



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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October 9, 2026

Writer's direct phone # (512) 475-4065
Email: shay.erickson@tdhca.texas.gov

Courtney Banker
FC Balcones Terrace Housing Corporation
Austin, TX 78702
courtney.banker@austintexas.gov

RE: Balcones Terrace

Dear Courtney Banker:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Housing Facility Corporation (HFC) Audit Report submitted by Stephanie Naquin on September 11, 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 FC Balcones Terrace Housing 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, please contact Shay Erickson toll free in Texas at (800) 643-8204, directly at (512) 475-4065, or email: shay.erickson@tdhca.texas.gov.

Sincerely,

Shay Erickson
Compliance Monitor

CC: stephanie.naquin@novoco.com; btmanager@foundcom.org; jon.mendoza@foundcom.org; deletta.dean@austintexas.gov; courtney.banker@austintexas.gov; kirk.watson@austintexas.gov; jose.vela@austintexas.gov; harper-madison@austintexas.gov; vanessa.fuentes@austintexas.gov; ryan.alter@austintexas.gov; krista.laine@austintexas.gov; mike.siegel@austintexas.gov; zohaib.qadri@austintexas.gov; marc.duchen@austintexas.gov; paige.ellis@austintexas.gov; econ.dev@cpa.texas.gov



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



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: 6/3/2026		Current Reporting Year: 2026		Occupancy Period Begin Date: 1/1/2025		Occupancy Period End Date: 12/31/2025			
Development & Regulatory									
HFC Property Name: Balcones Terrace		Is the Regulatory Agreement (RA) properly recorded? No		PRE or POST May 28, 2025 Development? PRE					
HFC Property Street Address: 10024 N. Capital of Texas Hwy		Regulatory Agreement Effective Date: N/A - Loan Agreement 8/31/2021		Development Type: Rehabilitation					
HFC City, State Zip: Austin, Texas 78759		Does the development participate in other affordable programs? Yes		Occupancy Type: General/Family					
Property County: Travis		Jurisdictional Boundaries: Within Sponsor Boundaries		Total Number of Units in the Development (All Restricted & Unrestricted): 123					
HFC User Name: FC Balcones Terrace Housing Corporation		If Outside Sponsor Boundaries, was the Development acquired by Sept. 1, 2025? NA							
		If Outside Sponsor Boundaries, has approval been obtained or is the Development in the transition period? NA							
Affordability Requirements - AMI Percentage by Bedroom Size (Post Developments Only)									
		Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total		
30% AMI Units		0	0	0	0	0	31		
40% AMI Units		0	0	0	0	0	31		
50% AMI Units		0	0	0	0	0	61		
Total Restricted Units		0	0	0	0	0	123		
Total Units (Restricted + Market)		0	0	0	0	0	123		
Development Contacts									
Organization Name		City, State Zip							
Property Name		Austin, Texas 78759							
Texas Comptroller		Austin, TX 78751							
Appraisal District		Austin, TX 78752							
Individual Auditor		Austin, TX 78756							
HFC User		Austin, TX 78702							
HFC Management Company		Austin, TX 78704							
HFC Sponsor		City of Austin							
Board Member/City Council Member		Austin Housing Finance Corporation/Austin 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					
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?				NA					
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 <20% of the applicable income limit (adjusted for household size)?				NA					
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?				NA					
Units & Occupancy									
Restricted Units Occupied by Voucher Holders: N/A for Reporting YB 2025		Restricted Occupied Units: 119		Non-Restricted Occupied Units: 0					
Total Units (All): 123		Restricted Vacant Units: 4		Non-Restricted Vacant Units: 0					
		Total Restricted Units: 123		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					
Set Aides									
Date first occupied by one or more tenants? 2024		Is the Development currently in lease-up? No		Set-Aside - Select Only One Option					
Do Restricted Units have comparable square footage and floor plans as Non-Restricted Units? NA		Are Restricted Units equal in finishes and equipment to Non-Restricted Units? NA		Option 1: At least 10% of units reserved for HH not earning more than 60% AMI		NA			
Do Restricted Units have equal amenity and program access as Non-Restricted Units? NA		Are Restricted Units proportionally distributed by unit type and income category? NA		At least 40% of units reserved for HH not earning more than 80% AMI		NA			
Did the Auditor receive photographic evidence and written certification confirming unit comparability? 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?		Yes			
				Move-In Sample meets minimum requirements?		Yes			
				Recertification Sample meets minimum requirements?		Yes			
				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: 6/3/2026		Current Reporting Year: 2026		Audit Received Date: 9/11/2026					
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?		Yes			
				Was the Audit Report submitted in the Department-prescribed manner through the Department's file transfer system (Serv-U/ file Serv)?		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		NA			
				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?					
				Overall Chapter 394 Status:		Compliant			
				TDHCA Notes/Notations:		None			