



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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October 2, 2026

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

Taryn Merrill
Hidden Ridge TT LLC
Austin, TX 78746
taryn.merrill@greystar.com

RE: Rancho Mirage

Dear Taryn Merrill:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Housing Facility Corporation (HFC) Audit Report submitted by Stephanie Naquin on August 28, 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 Hidden Ridge TT LLC. 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 **March 31, 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.



If you have any questions about this monitoring report, 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; taryn.merrill@greystar.com; ranchomirage@greystar.com; phfced@gmail.com; twinklescc@pecostx.gov; phfced@gmail.com; aoronacc@pecostx.gov; csaldanacc@pecostx.gov; hcarrascocc@pecostx.gov; rgrahamcc@pecostx.gov; vtrujillocc@pecostx.gov; pubrel@dcad.org; 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: Rancho Mirage		Is the Regulatory Agreement (RA) properly recorded? Yes		PRE or POST May 28, 2025 Development? PRE							
HFC Property Street Address: 1200 Hidden Ridge		Regulatory Agreement Effective Date: 5/7/2025		Development Type: Acquisition							
HFC City, State Zip: Irving, Texas 75038		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): 310							
HFC User Name: Hidden Ridge TT LLC		If Outside Sponsor Boundaries, has approval been obtained or is the Development in the transition period? Yes									
		If Outside Sponsor Boundaries, was the Development acquired by Sept. 1, 2025? NA									
Affordability Requirements - AMI Percentage by Bedroom Size (Post Developments Only)											
	Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total					
80% AMI Units	0	0	0	0	0	155					
140% AMI Units	0	0	0	0	0	124					
Market Units	0	0	0	0	0	31					
Total Restricted Units	0	0	0	0	0	279					
Total Units (Restricted + Market)	0	0	0	0	0	310					
Development Contacts											
Organization Name		City, State Zip									
Property Name		Irving, Texas 75038									
Texas Comptroller		Austin, TX 78753									
Appraisal District		Dallas Central Appraisal District DCAD									
Individual Auditor		Stephanie Naquin									
HFC User		Hidden Ridge TT LLC									
HFC Management Company		Greystar									
HFC Sponsor		Town of Pecos City									
Board Member		Pecos Housing Finance Corporation									
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 ≤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		N/A for Reporting YR 2025		Restricted Occupied Units		98		Non-Restricted Occupied Units		192	
				Restricted Vacant Units		20		Non-Restricted Vacant Units		0	
Total Units (ALL)		310		Total Restricted Units		118		Total Non-Restricted Units		192	
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?		N/A-Acquisition Date 5/7/2025		Set-Aside - Select Only One Option							
Is the Development currently in lease-up?		No		Option 1: At Least 10% of units reserved for HH not earning more than 60% AMI At least 40% of units reserved for HH not earning more than 80% AMI							
Do Restricted Units have comparable square footage and floor plans as Non-Restricted Units?		NA		NA							
Are Restricted Units equal in finishes and equipment to Non-Restricted units?		NA		NA							
Do Restricted Units have equal amenity and program access as Non-Restricted Units?		NA		Option 2: At Least 10% of units reserved for HH not earning more than 50% AMI At least 40% of units reserved for HH not earning more than 100% AMI							
Are Restricted Units proportionally distributed by unit type and income category?		NA		NA							
Did the Auditor receive photographic evidence and written certification confirming unit comparability?		NA									
Audit Sample Summary											
				Audit Sample		Item					
				Overall Sample meets minimum requirements?		No					
				Move-in Sample meets minimum requirements?		Yes					
				Recertification Sample meets minimum requirements?		NA					
				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: 8/28/2026							
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 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?				NA							
Overall Chapter 394 Status:				Non-Compliant							
TDHCA Notes/Notations:				Corrective Action Issued							

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION

HFC User: Hidden Ridge TT LLC
 Property Name: Rancho Mirage
 Address: 1200 Hidden Ridge
 Irving, Texas 75038

Regulatory Agreement Date: 5/7/2025
 Corrective Action Report Issued: 9/25/2026
 Corrective Action Due Date: 3/24/2027

PROGRAM: HFC

PROPERTY FINDINGS

Finding: Failure to comply with §10.1204(2)				
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
Property Wide	8/28/2026	TAC §10.1204(2) requires the Auditor to use the Department's HFC monitoring forms available on the website. 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 Development reported that it is not currently in lease-up and there is a total of 118 Restricted Units; therefore, the required minimum sample size was 24 household files. The Audit Report included only 20 household files and did not meet the required minimum sample size.	Ensure that the file sample meets TAC §10.1204(2). Submit a revised Audit Report with a minimum of 24 household files, including at least 75% from newly moved-in households and at least 10% from households that have recertified. If fewer than 10% have recertified, include the households that have recertified. Submit at least four (4) additional household files and any additional files necessary to meet the sample requirements. For each additional file, submit the application, income and asset verifications, executed Income Certification, lease contract, and applicable lease addenda. If a selected file does not contain a compliant income certification, the Owner may complete a retroactive certification using income and asset sources in place at initial occupancy and the income limits in effect on the move-in date, or complete a new certification using current income, assets, and income limits. Submit the applicable supporting documentation and executed Income Certification. If the household has moved out or is not income eligible, occupy the unit, or another comparable unit, with a new qualified household.	

Finding: Failure to comply with §10.1203(4)				
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
Property Wide	8/28/2026	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. The Department received an annual service fee of \$500 for the Development. Based on the required audit sample size of 24 household files, the correct annual service fee is \$840. Therefore, an additional \$340 is due.	To correct, submit the remaining balance of \$340 toward the \$840 annual service fee to the Department in accordance with TAC §10.1203(4). Payments must be made 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. 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.	

Finding: Failure to comply with §10.1203(1)(C)				
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
Property Wide	8/28/2026	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 one-time exemption application submitted to the Texas Comptroller's office.	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 one-time exemption application submitted to the Texas Comptroller's office.	