

Texas State Affordable Housing Corporation Compliance Review Observation Report

Woodside Village
2029 MLK Jr. Blvd., Palestine, TX 75803

Owner: DHI Woodside Apartments LLC **Date Built:** 1975
Management Company: Capstone Real Estate Services, Inc. **Property Manager:** Kristi Shaffer
Inspection Date & Time: October 24, 2018 at 8:30 a.m. **Inspector's Name:** James Matias

Number of Units:	92	Number of required LI units:	37	Number of required VLI units:	0	
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			
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Unit #	USR Designation	New Designation	Comments
1-1B	60	NA	
3-3I	60	NA	
8-8I	60	NA	
9-9G	60	NA	

COMMENTS:

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?			X		

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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?	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: Per the Asset Oversight and Compliance Agreement, the property must provide 6 resident services per quarter.			

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: When compared with the review from last year, the files appeared to be less organized and they had a few areas of major concern. Regarding organization, at least 3 files reviewed had all documents unbounded and in many cases the recertification forms which were completed were not in the file.			
Observation:			
<ul style="list-style-type: none"> The reviewer found that the Unit Status Report (USR) is not getting updated when rent changes occur. Management corrected the rents and a few date mistakes on the USR for units 2E, 5C, 6A, 7J, 8J, 10D, 11D, and 14J prior to the completion of this report. In addition, the TSAHC Health and Safety form was missing from the file for units 2E, 8J, and 10D. Management completed the forms and added them to the files within 2 days of the site visit. 			

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.

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Unit	Finding	Corrective Action Requirement
6A	A new Tenant Income Certification (TIC), which is the form being used by management to complete recertification's, was not found in the file and a recertification was not completed. The expiration for the recertification was 9/29/18. Since a recertification was not completed, this unit needs to have its designation changed to a market unit.	Within 2 days of the site visit, management provided a properly completed recertification, and therefore no further corrective action is needed. Management is encouraged to be diligent in their efforts when completing recertification documents.
8J	This TIC is not signed by the resident and she has been living in the unit for more than 6 months. Management states that the resident has not been cooperative, however, they did not provide any correspondence showing that they've attempted to get the TIC signed.	Within 2 days of the site visit, management provided a properly completed recertification, and therefore no further corrective action is needed. Management is encouraged to be diligent in their efforts when completing recertification documents.
14B	This TIC is not signed by the resident. Management states that the resident has not been cooperative, however, they did not provide any correspondence showing that they've attempted to get the TIC signed.	Within 2 days of the site visit, management provided a properly completed recertification, and therefore no further corrective action is needed. Management is encouraged to be diligent in their efforts when completing recertification documents.

COMMENTS: Management is reminded that the Income Certification form must be signed and dated by all adult members of the household prior to the household moving in.

SUMMARY OF FINDINGS AND OBSERVATIONS

Findings:

- See above.

Observation:

- The reviewer found that the Unit Status Report (USR) is not getting updated when rent changes occur. Management corrected the rents and a few date mistakes on the USR for units 2E, 5C, 6A, 7J, 8J, 10D, 11D, and 14J prior to the completion of this report. In addition, the TSAHC Health and Safety form was missing from the file for units 2E, 8J, and 10D. Management completed the forms and added them to the files within 2 days of the site visit.