverage Ratio (DCR):

Net Operating Income (NOI)

Divided By: Annual CHFA Debt Service

4.00%

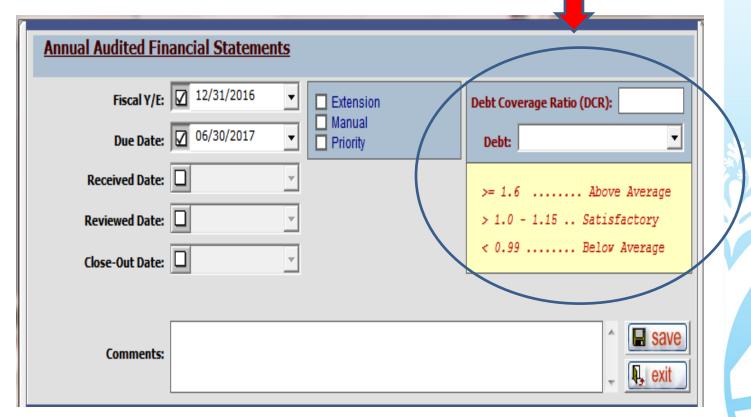
1.24

1.19

Last year's DCR



DCR is entered/uploaded into in-house database. If no DCR, status of debt is chosen. (N/A, No debt, or Deferred).



#### **Cashflow (Forward-looking)**

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- Property Owners/Management Agents complete Budget and Interim Reporting workbook to submit proposed budget for upcoming fiscal year.
- 10 year projection worksheet within workbook is automatically populated based on currently proposed budget. See next slide for an excerpt.
- Review of annual proposed budget with inflation assumptions for future performance indicates years of sustainability and forward looking (cash flow).



### Excerpt from Budget and Interim Reporting Workbook



#### Inflation assumptions can be edited

Projection goes out 10 years

#### 10-Year Projection

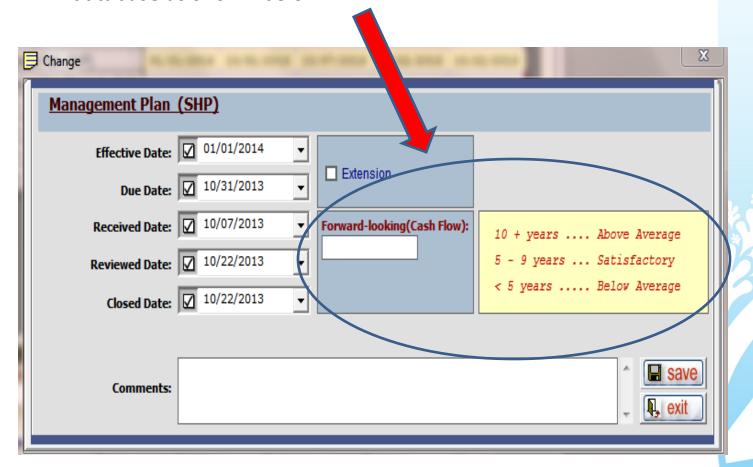
The percentages that will be used in the annual growth trend calculations are: Income: 2% Vacancies: 5% Expenses: 3% Reserves: 0% However, if you wish to increase or decrease that percentage, please remove the X and input a different amount in the adjacent column.

\* = Period-Ended Amount plus Budgeted Amounts for remainder of fiscal year

Name:	Unand	ited - As of:											
								Current Projected		_			
Location:	2016	2016	2016	2016	2016	77 T 10/	<del>- (-</del>	Actual	1	2	3		
# of Units:	Budget	PROJECTED ACTUAL *	Budget To-Date	Actual To-Date	To-Date Variance	Use Trend % based on above (X = Yes)	% to be Used	2016	2017	2018	2019		
INCOME:													
1 Total Rent Revenue (GPI @ 100% Occupancy)	0	0		0		X		0	0	0	0		
2 Total Vacancies	0	0		0		х		0	0	0	0		
3 Net Rental Revenue (Rent Revenue Less Vacancy)	0	0		0				0	0	0	0		
4 Elderly & Congregate Serv. Income	0	0		0		х		0	0	0	0		
5 Total Financial Revenue	0	0		0		х		0	0	0	0		
6 Total Other Revenue	0	0		0		х		0	0	0	0		
7 TOTAL REVENUE	0	0		0				0	0	0	0		
8 VACANCY RATIO													
9 RENT REVENUE PER UNIT													
EXPENSES:													
10 Total Administrative Expenses	0	0		0		X		0	0	0	0		
11 Total Utilities Expense	0	0		0		X		0	0	0	0		
12 Total Operating & Maintenance Expenses	0	0		0		X		0	0	0	0		
13 Total Taxes & Insurance	0	0		0		X		0	0	0	0		
14 Elderly & Congregate Serv. Expense	0	0		0		X		0	0	0	0		
15 TOTAL OPERATING EXPENSES	0	0		0				0	0	0	0		
16 OPERATING EXPENSES PER UNIT													
17 OPERATING INCOME (LOSS)	0	0		0				0	0	0	0		
I I	ı	ı		ı	ı	I	I			ı			



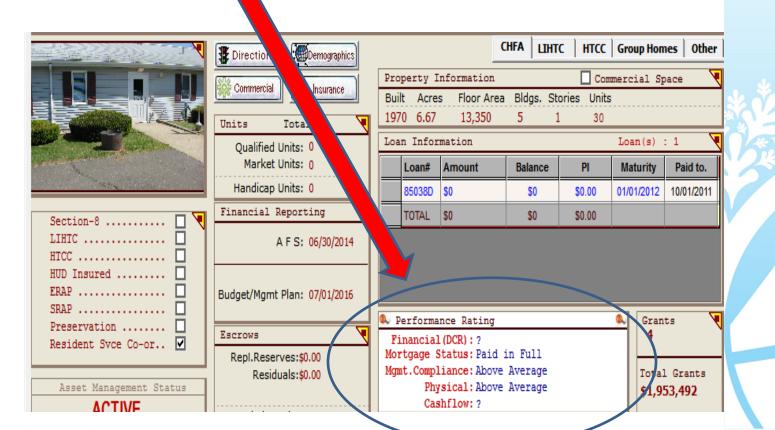
 Number of years of sustainability is established by review of the 10 year projection and entered/uploaded into in-house database as shown below.



The four Performance Assessment scores feed directly to the "dashboard" screen on the in-house database, MFaSys. Scores are shown individually and can quickly target area(s) to focus on.



Mortgage Status is fed directly from Finance Department's accounting system.



#### **Alert the Asset Manager**



- In-house database generates an alert to the Asset Manager when a property scores low on any of the four Performance Assessment categories or when the mortgage payment is delinquent.
- Asset Manager has discretion to place property on Sustainability Report.



## Sustainability Report Entry Screen



Sustainability Screen aids Asset Manager in tracking next steps and action needed.

Sustainability						
Mortgage Status:  REO Physical Status: REAC < 60 Site Visit Score < 70 Management Status: Mgmt. Review Score < 70 Other: Moratorium Non-monetary default Specify:	Financial:  Reserves underfunded  Escrows underfunded  DCR < 1.00 and/or negative cash flow  Non-payment of financial obligation  Mortgage default  < 5 year positive cash flow projected	Comments	Date	Comments		Comment
Initiated: Target:	Referred to UW:	Cleared:	Next /	Action date:	← 0 of 0 → History	● New Save

#### **Reporting generated**

- Report is generated from in-house database indicates the respective Performance Assessment Scores.
- Report is in process of being updated.





860-721-950

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## Performance Ratings

CHFA#	Development Name	Туре	Units	Year	Financial	Physical	Mgmt	Risk R	tating
Asset	Manager:								
85029D	Allen O`Neill	Family	41	2009	4.00	2	3.00	3.40	Above Average
80024M	Augustana Homes	Elderly	186	2009	3.00	4.00	2.33	3.07	Above Average
	Carroll Building	Unknown	0	2009	3.00	4.00	2.33	3.07	Above Average
	Clinton Manor	Unknown	0	2009	3.00	4.00	2.33	3.07	Above Average
15-00 <b>5</b> M	Crescent Crossings Phase 1-A	Unknown	93	2009	3.00	4.00	2.33	3.07	Above Average
	Greenfield	Unknown	0	2009	3.00	4.00	2.33	3.07	Above Average
	Horace Bushnell Apartments	Unknown	0	2009	3.00	4.00	2.33	3.07	Above Average
	Jefferson Heights	Unknown	0	2009	3.00	4.00	2.33	3.07	Above Average
	Sigourney Mews Apartments	Unknown	0	2009	3.00	4.00	2.33	3.07	Above Average
741 <del>44</del> M	Squire Village	Family	374	2009	3.00	4.00	2.33	3.07	Above Average



## 8. SUSTAINABILITY REPORT - PROCESS FOR STABILIZED PROPERTIES

A property may be placed on the Sustainability Report if any of the following factors has occurred or as determined by the Asset Manager.

- (a) Under funding of the minimum requirement for replacement reserves
- (b) Under funding of tax/insurance/operating reserve escrows
- (c) Income after payment of operating expenses is negative and/or debt coverage of less than 1.00
- (d) Score of less than 60 on a REAC inspection
- (e) Non-payment of hard mortgage debt, additional interest, cash flow sharing payments, or mandatory soft loan payments or residual receipts
- (f) Default on first mortgage or any subordinate debt
- (g) Is a REO property
- (h) Cash Flow model projects less than 5 years of positive cash flow
- (i) Management Review results in continued non-compliance
- (j) Other Asset Manager discretion

The Sustainability Report Addition / Removal Request Form needs to be completed in order to add or remove a property from the Sustainability Report.

Presence of a property on the Sustainability Report requires the Asset Manager to discuss the status with the property owner to determine what events led up to such status. The Asset Manager shall specify in MFaSys the reason why the property was placed on the Sustainability Report, and provide a status update.

After a workout has been completed by the Underwriter (if required), the Asset Manager should continue to monitor to ensure the property is operating soundly.

#### **Maintaining the Sustainability Report**

It is the responsibility of the Asset Manager or the Underwriter (if assigned) to update the Sustainability Report on a regular basis. Comments must be updated as conditions warrant.

#### 4. Performance Rating

The Performance Rating of a property is measured by four categories: Financial, Management Compliance, Physical Condition and Forward-Looking (cash flow). The score of each category is independent of each other.

Scores are derived from the following sources and input directly into MFaSys by the Asset Manager or automatically through Benedict.

Performance Rating Category	Information Received From:	Required For Type of Property	Input Screen in MFaSys
Financial:  Debt Coverage Ratio  Mortgage Status	- Annual Financial Statement - Benedict	All Properties, as applicable	Input in Audited Financials Monitoring Closeout Screen
Management Compliance	- Result of the most recent Site Observation review, using the score generated from the Management Compliance tab (HM 7-25)	All Properties except HUD (Section 8, Risk Share, etc.)	Input in Review and Site Visits Monitoring Closeout Screen
	- MOR Score including reviews from other agencies	HUD properties	
	- Spectrum Review	LIHTC properties	
Physical Condition	- Result of the most recent Site Observation, using the score generated from the Site Observation form. (HM 7-25)	All Properties with the exception of those listed below.	Input in Review and Site Visits Monitoring Closeout Screen
	- REAC Score	HUD properties (Section 8, Risk Share, etc.)	
	- Spectrum Review	LIHTC properties	
	- RAP contractor review	SSHP properties with SRAP	
Forward-Looking (Cash flow)	Cash flow projections created through the Budget and Interim Reporting workbook (HM ??)	All Properties	Input in Financial Reporting Monitoring Closeout Screen

See chart below for scoring criteria. Any property with a Below Average rating shall be placed on the Sustainability Report; however the Asset Manager has the ability to override the calculated score.

#### **Performance Rating categories and scoring**

Definitions	Above Average	Satisfactory	Below Average
<u>Financial</u>			
DCR	> 1.15	1.15 - 1.0	< 1.0
Mortgage Status	n/a	Current	Delinquent
Management Compliance		≥ 70	< 70
	N/A	In Compliance	Out of Compliance
Physical Condition	80 - 100	70 - 79	< 70
Cash Flow (Forward Looking	<u>s)</u>		
Cash Flow Model	> 10 years	5-10 years	< 5 years

The Asset Manager is required to update the Performance Rating throughout the year, as revised information is available:

- o after the AFS review is complete
- o a site observation, MOR, or any outside inspection form received and acceptable to CHFA (i.e. MOR, REAC, Spectrum)
- o the mortgage becomes delinquent
- o after review and acceptance of Budgets and Management Plans

Annually, before December 31, each asset manager will determine the frequency of the site observation for the future year based on the most current physical rating.

The timing and the types of action taken on any particular development are dependent on the Performance Rating scores for the various performance categories.





## **10-Year Projection**

The percentages that will be used in the annual growth trend calculations are: Income: 2% Vacancies: 5% Expenses: 3% Reserves: 0%

**However**, if you wish to increase or decrease that percentage, please remove the X and input a different amount in the adjacent column.

<sup>\* =</sup> Period-Ended Amount plus Budgeted Amounts for remainder of fiscal year

							1												
Name:		Unaudi	ited - As of:	,	•						•								
Location:		2016	2016	2016	2016	2016			Current Projected Actual	1	2	3	4	5	6	7	8	9	10
# of Units:		Budget	PROJECTED ACTUAL *	Budget To-Date	Actual To-Date	To-Date Variance	Use Trend % based on above (X = Yes)	% to be Used	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
	INCOME:																		
1	Total Rent Revenue (GPI @ 100% Occupancy)	0	0		0		X		0	0		0	0	) 0	0	0	0	0	0
2	Total Vacancies	0			0		X		0	0		0	0	0	0	0	0	0	0
3	Net Rental Revenue (Rent Revenue Less Vacancy)	0			0				0	0		0	0	0	0	0	0	0	0
4	Elderly & Congregate Serv. Income	0	0		0		X		0	0		0	0	0	0	0	0	0	0
5	Total Financial Revenue	0	0		0		X		0	0		0	0	0	0	0	0	0	0
6	Total Other Revenue	0	0		0		X		0	0		0	0 (	0	0	0	0	0	0
7	TOTAL REVENUE	0	0		0				0	0		0	0	0	0	0	0	0	0
													+						
8	VACANCY RATIO																		
9	RENT REVENUE PER UNIT																		
	EXPENSES:																		
10	Total Administrative Expenses	0	0		0		X		0	0		0	0	0	0	0	0	0	0
11	Total Utilities Expense	0	0		0		X		0	0		0	0	0	0	0	0	0	0
12	Total Operating & Maintenance Expenses	0	0		0		X		0	0		0	0	0	0	0	0	0	0
13	Total Taxes & Insurance	0	0		0		X		0	0		0	0 (	0	0	0	0	0	0
14	Elderly & Congregate Serv. Expense	0	0		0		X		0	0		0	0	0	0	0	0	0	0
15	TOTAL OPERATING EXPENSES	0	0		0				0	0		0	0	0	0	0	0	0	0
													+						
16	OPERATING EXPENSES PER UNIT																		
17	OPERATING INCOME (LOSS)	0	0		0				0	0		0	0 0	0	0	0	0	0	0
18	Replacement Reserve Deposits	0	0		0		X		0	0		0	0	0	0	0	0	0	0
19	Operation & Maintenance Escrow Acct. Deposits	0	0		0		X		0	0		0	0	0	0	0	0	0	0
20	Operating (Other) Reserve Deposits	0	0		0		X		0	0		0	0	0	0	0	0	0	0
21	TOTAL RESERVE DEPOSITS	0	0		0				0	0		0	0	0	0	0	0	0	0
22	NET OPERATING INCOME (NOI)	0	0		0				0	0		0	0 0	0	0	0	0	0	0
23	NOI PER UNIT		0		•				0			,			0	<u> </u>	•	1	
23	MOTTER UNIT	1	1	1	1		1	1	1	1	l			1	<u> </u>		I	1	L





## **10-Year Projection**

The percentages that will be used in the annual growth trend calculations are: Income: 2% Vacancies: 5% Expenses: 3% Reserves: 0%

**However**, if you wish to increase or decrease that percentage, please remove the X and input a different amount in the adjacent column.

<sup>\* =</sup> Period-Ended Amount plus Budgeted Amounts for remainder of fiscal year

Name:		Unaud	ited - As of:																
Location:		2016	2016	2016	2016	2016			Current Projected Actual	1	2	3	4	5	6	7	8	9	10
# of Units:	T	Budget	PROJECTED ACTUAL *	Budget To-Date	Actual To-Date	To-Date Variance	Use Trend % based on above (X = Yes)	% to be Used	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
										Note: The gold	highlighted area be	elow is Optional.							
24	Capital Improvements-Building	0			0														
25	Capital Improvements-Equipment	0			0														
26	Operation & Maintenance Escrow Acct. Releases	0			0														
27	Replacement Reserve Releases	0			0														
28	Operating Reserve Releases	0			0														
	TOTAL	0			0					0	0	0	0	0	0	0	0	0	0
29	Adjusted Net Operating Income	0			0					0	0	0	0	0	0	0	0	0	0
30	Mortgage Principal & Interest- CHFA Debt	0	0		0				0	0	0	0	0	0	0	0	0	0	0
31	Mortgage Insurance Premium/ Service Charges	0	0		0			-8%	0	0	0	0	0	0	0	0	0	0	C
	TOTAL	0	0		0				0	0	0	0	0	0	0	0	0	0	0
32	Cash after Debt Service	0			0					0	0	0	0	0	0	0	0	0	0
33	Debt Service Coverage Ratio (DSCR)																		
1								1											ı

# 2. PHYSICAL SITE VISITS AND UNIT OBSERVATIONS

# A. FREQUENCY

Site visits must be conducted every three years for properties that have a Physical Rating of Satisfactory or above. Site visits must be conducted annually for each property that has a Physical Rating of less than Satisfactory. If a property is on the Sustainability Report or is an REO, it must be visited annually, regardless of the score.

Physical Performance Rating	Site Visit Frequency
Satisfactory or above	Every three years
Below Average	Annually
On Sustainability or REO	Annually
TCAP/Exchange	Annually
GE Bonds	Annually

More frequent visits may be performed on any property; regardless of the rating if the Asset Manager and/or Manager 2 determine that they are warranted.

If the Physical Performance Rating changes at any time, the required frequency may change, and the Asset Manager must adjust their site visit schedule accordingly. Site visits are tracked in MFaSys under the Monitoring/Tracking tab.

# B. FORM

The form that will be used for a Site Visit is the Site Visit/Management Review form (CHFA Form HM 7-25B). This form must be used for the site visit required in the frequency outlined above. If additional visits are made to the site, but a complete site visit is not documented on the Site Visit/Management Review form, the visit date and notes must be documented in the Journal section of MFaSys.

The Site Visit/Management Review form must indicate what was done and who the Asset Manager met with on the visit. The report must be an objective assessment of the property. Personal opinion or editorial comment should not be given. The report must be comprehensive and completed in its entirety. Items marked as failing or a health and safety issue must be explained in the comment areas. These items as well as the overall results should be noted in a follow up letter, sent electronically, and request a plan of action including completion dates.

The Asset Manager may discuss any concerns noted from the visit with their Manager 2.

# C. PROPERTY TYPE

If an MOR is required on a property (Section 8, Risk Share, etc.), completion of a separate Site Visit/Management Review form is <u>not</u> required. The MOR visit and the REAC inspection suffice to fulfill the Site Visit requirement (unless otherwise determined by the Manager 2 or Director).

If another Contract Administrator (CA), (DOH or the PBCA contractor) is responsible for the MOR, the CHFA Asset Manager does not need to perform a Site Visit/Management Review. The score for the Physical and Management Compliance Rating will be generated from the property's REAC score and the MOR completed by the CA. For HUD-insured properties, we are required, if the mortgagee, to complete the Financial section of the MOR annually.

For LIHTC properties, Spectrum completes their visit and files the review every 3 years (post year 15 every 5 years) or as deemed necessary by the Manager 2. The Asset Manager will review Spectrum's report and does not need to perform a Site Visit/Management Review. However, for TCAP/Exchange properties, an annual Site Visit/Management Review is required.

If a State Portfolio property receives State Rental Assistance Program (SRAP) subsidy and the percentage of subsidized units is at least 25% of the total units, then the Asset Manager does not need to perform a Site Visit/Management Review. These properties are inspected by the SRAP contractor.

Property Type	CHFA Site Visit Form HM-725B	MOR Form
HUD (Section 8) -	No	MOR only. Observe
CHFA is Contract		common areas, building
Administrator		exteriors and grounds.
		Observe vacant units and a
		random sampling of
		occupied units if follow up
		from a REAC is necessary.
HUD Risk Share	No	MOR form, omit RHIIP
		section and Addendum A.
HUD Insured-	No	MOR form, Financial
CHFA is not		Section only.
the Contract		
Administrator		
HUD Uninsured –	No	No
CHFA is not the		
Contract		
Administrator		
LIHTC	No	No
TCAP/Exchange	Yes, annually. Also	No
	observe occupied units.	
GE Bonds	Yes, annually. Also	No
	observe occupied units.	
State Portfolio	No, if 25% or more of	No
property with SRAP	the units are SRAP.	
All Others	Yes, per frequency	No
	indicated above by	
	Performance Rating.	
	Also observe	
	occupied units.	

# D. SCHEDULING

Site Visits and/or MOR's should be scheduled geographically when possible, so more than one property can be visited in one day.

# **E. SUPERVISORY REVIEW**

Managers will utilize MFaSys Alerts and follow up to ensure requirements are met.

### F. NOTIFICATION

At least two (2) weeks prior to the scheduled visit, send a written notice of the scheduled site and unit observation to the property. Owners/Agents must send written notice of the CHFA site visit/unit observation to all residents at the property; then the Asset Manager will randomly choose the units to inspect.

- 1. Include Site Visit/Management Review form HM 7-25B (5/1/2012) so that the owner/agent may familiarize him/herself with the information we will be looking for.
- 2. Request that the following documents be available on site for review:
  - Rent roll
  - Waiting list
  - Summary of work order log
  - Notice of Unit Entry
  - Copy of Lead-Based Paint Disclosure, if applicable
  - Copy of Lead-Based Paint Pamphlet, if applicable

# G. SITE VISIT PROTOCOL

- 1. Meet the Property Manager/Owner or Designee
- 2. Ask infestation protocol question (re: bedbugs, cockroaches, mice, etc.) do not enter any unit if infestation is suspected.
- 3. Walk site including grounds, all common areas and maintenance/utility rooms.
- 4. Take photos of site signage, exterior, unit numbers and units.
- 5. Conduct the unit observation using form HM 7-15B 10% of occupied units are to be observed (observe a minimum of 5 and a maximum of 10) (Observe additional units if conditions are found to be unsatisfactory. Also observe a sampling of vacant units but no form HM 7-15B is required.

# H. SITE OBSERVATION GUIDE

Following is a guide for what should be looked at during a Site Visit:

#### 1. Site

- Check signage /condition (if inadequate, address with owner)
- Curb appeal
- Check driveway for potholes, drainage and striping
- Check fence condition
- Inoperable or abandoned vehicles
- Retaining walls condition
- Check for graffiti presence
- Check dumpster area

#### 2. Building Exterior

- Exterior lighting status
- Decks and stairways condition
- Windows, storm doors and screens condition
- Masonry pointing for bricks
- Building identifiers (numbers or alphabets)
- Roof rent (cell antennas)
- Siding and gutter conditions
- Roof condition (observe from ground)

#### 3. Common Areas

- Site office space and security of resident information
- Community room condition
- Condition of common restrooms
- Swimming pool safety (life guard not required)
- Elevator reliability and condition
- Trash chute condition (no foul odors or blockage)
- Condition of interior stairwell
- Storage room condition
- Condition of Fitness and Recreation Room
- Condition of laundry room
- Condition of common hallways (trip hazards)

#### 4. Building Systems

- Check for signs of leaks around HVAC system
- Boiler installation / maintenance log
- Presence of fire extinguisher check expiration date
- Check for flooding

- Checked for secured electrical panel
- Check for fire hazard items around furnace or boiler

#### 5. Occupied Units

- Observe smoke detector condition
- Electrical switch and outlets/ GFI must be covered
- Check ceiling for water damage
- Check appliances (stove must be turned on/off by property staff)
- Mold presence (kitchen, basement, bathrooms and under sinks)
- Tripping hazard
- Leaks
- Window /screen condition
- Door locks are working and secured
- Exhaust fan in the bathroom (Turn on and Off)
- Condition of paint
- Condition of flooring
- Second means of egress is not obstructed
- Running toilet

### 6. Vacant Units

Observe a sampling of vacant units but no form HM 7-15b is required.

# I. COMPLETE FORMS WITHIN 10 DAYS

Complete forms HM 7-25B for the Site Visit; then complete one form HM 7-15B for each unit visited (except vacant units) within 10 business days of the site visit.

# J. <u>DEFICIENCIES</u>

- 1. All Exigent Health and Safety (EHS) deficiencies must be repaired immediately and the owner/agent must certify to HUD and their Asset Manager in a written report providing reasonable evidence that all EHS items have been repaired.
- 2. If necessary, send a "Deficiency" letter requesting a plan of action. Within 30 days, the owner must provide in writing to his/her Asset Manager a list of all items cited in the report which have been corrected. If an item cannot be repaired within 30 days, the owner/agent must submit a written plan, including timeframes, of when the work will be completed and how the work will be paid for.

If not received within 30 days, a second notice letter is sent to the owner. If not, allow 30 days for correction of the situation. Follow up on deficiencies until corrected or owner states the reason(s) for inability to correct. The Asset Manager then follows up by documenting the findings in a letter and also

discussing a course of action to remedy any issues with on-site personnel. If there are extensive repairs necessary, a follow-up unit observation should be scheduled to ensure repairs are being made.

# **K. NO DEFICIENCIES**

If there were no deficiencies, acknowledge the owner/managing agent, thanking them for their time and state there were no deficiencies found.

# L. <u>UPDATE MFASYS</u>

Update MFaSys in the "Monitoring" section under "Reviews and Site Visits" by entering the date the visit was done and the date corrections were closed out.

Rev. 12/3/15



# Site Visit Form

Portfolio:	Select One
Project Name:	
Loan Number:	
Borrower:	
Property Address:	
City, State, Zip:	
Borrower Contact:	
Contact Phone:	
Email Contact:	
Site Contact:	
Site Contact Phone:	
Observed By:	



June 8, 2016

Attention:
Re:
CHFA #:
Thank you for enabling me to complete your Annual Site Observation on
Please see the attached Management Review and Physical Review reports along with the unit
observations for the results of my visit.
<u>If any corrective action is required</u> : Please provide a remedy / repair response (with photographs)
for any and all findings notated in the attached reports (including building and unit observations)
before the date below. Please note that commentary or the lack of commentary related to my
observation is not intended to replace or be a substitute for findings made by a qualified Engineer
or Architect and should not be relied upon as such.
Response Date: #VALUE!
Thank you,
Asset Manager
Connecticut Housing Finance Authority



Loan Number:	
Project Name:	
Observed By:	
Date of Management Review:	

	INAGEMENT REVIEW SECTION FA Form HM 7-25B (Rev. 10/1/2015)	
ī.	Financial Reporting	
F	lave the following reports been consistently submitted on a timely basis? (Look at multiple periods)	
	Annual Audited Financial Statements	
	Interim Operating Statements	
	Annual Budgets/Management Plans	
li	f the reports have been submitted, were they received in an acceptable form?	
	f the Owner/Agency has taken unauthorized distributions, reimbursements or supervisor fees, have these seen repaid?	
	If no, indicate amount due project:	•
	f required, have all required deposits to the residual receipts fund been made?	
	oes the balance of security deposit trust account equal or exceed liability?	
	If no, explain how deficit will be funded.	
If	f security deposits are invested in an interest-bearing account, is interest passed through to tenants in	
	ccordance with the CT State Department of Banking Statute?	
I:	s there an up to date executed and copy of mgmt agreement on file?	
	s the management fee (if applicable) paid to the agent in accordance with the Management Agreement?	
F	are all findings from previous management reviews resolved?  If no, specify below.	
	ii iio, specify below.	
F	las the Owner/Agent corrected all findings on the Audited Financial Statement?	
	dget Management Does the Owner/Agent's staff have access to the current operating budget to monitor and control	
	expenses?	
	las the Owner/Agent considered energy saving measures such as solar, etc? for informational	
	counts Receivable/Payable	
	re tenant accounts receivable reasonably current?	
	Does the Owner/Agent have a plan to reduce outstanding receivables?	
	s there a procedure for write off of bad debts?	
	s accounts payable reasonably current?	
	Accounting and Bookkeeping	
	there are automobiles charged to the property, are the titles in the name of the propeprty/ownership or	
	IA?	
•		
It	f the property has charge cards, are the charge cards in the name of the property/ownership or HA?	

II	. Management Operations	
	Application Processing/Tenant Selection	
	Does the project maintain a waiting list of prospective tenants?	
	Leases and Deposits	
	Aside from rents and security deposits are other charges posted (or in lease) in accordance with policies?	
	If other charges aside from rents and security deposits are assessed, have they been approved by CHFA? Does the resident lease address new legislation date 10/1/15 regarding fire sprinkler systems?	
	Eviction Is CHFA being notified of termination of tenancy for anything other than non payment of rent? (CHFA Multifamily)  Tenant File Security  Are files locked and secured?	
	Tenant Concerns	
	Is there a written grievance procedure? If yes, review a copy.	
	Provision of Tenant Services  Are there resident services and/or activities?  Is there a Resident Service Coordinator for the project?  Are the Resident Service Coordinators' files kept secure and confidential?  Are there any resident councils?	
	General Management Operations  Are after hours/emergency/711 ADA telephone numbers posted?  Does the Owner/Agent have a fidelity bond as required by management agreement?  If the project is owned by a cooperative, nonprofit or HA entity, does the Board of Directors meet regularly?	
	Review	
	Issue/Complaint Status	-
II	I. POLICIES AND PROCEDURES	
	Procedures & Policies related to admissions and Continued Occupancy  Does the property have policies regarding the following:	
	Master Key Policy Affirmative Fair Marketing / Marketing Plan Resident Selection Plan	
	Policies & Procedures Related to Management	
	Does the property have policies regarding the following:	
	Personnel	
	Conflict of interest	
	Cash management & security deposit escrow (state regulations)	

Resident Services & Activities	
Does the property have a community room use policy that includes a fee?	
Is the community room open ONLY during business hours?	
Maintenance	
Does the owner have a listing of contractual services?	
Is there a schedule for preventative maintenance/servicing of systems?	
Does the owner-agent document work order history and response time?	
Are smoke detectors monitored by the town or a 3rd party monitoring system?	
Is Call for Aide available?	
Inventory Procedure/Policy	
Is there a system for accounting of tools, equipment, supplies & keys (serial numbers, bar codes, etc.)?	
Unit Inspection Procedure/Policy	
Are units inspected at least annually?	

	Performance Value
If Overall Rating Is	Range
Below Average	<=69
Satisfactory	70 - 79
Above Average	80 - 100

Number of questions answered	0
Number of positive responses	0

Below Average = 0 sco	ore
-----------------------	-----

Asset Manager Override: Explain below.	



Site		

Site Visit Form
CHFA Form HM 7-25B (Re

Loan Number:		
Project Name:		
Observed By:		
Observed Occupied Un	nits:	
Observed Vacant Uni	ts:	

\$0

CHFA Form HM 7-2	25B (Rev. 03	/06/2015	)						
I. Loan/Managem	ent Informa	tion							
Portfolio:		Select (	One			Date of Ob	servation:		
Borrower:				ļ		1	st Observation:		
Property Address:						Deferred N	/laintenance:		
City, State, Zip:						Manageme	ent Rev. Rating:	Below Avera	ige
Borrower Contact:						1	operty Rating:	Below Avera	
Contact Phone:						Time of Ar			
Email Contact:						Time of De	parture:		
Site Contact:						Rent Roll C	Obtained?		
Site Contact Phone:						Loan Balar	ice:		
II. Management I	nformation								
Is Management Affil	iated with Bo	rrower?				]			
Frequency Property			erty:	:		1			
Management of the						]			
General Comments f	for Subject Pro	operty							
III. Occupancy Da Multifamily	ta								
		Avg. So	٦.			Vacancy Rate	per		
Unit Type	# of Units	Ft/Uni	t	Monthly Rent	# Vacant	Unit Type			
- 44-66									
Retail/Office			1		_	1		Τ	1
Five Largest Co	mmercial Ten	nants	Ex	piration Date	Sq. Ft.	% NRA	Annual Rent	Rent/Sq. Ft.	ļ
									ļ
									1

Total Sq.Ft

0

**Total Rent** 

Vacancy and Turnover			7				
Residential:	_			_			
Is the vacancy over 5%?		#DIV/0!					
What is the length of the vacancy	?						
Commercial:				_			
Is the vacancy over 5%?							
What is the length of the vacancy	?						
Based on the interview with on-si	te staff, are	any of the factor	s listed below con	tributing to vac	ancy problems?		
Vacancy and Turnover Comments	j						
Were escrow withdrawals for rep	air/replacer	ment items taken	since last site visit	?			
If yes, have Repairs, Replacement							
Describe in detail what Repairs, R	onlacomon	ts or improvemen	ts have been or wi	ill ha mada thic	woor		
Describe in detail what kepails, k	еріасептеті	ts of improvemen	ts flave been of wi	iii be iiiaue tiiis	year.		
Was a C.N.A prepared within the	last 5 yrs. (r	not required if les	s than 5 yrs. old)?				
Environmental							
Was construction date prior to 19	78 on any k	ouilding associate	d with this develor	oment?		Yes	No
If Yes, please ask the follow	wing:						
1. Is there a Lead-Based Pa	int Manage	ement system in p	lace?			Yes	No
2. Is there a Lead-Based Pa	int Disclosu	ire provided to te	nants?			Yes	No
3. Is the Lead-Based Paint	Pamphlet d	istributed to tena	nts?			Yes	No
Have there been any resident clai	ms within t	he last 2 years reg	garding environme	ental issues?		Yes	No
IV. Building Exterior and Com		rop-down menu				7	
Building Exterior		Building Ex	xterior		Common Area		
Exterior		Loading Doc	k(s)		Ceilings		
Ingress/Egress -Bldg/Property		Paint			Interior Doors		
Striping - Parking Areas		Siding / Trim			Windows		
Drainage - Site & Parking Areas			atios / Decks		Kitchens		
Retaining Walls		Refuse / Disp	osal		Appliances		
Sidewalks		Fencing			Cabinets		
Landscaping		Play Area / E	quipment		Light Fixtures		
Signage		Trash			Plumbing / Bathro	oms	
Site Lighting		Graffiti			Electrical		
Foundation(s)		Other			Lighting		
Exterior Walls					Basement		

Visible	Roof Condition		Com	mon Area	7		Mechanical R	ooms	
	ng / Eaves / Ventilators	5	Lobb		8		Laundry Roor		
	rs / Downspouts			vay(s)			Trash		
Windo	ows / Glazing		Stair	way(s)			Graffiti		
Storef	ronts		Inter	ior Walls			Other		
Exterio	or Doors		Pain	ting / Wall cove	er				,
Stairs/	'Railings		Floo	ring / Carpets /	Tiles				
Descri Observ	ption or Explanation o ved:	f Failed status in	n Building	Exterior and Co	ommon Area	a Observatio	on and any Deferre	d Maintena	ince
	fety Hazards	following item	as are she	skad rogularia	u bu qualifi	ad parsan	na/2		
	re evidence that the	jollowing item	is are cne	ckea regulari	y by qualifi	ea personi	nei?		
	ency Systems Systems								
	s/Water Heaters								
Elevate									
	lers/Fire Protection								
	uishers								
Emerg	ency lighting provided	in all common r	rooms, ha	lls & stairwells					
Is the	site free of the follow	wina condition	ıc.						•
	tes, Rodents and Other	_	<i>.</i>						
	ng and/or slipping haza								
	If Overall Rating Is	Performance Value Range		ſ	Number of	Questions	s Answered	0	
	Below Average			·			Responses	0	
	Satisfactory							-	
	Above Average				Be	low Av	verage	= 0	Score
			l						1
				Asset Ma	nager Ove	erride: Ex	xplain below.		ļ
									1



Date of Observation:	
Project Name:	
Unit #	
Unit Status:	
Score:	Below Average

### **UNIT OBSERVATION FORM**

CHFA Form HM 7-15B (Rev	. 03/06/2015)		
Select from the drop-down	menu		
	Condition Code		Description of Conditions or Required Corrections
Entire Unit			
Exterior Door			
Exterior Walls			
Air Conditioning Unit			
Emergency Pull Cord			
Stairs			
Smoke Detectors			
Other:			
Living Room	•	<del></del>	
Walls			
Door			
Ceiling			
Floors			
Window			
Elec.Fixtures/outlets			
Other:			
Dining Area	<u> </u>		
Walls			
Door			
Ceiling			
Floors			
Window			
Elec.Fixtures/outlets			
Other:			
Kitchen			
Walls			
Door			
Window			
Ceiling			
Floors			
Elec.Fixtures/outlets			
Stove			
Refridgerator			
Sink/Faucet			
Disposal/Trash Container			
Cabinets			
Countertops			
Dishwasher			
Recirculating Range Hood			
Pantry			
Other:			



Date of Observation:	
Project Name:	
Unit #	
Unit Status:	
Score:	Below Average

### **UNIT OBSERVATION FORM**

CHFA Form HM 7-15B (Rev. 03/06/2015)

Select from the drop-down menu

**Condition Code** 

**Description of Conditions or Required Corrections** 

Bathroom #			
Walls			
Door			
Window			
Ceiling			
Floors			
Elec.Fixtures	/outlets		
Working Toil	et		
Lavatory (h/d	c water)		
Tub/Shower	(h/c water)		
Exhaust Fan			
Towel Rack			
Cabinets/Va	nity		
Other:			
Bedroom #	1		
Walls			
Ceiling			
Floors			
Elec.Fixtures	/outlets		
Closet			
Window			
Door			
Other:			
Bedroom #	2		
Walls			
Ceiling			
Floors			
Elec.Fixtures	/outlets		
Closet			
Window			
Door			
Other:			
Bedroom #			
Walls			
Ceiling			
Floors			
Elec.Fixtures	/outlets		
Closet			
Window			
Door			
Other:			



Date of Observation:	
Project Name:	
Unit #	
Unit Status:	
Score:	Below Average

#### **UNIT OBSERVATION FORM**

CHFA Form HM 7-15B (Rev. 03/06/2015)

Select from the drop-down menu	
Condition Code	Description of Conditions or Required Correction

Bedroom #	1	
Walls		
Ceiling		
Floors		
Elec.Fixtures/outlets		
Closet		
Window		
Door		
Other:		
Bedroom #		
Walls		
Ceiling		
Floors		
Elec.Fixtures/outlets		
Closet		
Window		
Door		
Other:		

Number of Questions Answered 0 Number of Positive Responses 0

# **Below Average** = 0

	Performance Value	
If Overall Rating Is	Range	
Below Average	<=69	
Satisfactory	70 - 79	
Above Average	80 - 100	



Loan Number:	
Project Name:	
Observation Date:	

	Score	Performance Rating		
<b>Physical Observation</b>				
HM 7-25b	0	Below Average	Average Score	0
Unit Observation (1)	0	Below Average		
Unit Observation (2)	0	Below Average		
Unit Observation (3)	0	Below Average		
Unit Observation (4)	0	Below Average		
Unit Observation (5)	0	Below Average		
Unit Observation (6)	0	Below Average		
Unit Observation (7)	0	Below Average		
Unit Observation (8)	0	Below Average		
Unit Observation (9)	0	Below Average		
Unit Observation (10)	0	Below Average	Average Score	0
Management Review				
	0	Below Average		