



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

www.tdhca.texas.gov

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September 25, 2026

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

Shari Flynn
University Pines, LLC
Lubbock, Texas
sflynn@lubbockhousing.com

RE: University Pines Duplexes

Dear University Pines, LLC:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Housing Facility Corporation (HFC) Audit Report submitted by Auditor Smith on July 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 University Pines Duplexes. 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 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 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: juanita@sanchezcompliance.com ; christymartinez@mylubbock.us; GHarris@mylubbock.us; DBruegel@mylubbock.us; JenniferWilson@mylubbock.us; TCollins@mylubbock.us ; econ.dev@cpa.texas.gov ; LHFC@LubbockHousing.com

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: University Pines Duplexes		Is the Regulatory Agreement (RA) is properly recorded? Yes		PRE or POST May 28, 2025 Development? PRE																																																																																																
HFC Property Street Address: 9405 - 3413 Boston Avenue		Regulatory Agreement Effective Date: Not Provided		Development Type: Acquisition																																																																																																
HFC City, State Zip: Lubbock, Texas, 79423		Does the development participate in other affordable programs? Yes		Occupancy Type: General/Family																																																																																																
Property County: Lubbock County		Jurisdictional Boundaries: Within Sponsor Boundaries		Total Number of Units in the Development (ALL Restricted & Unrestricted): 16																																																																																																
HFC User Name: University Pines, LLC		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)																																																																																																				
<table><tr><td></td><td>Efficiency</td><td>1 Bedroom</td><td>2 Bedroom</td><td>3 Bedroom</td><td>4 Bedroom</td><td>Total</td></tr><tr><td>50% AMI Units</td><td>0</td><td>0</td><td>2</td><td>2</td><td>0</td><td>4</td></tr><tr><td>60% AMI Units</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>65% AMI Units</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>70% AMI Units</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>80% AMI Units</td><td>0</td><td>0</td><td>1</td><td>1</td><td>0</td><td>2</td></tr><tr><td>100% AMI Units</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>120% AMI Units</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>140% AMI Units</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Other AMI Units: (Add % here)</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Market Units</td><td>0</td><td>0</td><td>7</td><td>3</td><td>0</td><td>10</td></tr><tr><td>Total Restricted Units</td><td>0</td><td>0</td><td>3</td><td>3</td><td>0</td><td>6</td></tr><tr><td>Total Units (Restricted + Market)</td><td>0</td><td>0</td><td>10</td><td>6</td><td>0</td><td>16</td></tr></table>											Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total	50% AMI Units	0	0	2	2	0	4	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	1	0	2	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	0	7	3	0	10	Total Restricted Units	0	0	3	3	0	6	Total Units (Restricted + Market)	0	0	10	6	0	16
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Development Contacts																																																																																																				
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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? NA																																																																																																				
Are restricted unit rents ≤30% of the applicable income limit (adjusted for household size)? NA																																																																																																				
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? 1.5 Persons per Bedroom																																																																																																				
Units & Occupancy																																																																																																				
Restricted Units Occupied by Voucher Holders: 1		Restricted Occupied Units: 6		Non-Restricted Occupied Units: 10																																																																																																
Total Units (ALL): 16		Restricted Vacant Units: 0		Non-Restricted Vacant Units: 0																																																																																																
		Total Restricted Units: 6		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? unknown																																																																																																				
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																																																																																																				
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? 1																																																																																																				
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																																																																																																				
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Overall Sample meets minimum requirements? YES																																																																																																				
Move-In Sample meets minimum requirements? NA																																																																																																				
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: 7/31/2026																																																																																																
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? 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? 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? NA																																																																																																				
Overall Chapter 394 Status: Noncompliant																																																																																																				
TDHCA Notes/Notations: None																																																																																																				

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION REPORT

HFC ID: AA26-152-0004
HFC User: University Pines, LLC
Property Name: University Pines Duplexes
Address: 9405 - 9413 Boston Avenue Lubbock, Texas 79423

Regulatory Agreement Date: 1/5/1994
Audit Report Received Date: 7/31/2026
Corrective Action Due Date: 3/24/2027

Audit Report Review Date: 9/22/2026

PROGRAM: HFC

PROPERTY FINDINGS

Finding:	Failure to comply with §10.1203(1)(C)			
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
Property Wide	7/31/2026	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.	Submit to the Department a copy of the one-time exemption application submitted to the Texas Comptroller's office.	