## Texas State Affordable Housing Corporation

## **Compliance Review Observation Report**

### T. H. F. Palladium Midland

2300 South Lemesa Rd., Midland, TX 79701

Date Built: 2016 Owner: THF Palladium Midland. Ltd.

Management Company: Omnium Management **Property Manager:** Robbie Amerson

**Inspection Date & Time:** February 23, 2017 at 8:30 A.M. Inspector's Name: James Matias

Nu	mber of Units:	264	Number of required LI units:	207	Number o	of required 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 requ	irements	X		
2)	Is the property a	accepting Sec	ction 8 households?			Х		
3)	Is the income to	rent ratio for	Section 8 households less than 2.5?			X		
4)	Are the rent inci	eases smalle	er than 5%?					Х
5)	Is there any dis	criminatory la	anguage on the Application for Tenancy of	or Occupancy Qu	alifications?		х	
6)	Does the lease Recertification r		ement inform the resident of Very Low Ir	ncome/Low Incom	ne	x		
7)	Is additional mo	nitoring by T	SAHC recommended?				Х	

	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?		X (see comment)	
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	
COMI	MENTS: The property is not currently meeting its set aside requirement because it is in the lease up ob	256	•	

#### UNITS WALKED

	USR	New	
Unit #	Designation	Designation	Comments
136	MKT	NA	
232	60	NA	
324	NA	NA	This unit has never been occupied
828	NA	NA	This unit has never been occupied
915	NA	NA	This unit has never been occupied

#### COMMENTS:

RESIDENT SERVICES	YES	NO	N/A
1) Do the resident services appear to cater to the resident profile of the pro	perty? X		

Revised January 2015

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Do the resident services appear to be effective?			X (see comments)
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?			X (see comments)
6) Did TSAHC provide any Technical Assistance regarding Resident Services?	X (See comments)		

**COMMENTS:** Since the property is new and the occupancy is so low, the Owner has been granted an extension to bring the property into compliance regarding the resident services requirements no later than March 31, 2017 (end of the first calendar quarter). The effectiveness of the resident services cannot be determined at this time because of the newness of the program. Per the Asset Oversight and Compliance Agreement, the property must provide 6 resident services per calendar quarter. TSAHC on-line reporting must be submitted between the 1<sup>st</sup> and 10<sup>th</sup> of each month for the services provided for the previous month. For example, February Reports are due between March 1<sup>st</sup> and March 10<sup>th</sup>. Management is aware of the requirements and appears to be making full efforts to ramp-up the resident services at the community.

OFFICE		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?				
b) Fair Housing Poster?	Х			
COMMENTS:				

RESIDENT FILE REVIEW	YES	NO	N/A
Does the owner maintain all records relating to initial resident income certifications, together with supporting documentation?	х		
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		
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 overall organization of the files was great and the manager and compliance team seem to be doing an excellent job properly calculating income and determining eligibility. The most common errors found during the file review were discrepancies between the Unit Status Report and Tenant Income Certification regarding dates, housing rent splits and household size. The importance of maintaining an accurate Unit Status Report was discussed with Management. Management turned in corrections for units 118, 123, 131, 221, 314, 315, and 322 prior to the issuance of this report.

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
N/A		

Revised January 2015

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COMMENTS:		
	SUMMARY OF FINDINGS AND OBSERVATIONS	
No Findings or Observations.		