

# Texas State Affordable Housing Corporation Compliance Review Observation Report

## Windmill Apartments

550 N. Montgomery Street, Giddings, Texas 78942

**Owner:** HVM BP Giddings, LLC

**Date Built:** 2003

**Management Company:** Hamilton Valley Management, Inc **Property Manager:** Carmen Market

**Inspection Date & Time:** April 23, 2021 at 9:30 am

**Inspector's Name:** Estefania Linares

<b>Number of Units:</b>	28	<b>Number of required LI units:</b>	12	<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	

**COMMENTS:**

This is the first Compliance Report for Windmill Apartments. According to management, RRHA approved a significant rent increase of \$85 for 1-bedroom and \$85 for 2-bedrooms. The rent increase is scheduled to be implemented on 10/1/2021.

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	Comments
15	60%	Vacant (2 bedrooms): Unit is made-ready.
17	60%	Vacant (2 bedrooms): Unit is made-ready.

**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			

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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	

**COMMENTS:** The property is properly providing 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. Resident services involving crowds of more than 10 people are suspended until further notice. Management is advised to take good health and safety precautions for resident services such as book club meetings and crime watch meetings. We encourage each property to increase the cleaning of all common areas, restrooms, doorknobs, and handrails. Please continue to submit the Resident Services you provide. TSAHC will take these 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 18 – Resident's application student section was left in blank. Management sent the correction to TSAHC prior to finalizing this report.

***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
Unit 8	Annual Income on the Income Certification is incorrect.	<ul style="list-style-type: none"> <li>Management needs to change the annual income on the Income Certification dated 3/23/2021 to \$6,969.28.</li> </ul>
Unit 9	Annual Income on the Income Certification is incorrect.	Management needs to change the annual income on the Income Certification dated 9/01/2020 to \$11,403.99.

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Unit 25	Initial Income Certification effective 11/23/2020 needs corrections and Lease Contract effective date is incorrect.	<ul style="list-style-type: none"> <li>• Management needs to change the effective date (2/01/2021) of the Initial Income Certification to 11/23/2020 since the original move in date is for 11/23/2020.</li> <li>• Management needs to check the "Initial Certification" box instead of "Recertification" box and initial corrections.</li> <li>• Management needs to change the effective date (02/01/2021) of the lease contract to match the move in date of 11/23/2020.</li> </ul>
Unit 26	A clarification is needed for 2 deposits listen on the bank statements provided.	<ul style="list-style-type: none"> <li>• Management needs to clarify the following deposits and submit for review:               <ul style="list-style-type: none"> <li>- 10/07/2019 for \$105</li> <li>- 12/09/2019 for \$120</li> </ul> </li> </ul>

**COMMENTS:**

### SUMMARY OF FINDINGS AND OBSERVATIONS

**No Observations**

**Findings listed above.** All corrective action must be submitted to TSAHC for review no later than **June 17, 2021** (30 day from the date the report was issued).