Texas State Affordable Housing Corporation **Compliance Review Observation Report**

Cove Village

1102 Gold Course Rd., Copperas Cove, TX 76522

Owner: RHAC – Cove Village, LLC Date Built: 1983

Management Company: Capstone Real Estate Services Property Manager: Jeff Burton **Inspection Date & Time:** February 18, 2015 @ 1:00 pm Inspector's Name: Celina Mizcles

inspection Date to Time: 1 Coldary 10, 2010 C 1.00 pm Inspector 5 Hame: Colma Hillores								
Nu	mber of Units:	Units: 50 Number of required LI units: 50 Numbe		of required VL	N/A			
			COMPLIANCE AUDIT			YES	NO	N/A
1)	Are procedures effective?	that ensure	compliance with the set aside requirem	ents and rent red	quirements	х		
2)	Is the property a	ccepting Se	ction 8 households?			Х		
3)	s) Is the income to rent ratio for Section 8 households less than 2.5?					X		
4)	4) Are the rent increases smaller than 5%?					Х		
5)	Is there any dis	criminatory I	anguage on the Application for Tenancy	or Occupancy C	Qualifications?		х	
6)	Does the lease of Recertification re		eement inform the resident of Very Low?	Income/Low Inco	ome	Х		
7)	Is additional mo	nitoring by T	SAHC recommended?				х	

COMMENTS:

	SET-ASIDES	YES	NO	N/A
1)	Is the property meeting all occupancy restrictions required by the property's Regulatory Agreement and Asset Oversight and Compliance Agreement?	х		
2)	Are the set-aside units evenly distributed?			
	a) No more than 60% of the set-aside requirements consist of one unit type?			Х
	b) No less than 20% of the set aside requirements consist of any particular unit type?			Х
3)	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?		Х	
	b) Utilized as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, nursing home, hospital, sanitarium, rest home, or trailer court or park?		х	
	c) Leased to a corporation, business or university?		Х	
	d) Owned by a cooperative housing corporation?		Х	
	e) Not available for rental on a continuous basis to members of the general public?		Х	

UNITS WALKED

	USR	New	
Unit #	Designation	Designation	Comments
15	60	N/A	
30	60	Not eligible	See comment.
36	60	N/A	
49	60	N/A	

COMMENTS: See Finding below in the Summary of Findings section.

	RESIDENT SERVICES	YES	NO	N/A
1)	Do the resident services appear to cater to the resident profile of the property?	X		
2)	Do the resident services appear to be effective?	х		

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3) Is the property meeting the Resident Service requirements as required by the Regulatory Agreement and Asset Oversight and Compliance Agreement?	х		
4) Is management monitoring the following:			
a) Resident attendance	х		
b) Frequency of service provided	х		
c) Notification to residents of services	х		
d) Number or type of services	х		
e) Survey of residents	Х		
5) Is management properly submitting monthly Resident Service reports through the Compliance System?	х		
6) Did TSAHC provide any Technical Assistance regarding Resident Services?		x	
COMMENTS:	1		

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

RESIDENT FILE REVIEW	YES	NO	N/A
Does the owner maintain all records relating to initial resident income certifications, together with supporting documentation?			
 Does the Owner/Agent make an effort to determine that the income certification provided by the resident is accurate 	Х		
3) Does the file audit establish that residents are being recertified on an annual basis?	х		
4) For mixed (low-income and market units) developments, are there any Next Available Unit Rule Violations?			х
5) Does the file audit indicate that staff needs additional training?		Х	

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, all income and asset verifications, the executed Income Certification, and the 1st page of the lease for the new household occupying the unit.

Unit	Finding	Corrective Action Requirement				
30	three household members but the name of the grandson was crossed out					
COMMENTS:	COMMENTS:					

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Finding:

• The reviewer was unable to determine household eligibility on the day of the onsite visit. The tenant file contained an application that listed a head of household, live-in aide, and the live-in aide's grandson. The Income Certification and Annual Eligibility Certification (both dated 8/29/2014) list all three household members but the name of the grandson was crossed out indicating that the grandson does not live in the unit. On the day of the onsite visit during the physical review of the unit, the head of household was in the home and a child was asleep on the sofa however the live-in aide was not. In addition, one of the three bedrooms was furnished with a child's bed and toys. A live-in aid's family member may not reside in the unit. Obtain documentation (oral verification will not suffice) to support that the live-in aide's grandchild does not reside in the home. Submit supporting documentation to TSAHC for review. Submit supporting documentation to TSAHC for review no later than 04/12/2015 (30 days from the date of this report).

SUMMARY OF FINDINGS AND OBSERVATIONS

Finding:

• The reviewer was unable to determine household eligibility on the day of the onsite visit. The tenant file contained an application that listed a head of household, live-in aide, and the live-in aide's grandson. The Income Certification and Annual Eligibility Certification (both dated 8/29/2014) list all three household members but the name of the grandson was crossed out indicating that the grandson does not live in the unit. On the day of the onsite visit during the physical review of the unit, the head of household was in the home and a child was asleep on the sofa however the live-in aide was not. In addition, one of the three bedrooms was furnished with a child's bed and toys. A live-in aid's family member may not reside in the unit. Obtain documentation (oral verification will not suffice) to support that the live-in aide's grandchild does not reside in the home. Submit supporting documentation to TSAHC for review. Submit supporting documentation to TSAHC for review no later than 04/12/2015 (30 days from the date of this report).

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