



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

www.tdhca.texas.gov

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October 23, 2026

*Writer's direct phone # (512) 475-4047
Email: Kendall.kauten@tdhca.texas.gov*

Frank Roessler
Ashcroft
New York, NY
frank@ashcrofthcapital.com

RE: Anthem Town East

Dear Anthem Town East Owner:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Housing Facility Corporation (HFC) Audit Report submitted by Adam Harden on September 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 Pecos Housing Finance Corporation. Enclosed is a copy of the Audit Report summary.

Events of noncompliance have been identified and detailed in the attached Findings Report with required corrective action. In accordance with TAC Section 394.9027(d) a copy of this notice will be sent to the Chief Appraiser of the appraisal district in which the development is located.

This notice begins the corrective action period. Supply all required documentation via Serv-U, no later than **April 21, 2027**, the last day of the corrective action period.

If you need a Serv-U account, email hfc@tdhca.texas.gov. Submissions must include a cover letter explaining, in detail, how each event of noncompliance was corrected.

Remaining uncorrected noncompliance after the corrective action period deadline will result in a referral to the Texas Comptroller and Chief Appraiser, with a recommendation for loss of ad valorem tax exemption under Section 394.905 of the Texas Local Government Code for the Tax Year being Audited.

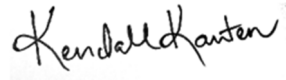


221 East 11th Street P.O. Box 13941 Austin, Texas 78711-3941 (800) 525-0657 (512) 475-3800



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,



Kendall Kauten
Compliance Monitor

CC: Mayor@pleasantontx.gov; District1@pleasantontx.gov; District2@pleasantontx.gov;
District3@pleasantontx.gov; District4@pleasantontx.gov; District5@pleasantontx.gov;
District6@pleasantontx.gov; frank@ashcroftcapital.com; econ.dev@cpa.texas.gov

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.						
Reporting Details						
Report Due Date: 6/1/2026	Current Reporting Year: 2026		Occupancy Period Begin Date: 1/1/2025 Occupancy Period End Date: 12/31/2025			
Development & Regulatory						
HFC Property Name: Anthem Town East	Is the Regulatory Agreement (RA) properly recorded? Yes		PRE or POST May 28, 2025 Development? PRE			
HFC Property Street Address: 645 Town East Blvd	Regulatory Agreement Effective Date: 3/26/2025		Development Type: Acquisition			
HFC City, State Zip: Mesquite, TX 75150	Does the development participate in other affordable programs? No		Occupancy Type: General/Family			
Property County: Dallas	Jurisdictional Boundaries: Outside Sponsor Boundaries		Total Number of Units in the Development (All Restricted & Unrestricted): 224			
HFC User Name: Ashcroft	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? Yes					
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	0	0	0	0	112
100% AMI Units	0	0	0	0	0	0
120% AMI Units	0	0	0	0	0	0
140% AMI Units	0	0	0	0	0	0
Other AMI Units (160%)	0	0	0	0	0	90
Market Units	0	0	0	0	0	224
Total Restricted Units	0	0	0	0	0	202
Total Units (Restricted + Market)	0	0	0	0	0	224
Development Contacts						
Organization Name: City, State Zip	City, State Zip: Mesquite, TX 75150					
Property Name: Anthem Town East	Austin, TX 78753					
Texas Comptroller: Not provided	Dallas, TX					
Appraisal District: Dallas Central Appraisal District	Dallas, Texas 75201					
Individual Auditor: Adam Harden	Not provided					
HFC User: Ashcroft	Pleasanton, Texas					
HFC Management Company: Ashcroft	Not provided					
HFC Sponsor: Pleasanton, Texas	Pleasanton, Texas					
HFC Governing Body of Sponsor: Mayor and City Council	Mayor and City Council					
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?		No				
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?		No				
Are restricted unit rents ≤30% of the applicable income limit (adjusted for household size)?		No				
Are rent limit adjusted for family size, as determined by HUD?		No				
What is the family-size adjustment specified by the Development's Regulatory Agreement?		NA				
Units & Occupancy						
Restricted Units Occupied by Voucher Holders: 0	Restricted Occupied Units: 0		Non-Restricted Occupied Units: 22			
Total Units (All): 224	Restricted Vacant Units: 202		Non-Restricted Vacant Units: 0			
	Total Restricted Units: 202		Total Non-Restricted Units: 22			
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? Closing Date						
Is the Development currently in lease up?	Yes					
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?	No					
Set-Aside - Select Only One Option						
Option 1:						
At Least 10% of units reserved for HH not earning more than 60% AMI		NA				
At least 40% of units reserved for HH not earning more than 80% AMI		NA				
Option 2:						
At Least 10% of units reserved for HH not earning more than 50% AMI		NA				
At least 40% of units reserved for HH not earning more than 100% AMI		NA				
Audit Sample Summary						
Audit Sample		Item				
Overall Sample meets minimum requirements?		NO				
Move-In Sample meets minimum requirements?		NO				
Recertification Sample meets minimum requirements?		NO				
Is the Development currently in lease-up?		Yes				
If in lease-up, number of required files required for sample size		0				
Lease-up Development meets minimum requirements		YES				
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: 9/30/2026			
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?		No				
Does the Audit Report include contact information for all Responsible Parties?		Yes				
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?		No				
Did the Audit Report include a one-time exemption application submitted to the Texas Comptroller's Office?		No				
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? Yes				
Noncompliant: Pending		Overall Chapter 394 Status: Corrective Action				
See Detailed Findings		TDHCA Notes/Notations:				

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION

HFC ID: AA26-057-0041
HFC User: Ashcroft
Property Name: Anthem Town East
Address: 645 Town East Blvd, Mesquite, TX

Regulatory Agreement Date: 3/26/2025
Audit Report Received Date: 9/30/2026
Corrective Action Due Date: 4/21/2027

Audit Report Review Date: 10/22/2026

PROGRAM: HFC

PROPERTY FINDINGS

Finding:	Failure to comply with §10.1203(1)(C)			
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
Property Wide	9/30/2026	<p>TAC §10.1203(1)(C) requires the HFC User to provide the Auditor with all required documents prior to submission of the first Audit Report, including the underwriting assessment, applicable resolutions, board meeting minutes, the Regulatory Agreement, and the one-time exemption application submitted to the Texas Comptroller's office. These documents must be submitted to the Department with the first Audit Report.</p> <p>The Audit Report submitted to the Department did not contain the one-time exemption application submitted to the Texas Comptroller's office.</p>	<p>Ensure all required documents are provided to the Auditor prior to submission of the first Audit Report for the Development.</p> <p>Submit to the Department a copy of the one-time exemption application submitted to the Texas Comptroller's office.</p>	

Finding:	Failure to comply with §10.1203(4)			
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
Property Wide	9/30/2026	<p>TAC §10.1203(4) requires the HFC User to submit an annual service fee to the Department by June 1 of each year, in the amount of the greater of \$35 per Restricted Unit included in the audit sample or \$500, tendered by check, money order, payable to the Texas Department of Housing and Community Affairs.</p> <p>The annual service fee has not been received by the Department.</p>	<p>Submit the required annual service fee to the Department in accordance with TAC §10.1203(4).</p> <p>Payments must be paid by check or money order payable to the Texas Department of Housing and Community Affairs and either delivered to 221 E. 11th St., Austin, TX 78701, or mailed to PO Box 13941, Austin, TX 78711-3941.</p> <p>Payment must include the completed HFC Annual Service Fee Form, available on the Department's website: https://www.tdhca.texas.gov/housing-finance-corporation-compliance-monitoring</p>	

Finding:	Failure to comply with §10.1203			
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
Property Wide	9/30/2026	<p>TAC §10.1203(3)(A) requires all Audit Reports to be for at least the full prior reporting year ending December 31 and include a rent roll for the same period. The applicable rent roll must be submitted to the Department with the Audit Report submission.</p> <p>The Audit Report submission to the Department did not contain the required rent roll.</p>	<p>Submit to the Department a copy of the rent roll for the applicable 2025 reporting year ending December 31.</p>	