

Texas State Affordable Housing Corporation Compliance Review Observation Report

Garden Apartments				
1340 65 th Dr., Lubbock, Texas 76412				
Owner: RHAC – Garden, LLC		Date Built: 1981		
Management Company: J. Allen Management Company		Property Manager: Antionette Flowers		
Inspection Date & Time: May 30, 2024 at 8:30 AM		Inspector's Name: Mercedes Dunmore		
Number of Units:	62	Number of required LI units:	62	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
5B	60%	
8A	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:

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: There were several Unit Status Report (USR) discrepancies. Moving forward, management must review the USR for accuracy prior to monthly submission. See Findings below.

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
1B	The USR reflects inaccurate information.	- Management must update the tenant rent and subsidy on the USR to reflect the rent roll.
2B	The USR reflects inaccurate information.	- Management must update the number of household members to reflect 1 on the USR.
7A	The USR reflects inaccurate information.	- Management must update the USR to reflect the correct number of household members.

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16A	The USR reflects inaccurate information.	- Management must update the tenant rent and subsidy on the USR to reflect the rent roll.
18A	The reviewer unable to verify income.	- Management must obtain a copy of the verifiable tax returns as proof of income.
26A	The USR reflects inaccurate information.	- Management must update the tenant rent and subsidy on the USR to reflect the rent roll.
35A	The USR and TIC reflects inaccurate information.	- Management must update the tenant rent and subsidy on the USR to reflect the rent roll. - Management must verify the student status as the application discloses the student status for the head of household is part time. Upon completion of the verification management must update the TIC accordingly.

COMMENTS: Corrective action for the Findings above are due to TSAHC no later than 8/1/2024.

SUMMARY OF FINDINGS AND OBSERVATIONS

No Observations.

Findings: Corrective action for Findings in the chart above are due to TSAHC no later than 8/1/2024.