



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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July 3, 2025

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

Joseph Weishaar
L+M Fund Management LLC
New York, NY
jweishaar@lmfm.com

RE: Ridgecrest Apartments

Dear Joseph Weishaar:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Public Facility Corporation (PFC) Audit Report submitted by Celine M. Williams Services on May 28, 2025. This review was performed as required by Section 303.042 (c) of Chapter 303, the Texas Administrative Code Chapter 10, Subchapter I, and the Regulatory Agreement/Deed Restriction for Ridgecrest Apartments.

Events of noncompliance have been identified and corrective action is required. The attached Findings Report details the event(s) of noncompliance and the required corrective action. This notice begins the corrective action period. Please supply all requested documentation no later than **September 1, 2025**, the last day of the corrective action period.

If clarification is necessary to complete the corrective action, contact us as soon as possible. If it is not possible to provide the requested documentation by the corrective action period, correct as much as you can and submit a corrective action plan detailing how and when the remaining issue(s) of noncompliance will be corrected.

If you have any questions about this monitoring report, 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", with a long horizontal flourish extending to the right.

Shay Erickson
PFC Monitor

CC: celine.williams2122@gmail.com



Audit Report
Ridgecrest Apartments

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

- Section 3(c) of the Regulatory Agreement requires the Development to obtain, complete, and maintain on file Income Certifications from each Low-Income Household, using the form provided in Exhibit D. This certification must be dated prior to the household's initial occupancy. The file sample revealed two (2) files were missing an executed Income Certification, and one (1) file included a certification completed after the initial occupancy date. To maintain compliance with Section 3(c), ensure that all initial Income Certifications are fully executed and dated prior to move-in.
- Section 3(f) of the Regulatory Agreement requires that each lease or rental agreement for a Low-Income Unit include language stating that the Grantor relied on the tenant's Income Certification and supporting documentation to determine eligibility, and that any material misstatement may result in immediate lease termination. It must also disclose that the tenant's income is subject to annual recertification. The file sample revealed thirty-five (35) files missing this required language, either in the lease or as an addendum. Please ensure the required language is included in all leases or addenda for Low-Income Units to maintain compliance.
- In accordance with Section 3(d) of the Development's Regulatory Agreement, the Development must maintain complete and accurate records for all Low-Income Units. The file sample revealed that three (3) leases were unsigned, and five (5) files contained incomplete or inaccurate income verification documentation. Please ensure that all records for Low-Income Units are properly completed, signed, and maintained to ensure compliance.
- Annual income also includes all income derived from assets as identified and calculated in accordance with 24 CFR § 5.609(a). All income and asset sources must be properly verified and documented to ensure full compliance. Moving forward, failure to verify and document assets will result in a finding of noncompliance. Households with assets valued at \$51,600 or less may utilize the Asset Certification of Net Family Assets form found on the Department's website here: [Compliance Forms | Texas Department of Housing and Community Affairs](#) or a comparable form.
- Per Exhibit D of the Regulatory Agreement, student income must be verified and counted based on age and source. Employment income for students 18 and older must be included, while earnings for those under 18 are excluded. Scholarships and grants may be excluded if used for educational expenses, but any portion used for living costs must be included. Acceptable verification includes pay stubs, employer or school documentation, or a notarized self-certification if third-party verification is unavailable. All required documentation must be collected prior to move-in and updated annually. The Auditor reported that six (6) files lacked acceptable documentation to verify student income.

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DETAIL FINDINGS AND CORRECTIVE ACTION

PFC ID: A24-061-0001
PFC User: L+M Fund Management LLC
Property Name: Ridgecrest Apartments
Address: 1300 Dallas Drive, Denton, TX 76205

Regulatory Agreement Date: 6/16/2022
Audit Report Received Date: 5/28/2025
Corrective Action Due Date: 9/1/2025

Audit Report Review Date: 6/26/2025

PROGRAM: PFC

PROPERTY FINDINGS

Finding:	Household above the income limit			
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
1-0422	5/28/2025	Above 60% income limit: Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$100,543.80, which exceeds the applicable 60% AMI income limit of \$46,320	To correct, designate unit 1-0422 to an non-program unit since their income exceeds the 80% AMI limit and lease the next available unit of comparable or smaller size to a household that income qualifies at the 60% AMI limit. Owner may survey existing vacant non-program units to replace unit 1-0422 and reserve as a program-unit to be occupied with a household that income qualifies at 60% AMI. Submit documentation to the Department that the unit is vacant and a statement that it is reserved to be occupied by a Low-Income Household. Or if the household's circumstances have changed, the owner may certify them under current circumstances using current income limits. If verifying under current circumstances, submit a copy of the household file, application, verification of income and assets, executed Income Certification and lease agreement.	

Finding:	Unable to Determine Income Eligibility			
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
1-0923	5/28/2025	Department unable to establish eligibility. The tenant file for unit 1-0923 does not contain an application, executed Income Certification, or income verification documentation. The Auditor reported the income could not be determined.	To correct, submit the following documentation from the time of initial occupancy for Department review: the application, income and asset verifications, executed Income Certification and lease agreement. If documentation from the time of initial occupancy is unavailable, the household may be certified based on current circumstances using current income limits. In this case, submit the following for Department review: the current application, income and asset verifications, a new executed Income Certification, and a lease agreement. If the household remains ineligible, the unit must be leased to a qualified household when it becomes available. Upon leasing, submit the following for Department review: the new household's application, income and asset verifications, executed Income Certification and lease agreement.	

Finding:	Unable to Determine Income Eligibility			
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
2-1228	5/28/2025	Department unable to establish eligibility. The tenant file for Unit 2-1228 does not contain an executed Income Certification or income verification documentation. The Auditor noted that the 2023 rental application reflects employment income, but no supporting documentation was provided. The resident appears to have transferred in 2024; however, no income certification or related verification was submitted for that year. Income must be verified at initial occupancy and a completed Income Certification must be obtained both at move-in and annually thereafter.	To correct, submit documentation from the time of initial program occupancy through renewal for Department review, including the application, income and asset verifications, and the executed Income Certification and lease agreement. If documentation from the time of initial occupancy is unavailable, the owner may either complete a retroactive income certification that clearly documents all income and assets in place as of the move-in date, using the income limits in effect at that time, or complete a current certification using current income limits. In either case, submit the corresponding application, income and verifications, a new executed Income Certification, and lease agreement for Department review. If the household is no longer eligible or has vacated the unit, lease the unit (or another comparable unit on the property) to a qualified household and submit the new application, income and asset verifications, executed Income Certification and lease agreement.	

Finding:	Unable to Determine Income Eligibility			
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
2-1323	5/28/2025	Department unable to establish eligibility. The tenant file for unit 2-1323 does not contain income verification documentation for the tenant's reported employment with Chipotle. The Auditor was unable to determine the household's income eligibility.	The owner may complete a retroactive income certification that completely and clearly documents the sources of income and assets for all household members that were in place at the time of the initial occupancy and apply income limits in effect on the move-in date. Submit for Department review a copy of the application(s), income and asset verifications, and an Income Certification form the time of move-in. Or the owner has the option to complete a new current certification using current income and assets sources and current income limits. Submit for Department review a copy of the application(s), income and asset verifications, and a new Income Certification form. If the household has moved out or is not income eligible, occupy the unit or another comparable unit on the property with a new qualified household. Submit copies of the application(s), income and asset verifications, an executed Income Certification and lease agreement.	