



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

www.tdhca.texas.gov

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April 17, 2025

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

Buffalo Speedway Lessee, LLC
Austin, Texas
taryn.merrill@greystar.com

RE: Ltd. Med Center

Dear Buffalo Speedway Lessee, 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 March 3, 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 Greystar Buffalo Speedway 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 **June 16, 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
Ltd. Med Center

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

- The Development's Regulatory Agreement requires at least five (5) of the 60% AMI units be reserved for rental to Housing Choice Voucher (HCV) holders. Auditor reports the Development has none. The Department acknowledges that the Development was in the 12-month transition period during the audit reporting period. Please ensure the HCV set-aside is achieved as soon as possible to achieve and maintain compliance with Section 3(a)(ii) of the Development's Regulatory Agreement.
- 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 two household files that contained lease amounts that did not match the information in the Rent Roll. To achieve and maintain compliance with Section 3(d) of the Regulatory Agreement please ensure all records pertaining to Low-Income units are complete and accurate.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION
PFC PROGRAM

PFC User: Buffalo Speedway Lessee, LLC
Property Name: Ltd. Med Center
Address: 12806 Buffalo Speedway, Houston, TX, 77045
RA Date: 12/17/2021

Audit Report Date: 2/26/2025
Program: PFC

Corrective Action Due Date: 6/16/2025

Audit Report Review Date: 4/14/2025

PROGRAM: PFC

PROPERTY FINDINGS

Unit # 8-8113

Finding	Gross rent exceeds the highest rent allowed under the Regulatory Agreement	
Noncompliance Date	10/5/2023	Correction Date:
Reason	Unit 8-8113 is designated as 60% AMI. The household's rent of \$1,360 exceeds the 60% AMI rent limit of \$1,258.	
Corrective Action	To correct, reduce the household's rent to \$1,258 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 # 9-9311

Finding	Gross rent exceeds the highest rent allowed under the Regulatory Agreement	
Noncompliance Date	11/10/2023	Correction Date:
Reason	Unit 9-9311 is designated as 60% AMI. The household's rent of \$1,150 exceeds the 60% AMI rent limit of \$1,119.	
Corrective Action	To correct, reduce the household's rent to \$1,119 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 # 3-3213

Finding

Failure to comply with the Public Facility Corporation Regulatory Agreement

Noncompliance Date

12/4/2023

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.

Corrective Action

Tenant file does not contain an executed copy of the required Exhibit D Income Certification form, required by the Development's Regulatory Agreement.

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 # 8-8109

Finding

Failure to comply with the Public Facility Corporation Regulatory Agreement

Noncompliance Date

12/14/2023

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.

Corrective Action

Tenant file does not contain an executed copy of the required Exhibit D Income Certification form, required by the Development's Regulatory Agreement.

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 # 7-7308

Finding

Household above the income limit

Noncompliance Date

11/6/2023

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 household's application indicates income is received from employment and tips. The tip affidavit states applicant receives tips but does not include an amount. Auditor reports 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 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.

Unit # 8-8305

Finding

Household above the income limit

Noncompliance Date

10/20/2023

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.

Tenant file contains six (6) paystubs but paystubs are not within the most recent four-week period. Regulatory Agreement requires paystubs be within the most recent four-week period. Income eligibility of the tenant cannot be determined or verified.

Corrective Action

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.

Unit # 9-9113

Finding

Household above the income limit

Noncompliance Date

10/27/2023

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.

Household file indicates tenants are self-employed. File did not contain two years of tax returns as required by the Regulatory Agreement for this type of income verification. The Auditor reported the 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 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.

Unit # 9-9212

Finding

Household above the income limit

Noncompliance Date

10/30/2023

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 household application indicates tenant receives income from employment. File includes an employment offer letter but tenant began work eight (8) weeks prior to the effective date on the income certification. The most recent four-weeks of paystubs is required for this type of income verification per the Regulatory Agreement. Auditor reports 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 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.

Unit # 9-9303

Finding

Household above the income limit

Noncompliance Date

11/9/2023

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.

Tenant file contains six (6) paystubs but paystubs are not within the most recent four-week period. Regulatory Agreement requires paystubs be within the most recent four-week period. Income eligibility of the tenant cannot be determined or verified.

Corrective Action 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.

Unit # 8-8308

Finding

Household above the income limit

Noncompliance Date

10/19/2023

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.

Tenant file contains seven (7) paystubs but paystubs are not within the most recent four-week period. Regulatory Agreement requires paystubs be within the most recent four-week period. Income eligibility of the tenant cannot be determined or verified.

Corrective Action

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.