



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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October 23, 2026

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

Chris Dischinger
LDG The Terrace at Southern Oaks, LP
Louisville, Kentucky
cdischinger@ldgdevelopment.com

RE: The Terrace at Southern Oaks

Dear LDG The Terrace at Southern Oaks, LP:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Housing Facility Corporation (HFC) Audit Report submitted by Darnell Harris on August 31, 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 The Terrace at Southern Oaks.

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 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
Team Lead, HFC and PFC Monitoring

CC: darnell.harris@auxanocompliance.com; roleyp@solidago.com; econ.dev@cpa.texas.gov



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Audit Report
The Terrace at Southern Oaks

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 contact information for the HFC Sponsor and the governing body 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: Terrace at Southern Oaks		Is the Regulatory Agreement (RA) is properly recorded? Yes		PRE or POST May 28, 2025 Development? PRE					
HFC Property Street Address: 5761 Highland Hills Drive		Regulatory Agreement Effective Date: 7/21/2022		Development Type: New Construction					
HFC City, State Zip: Dallas, TX 75241		Does the development participate in other affordable programs? No		Occupancy Type: General/Family					
HFC Property County: Dallas		Jurisdictional Boundaries: Within Sponsor Boundaries		Total Number of Units in the Development (All Restricted & Unrestricted): 300					
HFC User Name: LDG The Terrace at Southern Oaks, LP		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		
80% AMI Units		0	22	81	60	5	169		
100% AMI Units		0	0	0	0	0	0		
120% AMI Units		0	0	0	0	0	0		
140% AMI Units		0	12	39	49	0	100		
Other AMI Units: (Add % here)		0	0	0	0	0	0		
Market Units		0	6	9	10	8	31		
Total Restricted Units		0	34	120	109	6	269		
Total Units (Restricted + Market)		0	40	129	119	12	300		
Development Contacts									
		Organization Name	City, State Zip						
		Property Name	Dallas, TX 75241						
		Texas Comptroller	Not Provided						
		Appraisal District	Not Provided						
		Individual Auditor	Darnell Harris						
		HFC User	LDG The Terrace at Southern Oaks, LP						
		HFC Management Company	Solidago Residential Services						
		HFC Sponsor	Not Provided						
		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?		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?		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: 5		Restricted Occupied Units: 116		Non-Restricted Occupied Units: 16					
Total Units (ALL): 300		Restricted Vacant Units: 153		Non-Restricted Vacant Units: 15					
		Total Restricted Units: 269		Total Non-Restricted Units: 31					
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? 12/17/2024									
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)?		Yes			
				Does the website include Housing Choice Voucher (HCV) acceptance policies?		Yes			
				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?		Yes			
				How many Restricted Units are occupied by HCV (Section 8) households?		5			
Lease & Policies									
				Does the Development provide tenants with at least 30 days' written notice of non-renewal?		Yes			
				Do lease agreements prohibit tenants from waiving required protections?		Yes			
				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?		Yes			
				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?		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: 8/31/2026					
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?		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?		Yes			
				Did the first Audit Report include all required supporting documentation?		Yes			
Auditor									
				Does the Auditor meet independence and qualification standards?		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:		TA Issued			