



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

www.tdhca.texas.gov

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September 25, 2026

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

William Hancock
Brazos Clear Fork, LLC
Benbrook, TX
whancock@brazosresidential.com

RE: Leander

Dear Leander Owner:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Housing Facility Corporation (HFC) Audit Report submitted by Thomas Bahr on July 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.

This notice begins the corrective action period. Supply all required documentation via Serv-U, no later than **March 24, 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.

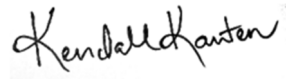


221 East 11th Street P.O. Box 13941 Austin, Texas 78711-3941 (800) 525-0657 (512) 475-3800



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: econ.dev@cpa.texas.gov; ptad.cpa@cpa.texas.gov; twinklescc@pecostx.gov;
aaronacc@pecostx.gov; hcarrascocc@pecostx.gov; rgrahamcc@pecostx.gov; vtrujillocc@pecostx.gov;
jroberts@brazosresidential.com ; whancock@brazosresidential.com; pecospha@earthlink.net;
mflores@brazosres.com

Audit Report
Leander

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. 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: Leander Apartments	Is the Regulatory Agreement (RA) properly recorded? Yes		PRE or POST May 28, 2025 Development? Pre			
HFC Property Street Address: 5707 Bellaire Dr S	Regulatory Agreement Effective Date: Not provided		Development Type: Acquisition			
HFC City, State Zip: Benbrook, TX, 76109	Does the development participate in other affordable programs? No		Occupancy Type: General/Family			
HFC User Name: Brazos Clear Fork, LLC	Jurisdictional Boundaries: Outside Sponsor Boundaries		Total Number of Units in the Development (ALL Restricted & Unrestricted): 168			
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	112	56	0	0	168
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 (Add % here)	0	0	0	0	0	0
Market Units	0	112	56	0	0	168
Total Restricted Units	0	112	56	0	0	168
Total Units (Restricted + Market)	0	112	56	0	0	168
Development Contacts						
Organization Name: City, State Zip	Property Name: Leander Apartments Benbrook, TX, 76109					
Texas Comptroller: Not provided	Appraisal District: Tarrant County Appraisal District Fort Worth, TX 76118					
Individual Auditor: Not provided	HFC User: Brazos Clear Fork, LLC Benbrook, TX, 76109					
HFC Management Company: Brazos Residential Management	HFC Sponsor: Not provided Dallas, TX 75240					
HFC Governing Body of Sponsor: Not provided						
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?		No				
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?		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?		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)?		No				
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: 14	Restricted Occupied Units: 136		Non-Restricted Occupied Units: 0			
Total Units (ALL): 168	Restricted Vacant Units: 23		Non-Restricted Vacant Units: 9			
	Total Restricted Units: 136		Total Non-Restricted Units: 32			
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? Unknown	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 60% AMI: No					
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: Yes					
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: Select One					
Did the Auditor receive photographic evidence and written certification confirming unit comparability? Yes	At least 40% of units reserved for HH not earning more than 100% AMI: Select One					
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: 7/30/2026			
PRELIMINARY COMPLIANCE INDICATORS						
Reporting		Is the Development required to submit an Audit Report? Yes				
Does 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		Does the Auditor meet independence and qualification standards and comply with applicable rotation and cooling-off requirements? No				
Auditor		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		TDHCA Notes/Notations: See Detailed Findings				

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION

HFC ID: AA26-220-0002
HFC User: Brazos Clear Fork, LLC
Property Name: Leander
Address: 5707 Belleair Dr S, Benbrook, TX

Regulatory Agreement Date: 12/6/2024
Audit Report Received Date: 7/30/2026
Corrective Action Due Date: 3/24/2027

Audit Report Review Date: 9/23/2026

PROGRAM: HFC

PROPERTY FINDINGS

Finding:	Failure to comply with §10.1203			
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
Property Wide	7/30/2026	TAC §10.1203 requires no later than June 1 or each year, with approved extensions, an HFC User must submit to the Department an Audit Report completed by an qualified Auditor, obtained at the expense of the HFC User. The qualification of the Auditor must be submitted with each Audit Report. Qualifications must include experience auditing housing compliance, a current Certified Occupancy Specialist (COS) certification or an equivalent certification, and resume. The Auditor may not be affiliated with or related to any Responsible Parties. Additionally, a current or previous Management Agent that has or had oversight of the Development or is/was responsible for reviewing and approving tenant files does not qualify as an Auditor under these rules. The Audit Report submitted to the Department does not identify a qualified 3rd party Auditor as completing the Audit Report.	Submit for Department review the identity, qualifications and resume of the 3rd party Auditor who completed the report submitted to the Department on July 31, 2026. If the Audit Report was not completed by a qualified 3rd party Auditor. Engage a qualified auditor to complete the full Audit Report and submit the completed Audit Report to the Department for review. The audit report must be completed by a qualified 3rd party auditor using the Department's required forms. Auditor qualification requirements are provided in the TAC §10.1203 Reporting Requirements. If needed, a list of Auditors is available on the Department's website: https://www.tdhca.texas.gov/housing-finance-corporation-compliance-monitoring	

Finding:	Failure to comply with §10.1203(1)(C)			
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
Property Wide	7/30/2026	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. The Audit Report submitted to the Department did not contain the Regulatory Agreement.	Ensure all required documents are provided to the Auditor prior to submission of the first Audit Report for the Development. Submit to the Department a copy of the Regulatory Agreement.	