

# Texas State Affordable Housing Corporation Compliance Review Observation Report

**Pine Club Apartments**  
 5015 Pine Street, Beaumont, TX 77703  
**Owner:** Dalcor Affordable Housing I, LLC      **Date Built:** 1996  
**Management Company:** Dalcor Management, LLC      **Property Manager:** Mandy Hinson  
**Inspection Date & Time:** March 10, 2017 at 8:30 a.m. **Inspector's Name:** James Matias

<b>Number of Units:</b>	<b>232</b>	<b>Number of required affordable units:</b>	<b>232</b>	
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 Recertification requirements?	X		
7)	Is additional monitoring by TSAHC recommended?		X	

**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?	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**

Unit #	USR Designation	New Designation	Comments
510	60%	60%	N/A
708	60%	60%	N/A
914	60%	60%	N/A
1205	60%	60%	N/A
1302	60%	60%	N/A
1403	60%	60%	N/A

**COMMENTS:**

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

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2) Do the resident services appear to be effective? Discuss your observations in the comments section below.	X		
3) Is the property meeting the Resident Service requirements as required by the Regulatory Agreement and Asset Oversight and Compliance Agreement?	X		
4) Is management monitoring the following:			
a) Resident attendance	X		
b) Frequency of service provided	X		
c) Notification to residents of services	X		
d) Number or type of services	X		
e) Survey of residents	X		
5) Is management properly submitting monthly Resident Service reports through the Compliance System?	X		
6) Did TSAHC provide any Technical Assistance regarding Resident Services?		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) Does the owner maintain all records relating to initial resident income certifications, together with supporting documentation?	X		
2) Does the Owner/Agent make an effort to determine that the income certification provided by the resident is accurate	X		
3) Does the file audit establish that residents are being recertified on an annual basis?	X		
4) For mixed (low-income and market units) developments, are there any Next Available Unit Rule Violations?			X
5) Does the file audit indicate that staff needs additional training?		X	

**COMMENTS:** The files were in great condition, easy to review and very organized. Management did a great job correcting all inconsistencies prior to the issuance of the Compliance Report.

The discrepancies corrected included the following:

- Unit 110: The income on the initial tenant Income Certification (TIC) was listed in the wrong column.
- Unit 206: The tenant Income in the initial TIC was not calculated correctly. The incorrect calculation and the new calculation both reflect the tenant to be under the 60% income limit.
- Unit 614: The Annual Eligibility Certification needed to have the dates adjusted. The Unit Status Report needed to be updated with the most recent rent split for the tenant and subsidy.

***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.***

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Unit	Finding	Corrective Action Requirement
N/A		
<b>COMMENTS:</b>		

**No Findings or Observations.**