



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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October 2, 2026

*Writer's direct phone # (512) 876-9671
Email: Kendall.kauten@tdhca.texas.gov*

Srihari Reddy Gandra
6500 Mars Leasehold, LLC
Irving, TX
reddy@sahariequity.com

RE: 6500 South

Dear 6500 South Owner:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Housing Facility Corporation (HFC) Audit Report submitted by Matt Vara on August 30, 2026. This review was performed as required by Section 394.9027 (b) of Chapter 394, the Texas Administrative Code (TAC) Chapter 10, Subchapter J, for Edcouch Community Housing Finance Corporation.

In accordance TAC §10.1203 (5) enclosed is a copy of the Audit Report summary. No event(s) of noncompliance were identified during the review. Please note that although no event(s) of noncompliance were identified, only a sample of information provided to the Department was reviewed for the purposes of this report. It is the HFC User's responsibility to maintain compliance.

The Department considers this review closed. The next annual Audit Report is due June 1, 2027.

If you have any questions about this monitoring report, please contact Kendall Kauten toll free in Texas at (800) 643-8204, directly at (512) 475-4047, or email: Kendall.kauten@tdhca.texas.gov.

Sincerely,

Monitor Signature

Kendall Kauten
Compliance Monitor

CC: twinklescc@pecostx.gov; aoronacc@pecostx.gov; hcarrascocc@pecostx.gov; rgrahamcc@pecostx.gov; vtrujillocc@pecostx.gov; matt@mesaassurance.com; sai@marsresidential.com; phfcd@gmail.com; 6500south@marsresidential.com



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Audit Report
6500 South

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

- TAC §10.1203(3)(B) requires that all Audit Reports include contact information for all Responsible Parties. The Audit Report did not contain the contact information for the board members of the HFC Sponsor, HFC Governing Body of Sponsor, or HFC User. Ensure current contact information for all Responsible Parties is provided in the Audit Report.

Texas Department of Housing and Community Affairs
Housing Finance Corporation (HFC)
Preliminary Summary of Audit

This is a preliminary summary of the Audit Report. TDHCA's review is ongoing and not final. Findings and any required Corrective Action will be addressed in the official Monitoring Report Letter, if applicable.

Report Due Date:6/1/2026

Current Reporting Year:2026

Occupancy Period Begin Date:1/1/2025
Occupancy Period End Date:12/31/2025

HFC Property Name6500 South
HFC Property Street Address6500 South Cockrell Hill Road
HFC City, State ZipDallas, TX, 75236
Property CountyDallas

HFC User NameSahara

Is the Regulatory Agreement (RA) properly recorded?Yes
Regulatory Agreement Effective Date4/1/2025

Does the development participate in other affordable programs?Not provided

Jurisdictional BoundariesOutside Sponsor Boundaries
If Outside Sponsor Boundaries, was the Development acquired by Sept. 1, 2025?Yes
If Outside Sponsor Boundaries, has approval been obtained or is the Development in the transition period?No

PRE or POST May 28, 2025 Development?PRE
Development TypeAcquisition
Occupancy TypeGeneral/Family
Total Number of Units in the Development (ALL Restricted & Unrestricted)536

Affordability Requirements - AMI Percentage by Bedroom Size (Post Developments Only)

	Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total
20% AMI Units	0	0	0	0	0	0
30% AMI Units	0	0	0	0	0	0
40% AMI Units	0	0	0	0	0	0
50% AMI Units	0	0	0	0	0	0
60% AMI Units	0	0	0	0	0	0
65% AMI Units	0	0	0	0	0	0
70% AMI Units	0	0	0	0	0	0
80% AMI Units	0	188	80	0	0	268
100% AMI Units	0	0	0	0	0	0
120% AMI Units	0	0	0	0	0	0
140% AMI Units	0	151	64	0	0	215
Other AMI Units: (Add % here)	0	0	0	0	0	0
Market Units	0	37	16	0	0	53
Total Restricted Units	0	339	144	0	0	483
Total Units (Restricted + Market)	0	376	160	0	0	536

Development Contacts

	Organization Name	City, State Zip
Property Name	6500 South	Dallas, TX, 75236
Texas Comptroller	Not provided	Austin, TX 78753
Appraisal District	Dallas Central Appraisal District	Dallas, TX 75247
Individual Auditor	Matt Vara	Dallas, TX 75201
HFC User	Sahara	Not provided
HFC Management Company	Mars Residential	Not provided
HFC Sponsor	City of Pecos, Texas	City of Pecos, Texas
HFC Governing Body of Sponsor	Pecos Housing Finance Corporation - Board	Pecos Housing Finance Corporation - Board of Directors

Auditor Qualifications & Affiliations

Does the Auditor have a current Certified Occupancy Specialist (COS) or equivalent certification?Yes

Has the Auditor provided a resume demonstrating housing compliance audit experience?Yes

Is the Auditor free from any financial, ownership, or management interest in the Development or any Responsible Party?Yes

Is the Auditor currently serving, or has the Auditor previously served, as the Management Agent for this Development?No

Has the HFC User complied with the three-year rotation and, if applicable, the two-year cooling-off requirement?Yes

Income & Rents Limits

Does the Regulatory Agreement specify income limits?Yes

Are the income limits adjusted for household size?Yes

Are the income limits based on HUD income limits?Yes

Did the Development comply with the Available Unit Rule when a household became over-income?Yes

Does the Regulatory Agreement specify rent limits for Restricted Units?Yes

Are the rent limits based on HUD rental limits?Yes

Are restricted unit rents ≤30% of the applicable income limit (adjusted for household size)?Yes

Are rent limit adjusted for family size, as determined by HUD?Yes

What is the family-size adjustment specified by the Development's Regulatory Agreement?1.5 Persons per Bedroom

Units & Occupancy

	Restricted Occupied Units	Non-Restricted Occupied Units
Restricted Units Occupied by Voucher Holders	0	0
	Restricted Vacant Units87	Non-Restricted Vacant Units0
Total Units (ALL)	536	Total Non-Restricted Units0

Triggering Events: Acquisition and Ownership Transfer

Did a triggering event occur during the reporting period or any prior Tax Year?No

Set Asides

Date first occupied by one or more tenants?Not provided

Is the Development currently in lease up?No

Do Restricted Units have comparable square footage and floor plans as Non-Restricted Units?Yes

Are Restricted Units equal in finishes and equipment to Non-Restricted units?Yes

Do Restricted Units have equal amenity and program access as Non-Restricted Units?Yes

Are Restricted Units proportionally distributed by unit type and income category?Yes

Did the Auditor receive photographic evidence and written certification confirming unit comparability?NA

Set-Aside - Select Only One Option

Option 1:
At Least 10% of units reserved for HH not earning more than 60% AMI
At least 40% of units reserved for HH not earning more than 80% AMI

Option 2:
At Least 10% of units reserved for HH not earning more than 50% AMI
At least 40% of units reserved for HH not earning more than 100% AMI

Audit Sample Summary

Audit Sample	Item
Overall Sample meets minimum requirements?	YES
Move-In Sample meets minimum requirements?	YES
Recertification Sample meets minimum requirements?	NO
Is the Development currently in lease-up?	No

Texas Department of Housing and Community Affairs (TDHCA) Observations - DEPARTMENT USE ONLY

Preliminary summary. TDHCA review is ongoing and not final.

Report Due Date:6/1/2026

Current Reporting Year:2026

Audit Received Date:8/30/2026

PRELIMINARY COMPLIANCE INDICATORS

Reporting

Is the Development required to submit an Audit Report?Yes

Did the Development submit an Audit Report by the deadline, with approved extensions?Yes

Does the Audit Report cover the full prior reporting year ending December 31 and include a rent roll for the same period?Yes

Does the Audit Report include contact information for all Responsible Parties?No

Was the Audit Report submitted in the Department-prescribed manner through the Department's file transfer system (Serv-U/File Serve)?Yes

Was the annual service fee (\$35 per Restricted Unit in the sample or \$500 minimum) submitted with the Audit Report?Yes

Did the Audit Report include a one-time exemption application submitted to the Texas Comptroller's Office?Yes

Did the first Audit Report include all required supporting documentation?Yes

Auditor

Does the Auditor meet independence and qualification standards and comply with applicable rotation and cooling-off requirements?Yes

Geographic Boundaries

Is the Development within sponsor boundaries, or—if outside those boundaries—has required approval been obtained or is the Development within the applicable transition period?NA

Overall Chapter 394 Status:COMPLIANT

TDHCA Notes/Notations:NA