



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 Olympus, LLC
Los Angeles, California
compliance@postinvestmentgroup.com

RE: Katy Ranch

Dear Post Olympus, 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 Olympus Katy Ranch.

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

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION
PFC PROGRAM

PFC User: Post Olympus, LLC
Property Name: Katy Ranch
Address: 24929 Katy Ranch Rd, Katy, TX 77494
RA Date: 5/18/2022

Audit Report Date: 1/21/2025
Program: PFC

Corrective Action Due Date: 5/13/2023

Audit Report Review Date: 3/5/2025

PROGRAM: PFC

PROPERTY FINDINGS

Unit # 4204

Finding	Failure to comply with the Public Facility Corporation	
Noncompliance Date	11/18/2023	Correction Date:
Reason	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.	
	Tenant file does not contain an executed copy of the required Exhibit D Income Certification form, required by the Development's Regulatory Agreement.	
Corrective Action	Provide the household with the completed Exhibit D Income Certification for execution. Do not backdate. Submit the Department a copy of the executed Exhibit D Income Certification for review.	

Unit # 10203

Finding	Failure to comply with the Public Facility Corporation	
Noncompliance Date	11/22/2023	Correction Date:
Reason	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.	
	Tenant file does not contain an executed copy of the required Exhibit D Income Certification form, required by the Development's Regulatory Agreement.	

Corrective Action	Provide the household with the completed Exhibit D Income Certification for execution. Do not backdate. Submit the Department a copy of the executed Exhibit D Income Certification for review.	
Unit # 15116		
Finding	Failure to comply with the Public Facility Corporation	
Noncompliance Date	11/30/2023	Correction Date:
Reason	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.	
	Tenant file does not contain an executed copy of the required Exhibit D Income Certification form, required by the Development's Regulatory Agreement.	
Corrective Action	Provide the household with the completed Exhibit D Income Certification for execution. Do not backdate. Submit the Department a copy of the executed Exhibit D Income Certification for review.	
		Correction Date:
Unit # 15205		
Finding	Failure to comply with the Public Facility Corporation	
Noncompliance Date	12/6/2023	Correction Date:
Reason	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.	
	Tenant file does not contain an executed copy of the required Exhibit D Income Certification form, required by the Development's Regulatory Agreement.	
Corrective Action	Provide the household with the completed Exhibit D Income Certification for execution. Do not backdate. Submit the Department a copy of the executed Exhibit D Income Certification for review.	
Unit # 8102		
Finding	Household above the income limit	
Noncompliance Date	4/24/2023	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.		
	Auditor reports tenant file does not contain any income verification documents and income cannot 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 # 13207			
Finding	Household above the income limit		
Noncompliance Date	11/3/2023	Correction Date:	
Reason	Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$63,527.88, which exceeds the applicable 60% AMI income limit of \$44,760.		
Corrective Action	To correct, designate unit 13207 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 60% AMI limit. Owner may survey existing vacant non-program units to replace unit 13207 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 # 15418			
Finding	Household above the income limit		
Noncompliance Date	12/16/2023	Correction Date:	
Reason	Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$39,176.28, which exceeds the applicable 60% AMI income limit of \$39,120.		
Corrective Action	To correct, designate unit 15418 to an 80% AMI 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 60% AMI limit. Owner may survey existing vacant non-program units to replace unit 15418 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 # 15316

Finding

Noncompliance Date

Reason

Corrective Action

Gross rent exceeds the highest rent allowed under the Regulatory Agreement

12/1/2022

Correction Date:

Unit #15316 is designated as 60% AMI. The household's rent of \$1,286 exceeds the 60% AMI rent limit of \$1,276.

To correct, reduce the household's rent to \$1,276 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 # 8202

Finding

Noncompliance Date

Reason

Corrective Action

Gross rent exceeds the highest rent allowed under the Regulatory Agreement

12/14/2022

Correction Date:

Unit # 8202 is designated as 60% AMI. The household's rent of \$1,183 exceeds the 60% AMI rent limit of \$1,135.

To correct, reduce the household's rent to \$1,135 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 # 4201

Finding

Noncompliance Date

Reason

Corrective Action

Gross rent exceeds the highest rent allowed under the Regulatory Agreement

11/30/2023

Correction Date:

Unit # 4201 is designated as 60% AMI. The household's rent of \$1,289 exceeds the 60% AMI rent limit of \$1,276.

To correct, reduce the household's rent to \$1,276 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).

Finding

Noncompliance Date

Reason

Corrective Action

Failure to comply with the Public Facility Corporation Regulatory

12/31/2023

Correction Date:

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.

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.