



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

www.tdhca.texas.gov

Greg Abbott
GOVERNOR

BOARD MEMBERS

Leo Vasquez, *Chair*
Kenny Marchant, *Vice Chair*
Cindy Conroy, *Member*
Anna Maria Farias, *Member*
Holland Harper, *Member*
Ajay Thomas, *Member*

July 27, 2026

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

David Clark
Leslie Manor Holdings, LLC
Wichita Falls, TX
nortex@sw.rr.com

RE: Leslie Manor Apartments

Dear David Clark:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Housing Facility Corporation (HFC) Audit Report submitted by Lisa Williams on May 28, 2026. This review was performed as required by Section 394.9027(b) of Chapter 394, the Texas Administrative Code Chapter 10, Subchapter J, for Leslie Manor 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.

This notice begins the corrective action period. Supply all required documentation via Serv-U, no later than **January 23, 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 Chief Appraiser and Texas Comptroller, 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
Compliance Monitor

CC: lwilliams@quadel.com; leslie5manor@outlook.com; hcad@qisd.net; nortex@sw.rr.com;
Admin@cityofquanah.com



Audit Report
Leslie Manor Apartments

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

- TAC §10.1204(3)(A) requires the HFC User to provide supporting documentation confirming the Development is within its jurisdictional boundaries. The Audit Report did not contain documentation confirming the Development is within its jurisdictional boundaries. Rule section §10.1204 (A)(ii) identifies January 1, 2027, as the deadline for Developments to obtain approval documentation confirming they are operating within their jurisdictional boundaries. To achieve compliance with sections §10.1204(3)(A) and §10.1204 (A)(ii) ensure the required documentation is obtained and provided to the Department with the next Audit Report due June 1, 2027.
- TAC §10.1204(3)(F) requires that the home page of the Development's internet website include information about the Development's compliance and its policies on the acceptance of Housing Choice Voucher holders or other rental assistance. The auditor reports the Development's website does not contain policies on the acceptance of Housing Choice Voucher holders. To achieve compliance with TAC §10.1204(3)(F) ensure the Development's website home page is updated to include all required compliance disclosures and voucher acceptance policies.
- TAC §10.1204(3)(E) requires the Development to affirmatively market available Restricted and non-Restricted Units to households participating in the Housing Choice Voucher program, notify local housing authorities of their acceptance of voucher tenants, and provide evidence of such efforts with the Audit Report. The Audit Report did not include evidence of these efforts. To achieve compliance with TAC §10.1204(3)(E) ensure the development maintains and submits evidence to the Department of affirmative marketing efforts to Housing Choice Voucher households and notifications to local housing authorities.
- TAC §10.1204(3)(I) requires that each residential lease agreement for a Restricted Unit include specific tenant protections, including anti-retaliation provisions, permissible non-renewal grounds, a 30-day written notice requirement for non-renewal, and a prohibition on waiver of these protections. The auditor reports tenant leases did not include the required tenant protections. To achieve and maintain compliance ensure all tenant lease agreements for Restricted Units include the tenant protections required under TAC §10.1204(3)(I).
- Auditor reports four (4) household files did not contain income certifications executed prior to move-in. To maintain compliance with the Management Agreement and set-aside requirements, ensure tenant income is certified prior to move-in. For Developments acquired prior to May 28, 2025, set-aside requirements provided in §10.1204(1) must be achieved no later than the end of the 10th Tax Year following May 28, 2025, or the end of the first Tax Year following a Tax Year in which the Development was refinanced, fee or leasehold title was conveyed or a sale or transfer of a majority of the beneficial ownership interest in the Multifamily Residential Development or HFC User occurred.
- TAC §10.1205(e) requires HFC Users to maintain sufficient documentation to support income eligibility for all households. The auditor reported that the lease for one household file included in the audit sample was not provided for review. Additionally, portions of the income documentation for a second household file were missing. To achieve and maintain compliance with TAC §10.1205(e) all household files must contain complete income eligibility documentation.

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	Leslie Manor Apartments		Is the Regulatory Agreement (RA) properly recorded?	No		PRE or POST May 28, 2025 Development?	PRE
HFC Property Street Address	1410 Shaw Street		Regulatory Agreement Effective Date	6/28/2018		Development Type	Acquisition
HFC City, State Zip	Quannah, Texas 79252		Does the development participate in other affordable programs?	No		Occupancy Type	Elderly
Property County	Hardeman						
HFC User Name	Leslie Manor Holdings LLC		Jurisdictional Boundaries	Outside Sponsor Boundaries		Total Number of Units in the Development (ALL Restricted & Unrestricted)	16
			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	
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	2	0	2	
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	1	0	0	1	
100% AMI Units	0	0	1	0	1	1	
120% AMI Units	0	0	0	0	0	0	
140% AMI Units	0	0	12	0	0	12	
Other AMI Units (Add Ss here)	0	0	0	0	0	0	
Market Units	0	0	0	0	0	0	
Total Restricted Units	0	0	16	0	0	16	
Total Units (Restricted + Market)	0	0	16	0	0	16	
Development Contacts							
	Organization Name	City, State Zip					
	Property Name	Quannah, Texas 79252					
	Texas Comptroller	Austin, TX 78753					
	Appraisal District	Hardeman County Appraisal					
	Individual Auditor	Quannah, TX 79252					
	HFC User	Indianapolis, IN 46204					
	HFC User	Wichita Falls, TX 76309					
	HFC Management Company	Quannah Housing Authority					
	HFC Sponsor	Nortex Housing Finance Corporation					
	HFC Governing Body of Sponsor	11 Counties and City of Wichita Falls					
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?	No					
	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					
Fees							
	Does Rent charged to income-restricted tenants include any recurring fees or charges?	No					
	If "Yes", are any recurring fees or charges required as a condition of occupancy?	Yes					
Units & Occupancy							
Restricted Units Occupied by Voucher Holders	2	Restricted Occupied Units	16	Non-Restricted Occupied Units	0		
Total Units (ALL)	16	Restricted Vacant Units	0	Non-Restricted Vacant Units	0		
		Total Restricted Units	16	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 Asides							
Date first occupied by one or more tenants?	6/28/2018						
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?	Yes						
Marketing							
	Does the Development's website include information about the Development and its compliance with Section 394.9026(c)(7)?	No					
	Does the website include Housing Choice Voucher (HCV) acceptance policies?	No					
	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?	No					
	How many Restricted Units are occupied by HCV (Section 8) households?	2					
Lease & Policies							
	Does the Development provide tenants with at least 30 days' written notice of non-renewal?	No					
	Do lease agreements prohibit tenants from waiving required protections?	No					
	Do Restricted Unit lease agreements prohibit retaliation against tenants or the tenant's guests for taking action because the tenant established, attempted to establish, or participated in a tenant organization?	No					
	Does the lease restrict non-renewals to major violations, failure to provide required income information, or repeated disruptive violations affecting livability, safety, quiet enjoyment, management, or finances (including late rent)?	Yes					
Audit Sample Summary							
	Audit Sample	Item					
	Overall Sample meets minimum requirements?	YES					
	Move-In Sample meets minimum requirements?	No					
	Recertification Sample meets minimum requirements?	YES					
	Is the Development currently in lease-up?	4					
	If in lease-up, number of required files required for sample size.	4					
	Lease-up Development meets minimum requirements.	YES					
	Income Certification: Move-In & Recertification						
	Number of Files Missing an Income Certification Prior to Move-In	4					
	Number of Files Missing Income Certification at Lease Renewal	0					
	Number of Files with "Self"-Certified Income	0					
	Number of Files Missing Executed Income Certification?	0					
	Income & Asset Verification						
	Number of Files Missing Verification of Income?	0					
	Number of Files Missing a Verification of Assets?	0					
	Income & Rent Compliance						
	Number of Files Over the Income Limit	0					
	Required Forms & Lease Documentation						
	Number of Files Missing a TDHCA TIC Form	0					
	Number of Files Missing a TDHCA TIC Form at Lease Renewal	0					
	Number of Files where Lease/Addendum Does Not Include the Required Provisions	1					
	Number of Files Missing an Executed Lease?	1					
	Documentation Standards						
	Number of Files with Income documentation inconsistent with §10.1205	0					
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:	5/28/2026
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 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 the one-time exemption application Form SO-849?	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?	No
Income Limits	
Do the income limits comply with the applicable requirements for this Development?	Yes
Did the Development comply with the Available Unit Rule when a household became over-income?	Yes
Audit Sample	
Did the Audit Sample contain non-compliance with TAC §§10.1201- 10.1307?	No
Marketing	
Does the Development comply with all applicable program marketing requirements?	Technical Assistance Issued
Vouchers	
Does the Development comply with all Housing Choice Voucher (HCV) program requirements?	Technical Assistance Issued
Lease & Policies	
Does the Development comply with all lease and tenant protection policies?	Technical Assistance Issued
	Noncompliant: Pending
Overall Chapter 303 Status:	Corrective Action
TDHCA Notes/Notations:	

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION REPORT

HFC ID: AA26-220-0015

HFC User: Leslie Manor Holdings LLC

Property Name: Leslie Manor Apartments

Address: 1410 Shaw Street Quanah, Texas 79252

Regulatory Agreement Date: 6/28/2018

Audit Report Received Date: 5/28/2026

Corrective Action Due Date: 12/2/2026

Audit Report Review Date:

PROGRAM: HFC

PROPERTY FINDINGS

Finding:	Failure to comply with §10.1203(1)(C)(vi)			
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
Property Wide	5/28/2026	The first audit report submitted to the Department must include the completed one-time exemption application, Form 50-849, as required under TAC §10.1203(1)(C)(vi). The Audit Report submission received by the Department did not include Form 50-849.	Submit for Department for review Form 50-849.	