



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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October 9, 2026

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

Sahara Equity LLC
Irving, TX
sai@marsresidential.com

RE: Avalon 8801 Apartments

Dear Sahara Equity LLC:

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 Avalon 8801 Apartments. 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 7, 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 Christina Thompson toll free in Texas at (800) 643-8204, directly at (512) 475-3907, or email: christina.thompson@tdhca.texas.gov.

Sincerely,



Christina Thompson
Team Lead, HFC and PFC Monitoring

CC: twinklescc@pecostx.gov; aoronacc@pecostx.gov; hcarrascocc@pecostx.gov; rgrahamcc@pecostx.gov; vtrujillocc@pecostx.gov; Matt@Mesaassurance.com; phfced@gmail.com; avalon8801@marsresidential.com

Audit Report
Avalon 8801 Apartments

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. 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.									
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	Avalon 8801			Is the Regulatory Agreement (RA) is properly recorded?	Yes		PRE or POST May 28, 2025 Development?	PRE	
HFC Property Street Address	8801 Rhodes Drive			Regulatory Agreement Effective Date	3/25/2025		Development Type	Acquisition	
HFC City, State Zip	Irving, TX 75063			Does the development participate in other affordable programs?	Not Provided		Occupancy Type	General/Family	
Property County	Dallas			Jurisdictional Boundaries	Outside Sponsor Boundaries		Total Number of Units in the Development (All Restricted & Unrestricted)	212	
HFC User Name	Sahara			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				
Affordability Requirements - AMI Percentage by Bedroom Size (Post Developments Only)									
	Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total			
80% AMI Units	0	39	57	0	0	106			
100% AMI Units	0	0	0	0	0	0			
120% AMI Units	0	0	0	0	0	0			
140% AMI Units	0	31	54	0	0	85			
Other AMI Units: (Add % here)	0	0	0	0	0	0			
Market Units	0	8	13	0	0	21			
Total Restricted Units	0	70	121	0	0	191			
Total Units (Restricted + Market)	0	78	134	0	0	212			
Development Contacts									
Organization Name	City, State Zip								
Property Name	Avalon 8801			Irving, TX 75063					
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	Not Provided			Not Provided					
HFC Governing Body of Sponsor	Town of Pecos City Council			Pecos, TX					
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 Units Occupied by Voucher Holders	0			Restricted Occupied Units	207		Non-Restricted Occupied Units	0	
				Restricted Vacant Units	5		Non-Restricted Vacant Units	0	
Total Units (All)	212			Total Restricted Units	212		Total Non-Restricted Units	0	
Triggering Events: Acquisition and Ownership Transfer									
Did a triggering event occur during the reporting period or any prior Tax Year?							No		
If "Yes", please select the type of triggering event.							Select One		
If applicable, date of the triggering event.							1/01/2020		
Set Asides									
Date first occupied by one or more tenants?	Not Provided			Set-Aside - Select Only One Option					
Is the Development currently in lease up?	No			Option 1:					
Do Restricted Units have comparable square footage and floor plans as Non-Restricted Units?	Yes			At Least 10% of units reserved for HH not earning more than 50% AMI					
Are Restricted Units equal in finishes and equipment to Non-Restricted units?	Yes			At least 40% of units reserved for HH not earning more than 80% AMI					
Do Restricted Units have equal amenity and program access as Non-Restricted Units?	Yes			Option 2:					
Are Restricted Units proportionally distributed by unit type and income category?	Yes			At Least 10% of units reserved for HH not earning more than 50% AMI					
Did the Auditor receive photographic evidence and written certification confirming unit comparability?	NA			At least 40% of units reserved for HH not earning more than 100% AMI					
Marketing									
Does the Development's website include information about the Development and its compliance with Section 394.9026(c)(7)?							Yes		
Does the website include Housing Choice Voucher (HCV) acceptance policies?							Yes		
The Development affirmatively markets both Restricted and non-Restricted Units to Housing Choice Voucher (HCV) households and notify local housing authorities of their acceptance of HCV tenants.							Yes		
Vouchers									
Does the HFC User refrain from refusing to rent to households solely due to participation in the Housing Choice Voucher (HCV) program?							Yes		
Do leasing and screening policies avoid any provision that prohibits or discourages HCV participation?							Yes		
Does the Development avoid imposing a minimum income requirement on HCV households exceeding 250% of the tenant-paid portion of rent?							Yes		
If an HCV household occupies a Restricted Unit and the voucher payment standard is below the approved rent, is the household charged only the allowable difference?							Yes		
Did the Auditor review evidence of HCV marketing material consistent with Sections 394.9026?							Yes		
How many Restricted Units are occupied by HCV (Section 8) households?							0		
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?							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?							No		
Did the first Audit Report include all required supporting documentation?							No		
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?							In the Transition Period		
Overall Chapter 394 Status:							Noncompliant: See Detail Findings Report		
TDHCA Notes/Notations:							None		

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION REPORT

HFC ID: AA26-057-0043
HFC User: Sahara
Property Name: Avalon 8801
Address: 8801 Rodeo Drive Irving, TX 75063

Regulatory Agreement Date: 3/25/2025
Audit Report Received Date: 8/30/2026
Corrective Action Due Date: 4/7/2027

Audit Report Review Date: 10/8/2026

PROGRAM: HFC

PROPERTY FINDINGS

Finding: Failure to comply with §10.1204(2)				
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
Property Wide	7/31/2026	TAC §10.1204(2) requires the file sample must contain at least 20% of the total number of Restricted Units, not to exceed 50 household files, with at least 75% of files from newly moved-in households and at least 10% from households that have recertified. The audit file sample in the Audit Report did not meet the minimum threshold. Auditor reports the property has a total of two hundred seven (207) restricted units, requiring a sample size of forty-two (42) household files. The audit sample submitted contained thirty-nine (39) household files.	Submit to the Department for review: copies of the application(s), income and asset verifications, executed Income Certification, lease contract, and applicable lease addendums for three (3) 80% AMI households that moved into income-restricted units during 2025, in accordance with TAC §10.1204(2). The owner may complete a retroactive income certification that completely and clearly documents the sources of income and assets for all household members that were in place at the time of the initial occupancy and apply income limits in effect on the move-in date. Submit to Department for review documentation to evidence income has been verified and included in the total household eligibility, application, executed Income Certification and lease contract. Or the owner has the option to complete a new current certification using current income and assets sources and current income limits. Submit for Department review a copy of the application(s), income and evidence the income from the assets have been verified and included in the total household eligibility, and a new Income Certification form. If the household has moved out or is not income eligible, occupy the unit or another comparable unit on the property with a new qualified household.	