

Texas State Affordable Housing Corporation Compliance Review Observation Report

<u>Saddlewood Club</u>	
3625 Wellborn Bryan, TX 77801	
Owner: Dalcor Affordable Housing I, LLC	Date Built: 1982
Management Company: Dalcor Management	Property Manager: Linette Bounds
Inspection Date & Time: April 23, 2014 at 8:30 AM	Inspector's Name: James M. Matias

Number of Units:	232	Number of Required LI units:	232	Number of Required VLI units:	NA
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COMPLIANCE AUDIT	YES	NO	N/A
1) Are procedures that ensure compliance with the set aside requirements and rent requirements effective?	X		
2) Is the property accepting Section 8 households?	X		
3) Is the income to rent ratio for Section 8 households less than 2.5?	X		
4) Are the rent increases smaller than 5%?	X		
5) Is there any discriminatory language on the Application for Tenancy or Occupancy Qualifications?		X	
6) Does the lease or rental agreement inform the resident of Very Low Income/Low Income and Recertification requirements?	X		
7) Is additional monitoring by TSAHC recommended?		X	

COMMENTS:

SET-ASIDES	YES	NO	N/A
1) Do the files reviewed establish that the property is meeting the Low Income residency requirement whereby 75 percent of the units are rented to tenants whose adjusted income is 80 percent or less of the median gross income for the Metropolitan Statistical Area where the property is located?			X
2) Do the files reviewed establish that the property is meeting the Very Low Income residency requirement?			X
3) Are the set-aside units evenly distributed?			
a) No more than 60% of the set-aside requirements consist of one unit type?			X
b) No less than 20% of the set aside requirements consist of any particular unit type?			X
4) If either of the set asides have not been met, are any units :			
a) Rented for less than 30 days, not including month-to-month?		X	
b) Utilized as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, nursing home, hospital, sanitarium, rest home, or trailer court or park?		X	
c) Leased to a corporation, business or university?		X	
d) Owned by a cooperative housing corporation?		X	
e) Not available for rental on a continuous basis to members of the general public?		X	

COMMENTS:

UNITS WALKED
(units vacant and unready for extended period of time and all down units)

Unit #	USR Designation	New Designation	Comments
205	LI	MKT	Unit has been vacant and not made ready for more than 285 days. This unit is not being made ready for use by the general public and is considered a Down unit.
206	LI	MKT	Unit has been vacant and not made ready for more than 163 days. This unit is not being made ready for use by the general public and is considered a Down unit.
1905	LI	MKT	Unit has been vacant and not made ready for more than 174 days. This unit is not being made ready for use by the general public and is considered a Down unit.

COMMENTS:

Finding

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- Units 205, 206 and 1905 are considered down because they are not available for rental on a continuous basis to members of the general public. The unit designation on the Unit Status Report must be market until a qualified household occupies the unit. In addition to the designation change, TSHAC also request that "Down Vacant" be put in the last name field on the Unit Status report for each down unit. In response to this review, in order for this unit to reverse its "down" status, the owner must submit proof to TSAHC that the units are back on-line and available for rental to the general public in the form of invoices, work orders, pictures, and/or Tenant Income Certifications. Once TSAHC has reviewed Tenant Income Certifications, invoices, work orders and/or pictures and have given Management approval, then the unit can be added back to the Unit Status Report with a market designation until a qualified household occupies the unit.

RESIDENT SERVICES	YES	NO	N/A
1) Does the programming appear to cater to the resident profile of the property?	X		
2) Does the programming appear to be effective?	X		
3) Is there a resident services notebook available to review?	X		
4) TSAHC provided Technical assistance regarding:			
a) Resident attendance	X		
b) Frequency of service provided	X		
c) Transportation provided for off site services		X	
d) Notification to residents of services		X	
e) Number or type of services	X		
f) Survey of residents		X	
g) On-line reporting		X	
5) Does the property comply with the resident services requirement?	X		

COMMENTS:

OFFICE	YES	NO	N/A
1) Is the office neat, the desk uncluttered?	X		
2) Are accurate office hours posted?	X		
3) Are the following displayed in full view:			
a) Occupancy Qualifications?	X		
b) Fair Housing Poster?	X		

COMMENTS:

RESIDENT FILE REVIEW	YES	NO	N/A
1) Are there any Next Available Unit Rule Violations?		X	
2) Does the file audit establish that residents are being recertified on an annual basis?	X		
3) Does the owner maintain all records relating to resident income certifications, together with supporting documentation?	X		
4) Does the Owner/Agent make an effort to determine that the income certification provided by the resident is accurate?	X		
5) Does the file audit indicate that staff needs additional training?		X	

COMMENTS: The most common error found during the file review included disorganization of files and discrepancies between the Unit Status Report and Tenant Income Certification. The importance of maintaining an accurate Unit Status Report was discussed with Management

If a new household moves in to any of the units with Findings (listed below), instead of submitting the required Corrective Action documents, submit with your response: the application for tenancy, the verifications, the Income Certification, and the 1st page of the lease for the new household occupying the unit.

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Unit	Finding	Corrective Action Requirement
1102	The income documentation in the file states that the resident receives occasional support from a local church.	Request documentation to confirm that the resident still receives support. If the resident still receives support, determine the frequency. If received monthly, annualize the amount received to determine the income.
1407	The file contains income documentation that supports the income calculations. However, the income differs between the file and the Unit Stats report.	Update the Unit Status Report with the correct income determined in the file.
1610	The income documented in the file does not support the income on the Unit Status Report.	Edit the income on the Unit Status Report to match the income in the file or obtain documentation to support the income on the Unit Status report.

COMMENTS: The majority of the corrections were completed by management prior to the submittal of this report.

Finding:

- The above issues are considered Findings and corrective action must be submitted to TSAHC before or on June 9, 2014

SUMMARY OF FINDINGS AND OBSERVATIONS

Findings:

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