



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
Spring Terrace Housing Corporation
Austin, TX 78702
courtney.banker@austintexas.gov

RE: Spring 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 22, 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 Spring 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; stmanager@foundcom.org; jon.mendoza@foundcom.org; deletta.dean@austintexas.gov; kirk.watson@austintexas.gov; jose.vela@austintexas.gov; natasha.harper-madison@austintexas.gov; vanessa.fuentes@austintexas.gov; ryan.alter@austintexas.gov; krista.laine@austintexas.gov; mike.siegel@austintexas.gov; paige.ellis@austintexas.gov; zohaib.qadri@austintexas.gov; marc.duchen@austintexas.gov; econ.dev@cpa.texas.gov



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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: Spring Terrace		Is the Regulatory Agreement (RA) properly recorded? Yes		PRE or POST May 28, 2025 Development? PRE					
HFC Property Street Address: 7101 N Interstate Hwy 35		Regulatory Agreement Effective Date: 12/30/2005		Development Type: Rehabilitation					
HFC City, State Zip: Austin, TX 78752		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): 140					
HFC User Name: Spring 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		
50% AMI Units		0	0	0	0	0	140		
Total Units (Restricted + Market)		0	0	0	0	0	140		
Development Contacts									
Organization Name		City, State Zip							
Property Name		Austin, TX 78752							
Texas Comptroller		Austin, TX 78753							
Appraisal District		Travis Central Appraisal District							
Individual Auditor		Stephenie Reagan							
HFC User		Austin, TX 78758							
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?		NA			
				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?		NA			
				What is the family-size adjustment specified by the Development's Regulatory Agreement?		NA			
Units & Occupancy									
Restricted Units Occupied by Voucher Holders		#REF!	Restricted Occupied Units		130	Non-Restricted Occupied Units		6	
			Restricted Vacant Units		0	Non-Restricted Vacant Units		4	
Total Units (All)		140	Total Restricted Units		130	Total Non-Restricted Units		10	
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?		2005							
Is the Development currently in lease-up?		No							
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							
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							
Did the Auditor receive photographic evidence and written certification confirming unit comparability?		NA							
Set-Aside - Select Only One Option									
Option 1:									
At least 10% of units reserved for HH not earning more than 60% AMI		NA							
At least 40% of units reserved for HH not earning more than 80% AMI		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: 6/1/2026		Current Reporting Year: 2026		Audit Received Date: 9/22/2026					
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?		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					
				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:		Compliant			
				TDHCA Notes/Notations:		None			