

# Texas State Affordable Housing Corporation Compliance Review Observation Report

**Marshall Meadows**  
1803 Marshall Cross, San Antonio, Texas 78214

**Owner: Vesta Corporation** **Date Built: 2000**  
**Management Company: Vesta Corporation** **Property Manager: Maximo Ortiz/ Rhonda Houston**  
**Inspection Date & Time: May 25, 2021 at 9:30 a.m.** **Inspector's Name: Celina Mizcles Stubbs**

<b>Number of Units:</b> 250	<b>Number of required LI units:</b> 100	<b>Number of required VLI units:</b> 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	
<b>COMMENTS:</b>				

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	
<b>COMMENTS:</b>				

UNITS WALKED		
Unit #	USR Designation	Comments
213	60%	Vacant
424	60%	Vacant
828	60%	Vacant
<b>COMMENTS:</b>		

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		

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3) 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		
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	
<p>COMMENTS: The property is required to provide 6 resident services per calendar quarter. Some of the services were postponed or cancelled due to covid. We encourage management to continue to adhere to federal, state, and local guidance regarding common areas and amenities. In addition, TSAHC intends to start monitoring services on October 1, 2021. This date is subject to change based on the pandemic conditions and CDC guidance at that time. In anticipation of the date, management is advised to stay up to date and adhere to federal, state, and local guidance and adjust resident services, as needed. Management can also refer to CDC guidance for group gatherings by visiting the <a href="http://cdc.gov">cdc.gov</a> website. Management is advised to take good health and safety precautions for current and future resident services provided. Please continue to clean all common areas, restrooms, doorknobs, and handrails. Management stated that the Resident Service Coordinator is part of the local housing authority. The coordinator has a contract with Marshall Meadows to conduct services and to survey the resident's annually.</p>			

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		
<b>COMMENTS:</b>			

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 following observations and findings were noted during the file review:

**Observations:**

- Discrepancies were noted between the information on the lease and the information on the unit status report (i.e., lease start dates, tenant rent and housing assistance rent) or the number of households members. These discrepancies were noted in the tenant files for 117, 231, 615, 638, 736, 821, 1024, 1114, and 1125.
- Page 8 of the lease contract did not have the owner's execution date noted on the form. Moving forward, management must ensure the manager's signature and execution date is noted on the lease contact.

**The Findings noted below do not require further action:**

- Unit 115:** The income calculation did not account for the bonus, and the rent on the USR needs to be updated. Corrective action was submitted. The finding is closed. No further action is necessary.
- Unit 615:** The Income Certification was not signed by management. Corrective action was submitted. The finding is closed. No further action is necessary.

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- Unit 1114: The Certification of Student Eligibility was missing a tenant signature. Corrective action was submitted. The finding is closed. No further action is necessary.

Findings noted in the chart below do require action.

*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
528	The bank statements showed a consecutive monthly deposit of \$67 however the file did not contain a clarification form. Management submitted documentation showing the monthly deposit is a utility allowance from the San Antonio Housing Authority. Management annualized the amount and added it as income on the Income Certification and submitted it for review. However, amounts received from participation in other publicly assisted programs that are specifically for reimbursement of out-of-pocket expenses are not counted as income.	Management must remove the income and correct the Income Certification form. Please submit the corrected Income Certification and update the income on the Unit Status Report to TSAHC no later than 8/1/2021.
1018	The reviewer was unable to determine eligibility on the day of the onsite visit. The paystubs in the tenant file were not consecutive and there was no clarification in the file. Management submitted a clarification form however the corrected calculation is still incorrect.	The household moved-in on 2/19/2021, therefore the W-2 amount for Shake Shack should be used to calculate the income. Please submit the corrected Income Certification and update the income on the Unit Status Report for TSAHC no later than 8/1/2021.

COMMENTS:

### SUMMARY OF FINDINGS AND OBSERVATIONS

Observations:

- Discrepancies were noted between the information on the lease and the information on the unit status report (i.e., lease start dates, tenant rent and housing assistance rent) or the number of households members. These discrepancies were noted in the tenant files for 117, 231, 615, 638, 736, 821, 1024, 1114, and 1125.
- Page 8 of the lease contract did not have the owner's execution date noted on the form. Moving forward, management must ensure the manager's signature and execution date is noted on the lease contract.

The corrective action for the Findings noted above must be submitted to TSAHC no later than 8/1/2021.