

# Texas State Affordable Housing Corporation Compliance Review Observation Report

<b>Parmore Arcadia Trails Apartments</b>				
1501 Mercury Rd., Balch Springs, Texas 75181				
Owner: Gardens at Balch Springs, LP			Date Built: 2022	
Management Company: Asset Living			Property Manager: Ryan Dauer	
Inspection Date & Time: August 15, 2024 at 10:00 a.m.			Inspector's Name: Mercedes Moody	
Number of Units:	200	Number of required LI units:	80 – 20% @ 50%	Number of required VLI units: N/A
<b>COMPLIANCE AUDIT</b>			<b>YES</b>	<b>NO</b>
			<b>N/A</b>	
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
<b>COMMENTS:</b> The property's federal set-aside is 20% of units at 50% AMI (40 units). This requirement was met. The Borrower elected two additional set-asides 1) an additional 20% of units at 50% AMI (for a total of 80 units) and 2) no more than 80% of units at 60% AMI or below (no more than 160 units). The owner elected set asides were met.				

<b>SET-ASIDES</b>			<b>YES</b>	<b>NO</b>	<b>N/A</b>
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	
<b>COMMENTS:</b> On the day of the review, management staff were reminded that the AOC agreement lists required reporting, one of which is the annual Fair Housing Sponsor (FHSR) Report that is due to TSAHC on or before March 31 <sup>st</sup> that had not been submitted for the 2024 calendar year. Prior to the issuance of this report, management submitted the 2024 FHSR report.					
<b>Observation:</b>					
<ul style="list-style-type: none"> <li>Owner/management is reminded to submit the annual Fair Housing Sponsor (FHSR) report on or before March 31<sup>st</sup> of each year moving forward.</li> </ul>					

UNITS WALKED		
Unit #	USR Designation	Comments
232	50%	
336	60%	
366	50%	
<b>COMMENTS:</b>		

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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:			
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	
<b>COMMENTS:</b>			

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		
<b>COMMENTS:</b>			

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	
<b>COMMENTS:</b> This year's review was conducted virtually. The tenants' files were maintained in a consistent order..			
<b>Observation:</b>			
<ul style="list-style-type: none"> <li>Owner/management is reminded to submit the annual the Annual Resident Service Program Plan annually on or before December 1<sup>st</sup> of each year moving forward. Please review Appendix B of the AOC Agreement for example of services.</li> </ul>			

*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.*

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Unit	Finding	Corrective Action Requirement

**COMMENTS:**

**SUMMARY OF FINDINGS AND OBSERVATIONS**

**Observations:**

- Owner/management is reminded to submit the annual Fair Housing Sponsor (FHSR) report on or before March 31<sup>st</sup> of each year moving forward.
- Owner/management is reminded to submit the annual the Annual Resident Service Program Plan annually on or before December 1<sup>st</sup> of each year moving forward. Please review Appendix B of the AOC Agreement for example of services.

**No findings.**