



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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June 11, 2025

Writer's direct phone # (512) 475-3907
Email: Christina.Thompson@tdhca.texas.gov

Arboretum Oaks Owner, LLC
San Antonio, Texas
sara.hanback@embrey.com

RE: Arboretum Oaks

Dear Arboretum Oaks Owner, LLC:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Public Facility Corporation (PFC) Audit Report submitted by Celine Williams on May 31, 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 Arboretum Oaks 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 **August 10, 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.

The Department recommends submitting a cover letter explaining the documentation submitted to address each event of noncompliance. Submit corrective action to pfc.monitoring@tdhca.texas.gov.



If you have any questions about this monitoring report, please contact Christina Thompson toll free in Texas at (800) 643-8204, directly at (512) 475-3907, or email: christina.thompson@tdhca.texas.gov.

Sincerely,

A handwritten signature in black ink, appearing to be 'CT' followed by a long horizontal flourish.

Christina Thompson
PFC Monitor

CC: celine.williams2122@gmail.com

Audit Report
Arboretum Oaks

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

- Annual Income Certifications as described in Section 3(c) of the Development's Regulatory Agreement, must be obtained on the anniversary of such Low-Income Household's occupancy of the unit, and in no event less than once in every 12-month period following each Low-Income Household's occupancy of a unit. The file sample revealed one (1) household files where the income certification was conducted after the anniversary date. Ensure all recertifications are completed in accordance with the Regulatory Agreement to maintain compliance.
- Development is required to obtain, complete and maintain on file Income Certifications from each Low-Income Household, including (i) the Income Certification provided as Exhibit D, attached hereto and incorporated herein, dated prior to the initial occupancy of such Low-Income Household in the Project that occupied the unit. The file sample revealed nine (9) household files where the income certification was dated after the occupancy date. Ensure initial Income Certifications are completed prior to initial occupancy in accordance with Section 3(c) of the Regulatory Agreement to maintain compliance.
- In accordance with Section 3(c) of the Regulatory Agreement, the following items are acceptable to determine income eligibility: (1) pay stubs for the most recent four-week period; (2) income tax returns for the most recent two tax years; (3) an income verification from the applicant's current employer; (4) an income verification from the Social Security Administration; or (5) if applicant is unemployed, does not have tax returns or is otherwise unable to provide other forms of verification as required, another form of independent verification as would be satisfactory. The file sample revealed that one (1) household was missing income verification documentation as required by the Regulatory Agreement as appears on the Detail Findings Report.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION

PFC ID: A25-220-0005
PFC User: Arboretum Oaks Owner, LLC
Property Name: Arboretum Oaks
Address: 9617 Great Hills Trl., Austin, TX 78759

Regulatory Agreement Date: 5/3/2023
Audit Report Received Date: 5/31/2025
Corrective Action Due Date: 8/10/2025

Audit Report Review Date: 6/9/2025

PROGRAM: PFC

PROPERTY FINDINGS

Finding: Household above the income limit				
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
1711	2/20/2025	<p>In accordance with Section 3(c) of the Regulatory Agreement, the following items are acceptable to determine income eligibility: (1) pay stubs for the most recent four-week period; (2) income tax returns for the most recent two tax years; (3) an income verification from the applicant's current employer; (4) an income verification from the Social Security Administration; or (5) if applicant is unemployed, does not have tax returns or is otherwise unable to provide other forms of verification as required, another form of independent verification as would be satisfactory.</p> <p>The household reported income was being received from employment on the application but file does not contain any income verification documents. Auditor reports income cannot be determined or verified.</p>	<p>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 a new 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, lease contract and applicable lease addendums to the Department for review.</p>	

Finding: Failure to comply with the Public Facility Corporation Regulatory Agreement				
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
Property Wide	12/31/2024	<p>The Development's Regulatory Agreement requires at least 10 percent (10%) units be reserved for or rented to and occupied by Low Income Tenants at 60% AMI. The Development currently has seven percent (7%).</p>	<p>As units become available, lease units to households' with 60% AMI or less until the occupancy requirements of the Regulatory Agreement have been met. The owner may also survey existing market rate households and certify them if their income is at or below 60% AMI. Submit copies of eight (8) households that have been certified at 60% AMI and a current rent roll showing at least ten percent (10%) of units are restricted. 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>	