

ENFORCEMENT ACTION AGAINST	§	BEFORE THE
READING ROAD APARTMENTS, L.P. WITH	§	TEXAS DEPARTMENT OF
RESPECT TO READING PARK APARTMENTS	§	HOUSING AND COMMUNITY
(HTC 02462 / HTF 853336 /	§	AFFAIRS
BOND MF064 / CMTS 3321)	§	

AGREED FINAL ORDER

General Remarks and official action taken:

On this 15th day of January, 2026, 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 **READING ROAD APARTMENTS, L.P.**, a Texas limited partnership (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, Respondent waives those rights and acknowledges the jurisdiction of the Board over Respondent.

FINDINGS OF FACT (FOF)

Jurisdiction:

1. During 2002 and 2003, Respondent received an allocation of 4% Low Income Housing Tax Credits, multifamily housing revenue bonds, and a Housing Trust Fund (HTF) loan to build and operate Reading Park Apartments (HTC 02462 / HTF 853336 / Bond MF064 / CMTS 3321) (the Property).
2. Respondent signed three land use restriction agreements (collectively, the LURAs):
 - a. In connection with the tax credit funding, Respondent signed a Declaration of Land Use Restrictive Covenants Land Use Restriction Agreement for Low-Income Housing Tax Credits (HTC LURA) regarding the Property. The HTC LURA was dated as of September 29, 2004, filed of record at Document Number 2004131102 of the Official Public Records of Real Property of Fort Bend County, Texas (the Records); and
 - b. In connection with the Bond funding, Respondent signed a Regulatory and Land Use Restriction Agreement (Bond LURA) regarding the Property. The Bond LURA was dated as of February 1, 2003, filed of record at Document Number 2003019032 of the Records; and
 - c. In connection with the HTF funding, Respondent signed a Regulatory and Land Use Restriction Agreement (HTF LURA) regarding the Property. The Bond LURA was dated as of October 31, 2004, filed of record at Document Number 2004133375 of the Records.
3. Respondent is subject to the regulatory authority of TDHCA.

Compliance Violations¹:

4. The Department conducted a National Standards for the Physical Inspection of Real Estate (NSPIRE) inspection at the Property on April 2, 2025. 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 July 7, 2025, but Respondent failed to submit complete corrections and the TDHCA Compliance Division referred the unresolved noncompliance for an administrative penalty. Further corrective documentation and associated acknowledgments were received on July 16, 2025 and August 18, 2025, after intervention by the Enforcement Committee.

¹ Within this Agreed Final Order, all references to violations of TDHCA Compliance Monitoring rules at 10 TAC Chapter 10 refer 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.

5. All violations listed above are considered resolved at the time of this Order.

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 protocol as the standard for its physical inspections.
6. Respondent violated 10 TAC §10.621 at the Property in 2025 and I.R.C. §42, as amended, by failing to comply with NSPIRE requirements when violations were discovered and not timely corrected.
7. 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.
8. 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.
9. 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.
10. An administrative penalty of \$3,750.00 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 are assessed a collective administrative penalty in the amount of \$3,750.00.

IT IS FURTHER ORDERED that Respondent shall pay and are hereby directed to pay the \$3,750.00 administrative penalty by check payable to the Texas Department of Housing and Community Affairs on or before February 16, 2026, 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.

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Given under my hand and seal of office this 11th day of February, 2026.

/s/ Rebecca Ibarra
Signature of Notary Public

Rebecca Ibarra
Printed Name of Notary Public

NOTARY PUBLIC IN AND FOR THE STATE OF Texas

My Commission Expires: 5/15/2027

Exhibit 1

NSPIRE Inspection Report
(see attached)

Corrective documentation was not submitted timely for the deficiencies listed in the attached report, and those deficiencies were referred for an administrative penalty. Deficiencies with timely submitted corrective documentation are not included in the attached report.

Bldg	Apt	Location	Result	Notes	Severity	Corrected Date
5	502	Kitchen	Evidence of cockroaches (Live, Dead, or Other Evidence)	There is visible evidence of roaches.	Mod	5/7/2025
16	1607	Bathroom 2	Extensive cockroach infestation (Live cockroaches in 2+ Rooms)	Multiple live roaches observed.	Severe	4/3/2025
2	204	Kitchen	Refrigerator door seal is damaged	The gasket on the refrigerator is damaged.	Mod	4/30/2025
5	502	Kitchen	Refrigerator door seal is damaged	The gasket on the refrigerator is damaged.	Mod	5/7/2025
6	602	Kitchen	Refrigerator door seal is damaged	The gasket on the refrigerator is damaged.	Mod	5/7/2025
10	1006	Kitchen	Refrigerator door seal is damaged	The gasket on the refrigerator is damaged.	Mod	5/10/2025
11	1101	Kitchen	Refrigerator door seal is damaged	The gasket on the refrigerator is damaged.	Mod	5/10/2025
11	1105	Kitchen	Refrigerator door seal is damaged	The gasket on the refrigerator is damaged.	Mod	5/10/2025
14	1406	Kitchen	Refrigerator door seal is damaged	The gasket on the refrigerator is damaged.	Mod	5/10/2025
22	2205	Alternate Location	A passage door component is damaged/missing/inoperable	Self-closing main entry door not closing	Low	5/14/2025
1	105	Bathroom 2	Toilet is not secured at base/loose	The base of the toilet is not secured to the floor properly.	Mod	4/30/2025
1	106	Bathroom 1	Toilet is not secured at base/loose	The base of the toilet is not secured to the floor properly.	Mod	4/30/2025
2	204	Bathroom 1	Toilet is not secured at base/loose	The base of the toilet is not secured to the floor properly.	Mod	4/30/2025
3	303	Bathroom 1	Toilet is not secured at base/loose	The base of the toilet is not secured to the floor properly.	Mod	4/30/2025

3	304	Bathroom 1	Toilet is not secured at base/loose	The base of the toilet is not secured to the floor properly.	Mod	5/7/2025
4	402	Bathroom 1	Toilet is not secured at base/loose	The base of the toilet is not secured to the floor properly.	Mod	5/7/2025
6	605	Bathroom 1	Toilet is not secured at base/loose	The base of the toilet is not secured to the floor properly.	Mod	5/7/2025
7	704	Bathroom 1	Toilet is not secured at base/loose	The base of the toilet is not secured to the floor properly.	Mod	5/7/2025
9	904	Bathroom 1	Toilet is not secured at base/loose	The base of the toilet is not secured to the floor properly.	Mod	5/10/2025
10	1005	Bathroom 2	Toilet is not secured at base/loose	The base of the toilet is not secured to the floor properly.	Mod	5/10/2025
10	1006	Bathroom 1	Toilet is not secured at base/loose	The base of the toilet is not secured to the floor properly.	Mod	5/10/2025
13	1303	Bathroom 1	Toilet is not secured at base/loose	The base of the toilet is not secured to the floor properly.	Mod	5/10/2025
16	1607	Bathroom 2	Toilet is not secured at base/loose	The base of the toilet is not secured to the floor properly.	Mod	5/10/2025
17	1702	Bathroom 1	Toilet is not secured at base/loose	The base of the toilet is not secured to the floor properly.	Mod	5/10/2025
20	2006	Bathroom 1	Toilet is not secured at base/loose	The base of the toilet is not secured to the floor properly.	Mod	5/14/2025