Texas State Affordable Housing Corporation
Compliance Review Observation Report

Chaparral Village Apartments
1411 S. Grant Avenue, Odessa TX 79761

Owner: RHAC-Chaparral, LLC Date Built: 1981
Management Company: Capstone Real Estate Services Property Manager: Celia Arenivas
Inspection Date & Time: 2.23.2016 at 8:30 AM Inspector's Name: James Matias

Number of Units: 80 Number of required LI units: 80 Number of required VLI units: 0

COMPLIANCE AUDIT

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 Recertification requirements? X
7) Is additional monitoring by TSAHC recommended? X

COMMENTS:

The 4 units walked included 2 occupied units (20 and 79) and 2 vacant units (3 and 66). The units walked were found to be adequate for the affordable program and no designation changes are necessary. Any and all health and safety issues associated with the units walked were corrected within 5 business days of the review.

SET-ASIDES

1) Is the property meeting all occupancy restrictions required by the property’s Regulatory Agreement and Asset Oversight and Compliance Agreement? X
2) 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
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? 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

<table>
<thead>
<tr>
<th>Unit #</th>
<th>USR Designation</th>
<th>New Designation</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>60</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>60</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>66</td>
<td>60</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>79</td>
<td>60</td>
<td>NA</td>
<td></td>
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</tbody>
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RESIDENT SERVICES

1) Do the resident services appear to cater to the resident profile of the property? X

Revised January 2015
Texas State Affordable Housing Corporation
Compliance Review Observation Report

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<tbody>
<tr>
<td><strong>Finding:</strong></td>
<td></td>
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<tr>
<td></td>
<td>All new move in files reviewed were missing the TSAHC Health and Safety form. The Property Manager said that she stopped using the form because she though the TDHCA Rights and Resources Guide accounted for our form as well. I informed the Property Manager that TDHCA Guide did not have any association with our required forms. The Property Manager stated that she would obtain the forms for all the missing units and did so prior to the issuance of this report.</td>
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<td><strong>Finding:</strong></td>
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<td>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.</td>
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Texas State Affordable Housing Corporation  
Compliance Review Observation Report

COMMENTS: All observations and findings were corrected prior to the submission of the report.

<table>
<thead>
<tr>
<th>Unit</th>
<th>Finding</th>
<th>Corrective Action Requirement</th>
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<tbody>
<tr>
<td>N/A</td>
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SUMMARY OF FINDINGS AND OBSERVATIONS

Finding:

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