

ENFORCEMENT ACTION AGAINST LURIN	§	BEFORE THE
REAL ESTATE HOLDINGS LIX, LLC WITH	§	TEXAS DEPARTMENT OF
RESPECT TO THE DECLAN II	§	HOUSING AND COMMUNITY
(FKA HIGHLAND BLUFFS II)	§	AFFAIRS
(BOND MF008 / CMTS # 2509)	§	

AGREED FINAL ORDER

General Remarks and official action taken:

On this 16th day of January, 2025, the Governing Board (“Board”) of the Texas Department of Housing and Community Affairs (“TDHCA” or “Department”) considered the matter of whether enforcement action should be taken against **LURIN REAL ESTATE HOLDINGS LIX, LLC**, a Delaware limited liability company (“Respondent”).

This Agreed Order is executed pursuant to the authority of the Administrative Procedure Act (“APA”), Tex. Gov’t Code §2001.056, which authorizes the informal disposition of contested cases. In a desire to conclude this matter without further delay and expense, the Board and Respondent agree to resolve this matter by this Agreed Final Order. The Respondent agrees to this Order for the purpose of resolving this proceeding only and without admitting or denying the findings of fact and conclusions of law set out in this Order.

Upon recommendation of the Enforcement Committee, the Board makes the following findings of fact and conclusions of law and enters this Order:

WAIVER

Respondent acknowledges the existence of their right to request a hearing as provided by Tex. Gov’t Code §2306.044, and to seek judicial review, in the District Court of Travis County, Texas, of any order as provided by Tex. Gov’t Code §2306.047. Pursuant to this compromise and settlement, the Respondent waives those rights and acknowledges the jurisdiction of the Board over Respondent.

FINDINGS OF FACT (FOF)

Jurisdiction:

1. Asmara Affordable Housing, Inc. (Prior Owner) acquired multiple properties in 1996 using proceeds from NHP Foundation – Asmara Project Series 1996A Bonds. The bonds were refinanced in 2003 using NHP Foundation – Asmara Project Series 2003 Bonds to refund Series 1996, and to finance capital improvements and necessary repairs for

multiple projects in Texas, including the The Declan II (fka Highland Bluffs II) (Property) (Bond File No. MF008 / CMTS No. 2509).

2. Prior Owner signed an Amended and Restated Regulatory and Land Use Restriction Agreement (LURA) dated as of December 1, 2003, and filed of record at Document Number 2683682 of the Official Public Records of Real Property of Dallas County, Texas (the Records). In accordance with Section 11 of the LURA, the LURA is a restrictive covenant/deed restriction encumbering the Property and binding on all successors and assigns for the full term of the LURA.
3. Respondent took ownership of the Property and signed an agreement with TDHCA to assume the duties imposed by the LURA and to comply fully with the terms thereof (Agreement to Assume and Comply), effective June 22, 2022, and filed the same in the Records at Document Number 202200178179, thereby binding Respondent to the terms of the LURA.
4. Respondent is subject to the regulatory authority of TDHCA.

Compliance Violations¹:

5. The Department conducted a file monitoring review on February 16, 2023, to determine whether Respondent complied with LURA requirements to lease units to low-income households and maintain records demonstrating eligibility. The monitoring review found violations of the LURA and TDHCA rules. Notifications of noncompliance were sent and a May 31, 2023, corrective action deadline was set, but Respondent failed to submit corrections and the TDHCA Compliance Division referred the following noncompliance for an administrative penalty:
 - a. Respondent failed to submit pre-onsite documentation, including the monitor review questionnaire, a violation of 10 TAC §10.618 (Monitoring and Inspections), which requires all developments to submit necessary documentation as requested in preparation for an upcoming monitoring review. This finding is considered unresolved.
 - b. Respondent failed to provide a social services program plan, a violation of Section 4(g) of the LURA and 10 TAC §10.619 (Monitoring for Social Services). Acceptable corrective documentation was submitted after intervention by the Enforcement Committee.
 - c. Respondent failed to provide documentation that household incomes were within prescribed limits upon initial occupancy for units 126, 212 and 425, a violation of Section 4 of the LURA and 10 TAC §10.611 (Determination,

¹ Within this Agreed Final Order, all references to violations of TDHCA Compliance Monitoring rules at 10 TAC Chapter 10 refers to the versions of the code in effect at the time of the compliance monitoring reviews and/or inspections that resulted in recording each violation. All past violations remain violations under the current code and all interim amendments.

Documentation and Certification of Annual Income), which require screening of tenants at initial occupancy to ensure qualification for the program. Acceptable corrective documentation was submitted to correct units 212 and 425 after intervention by the Enforcement Committee. Unit 126 is considered unresolved.

- d. Respondent failed to provide required annual recertifications that were due between October 2022 and February 2023, for units 126, 211, 321, 328, 416, and 426, a violation of Section 4(c) of the LURA and 10 TAC §10.612 (Tenant File Requirements), which require annual recertifications for each unit. Acceptable corrective documentation was submitted to correct units 211, 321, 416, and 426, after intervention by the Enforcement Committee. Units 126 and 328 are considered unresolved.
6. The Department conducted a National Standards for the Physical Inspection of Real Estate (NSPIRE) inspection on July 8, 2024. The inspection report at Exhibit 1 showed numerous property condition violations, a violation of 10 TAC § 10.621 (Property Condition Standards). The Department issued a notification of noncompliance setting a corrective action deadline of November 12, 2024, but Respondent failed to submit corrections and the TDHCA Compliance Division referred the noncompliance for an administrative penalty.
 7. On July 2, 2024, Respondent reported a casualty loss impacting unit 328, due to a fire that occurred on June 25, 2024. Damage from the fire is a violation of 10 TAC § 10.621 (Property Condition Standards), however, there is a two-year reasonable restoration period under IRS Memorandum CCA 200134006. The Department issued a notice of noncompliance requesting further information on or before October 8, 2024, to substantiate the casualty loss claim, but Respondent failed to submit documentation and the TDHCA Compliance Division referred the noncompliance for an administrative penalty. On October 29, 2024, Respondent disclosed that units 326, 113, and 112 were also impacted by the casualty loss, but Respondent again failed to submit the requested supporting documentation.
 8. The following violations remain outstanding at the time of this order:
 - a. Pre-onsite documentation violation described in FOF #5a;
 - b. Household income violation for unit 126 described in FOF #5c;
 - c. Annual recertification violation for units 126 and 328 described in FOF #5d;
 - d. NSPIRE violations described in FOF #6; and
 - e. Casualty loss violations for units 112, 113, 326, and 328, described in FOF #7.

CONCLUSIONS OF LAW

1. The Department has jurisdiction over this matter pursuant to Tex. Gov't Code §§2306.041-.0503 and 10 TAC Chapter 2.

2. Respondent is a “housing sponsor” as that term is defined in Tex. Gov’t Code §2306.004(14).
3. Pursuant to IRC §42(m)(1)(B)(iii), housing credit agencies are required to monitor for noncompliance with all provisions of the IRC and to notify the Internal Revenue Service of such noncompliance.
4. Pursuant to Tex. Gov’t Code Chapter 2306, Subchapter DD and Tex. Gov’t Code §2306.185, TDHCA is authorized to make Housing Tax Credit Allocations for the State of Texas and is required to monitor to ensure compliance.
5. Pursuant to 10 TAC §10.621(a), TDHCA has adopted HUD’s NSPIRE as the standard for its physical inspections.
6. Respondent violated §10.618 in 2023, by not submitting pre-onsite documentation in preparation for the monitoring review.
7. Respondent violated 10 TAC §10.619 and Section 4(g) of the LURA in 2023, by failing to provide a social services program plan.
8. Respondent violated 10 TAC §10.611 and Section 4 of the LURA in 2023, by failing to provide documentation that household income was within prescribed limits upon initial occupancy for units 126, 212 and 425.
9. Respondents violated 10 TAC §10.612 and Section 4(c) of the LURA by failing to provide annual tenant recertifications for units 126, 211, 321, 328, 416, and 426.
10. Respondent violated 10 TAC §10.621 in 2024, by failing to comply with NSPIRE when major violations were discovered and not timely corrected.
11. Respondent violated 10 TAC §10.621 in 2024, by failing to comply with requests for information when major NSPIRE violations occurred due to a fire casualty loss and Respondent failed to provide required supporting documentation.
12. Because Respondent is a housing sponsor with respect to the Property, and has violated TDHCA rules, the Board has personal and subject matter jurisdiction over Respondent pursuant to Tex. Gov’t Code §2306.041 and Tex. Gov’t Code §2306.267.
13. Because Respondent is a housing sponsor, TDHCA may order Respondent to perform or refrain from performing certain acts in order to comply with the law, TDHCA rules, or the terms of a contract or agreement to which Respondent and TDHCA are parties, pursuant to Tex. Gov’t Code §2306.267.
14. Because Respondent has violated rules promulgated pursuant to Tex. Gov’t Code §2306.053 and has violated agreements with the Agency to which Respondent is a party, the Agency may impose an administrative penalty pursuant to Tex. Gov’t Code §2306.041.

15. An administrative penalty of \$8,425.00 is an appropriate penalty in accordance with 10 TAC Chapter 2.

Based upon the foregoing findings of fact and conclusions of law, and an assessment of the factors set forth in Tex. Gov't Code §2306.042 to be considered in assessing such penalties as applied specifically to the facts and circumstances present in this case, the Governing Board of the Texas Department of Housing and Community Affairs orders the following:

IT IS HEREBY ORDERED that Respondent is assessed an administrative penalty in the amount of \$8,425.00, subject to partial deferral as further ordered below.

IT IS FURTHER ORDERED that Respondent shall pay and is hereby directed to pay a \$4,212.50 portion of the assessed administrative penalty by check payable to the "Texas Department of Housing and Community Affairs" within thirty days of the date this Agreed Final Order is approved by the Board.

IT IS FURTHER ORDERED that Respondent shall submit casualty loss supporting documentation as directed at Exhibit 1 to TDHCA on or before April 30, 2025.

IT IS FURTHER ORDERED that Respondent shall submit file monitoring corrective documentation as directed at Exhibit 2 to TDHCA on or before April 30, 2025.

IT IS FURTHER ORDERED that Respondent shall repair all NSPIRE violations and submit complete documentation as directed at Exhibit 4 to TDHCA on or before June 30, 2025.

IT IS FURTHER ORDERED that if Respondent timely and fully complies with the terms and conditions of this Agreed Final Order, addressing all violations as required, the satisfactory performance under this order will be accepted in lieu of the remaining assessed administrative penalty in the amount of \$4,212.50, which will be deferred and forgiven.

IT IS FURTHER ORDERED that if Respondent fails to satisfy any conditions or otherwise violates any provision of this order, or the property is sold before the terms and conditions of this Agreed Final Order have been fully satisfied, then the remaining administrative penalty in the amount of \$4,212.50 shall be immediately due and payable to the Department. Such payment shall be made by cashier's check payable to the "Texas Department of Housing and Community Affairs" upon the earlier of (1) within thirty days of the date the Department sends written notice to Respondent that it has violated a provision of this Order, or (2) the property closing date if sold before the terms and conditions of this Agreed Final Order have been fully satisfied.

IT IS FURTHER ORDERED that corrective documentation must be uploaded to the Compliance Monitoring and Tracking System (CMTS) by following the instructions at this link: <https://www.tdhca.texas.gov/sites/default/files/pmcdocs/CMTSUserGuide-AttachingDocs.pdf>. After the upload is complete, an email must be sent to Ysella Kaseman at ysella.kaseman@tdhca.texas.gov to inform her that the documentation is ready for review. If it comes due and payable, the penalty payment must be submitted to the following address:

If via overnight mail (FedEx, UPS):	If via USPS:
TDHCA Attn: Ysella Kaseman 221 E 11 th St Austin, Texas 78701	TDHCA Attn: Ysella Kaseman P.O. Box 13941 Austin, Texas 78711

IT IS FURTHER ORDERED that Respondent shall follow the requirements of [10 TAC §10.406](#), and obtain approval from the Department prior to consummating a sale of the property, if contemplated.

IT IS FURTHER ORDERED that the terms of this Agreed Final Order shall be published on the TDHCA website.

[Remainder of page intentionally blank]

Approved by the Governing Board of TDHCA on _____, 2025.

By: _____

Name: Leo Vasquez

Title: Chair of the Board of TDHCA

By: _____

Name: James "Beau" Eccles

Title: Secretary of the Board of TDHCA

THE STATE OF TEXAS §

§

COUNTY OF _____ §

Before me, the undersigned notary public, on this 16th day of January, 2025, personally appeared Leo Vasquez, proved to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

(Seal)

Notary Public, State of Texas

THE STATE OF TEXAS §

§

COUNTY OF TRAVIS §

Before me, the undersigned notary public, on this his 16th day of January, 2025, personally appeared James "Beau" Eccles, proved to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

(Seal)

Notary Public, State of Texas

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, _____ (*notary name*), a notary public in and for the State of _____, on this day personally appeared Jon Venetos (*person signing document*), known to me or proven to me through circle one: personally known / driver's license / passport to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (he/she) executed the same for the purposes and consideration therein expressed, who being by me duly sworn, deposed as follows:

1. "My name is Jon Venetos, I am of sound mind, capable of making this statement, and personally acquainted with the facts herein stated.
2. I hold the office of President for Respondent. I am the authorized representative of Respondent, owner of the Property, which is subject to a Land Use Restriction Agreement monitored by the TDHCA in the State of Texas, and I am duly authorized by Respondent to execute this document.
3. The Taxpayer ID for Respondent is _____.
4. The mailing address for Respondent is _____.
5. Respondent knowingly and voluntarily enters into this Agreed Final Order, and agrees with and consents to the issuance and service of the foregoing Agreed Order by the Governing Board of the Texas Department of Housing and Community Affairs."

RESPONDENT:

LURIN REAL ESTATE HOLDINGS LIX, LLC, a Delaware limited liability company

By: _____

Name: Jon Venetos

Title: President

Given under my hand and seal of office this _____ day of _____, 2025.

Signature of Notary Public

Printed Name of Notary Public

NOTARY PUBLIC IN AND FOR THE STATE OF _____
My Commission Expires: _____

Exhibit 1

Instructions to Record Casualty Loss and Two-Year Restoration Period

Respondent reported a casualty loss impacting units 112, 113, 326, and 328, due to a fire that occurred on June 25, 2024. Damage from the fire is a violation of 10 TAC § 10.621 (Property Condition Standards), however, there is a two-year restoration period permitted under IRS Memorandum CCA 200134006 during which TDHCA would not inspect those units, provided that Respondent substantiates the casualty loss claim.

Respondent must submit all of the following evidence of the casualty loss claim via CMTS upload² on or before April 30, 2025, in order for the Department to record the casualty loss and two-year restoration period for units 112, 113, 326, and 328:

1. A complete copy of the official fire report from the Dallas Fire Department describing the cause, events and records related to the reported fire event from June 25, 2024;
2. Labeled photographs of the damage to the building and units, including units 112, 113, 326, 328;
3. Written clarification regarding whether there are any additional units and/or common areas affected by the fire; and
4. A complete scope of work for complete restoration of all damaged areas.

The two-year casualty loss restoration itself is not part of this Agreed Final Order.

² Submit via CMTS upload (see <https://www.tdhca.texas.gov/sites/default/files/pmcdocs/CMTSUserGuide-AttachingDocs.pdf>) to the attention of Ysella Kaseman, and then mail Ysella Kaseman at ysella.kaseman@tdhca.texas.gov upon completion to notify TDHCA that the submission is ready for review.

Exhibit 2

Instructions to Address File Monitoring Violations

Resources and important notes:

- Refer to the following link for all references below to the rules at 10 TAC §10:
[http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac_view=5&ti=10&pt=1&ch=10&sch=F&rl=Y](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=5&ti=10&pt=1&ch=10&sch=F&rl=Y)
- Refer to the following link for copies of forms that are referenced below:
<https://www.tdhca.texas.gov/compliance-forms>
- Exhibit 3 provides details regarding each tenant file component outlined below.
- Technical support and training presentations are available at:
 - Trainings: <https://www.tdhca.texas.gov/compliance-program-training-presentations>
 - Income and Rent Limits: <https://www.tdhca.texas.gov/income-and-rent-limits>
 - FAQ's: <https://www.tdhca.texas.gov/compliance-frequently-asked-questions-faqs>
- Do not backdate any documents listed below.
- A transfer of a qualified household from another unit is not sufficient to correct any findings. If there is a tenant income certification or household income above limit violation, a transfer from another unit will simply cause the finding to transfer to that unit.

Instructions: Respondent must submit the following documentation on or before April 30, 2025.

1. Submit the "Monitor Review Questionnaire" that is listed in CMTS with a due date of "02/02/2023"³. The Questionnaire can be found by logging into CMTS at <https://pox.tdhca.state.tx.us/aims2/pox>. Click the "Unit Status Report" link. On the next page, click "Submit Reports". Scroll down the next page. There should be a section for the Monitor Review Questionnaire. Complete the questionnaire and submit via CMTS.
2. Upload⁴ documentation via CMTS to address file noncompliance for units 126 and 328 as instructed below.

Respondent has stated that units 126 and 328 are both vacant, and that unit 328 was damaged by the fire casualty loss described above in this Agreed Final Order.

- a. If the unit is now occupied: Submit the full tenant file* on or before April 30, 2025. The file must be complete and prove income eligibility. - OR -

³ Due to frequent property management confusion between phases, TDHCA staff notes that this questionnaire was submitted for CMTS 2510, but was not submitted for CMTS 2509.

⁴ Submit via CMTS upload (see <https://www.tdhca.texas.gov/sites/default/files/pmcdocs/CMTSUserGuide-AttachingDocs.pdf>) to the attention of Ysella Kaseman, and then mail Ysella Kaseman at ysella.kaseman@tdhca.texas.gov upon completion to notify TDHCA that the submission is ready for review.

- b. If the unit remains vacant:
 - i. For unit 126, perform all of the following:
 - 1. Make the unit ready for occupancy and submit a letter from the owner by April 30, 2025, certifying that the unit is ready for occupancy, AND
 - 2. Occupy the unit by a qualified household and submit the full tenant file* within 30 days of occupancy. The file must be complete and prove income eligibility. Receipt of the full tenant file after April 30, 2025 is acceptable for this circumstance provided that the owner's letter at Requirement 1 above is submitted timely.
 - i. For Unit 328, perform all of the following:
 - 1. Submit the casualty loss documentation as described at Exhibit 2 of this Agreed Final Order by April 30, 2025, so that the Department can record the casualty loss and two-year restoration period, AND
 - 2. Upon completion of the restoration period, occupy the unit by a qualified household and submit the full tenant file* within 30 days of occupancy. The file must be complete and prove income eligibility. Receipt of the full tenant file after April 30, 2025 is acceptable for this circumstance provided that the casualty loss documentation for Requirement 1 above is submitted timely.

**A full tenant file must include all of the following components.*

- A. Tenant application;*
- B. Verifications of all sources of income and assets;*
- C. Tenant income certification;*
- D. Lease and lease addendum; and*
- E. Tenant Rights and Resources Guide Acknowledgment.*

Remember that components A - C above must be dated within 120 days of one another.

See Exhibit 3 for details regarding how to compile each of the above full tenant file components.

Exhibit 3

Tenant File Guidelines

The following technical support does not represent a complete list of all file requirements and is intended only as a guide. TDHCA staff recommends that all staff responsible for accepting and processing tenant files sign up for Income Determination Training in order to get a full overview of the process. Sign up at <http://www.tdhca.state.tx.us/pmcomp/COMPtrain.html>. Forms discussed below are available at: <http://www.tdhca.state.tx.us/pmcomp/forms.htm>.

Forms discussed below are available at: <https://www.tdhca.texas.gov/compliance-forms>. A “Suggested File Checklist” is available in the “Monitoring Forms” section of “Compliance Forms for Multifamily Properties” at <https://www.tdhca.texas.gov/compliance-forms>.

**Important Note* The application, verifications of income and assets, and Tenant Income Certification (1 – 7 below) must be signed within 120 days of one another. If one component is outside of that time frame, you must recertify.*

1. **Intake Application:** Each adult household member must complete their own application in order to be properly screened at initial certification. A married couple can complete a joint application. The Department does not have a required form to screen households, but we make a sample form available for that purpose. All households must be screened for household composition, income and assets, and student status. Applicants must complete all blanks on the application and answer all questions. Any lines left intentionally blank should be marked with “none” or “n/a.” Applications must be signed and dated using the date that the form is actually completed. If you use the Texas Apartment Association (TAA) Rental Application, be aware that it does not include all requirements, but they have a “Supplemental Rental Application for Units Under Government Regulated Affordable Housing Programs” that includes the additional requirements. TDHCA also has an application form that you can use; using our form is not required for the application, but it does screen for all requirements.
2. **Release and Consent:** Have tenant sign TDHCA’s Release and Consent form so that verifications may be collected by the property.
3. **Verify Income:** Each source of income and asset must be documented for every adult household member based upon the information disclosed on the application. There are multiple methods:
 - a. **Income Verification for Households with Section 8 Certificates:** If you use this form, you do not need to verify income further, but you do need to collect all other components of the tenant file. The Public Housing Authority, verifying that the household is eligible at initial occupancy or at recertification, signs this form. Since the housing authority performed the necessary verifications. The form must include the following information: a certification date from the housing authority that is within 120 days of that effective date, either at initial move-in or at recertification, number of household members and the gross annual income before any adjustments. This form must also be dated within 120 days of the application and Income Certification that you collect. If the housing authority certification is outside of that period, you must verify income yourself. A housing authority may not use this form to verify income for a property in which they hold an ownership interest.
 - b. **First-hand verifications:** Paystubs or payroll printouts that show gross income. If you choose this method, ensure that you consistently collect a specified number of consecutive check stubs as defined in your management plan.

- c. **Employment Verification Form:** Part 1 must be completed by you and signed by the tenant. Part 2 must be completed by the employer. To prevent fraud, you must submit the form directly to the employer and must not allow the tenant to handle it. You should ensure that the person completing the employer portion has authority to do so and has access to all applicable information in order to verify the employment income. If you receive the verification via mail, retain the envelope. If you receive it via fax, ensure that the fax stamp is on it. If received by email, ensure the email address it was received from is evidenced and from the employer.
 - d. **Verification of non-employment income:** You must obtain verifications for all other income sources, such as child support, social security, and/or unemployment benefits. Self-certification by the household is not acceptable. Examples: benefit verification letter(s) are acceptable for social security and/or unemployment benefits. Acceptable verifications for child support could include documents such as divorce decree(s), court order(s), or a written statement from the court or attorney general regarding the monthly awarded amount.
 - e. **Telephone Verifications:** These are acceptable *only* for clarifying discrepancies and cannot be used as primary form of verification. Include your name, the date, the name of the person with whom you spoke, and your signature. These are appropriate if there is an unusual circumstance relating to the tenant file.
 - f. **Certification of Zero Income:** If an adult household member does not report any sources of income on the application, this form can be used to document thorough screening and to document the source of funds used to pay for rent, utilities, and/or other necessities.
4. **Verify Assets:** Regardless of their balances, applicants must report all assets, including assets such as checking or savings accounts. Accounts are typically disclosed on the application form, but you must review all documentation from the tenant to ensure proper documentation of the household's income and assets. For instance, review the credit report (if you pull one), application, pay stubs, and other documents to ensure that all information is consistent. Examples of ways to find assets that are frequently overlooked: Review pay stubs for assets such as checking and retirement accounts that the household may have forgotten to include in the application. These accounts must also be verified. Format of verifications:
- a. **First-hand verifications**, such as bank statements to verify a checking account. If using this method, the most current statement will be needed for both checking and savings accounts. MFDL programs require two months of source documentation.
 - b. **3rd party verifications** using the TDHCA Asset Verification form. As with the "Employment Verification Form" discussed above, Part 1 must be completed by you and signed by the tenant. Part 2 must be completed by the financial institution. To prevent fraud, you must submit the form directly to the employer and must not allow the tenant to handle it. You should ensure that the person completing the financial institution's portion has authority to do so and has access to all applicable information in order to verify the asset(s). If you receive the verification via mail, retain the envelope. If you receive it via fax, ensure that the fax stamp is on it, If received by email, ensure the email address it was received from is evidenced and from the financial institution.

5. **Verify Student Status:** Must screen for student status; can be collected on the Annual Eligibility Certification, the Certification of Student Eligibility Form, or the income Certification Form. If the household indicates they are students, there are two forms that *must* be used: the Certification of Student Eligibility form must be completed by the household, and the Student Verification form is used to verify and document their student status.
 - a. **With the changes from HOTMA, student income from financial assistance must be evaluated for inclusion/exclusion. A detailed training on this topic is available online: <https://www.tdhca.texas.gov/compliance-program-training-presentations>.**
6. **Verify Special Needs:** This form is generally optional, but is a great way to screen households for special needs. It is required if there is a Special Needs occupancy requirement under your LURA, unless there is another form of special needs verification in the file.
7. **Tenant Income Certification Form:** Upon verification of all income and asset sources disclosed on the application and any additional information found in the documentation submitted by the tenant, the next step is to annualize the sources on the Income Certification Form, add them together, and compare to the applicable income limit for household size which can be found at <https://www.tdhca.texas.gov/income-and-rent-limits>. Be sure to include any income derived from assets. The form must include all household members, and be signed by each adult household member.
8. **Lease:** Must conform with your LURA and TDHCA requirements and indicate a rent below the maximum rent limits, which can be found at <https://www.tdhca.texas.gov/income-and-rent-limits>. Generally speaking, when determining the rent for HTC, BOND, TCEP and TCAP programs, the tenant-paid rent, plus the utility allowance, plus any mandatory fees, must be below the maximum limit set by TDHCA. [10 TAC §10.613\(a\)](#) prohibits the eviction or termination of tenancy of low-income households for reasons other than good cause throughout the affordability period in accordance with Revenue Ruling 2004-82. In addition, [10 TAC §10.613\(e\)](#) prohibits HTC developments from locking out or threatening to lock out any development resident, or seizing or threatening to seize personal property of a resident, except by judicial process, for purposes of performing necessary repairs or construction work, or in case of emergency. **Those prohibitions must be included in the lease or lease addendum.** Additionally, certain programs must include a Lead Warning Statement and the TDHCA VAWA lease addendum, per [10 TAC 10.613\(f\) and \(h\)](#). **TAA has an affordable housing lease addendum that has incorporated this required language.** If you are not a TAA member, you can draft a lease addendum using the requirements outlined above. For Section 811 units, you must use the HUD Model Lease, HUD form 92236-PRA.
9. **Written Policies and Procedures / Tenant Selection Criteria:** Written policies and procedures requirements are at [10 TAC §10.802](#).
10. **Violence Against Women Act of 2013 (VAWA):** The property is required to provide all prospective tenants the VAWA forms 5380 and 5382 at the time of application, at the time they are approved, at the time of denial, and at the time the household is given a notice to vacate or non-renewal. Forms are available at the Forms link above.
11. **Tenant Rights and Resources Guide:** In accordance with [10 TAC §10.613\(l\)](#), you must customize the Guide for your property and post a laminated copy in a common area of the leasing office. Development must also provide a copy of the guide to each household during the application process and upon any subsequent changes to the items described at paragraph b) below. The guide includes:

- a. Information about Fair Housing and tenant choice; and
- b. Information regarding common amenities, unit amenities, and services.

Additionally, a representative of each household must receive a copy of the guide and sign an acknowledgment of receipt of the brochure prior to, but no more than 120 days prior to, the initial lease execution date. A copy of the signed acknowledgment must be maintained in the tenant file.

Exhibit 4

NSPIRE Deficiency Report and Instructions to Address NSPIRE Violations

Respondent must repair every violation listed in the attached Deficiency Report, and then submit all of the following evidence of repairs via CMTS upload⁵ on or before June 30, 2025:

1. Owner Certification of Corrected Noncompliance: Complete the enclosed Certification form, following all form instructions. The Owner must sign the form; property management is not authorized to sign.
2. Completed Deficiency Report:
 - a. In the column named "Corrected By", enter the name of the person or contractor that completed the work to correct each deficiency.

NOTE: If state or local code requires a licensed professional to complete the work to correct a deficiency [e.g. infestation or fire systems], it is the Owner's responsibility to be familiar with such codes and to correct deficiencies accordingly.
 - b. In the column named "Date Completed" enter the date on which the work to correct each deficiency was completed.

⁵ Submit via CMTS upload (see <https://www.tdhca.texas.gov/sites/default/files/pmcdocs/CMTSUserGuide-AttachingDocs.pdf>) to the attention of Ysella Kaseman, and then mail Ysella Kaseman at ysella.kaseman@tdhca.texas.gov upon completion to notify TDHCA that the submission is ready for review.

Texas Department of Housing and Community Affairs Owner Certification of Corrected Noncompliance

Development Name: The Declan II CMTS ID: 2509

The National Standard for the Physical Inspection of Real Estate (“NSPIRE”) inspection was performed on July 8, 2024 at the development listed to assess compliance with the BOND program. The review resulted in a finding of noncompliance under Title 10, Chapter 10, Subchapter F related to Compliance Monitoring, §10.621, Property Condition Standards, and §92.251. Please see attached Deficiency Report that details the deficiencies identified.

Because the inspection resulted in a score that exceeds 75, to correct, submit only the following:

1. Update the Deficiency Report:
 - a. In the column named “Corrected By” enter the name of the person or contractor that completed the work to correct that deficiency. (NOTE: If state or local code requires a licensed professional to complete the work to correct a deficiency [e.g. infestation or fire systems], it is the Owner’s responsibility to be familiar with such codes and to correct deficiencies accordingly. The Department relies on the Owner’s due diligence in these instances.)
 - b. In the column named “Date Corrected” enter the date on which the work to correct that deficiency was completed.
2. Execute this certification to support that the work represented in the Deficiency Report has been performed. **Only the Owner can sign this form; property management cannot sign this certification.**

In accordance with 10 TAC §2.401(a)(3), *Providing fraudulent information, knowingly falsified documentation, or other intentional or negligent material misrepresentation or omission with regard to any documentation, certification or other representation made to the Department* is grounds for debarment. If it is found that the deficiencies cited in the Deficiency Report were not resolved, the Department will consider the Owner to have materially misrepresented the facts and circumstances related to the NSPIRE Inspection conducted on July 8, 2024 and may be recommended for debarment.

I, _____, on behalf of Lurin Real Estate Holdings LIX, LLC, am authorized to sign this Certification by reason of my position as _____ and hereby certify, as true and correct, that the above referenced noncompliance has been corrected in the manner described and I further understand that if it is found that this certification was fraudulently executed, the owner is subject to debarment.

Signature of Owner

Date

Affiliation and Authority to sign (ex. President, VP, CEO, Managing Member of GP, etc.)

Warning: Title 18, Section 1001 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency in the United States as to any matter within its jurisdiction.

TDHCA
February 2024

<i>Bldg</i>	<i>Apt</i>	<i>Location</i>	<i>Item</i>	<i>Result</i>	<i>Notes</i>	<i>Sev.</i>	<i>Date Completed:</i>	<i>Completed By:</i>
21	N/A	Alternate Location - See Notes for Details	Fire Extinguisher	Fire extinguisher pressure gauge reads over- or under-charged	Outside 121	LT		
21	N/A	Hallways & Corridors (Bldg)	Ceiling Covering and Finishes	Ceiling component(s) is not functionally adequate	Ceiling component is not functionally adequate	Severe		
21	N/A	Hallways & Corridors (Bldg)	Ceiling Covering and Finishes	Ceiling component is not functionally adequate	Ceiling has sagging or dropping materials; Outside of unit 123	Severe		
21	121	Hallways & Corridors	Smoke Alarms	Smoke alarm not installed outside a sleeping room	Smoke alarm is not installed where required; Upstairs hallway	LT		
21	121	Kitchen	Refrigerator	Refrigerator component is damaged such that it impacts functionality	Refrigerator door seal is damaged	Mod		
21	121	Laundry Room	Door – General	A door that is not intended to permit access between rooms has a damaged, inoperable, or missing component	Closet door component is missing, damaged or inoperable	Low		
21	125	Laundry Room	Door – General	A door that is not intended to permit access between rooms has a damaged, inoperable, or missing component	Closet door component is missing, damaged or inoperable	Low		
21	125	Storage Room	Door – General	A door that is not intended to permit access between rooms has a damaged, inoperable, or missing component	Closet door component is missing, damaged or inoperable; Right of entrance	Low		
22	234	Hallways & Corridors	Smoke Alarms	Smoke alarm does not produce an audio or visual alarm when tested	Smoke alarm does not produce an audio or visual alarm when tested	LT		
23	304	Hallways & Corridors	Smoke Alarms	Smoke alarm does not produce an audio or visual alarm when tested	Smoke alarm does not produce an audio or visual alarm when tested	LT		