

Texas State Affordable Housing Corporation

Compliance Review Observation Report

High Plains Apartment 1607 Iola Avenue, Lubbock, Texas, 79419				
Owner: RHAC – High Plains, LLC		Date Built: 1981		
Management Company: J. Allen Management		Property Manager: Michelle Gutierrez		
Inspection Date & Time: May 29, 2024, at 8:30 a.m.		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
14	60%	
25	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: On the day of the review, several issues were identified as noted in the chart below.

Finding:

- **Unit Status Report (USR):** Effective date discrepancies were noted on the USR for 23 households. Units 2, 3, 4, 5, 7, 10, 11, 12, 15, 17, 19, 20, 22, 23, 28, 35, 39, 42, 43, 44, 45, 47, and 50. Management is required to update the USR monthly to reflect any household changes no later than 8/1/2024. Moving forward, management must review the USR for accuracy prior to monthly submission.

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
11	The USR reflects inaccurate information.	- Management must update the number of household members to reflect 2 on the USR.

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18	The USR reflects inaccurate information.	- Management must update the tenant rent and subsidy on the USR to reflect the rent roll.
21	The USR reflects inaccurate information.	- Management must update the tenant rent and subsidy on the USR to reflect the rent roll.
27	The social security income cannot be verified.	- Management must have the tenant submit the social security award letter for the Initial Certification dated 5/14/2021 for review.
36	The USR reflects inaccurate information.	- Management must update the subsidy on the USR to reflect the rent roll.
46	The USR reflects inaccurate information.	- Management must update the subsidy on the USR to reflect the rent roll.

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

SUMMARY OF FINDINGS AND OBSERVATIONS

No Observations.

Findings:

- **Unit Status Report (USR):** Effective date discrepancies were noted on the USR for 23 households. Units 2, 3, 4, 5, 7, 10, 11, 12, 15, 17, 19, 20, 22, 23, 28, 35, 39, 42, 43, 44, 45, 47, and 50. Management is required to update the USR monthly to reflect any household changes no later than 8/1/2024. Moving forward, management must review the USR for accuracy prior to monthly submission.
- Corrective action to the Finding in the chart about are due to TSAHC no later than 8/1/2024.