



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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May 14, 2025

Writer's direct phone # (512) 475 -4065
Email: Shay.Erickson@tdhca.texas.gov

Area Real Estate, LLC
San Antonio, TX
bfuqua@placemakr.com

RE: The 68 Apartments

Dear Area Real Estate, LLC

The Texas Department of Housing and Community Affairs (Department) received documentation on March 10, 2025, addressing the noncompliance identified during the review of the Audit Report submitted by Celine M. Williams Services on December 10, 2024. Corrective action was due on March 11, 2025.

The documentation submitted was sufficient to correct the noncompliance related to **Failure to comply with the Public Facility Corporation Regulatory Agreement** requiring compliance with the Public Facility Workforce Housing Requirement confirming seventy-eight (78) restricted units. Please see attached Finding Report for details.

The noncompliance related to **Failure to comply with the Public Facility Corporation Regulatory Agreement** concerning two (2) units between 90% AMI - 100% AMI, **Gross rent not determined as directed under the Ground Lease** affecting units 203, 209, 508, 603, 704 and 810 have been dropped.

Please note, the noncompliance outlined above is considered corrected during the corrective action period.

The Department considers this review closed. The next Audit report is due June 1, 2025 for reporting year ending December 31, 2024.



If you have any questions, please contact Shay Erickson toll free in Texas at (800) 643-8204, directly at (512) 475-4065, or email: shay.erickson@tdhca.texas.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'Shay Erickson', followed by a long horizontal flourish line.

Shay Erickson
PFC Monitor

CC: celine.williams2122@gmail.com

Corrective Action Report
The 68 Apartments

The Texas Department of Housing and Community Affairs provides the following Technical Assistance:

- Section 8(d) of the Development's Sublease Agreement requires at least two (2) units be occupied by households' income is between 90% AMI – 100% AMI for the applicable household size. To obtain and maintain compliance with the Sublease Agreement, please ensure the households qualified for this requirement have a household income between 90% AMI – 100% AMI for the applicable household size.
- Section 8(d) of the Development's Sublease Agreement states household income is determined according to the regulations applicable Housing Choice Voucher Program established under Section 8 of the Housing Act of 1937. Please ensure household income is determined as required by the Sublease Agreement to achieve and maintain compliance.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION
PFC PROGRAM

PFC User: Area Real Estate LLC
 Property Name: The '68 Apartments
 Address: 623 Hemisfair Blvd., San Antonio, TX

Audit Report Date: 10/21/2024
 Program: PFC

Corrective Action Due Date: 3/11/2025

Audit Report Review Date: 1/10/2025

PROGRAM: PFC

PROPERTY FINDINGS

Finding	Failure to comply with the Public Facility Corporation Regulatory Agreement	
Noncompliance Date	12/10/2024	Correction Date: 3/10/2025
Reason	In addition to the Mixed-Income Housing Requirement, the Ground Lease includes a Public Facility Workforce Housing Requirement. This requirement states that at least fifty percent (50%) of the units are reserved for occupancy by individuals and families earning less than eighty percent (80%) AMI. A unit may simultaneously count towards both the Mixed-Income Requirement and the Public Facility Workforce Housing Requirement. The Development is comprised of one hundred and fifty-five (155) total units, which seventy-eight (78) are required to be income restricted at eighty percent (80%) AMI. The Audit Report indicates that eighty-four (84) units are restricted but fails to specify the restricted AMI percentage, therefore the Department is unable to establish compliance with the Ground Lease.	
Corrective Action	<p>Submit for Department review the amount of units restricted below eighty percent (80%) AMI. If there are less than seventy-eight (78) units restricted below 80%, as units become available, lease units to households' with 80% AMI or less until the occupancy requirements of the Ground Lease have been met. The owner may also survey existing market rate households and certify them if their income is at or below 80% AMI.</p> <p>Submit copies of new move-ins or current households that have been certified at 80% AMI and a current rent roll showing at least amount seventy-eight (78) units are restricted at or below 80%. Provide the Department copies of the following for the new certified households: application(s), verifications of income/assets, executed Income Certification and the lease contract.</p>	