



# Texas State Affordable Housing Corporation Compliance Review Observation Report

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> The property is offering many services; however, it is not a requirement per the Compliance Agreement.			

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	

**COMMENTS:** The tenant files were in good order however the following observations and findings were identified.

**Observations:**

- **TSAHC's Fair Housing Choice Disclosure Notice form is being utilized. Management is advised that the form is no longer required.**
- **TSAHC's Health and Safety Form was found in each tenant file. TSAHC is no longer the point of contact for Health and Safety issues. Management is advised to stop utilizing this form moving forward.**
- **Incomplete Forms: There were various forms that were not thoroughly complete. Examples include,**
  - **Page 3 of the TIC**
  - **Supplement to Rental Application (SRA)**
  - **Tenant Release and Consent form**
  - **Under \$5,000 Asset Certification form**

**Moving forward, management must review forms to ensure they are entirely complete.**

*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 1<sup>st</sup> page of the lease for the new household occupying the unit.*

Unit	Finding	Corrective Action Requirement
236	Tenant file forms are not thoroughly complete.	<ul style="list-style-type: none"> <li>Page 3 of the TIC needs to be completed.</li> <li>Zero Income form must be completed by for HH member #2</li> </ul> <p>Management submitted corrective action prior to the issuance of this report. <b>No further action required.</b></p>
634	Tenant file forms are not thoroughly complete.	<ul style="list-style-type: none"> <li>Complete student status SRA.</li> </ul> <p>Management submitted corrective action prior to the issuance of this report. <b>No further action required.</b></p>
636	Gross Rent exceeds rent limit.	<ul style="list-style-type: none"> <li>Tenant rent of \$823 plus the Mandatory fee of \$14.97 equals \$837.97 which exceeds the 50% rent limit of \$823. <b>See corrective action requirement in the "Comment" section below.</b></li> </ul>
824	Tenant file forms are not thoroughly complete. Gross Rent exceeds rent limit.	<ul style="list-style-type: none"> <li>Complete tenant release and consent form by adding tenant name on the top of the form. <b>No further action required.</b></li> <li>Complete the income portion of rental application. <b>No further action required.</b></li> <li>Tenant rent of \$823 plus the Mandatory fee of \$14.97 equals \$837.97 which exceeds the 50% rent limit of \$823. <b>See corrective action requirement in the "Comment" section below.</b></li> </ul>
1224	Disclosed income on the application was not properly verified.	<ul style="list-style-type: none"> <li>Verify disclosed income for household member #1 and update Tennant Income Certification and USR, if applicable.</li> </ul> <p>Management submitted corrective action prior to the issuance of this report. The revised amount did not affect eligibility. <b>No further action required.</b></p>
1327	Tenant file forms are not thoroughly complete.	<ul style="list-style-type: none"> <li>Complete the Under \$5,000 Asset Certification form is incomplete.</li> </ul> <p>Management submitted corrective action prior to the issuance of this report. <b>No further action required.</b></p>
1413	Gross Rent exceeds rent limit.	<ul style="list-style-type: none"> <li>Tenant rent of \$823 plus the Mandatory fee of \$14.97 equals \$837.97 which exceeds the 50% rent limit of \$823. <b>See corrective action requirement in the "Comment" section below.</b></li> </ul>
1437	Tenant file forms were incorrect and incomplete.	<ul style="list-style-type: none"> <li>Update the Tenant Income Certification form to list household member #2 as a co-Adult not a child.</li> <li>Household member #2 needs to complete a Zero-income form.</li> </ul> <p>Management submitted corrective action prior to the issuance of this report. <b>No further action required.</b></p>

**COMMENTS:**

- Rent Violation due to Mandatory Fees (units 636, 824 and 1413):** Management did not include the mandatory fee of \$14.97 for pest control and trash in the gross rent calculation. To correct, management must reduce the rent to include the mandatory fee and correct the lease charges of the most recent certification. Management needs to provide the resident with an option of receiving the overcharged refund in a check or in a rent ledger credit or management can provide TSAHC with the current loan agreement and/or compliance requirements that supports mandatory fees are not included in the Gross Rent calculation no later than 5/12/2024.

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### SUMMARY OF FINDINGS AND OBSERVATIONS

#### Observations:

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- Incomplete Forms: There were various forms that were not thoroughly complete. Examples include,
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Moving forward, management must review forms to ensure they are entirely complete.

#### Finding:

- **Rent Violation due to Mandatory Fees (units 636, 824 and 1413):** Management did not include the mandatory fee of \$14.97 for pest control and trash in the gross rent calculation. To correct, management must reduce the rent to include the mandatory fee and correct the lease charges of the most recent certification. Management needs to provide the resident with an option of receiving the overcharged refund in a check or in a rent ledger credit or management can provide TSAHC with the current loan agreement and/or compliance requirements that supports mandatory fees are not included in the Gross Rent calculation no later than 5/12/2024.