



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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March 7, 2025

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

Lynd Management Group
San Antonio, Texas
jgarza@lynd.com

RE: Legends Lakeline Apartments

Dear Lynd Management Group:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Public Facility Corporation (PFC) Audit Report submitted by Premier Compliance Consulting on January 22, 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 Legends Lakeline 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 6, 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' with a long horizontal flourish extending to the right.

Christina Thompson
PFC Monitor

CC: yvette@premiercomplianceconsulting.com

Audit Report
Legends Lakeline Apartments

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

- 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 eleven (11) household files where the income certification could not be verified it was completed as no documents were submitted for audit review. Failure to provide the household files for review has resulted in new findings of noncompliance. Moving forward, ensure all certifications are completed in accordance with the Regulatory Agreement to maintain compliance.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION
PFC PROGRAM

PFC User: Lynd Management Group
Property Name: Lynd Living Legends at Lakeline
Address: 9725 N. Lake Creek Pkwy, Austin, TX7871
RA Date: 6/14/2023

Audit Report Date: 1/22/2025
Program: PFC

Corrective Action Due Date: 5/6/2025

Audit Report Review Date: 3/4/2025

PROGRAM: PFC

PROPERTY FINDINGS

| | | |
|--------------------|--|------------------|
| Finding | Failure to comply with §10.1103(1) | Correction Date: |
| Noncompliance Date | 1/22/2025 | |
| Reason | An Audit Report from an Auditor must be submitted to the Department annually. This submission will satisfy the requirements by demonstrating eligibility to continue under the former law, but must fully address the requirements of identifying the difference in rent charged for income-restricted residential units and the estimated maximum market rents that could be charged for those units without the rent and income restrictions. | |
| | The Audit Report submitted to the Department did not contain the comparison of the restricted rent to the estimated market rent on Tab 7 of the Audit Report. | |
| Corrective Action | Submit the comparison of the restricted rent to the estimated market rent for each unit identified in Tab 7. | |
| Unit # 1-312 | | |
| Finding | Household above the income limit upon initial occupancy | Correction Date: |
| Noncompliance Date | 12/15/2024 | |
| Reason | Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$38,711.92 , which exceeds the applicable 30% AMI income limit of \$37,800. | |
| Corrective Action | To correct, designate unit 1-312 to an 60% AMI unit since their income exceeds the 30% AMI limit and lease the next available unit of comparable or smaller size to a household that income qualifies at the 30% AMI limit. Or if the household's circumstances have changed, the owner may certified them under current circumstances using current income limits. In either scenario, submit a copy of the household file application, verification of income and assets, executed Income Certification and lease agreement. | |

Finding Failure to comply with the Public Facility Corporation Regulatory Agreement
Noncompliance Date 12/31/2024 Correction Date:
Reason The Development's Regulatory Agreement requires one hundred eleven (111) units be reserved by households earning at or below 80% AMI, to include 23 units be reserved for occupancy by households earning at or below 60% AMI. The Development currently only has one hundred eight (108) units reserved at 80% AMI, which includes twenty-one (21) 60% AMI units.
Corrective Action As units become available, lease units to households' with 60% AMI or less and 80% AMI 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 80% AMI and/or 60% AMI. In either scenario, submit a copy of the household file application, verification of income and assets, executed Income Certification and lease agreement.

Finding Failure to comply with the Public Facility Corporation Regulatory Agreement
Noncompliance Date 12/31/2024 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 # 4-4304

Finding Failure to comply with the Public Facility Corporation Regulatory Agreement
Noncompliance Date 10/27/2024 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 4-4304 moved in October 27, 2023, 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, executed Income Certification form and lease contract.

Unit # 3-3335

Finding Failure to comply with the Public Facility Corporation Regulatory Agreement
Noncompliance Date 10/10/2024 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 3-3335 moved in October 10, 2014, 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, executed Income Certification form and lease contract.

Unit # 1-204

Finding

Noncompliance Date

Reason

Household income exceeds applicable limit

11/15/2024

Correction Date:

The file was requested as part of the twenty-percent sample; however the file was not made available to the Auditor as required. Household eligibility 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.

Development must also submit an owner's statement of compliance with the Section 3(d) of the Regulatory Agreement moving forward to maintain complete and accurate records pertaining to Low Income Units.

Unit # 2-2305

Finding

Noncompliance Date

Reason

Household income exceeds applicable limit

9/28/2024

Correction Date:

The file was requested as part of the twenty-percent sample; however the file was not made available to the Auditor as required. Household eligibility 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.

Development must also submit an owner's statement of compliance with the Section 3(d) of the Regulatory Agreement moving forward to maintain complete and accurate records pertaining to Low Income Units.

Unit # 3-3115

Finding

Household income exceeds applicable limit.

| | | |
|--------------------|---|------------------|
| Noncompliance Date | 9/13/2024 | Correction Date: |
| Reason | The file was requested as part of the twenty-percent sample; however the file was not made available to the Auditor as required. Household eligibility could not be verified. | |
| 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> <p>Development must also submit an owner's statement of compliance with the Section 3(d) of the Regulatory Agreement moving forward to maintain complete and accurate records pertaining to Low Income Units.</p> | |
| Unit # 3-3211 | | |
| Finding | Household income exceeds applicable limit. | |
| Noncompliance Date | 10/31/2024 | Correction Date: |
| Reason | The file was requested as part of the twenty-percent sample; however the file was not made available to the Auditor as required. Household eligibility could not be verified. | |
| 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> <p>Development must also submit an owner's statement of compliance with the Section 3(d) of the Regulatory Agreement moving forward to maintain complete and accurate records pertaining to Low Income Units.</p> | |
| Unit # 3-212 | | |
| Finding | Household income exceeds applicable limit. | |
| Noncompliance Date | 11/20/2024 | Correction Date: |
| Reason | The file was requested as part of the twenty-percent sample; however the file was not made available to the Auditor as required. Household eligibility 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.

Development must also submit an owner's statement of compliance with the Section 3(d) of the Regulatory Agreement moving forward to maintain complete and accurate records pertaining to Low Income Units.

Unit # 3-215

Finding

Noncompliance Date

Reason

Household income exceeds applicable limit.

8/15/2024

Correction Date:

The file was requested as part of the twenty-percent sample; however the file was not made available to the Auditor as required. Household eligibility 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.

Development must also submit an owner's statement of compliance with the Section 3(d) of the Regulatory Agreement moving forward to maintain complete and accurate records pertaining to Low Income Units.

Unit # 3-3331

Finding

Noncompliance Date

Reason

Household income exceeds applicable limit.

9/15/2024

Correction Date:

The file was requested as part of the twenty-percent sample; however the file was not made available to the Auditor as required. Household eligibility 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.

Development must also submit an owner's statement of compliance with the Section 3(d) of the Regulatory Agreement moving forward to maintain complete and accurate records pertaining to Low Income Units.

Unit # 3-3332

Finding

Noncompliance Date

Reason

Household income exceeds applicable limit.

9/20/2024

Correction Date:

The file was requested as part of the twenty-percent sample; however the file was not made available to the Auditor as required. Household eligibility 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.

Development must also submit an owner's statement of compliance with the Section 3(d) of the Regulatory Agreement moving forward to maintain complete and accurate records pertaining to Low Income Units.

Unit # 4-4104

Finding

Noncompliance Date

Reason

Household income exceeds applicable limit.

11/8/2023

Correction Date:

The file was requested as part of the twenty-percent sample; however the file was not made available to the Auditor as required. Household eligibility 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.

Development must also submit an owner's statement of compliance with the Section 3(d) of the Regulatory Agreement moving forward to maintain complete and accurate records pertaining to Low Income Units.

Unit # 4-4307

Finding

Noncompliance Date

Reason

Household income exceeds applicable limit.

8/21/2024

Correction Date:

The file was requested as part of the twenty-percent sample; however the file was not made available to the Auditor as required. Household eligibility 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.

Development must also submit an owner's statement of compliance with the Section 3(d) of the Regulatory Agreement moving forward to maintain complete and accurate records pertaining to Low Income Units.

Unit # 5-5203

Finding

Noncompliance Date

Reason

Household income exceeds applicable limit.

9/21/2024

Correction Date:

The file was requested as part of the twenty-percent sample; however the file was not made available to the Auditor as required. Household eligibility 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 both 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 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. The status of the second household member needs to be documented if they are still living in the unit or when the member vacated the unit. Submit 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.

Development must also submit an owner's statement of compliance with the Section 3(d) of the Regulatory Agreement moving forward to maintain complete and accurate records pertaining to Low Income Units.