

# Texas State Affordable Housing Corporation Compliance Review Observation Report

**Spring Terrace Apartments**  
2600 S. Spring St., Amarillo, Texas 79109

**Owner:** RHAC – Spring Terrace Apartments, LLC      **Date Built:** 1983  
**Management Company:** J. Allen Management Co. Inc.      **Property Manager:** Shasta Keomany  
**Inspection Date & Time:** July 21, 2023 at 9:00 am      **Inspector's Name:** Mercedes Dunmore

**Number of Units:** 50      **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) 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
39	60%	
41	60%	
50	60%	

**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:**

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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 and TSAHC required forms?	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 presented well organized and no eligibility infractions were presented within the files reviewed. The chart below presents the findings found during the virtual tenant file review. Prior to the issuing of this report, all corrective actions have been submitted and reviewed. No further corrective actions 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 1<sup>st</sup> page of the lease for the new household occupying the unit.***

Unit	Finding	Corrective Action Requirement
9	The tenant income and subsidy differ on the Unit Status Report (USR) and the Rent Roll.	- Management must update the tenant income and subsidy to reflect the amounts on the Rent Roll. <b>No further corrective actions needed.</b>
20	The tenant's income was incorrectly calculated.	- The hours were incorrectly calculated on the employment verification. Management must use the higher number of hours to calculate income. $10 \times 36 \times 52 = 18720$ . Update the TIC to reflect the updated income. Update the USR if needed. <b>No further corrective actions needed.</b>  - Add the annual income to the net income on the under 5k

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		form. <b>No further corrective actions needed.</b>
25	The tenant file reflects inaccurate information.	<ul style="list-style-type: none"> <li>- The account on the Under \$5000 Asset form reflects inaccurate information. Management must update the Under \$5000 Asset form to reflect chime and/or include the cash app account. <b>No further corrective actions needed.</b></li> <li>- Rent roll and USR do not reflect the same amounts. Management must update the USR to match the rent roll. <b>No further corrective actions needed.</b></li> </ul>
26	The tenant file reflects inaccurate information.	<ul style="list-style-type: none"> <li>- Last name for HOH is spelled incorrectly. Management must correct the HOH last name on the USR and throughout. <b>No further corrective actions needed.</b></li> <li>- Rent roll and the USR subsidy amounts do not match. Management must update the USR to match the rent roll. <b>No further corrective actions needed.</b></li> </ul>
43	The tenant file reflects inaccurate information.	<ul style="list-style-type: none"> <li>- Student status on the TIC is incorrect for the household members that are currently enrolled in school. Management must review the student form and correct the TIC to make any household members full time. <b>No further corrective actions needed.</b></li> </ul>

**COMMENTS:**

### SUMMARY OF FINDINGS AND OBSERVATIONS

**No further corrective actions needed.**