

Texas State Affordable Housing Corporation Compliance Review Observation Report

Saddlewood Apartments

3625 Welburn Rd., Bryan, Texas 77801

Owner: Dalcor Saddlewood LTD

Date Built: 1995

Management Company: Allied Orion Group

Property Manager: Caitlin Batten

Inspection Date & Time: June 30, 2023, at 8:00 A.M.

Inspector's Name: Mercedes Dunmore

Number of Units:	232	Number of required LI units:	232	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)	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
818	60%	53 days vacant
905	60%	29 days vacant
501	60%	53 days vacant
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:					

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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) 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 – see comment	
3) Are the following displayed in full view:			
a) Occupancy Qualifications?	X		
b) Fair Housing Poster?	X		

COMMENTS:

Observation:

- The office hours displayed at the front of the office are inaccurate. It is recommended that management promptly revises the office hours on the signage to reflect the updated property hours. This adjustment will ensure that residents, guest, and vendors are well informed about when they can reach out to or visit the property.

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 well organized, and no major eligibility infractions were noted except for the finding listed below for unit 1303. Management advised that shortly after the new ownership change was effective, the compliance department completed a full file audit which positively reflects in the files reviewed on the day of the site visit. On the day of the onsite visit, management was encouraged to thoroughly review forms in the tenant files to make sure the correct unit number and effective dates are accurate.

Findings:

- The Unit Status Report (USR):** Management must complete a thorough review of the USR to match the rent amounts to the current rent roll. Management has provided the reviewer with the corrective actions prior to the issuing of 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

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verifications, the executed Income Certification, and the 1st page of the lease for the new household occupying the unit.

Unit	Finding	Corrective Action Requirement
1112	The lease date and effective dates do not match.	<ul style="list-style-type: none"> Update the tenant income No further actions needed.
1001	The recertification questionnaire is incomplete.	<ul style="list-style-type: none"> Management must complete the top portion of the recertification question with the phone number and email address. No further actions needed.
302	The USR reflects inaccurate income.	<ul style="list-style-type: none"> Management must update the USR to show the corrected income. No further actions needed.
1303	The 2023 Annual Recertification not completed.	<ul style="list-style-type: none"> Management must provide TSAHC with the recertification notices or the 2023 AEC paperwork.
315	The TIC reflects incorrect household information and incorrect total household income.	<ul style="list-style-type: none"> Management must update the TIC to reflect the correct birthday for household member number 3. No further actions needed. The child support payments were mistyped. Update the income to reflect \$549.34 monthly. – No further actions needed.

COMMENTS:

Finding: The corrective action for unit 1303 is due 9/25/2023.

SUMMARY OF FINDINGS AND OBSERVATIONS

Finding: The corrective action for unit 1303 is due 9/25/2023.