



## TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.texas.gov](http://www.tdhca.texas.gov)

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March 14, 2025

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

Post Sierra, LP  
Los Angeles, California  
[compliance@postinvestmentgroup.com](mailto:compliance@postinvestmentgroup.com)

RE: Sierra at Fall Creek

Dear Post Sierra, LP:

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 Sierra at Fall Creek 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](mailto: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](mailto:christina.thompson@tdhca.texas.gov).

Sincerely,

A handwritten signature in black ink, appearing to be 'CT' with a long horizontal flourish extending to the right.

Christina Thompson  
PFC Monitor

CC: [Stephanie.Naquin@novoco.com](mailto:Stephanie.Naquin@novoco.com)

**Audit Report**  
Sierra at Fall Creek

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 five (5) 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.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION  
PFC PROGRAM

PFC User: Post Sierra, LP  
Property Name: Sierra at Fall Creek  
Address: 14951 Bellows Falls Ln, Humble, TX 77396  
RA Date: 2/18/2022

Audit Report Date: 1/23/2025  
Program: PFC

Corrective Action Due Date: 5/13/2025

Audit Report Review Date: 3/5/2025

PROGRAM: PFC

PROPERTY FINDINGS

Unit # 1-0112

Finding Household above the income limit  
Noncompliance Date 12/9/2023 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 indicates income from employment and "other" income. Income verification documents are not provided for "other" income. 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/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 # 9-0936

Finding Household above the income limit  
Noncompliance Date 12/2/2023 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 forms of 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 # 13-1324

Finding

Noncompliance Date

Reason

Household above the income limit

11/3/2023

Correction Date:

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 forms of 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 # 13-1334

Finding

Noncompliance Date

Household above the income limit

6/19/2023

Correction Date:

Reason	<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>Tenant file contained W2 for 2022. For this income verification type, two years of tax returns is required per the Development's Regulatory Agreement. The Auditor reported the income could not be determined or verified.</p>	
Corrective Action	<p>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</p>	
Unit # 3-0327		
Finding	Household above the income limit	
Noncompliance Date	8/12/2023	Correction Date:
Reason	Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$66,594.84, which exceeds the applicable 60% AMI income limit of \$45,420.	
Corrective Action	<p>To correct, designate unit 3-0327 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 3-0327 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.</p>	
Unit # 9-0935		
Finding	Household above the income limit	
Noncompliance Date	12/15/2023	Correction Date:
Reason	Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$55,985.80, which exceeds the applicable 60% AMI income limit of \$39,120.	
Corrective Action	<p>To correct, designate unit 9-0935 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 9-0935 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.</p>	
Unit # 6-0633		

<p>Finding Noncompliance Date Reason</p>	<p>Household above the income limit 9/29/2023</p> <p>Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$61,811.36, which exceeds the applicable 80% AMI income limit of \$52,960 .</p>	<p>Correction Date:</p>
<p>Corrective Action</p>	<p>To correct, designate unit 6-0633 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 6-0633 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.</p>	
<p>Unit # 8-0821 Finding Noncompliance Date Reason</p>	<p>Household above the income limit 6/22/2023</p> <p>Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$61,343.88, which exceeds the applicable 60% AMI income limit of \$61,320 .</p>	<p>Correction Date:</p>
<p>Corrective Action</p>	<p>To correct, designate unit 8-0821 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 8-0821 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.</p>	
<p>Unit # 10-1013 Finding Noncompliance Date Reason</p>	<p>Household above the income limit 9/23/2023</p> <p>Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$73,642.40, which exceeds the applicable 80% AMI income limit of \$56,120 .</p>	<p>Correction Date:</p>
<p>Corrective Action</p>	<p>To correct, designate unit 10-1013 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 10-1013 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.</p>	
<p>Unit # 11-1135 Finding Noncompliance Date</p>	<p>Household above the income limit 12/19/2023</p>	<p>Correction Date:</p>

Reason Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$56,017.52, which exceeds the applicable 80% AMI income limit of \$52,960.

Corrective Action To correct, designate unit 11-1135 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 11-1135 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 # 12-1225

Finding Household above the income limit

Noncompliance Date 12/9/2023 Correction Date:

Reason Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$60,000.20, which exceeds the applicable 80% AMI income limit of \$52,960.

Corrective Action To correct, designate unit 12-1225 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 12-1225 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 # 3-0327

Finding Gross rent exceeds the highest rent allowed under the Regulatory Agreement

Noncompliance Date 8/12/2023 Correction Date:

Reason Unit # 3-0327 is designated as 60% AMI. The household's rent of \$1,321 exceeds the 60% AMI rent limit of \$1,276.

Corrective Action 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 # 7-0712

Finding Gross rent exceeds the highest rent allowed under the Regulatory Agreement

Noncompliance Date 7/27/2023 Correction Date:

Reason Unit # 7-0712 is designated as 60% AMI. The household's rent of \$1,321 exceeds the 60% AMI rent limit of \$1,276.

Corrective Action 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).