## Texas State Affordable Housing Corporation

## **Compliance Review Observation Report**

#### **High Plains Apartments**

1607 Iola Avenue, Lubbock TX 79416

Owner: RHAC- High Plains, LLC Date Built: 1981

Management Company: J. Allen Management Co., Inc Property Manager: Larry Mendez

Inspection Date & Time: 2.22.2017 at 8:00 A.M. Inspector's Name: James Matias

Nu	mber of Units:	50	Number of required LI units:	50	Number of	frequired VL	.l units:	0
			COMPLIANCE AUDIT			YES	NO	N/A
1)	Are procedures effective?	that ensure	compliance with the set aside requireme	nts and rent req	uirements	x		
2)	Is the property a	ccepting Se	ction 8 households?			Х		
3)	Is the income to	rent ratio for	Section 8 households less than 2.5?			Х		
4)	Are the rent incr	eases smalle	er than 5%?			Х		
5)	Is there any disc	criminatory la	anguage on the Application for Tenancy	or Occupancy Q	ualifications?		Х	
6)	Does the lease of Recertification re		eement inform the resident of Very Low In?	ncome/Low Inco	me	Х		
7)	Is additional mor	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	

#### COMMENTS:

#### UNITS WALKED

	USR	New	
Unit #	Designation	Designation	Comments
5	60	NA	
13	60	NA	
15	60	NA	
28	60	NA	
48	60	NA	

**COMMENTS:** The 5 units walked included 1 vacant unit (15) and 4 vacant units (5, 13, 28, and 48). 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.

RESIDENT SERVICES	YES	NO	N/A
1) Do the resident services appear to cater to the resident profile of the property?	Х		

## Texas State Affordable Housing Corporation

## **Compliance Review Observation Report**

<ol><li>Do the resident services appear to be effective? Discuss your observations in the comments section below.</li></ol>	x		
3) Is the property meeting the Resident Service requirements as required by the Regulatory Agreement and Asset Oversight and Compliance Agreement?	x x		
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	

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				
OMMENTS:					

RESIDENT FILE REVIEW	YES	NO	N/A
Does the owner maintain all records relating to initial resident income certifications, together with supporting documentation?	Not in all cases (see comments)		
Does the Owner/Agent make an effort to determine that the income certification provided by the resident is accurate	Not in all cases (see comments)		
Does the file audit establish that residents are being recertified on an annual basis?	Not in all cases (see comments)		
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		

COMMENTS: The discrepancies listed below were corrected prior to the submission of the report. Based on the discrepancies noted, management was advised of the requirements to have all certification documents in the file along with supporting income verification. In addition, they were informed of the requirements to properly sign all documents and update the data on the TSAHC Unit Status Report (USR) accurately.

#### Observations:

The following items were found to be incorrect or inconsistent during the file review:

- Unit 4: The file did not contain an Annual Eligibility Certification (AEC).
- Unit 6: The Tenant Income certification (TIC) was not signed correctly by the resident and owner representative. Also, page 3 of the TIC was not completed properly.
- Unit 13: The file did not contain an AEC.
- Unit 18: The file did not contain a completed TIC, supporting income verification documentation or the TSHAC Health and safety form.
- Unit 42: The file did not contain an AEC.
- Unit 44: The file did not have the original TIC or the supporting income verification documentation. In addition, the file did not have the TSAHC Health and safety form.

# Texas State Affordable Housing Corporation

## **Compliance Review Observation Report**

 Unit 49: The file did not have the original TIC or the supporting income verification documentation. In addition, the file did not have the TSAHC Health and safety form

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 1<sup>st</sup> page of the lease for the new household occupying the unit.

Unit	Finding	Corrective Action Requirement
18	does not match the most recent USR	Update the USR to match all the correct information on the TIC and add the most recent rent change to the USR. Please correct these items no later than April 7, 2017.
21	in dates on the TIC and AEC do not reflect	Update the USR to reflect the proper income. Update the new move in TIC and the AEC with the proper move in and effective dates. Please correct these items and send copies of corrected documentation for this unit to TSAHC no later than April 7, 2017.
36	Mose not match the most recent USR	Update the USR to reflect the accurate information listed on the household's TIC. Please correct these items no later than March 31, 2017.
COMMENTS:		

Findings:		
See above		
Observations:		
See above		