

Texas State Affordable Housing Corporation Compliance Review Observation Report

Garden Apartments			
1340 65th Dr. Lubbock, TX 76412			
Owner: RHAC- Garden, LLC	Date Built: 1981		
Management Company: J. Allen Management Company	Property Manager: Antoinette Flowers		
Inspection Date & Time: August 17, 2021, at 8:30 a.m.	Inspector's Name: Estefania Linares		
Number of Units: 62	Number of required LI units: 50	Number of required VLI units:	N/A
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) Does the Application for Tenancy or Occupancy Qualifications exclude language that may appear to be discriminatory?	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?	X		
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	Comments
13A	60%	Vacant (2-bedrooms) Leased, ready to move in on 9/1/2021
COMMENTS:		

RESIDENT SERVICES			
	YES	NO	N/A
1) Do the resident services appear to cater to the resident profile of the property?	X		
2) Is the property meeting the Resident Service requirements as required by the Regulatory Agreement and Asset Oversight and Compliance Agreement?	X		
3) Is management monitoring the following:			

Texas State Affordable Housing Corporation

Compliance Review Observation Report

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		
4) Did TSAHC provide any assistance regarding Resident Services based on the review conducted during the onsite visit?		X	
5) Is management properly submitting monthly Resident Service reports through the Compliance System?	X		
6) In the last 12 months, has TSAHC provided any assistance regarding the monthly Resident Service reports submitted through the Compliance System? If so, comment below.		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: Overall, the tenant files were maintained in a consistent order however some files need some additional clarification. Three Finding were noted however two of the three were corrected (see below) prior to finalizing this report. No further action is necessary for units 17A and 26A.

- Unit 17A – The application's previous landlord information needed to be completed.
- Unit 26A – Additional clarification was needed to verify the tenant's income since the documentation provided was not sufficient.

See pending Finding below.

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.

Unit	Finding	Corrective Action Requirement
39A	Income Certification dated 02/05/2021, has one of the household's date of birth different than what the tenant added on the application, an additional clarification is needed for the employment verification and a new calculation sheet is needed.	<ul style="list-style-type: none"> • Management needs to update the date of birth of Jalen from the Income Certification dated 02/05/2021, to 06/25/2016 instead of 06/28/2016. • A clarification is needed for the employment verification to clarify the number of hours this tenant worked for the past 2 months and after it has been averaged, a new calculation sheet needs to be created. After the new annual gross amount has been calculated, the Income Certification form dated 02/05/2021, will need to be updated with the correct annual

Texas State Affordable Housing Corporation Compliance Review Observation Report

		gross amount. <ul style="list-style-type: none">An additional clarification is needed to clarify the rest of the employment verification since it was left in blank by the employer.
COMMENTS:		

SUMMARY OF FINDINGS AND OBSERVATIONS

No Observations.

Finding listed above. All corrective action must be submitted to TSAHC for review no later than October 16, 2021 (30 day from the date the report was issued).