



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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March 14, 2025

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

Post 5000 Sanger, LLC
Los Angeles, California
compliance@postinvestmentgroup.com

RE: Avila

Dear Post 5000 Sanger, LLC:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Public Facility Corporation (PFC) Audit Report submitted by Novogradac & Company LLP on January 29, 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 Avila 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 **May 13, 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: Stephanie.Naquin@novoco.com

Audit Report
Avila

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

- 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 eleven (11) 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(d) of the Development's Regulatory Agreement, the Development must maintain complete and accurate records pertaining to the Low Income Units. The file sample revealed four household files where Exhibit-D was not signed by the tenant(s). Please ensure documents pertaining to Low-Income Households are accurate and complete in accordance with the Development's Regulatory Agreement.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION
PFC PROGRAM

PFC User: Post 5000 Sanger, LLC
Property Name: Avila
Address: 5000 Sanger Ave, Waco, TX 76710
RA Date: 5/25/2023

Audit Report Date: 1/20/2025
Program: PFC

Corrective Action Due Date: 5/13/2025

Audit Report Review Date: 3/2/2025

PROGRAM: PFC

PROPERTY FINDINGS

Finding	Failure to comply with the Public Facility Corporation Regulatory Agreement	
Noncompliance Date	12/31/2023	Correction Date:
Reason	Section 3(f) of the Development's Regulatory Agreement states, each lease or rental agreement pertaining to a Low-Income Unit shall contain a provision to the effect that the Development has relied on the Income Certification and supporting information supplied by the Low Income Household in determining qualification for occupancy of the Low Income Unit and that any material misstatement in such certification (whether or not intentional) may be cause for immediate termination of such lease or rental agreement. Each lease or rental agreement shall also disclose that the tenant's income is subject to annual certification.	
Corrective Action	Submit to the Department for review an owner's statement of compliance with the Regulatory Agreement moving forward, along with a blank template of the Lease or Lease Addenda that includes the required language.	
Unit # 2-217		
Finding	Household above the income limit	
Noncompliance Date	9/22/2023	Correction Date:
Reason	Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$108,679.48 , which exceeds the applicable 80% AMI income limit of \$53,920.	

Corrective Action To correct, designate unit 2-217 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 80% AMI limit. Owner may survey existing vacant non-program units to replace unit 2-217 and reserve as a program-unit to be occupied with a household that income qualifies at 80% 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.

Unit # 3-314

Finding Household above the income limit

Noncompliance Date 7/21/2023

Correction Date:

Reason Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$48,543.56 , which exceeds the applicable 80% AMI income limit of \$47,120.

Corrective Action To correct, designate unit 3-314 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 80% AMI limit. Owner may survey existing vacant non-program units to replace unit 3-314 and reserve as a program-unit to be occupied with a household that income qualifies at 80% 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.

Unit # 3-316

Finding Household above the income limit

Noncompliance Date 10/2/2023

Correction Date:

Reason Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$50,500.08 , which exceeds the applicable 80% AMI income limit of \$47,120.

Corrective Action To correct, designate unit 3-316 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 80% AMI limit. Owner may survey existing vacant non-program units to replace unit 3-316 and reserve as a program-unit to be occupied with a household that income qualifies at 80% 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.

Unit # 6-625

Finding Household above the income limit
 Noncompliance Date 5/1/2023 Correction Date:
 Reason Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$56, 684.50, which exceeds the applicable 80% AMI income limit of \$47,120.

Corrective Action To correct, designate unit 6-625 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 80% AMI limit. Owner may survey existing vacant non-program units to replace unit 6-625 and reserve as a program-unit to be occupied with a household that income qualifies at 80% 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.

Unit # 7-714
 Finding Household above the income limit
 Noncompliance Date 6/24/2023 Correction Date:
 Reason Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$62,377.64 , which exceeds the applicable 80% AMI income limit of \$46,960.

Corrective Action To correct, designate unit 7-714 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 80% AMI limit. Owner may survey existing vacant non-program units to replace unit 7-714 and reserve as a program-unit to be occupied with a household that income qualifies at 80% 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.

Unit # 11-1124
 Finding Household above the income limit
 Noncompliance Date 9/2/2022 Correction Date:
 Reason Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$50,320.92 , which exceeds the applicable 80% AMI income limit of \$47,120.

Corrective Action To correct, designate unit 11-1124 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 80% AMI limit. Owner may survey existing vacant non-program units to replace unit 11-1124 and reserve as a program-unit to be occupied with a household that income qualifies at 80% 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.

Unit # 14-1421

Finding Household above the income limit
 Noncompliance Date 5/5/2023

Correction Date:

Reason Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$49,025, which exceeds the applicable 80% AMI income limit of \$46,960.

Corrective Action To correct, designate unit 14-1421 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 80% AMI limit. Owner may survey existing vacant non-program units to replace unit 14-1421 and reserve as a program-unit to be occupied with a household that income qualifies at 80% 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.

Unit # 15-1513

Finding Household above the income limit
 Noncompliance Date 6/15/2022

Correction Date:

Reason Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$55,826.40 , which exceeds the applicable 80% AMI income limit of \$41,520.

Corrective Action To correct, designate unit 15-1513 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 80% AMI limit. Owner may survey existing vacant non-program units to replace unit 15-1513 and reserve as a program-unit to be occupied with a household that income qualifies at 80% 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.

Unit # 16-1618

Finding Household above the income limit

Noncompliance Date 12/11/2023 Correction Date:

Reason Annualizing the average of the most recent paystubs for the household resulted in the household’s annual gross income of \$59,457.36, which exceeds the applicable 80% AMI income limit of \$47,120.

Corrective Action To correct, designate unit 16-1618 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 80% AMI limit. Owner may survey existing vacant non-program units to replace unit 16-1618 and reserve as a program-unit to be occupied with a household that income qualifies at 80% 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.

Unit # 16-1624

Finding Household above the income limit

Noncompliance Date 12/8/2023 Correction Date:

Reason Annualizing the average of the most recent paystubs for the household resulted in the household’s annual gross income of \$63,502.40 , which exceeds the applicable 80% AMI income limit of \$53,920.

Corrective Action To correct, designate unit 16-1624 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 80% AMI limit. Owner may survey existing vacant non-program units to replace unit 16-1624 and reserve as a program-unit to be occupied with a household that income qualifies at 80% 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.

Unit # 23-2327

Finding Household above the income limit

Noncompliance Date 7/23/2023 Correction Date:

Reason Annualizing the average of the most recent paystubs for the household resulted in the household’s annual gross income of \$57,889.78 , which exceeds the applicable 80% AMI income limit of \$53,600.

Corrective Action To correct, designate unit 23-2327 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 80% AMI limit. Owner may survey existing vacant non-program units to replace unit 23-2327 and reserve as a program-unit to be occupied with a household that income qualifies at 80% 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.

Unit # 6-627

Finding Household above the income limit
Noncompliance Date 11/15/2023 Correction Date:
Reason Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$36,303.80, which exceeds the applicable 60% AMI income limit of \$35,340.

Corrective Action To correct, designate unit 6-627 to an 80% unit since their income exceeds the 60% AMI limit and lease the next available unit of comparable or smaller size to a household that income qualifies at the 80% AMI limit. Owner may survey existing vacant non-program units to replace unit 6-627 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.

Unit # 8-815

Finding Household above the income limit
Noncompliance Date 9/13/2023 Correction Date:
Reason Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$47,907.72 , which exceeds the applicable 60% AMI income limit of \$45,480.

Corrective Action To correct, designate unit 8-815 to an 80% unit since their income exceeds the 60% AMI limit and lease the next available unit of comparable or smaller size to a household that income qualifies at the 80% AMI limit. Owner may survey existing vacant non-program units to replace unit 8-815 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.

Unit # 10-1011

Finding Household above the income limit
Noncompliance Date 3/4/2022 Correction Date:
Reason Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$37,274.38 , which exceeds the applicable 60% AMI income limit of \$35,220.

Corrective Action To correct, designate unit 10-1011 to an 80% unit since their income exceeds the 60% AMI limit and lease the next available unit of comparable or smaller size to a household that income qualifies at the 80% AMI limit. Owner may survey existing vacant non-program units to replace unit 10-1011 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.

Unit # 9-913

Finding
Noncompliance Date

Household above the income limit

Correction Date:

Reason

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 tenant file only contains one (1) paystub. Auditor reports income could not be determined or verified.

Corrective Action

The owner may complete a retroactive income certification that completely and clearly documents the sources of income/assets for all household members that were in place at the time of the initial certification and apply income limits that were in effect on the initial move-in date. Submit for Department review a copy of the application(s), income/asset verifications and a new Income Certification form that clearly documents all sources of income/assets at the time of move-in. Or the owner has the option to complete a new current certification using current income/assets sources and current income limits. Submit for Department review a copy of the application(s), income/asset verifications and a new Income Certification form that clearly documents all current sources of income/assets. If the household has moved out or is not income eligible, occupy the unit or another comparable unit on the property with a new income eligible household. Submit copies of the application(s), income/asset verifications, an Income Certification, lease contract and applicable lease addendums to the Department for review.

Unit # 14-1418

Finding
Noncompliance Date

Household above the income limit

7/18/2023

Correction Date:

Reason

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 tenant file for unit does not contain any forms of income verification documentation. The Auditor reported the income could not be verified.

Corrective Action

The owner may complete a retroactive income certification that completely and clearly documents the sources of income/assets for all household members that were in place at the time of the initial certification and apply income limits that were in effect on the initial move-in date. Submit for Department review a copy of the application(s), income/asset verifications and a new Income Certification form that clearly documents all sources of income/assets at the time of move-in. Or the owner has the option to complete a new current certification using current income/assets sources and current income limits. Submit for Department review a copy of the application(s), income/asset verifications and a new Income Certification form that clearly documents all current sources of income/assets. If the household has moved out or is not income eligible, occupy the unit or another comparable unit on the property with a new income eligible household. Submit copies of the application(s), income/asset verifications, an Income Certification, lease contract and applicable lease addendums to the Department for review.

Unit # 6-616
 Finding Gross rent exceeds the highest rent allowed under the Regulatory Agreement
 Noncompliance Date Correction Date:
 Reason Unit # 6-616 is designated as 60% AMI . The household's rent of \$1,064 exceeds the 60% AMI rent limit of \$1,011.
 Corrective Action To correct, reduce the household's rent to \$1,011 per month. Calculate the rent overage from the time of move-in, and either refund or credit the household the overpaid rent. Submit the follow documentation for review: the rent overage calculation, an amended lease contract reflecting the new rent amount, the household's rent ledger of the new rent amount reflected and the rent credit (if applicable) or a copy of the cancelled check (if a refund is issued).

Unit # 9-912
 Finding Gross rent exceeds the highest rent allowed under the Regulatory Agreement
 Noncompliance Date Correction Date:
 Reason Unit # 6-616 is designated as 60% AMI . The household's rent of \$1,144 exceeds the 60% AMI rent limit of \$1,137.
 Corrective Action To correct, reduce the household's rent to \$1,137 per month. Calculate the rent overage from the time of move-in, and either refund or credit the household the overpaid rent. Submit the follow documentation for review: the rent overage calculation, an amended lease contract reflecting the new rent amount, the household's rent ledger of the new rent amount reflected and the rent credit (if applicable) or a copy of the cancelled check (if a refund is issued).

Unit # 14-1415
 Finding Gross rent exceeds the highest rent allowed under the Regulatory Agreement
 Noncompliance Date Correction Date:
 Reason Unit # 14-1415 is designated as 60% AMI . The household's rent of \$1,1046 exceeds the 60% AMI rent limit of \$1,011.
 Corrective Action To correct, reduce the household's rent to \$1,011 per month. Calculate the rent overage from the time of move-in, and either refund or credit the household the overpaid rent. Submit the follow documentation for review: the rent overage calculation, an amended lease contract reflecting the new rent amount, the household's rent ledger of the new rent amount reflected and the rent credit (if applicable) or a copy of the cancelled check (if a refund is issued).

Unit # 18-1823
 Finding Gross rent exceeds the highest rent allowed under the Regulatory Agreement
 Noncompliance Date 12/23/2023 Correction Date:
 Reason Unit # 18-1823 is designated as 60% AMI . The household's rent of \$1, 070 exceeds the 60% AMI rent limit of \$1,011.
 Corrective Action To correct, reduce the household's rent to \$1,011 per month. Calculate the rent overage from the time of move-in, and either refund or credit the household the overpaid rent. Submit the follow documentation for review: the rent overage calculation, an amended lease contract reflecting the new rent amount, the household's rent ledger of the new rent amount reflected and the rent credit (if applicable) or a copy of the cancelled check (if a refund is issued).

Unit # 15-1513

Finding

Failure to comply with the Public Facility Corporation Regulatory Agreement

Noncompliance Date

6/15/2023

Correction Date:

Reason

In accordance with the Regulatory Agreement, Section 3(c), annual Income Certification with verification of income must be obtained by the household's anniversary date (occupancy date of the unit) and no less than once in a 12-month period. Unit number 15-1513 moved in June 15, 2022, and a new Income Certification with verifications has not been completed as required.

Corrective Action

To correct, complete annual Income Certification with verifications and submit to the Department for review. Submit the following documentation for review: application, verification of income/assets and an executed Income Certification form.