

Texas State Affordable Housing Corporation Compliance Review Observation Report

Walnut Creek Apartments 6409 Springdale Rd, Austin Texas 78723

Owner: LIH Walnut Creek LP

Date Built: 1971

Management Company: ALPHA–Barnes Real Estate Services **Property Manager:** Electra Taylor

Inspection Date & Time: June 11, 2021 at 2:00p.m.

Inspector's Name: Estefania Linares

Number of Units:	98	Number of required LI units:	40	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: This review was conducted virtually. According to management, a rent increase was implemented in November 2020. Rents increased by \$22 for a 1-bedroom, \$29 for two-bedrooms, and \$40 for three-bedrooms.

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	Comments
N/A		

COMMENTS:

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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:	X		
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: The property is required to provide 4 resident services per month as required. 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 cdc.gov 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. Please continue to submit the Resident Services reports for services you are currently providing, TSAHC will continue to take limitations into consideration as we review the monthly requirements.

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 there were missing documents and/or missing signatures. See Findings below that were corrected.

- Unit 140 – The file had a paystub missing from the file. Management needed to obtain the paystub, re-calculate the household's annual income, and update the necessary forms. Management corrected the issue and submitted the corrections to TSAHC prior to finalizing this report. No further action is necessary.
- Unit 245 – Management counted an extra \$212 a month for child support that was not supposed to be counted. It is not required to be counted as income because the resident clarified that she is not receiving that monthly income and submitted third-party verification to support that that information. Management needed to remove the income, re-calculate the household's annual income, and update the necessary forms. Management corrected the issue and submitted the corrections to TSAHC prior to finalizing this report. No further action is necessary.
- Unit 106 – the file was missing the initial Income Certification and supporting documents. Management was able to submit the move in paperwork, including the Initial Income Certification to TSAHC prior to finalizing this report. No further action is necessary.

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- Unit 214 – Management needed to clarify 3 deposits listed on the bank statements. Management submitted the clarifications to TSAHC prior to finalizing this report. No further action is required.

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
COMMENTS: N/A		

SUMMARY OF FINDINGS AND OBSERVATIONS

No Observations.

No Findings.