



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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September 18, 2026

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

Mike Wagner
Village at Bellaire Owner LLC c/o Magma Equities LLC
Manhattan Beach, CA
mwagner@magmaequities.com

RE: The Village at Bellaire

Dear Village at Bellaire Owner LLC c/o Magma Equities LLC:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Housing Facility Corporation (HFC) Audit Report submitted by Kelly Prejean 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 The Village at Bellaire 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. 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 17, 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: Kelly.Prejean@auxanocompliance.com; Arudy@highmarkRes.com;
VillageBellaire@HighmarkRes.com; econ.dev@cpa.texas.gov ; marco.info@co.maverick.tx.us;
commissioner.pct1@co.maverick.tx.us; commissionerpct2@co.maverick.tx.us;
olgamos@co.maverick.tx.us; roberto.ruiz@co.maverick.tx.us; chiefstaff@co.maverick.tx.us

Audit Report
The Village at Bellaire

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. 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: The Village at Bellaire		Is the Regulatory Agreement (RA) is properly recorded?		Yes		PRE or POST May 28, 2025 Development?		PRE					
HFC Property Street Address: 5454 Newwacole St		Regulatory Agreement Effective Date		4/30/2025		Development Type		Acquisition					
HFC City, State Zip: Houston, TX 77081		Does the development participate in other affordable programs?		No		Occupancy Type		General/Family					
HFC Property County: Harris		Jurisdictional Boundaries		Outside Sponsor Boundaries		Total Number of Units in the Development (ALL Restricted & Unrestricted)		580					
HFC User Name: Village at Bellaire Owner LLC c/o Magma Equities LLC		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?		In the Transition Period									
Affordability Requirements - AMI Percentage by Bedroom Size (Post Developments Only)													
80% AMI Units		Efficiency		1 Bedroom		2 Bedroom		3 Bedroom		4 Bedroom		Total	
100% AMI Units		0		232		58		0		0		290	
120% AMI Units		0		0		0		0		0		0	
140% AMI Units		0		0		0		0		0		0	
Other AMI Units: 160%		0		186		46		0		0		232	
Market Units		0		40		18		0		0		58	
Total Restricted Units		0		418		104		0		0		522	
Total Units (Restricted + Market)		0		458		122		0		0		580	
Development Contacts													
Organization Name		City, State Zip		City, State Zip		City, State Zip		City, State Zip		City, State Zip		City, State Zip	
Property Name		The Village at Bellaire		Houston, TX 77081		Houston, TX 77081		Houston, TX 77081		Houston, TX 77081		Houston, TX 77081	
Texas Comptroller		Not Provided		Austin, TX 78755		Austin, TX 78755		Austin, TX 78755		Austin, TX 78755		Austin, TX 78755	
Appraisal District		Harris Central Appraisal District		Houston, TX 77040		Houston, TX 77040		Houston, TX 77040		Houston, TX 77040		Houston, TX 77040	
Individual Auditor		Kelly Prejean		Rowlett, TX 75089		Rowlett, TX 75089		Rowlett, TX 75089		Rowlett, TX 75089		Rowlett, TX 75089	
HFC User		Village at Bellaire Owner LLC c/o Magma Equi		Marinaton Beach, CA 90266		Marinaton Beach, CA 90266		Marinaton Beach, CA 90266		Marinaton Beach, CA 90266		Marinaton Beach, CA 90266	
HFC Management Company		Highmark Residential		Addison, TX 75001		Addison, TX 75001		Addison, TX 75001		Addison, TX 75001		Addison, TX 75001	
HFC Sponsor		Maverick County		Maverick County, TX		Maverick County, TX		Maverick County, TX		Maverick County, TX		Maverick County, TX	
HFC Governing Body of Sponsor		Maverick County Court of Commissioners		Maverick County, TX		Maverick County, TX		Maverick County, TX		Maverick County, TX		Maverick County, TX	
Auditor Qualifications & Affiliations													
Does the Auditor have a current Certified Occupancy Specialist (COS) or equivalent certification?		Yes		Yes		Yes		Yes		Yes		Yes	
Has the Auditor provided a resume demonstrating housing compliance audit experience?		Yes		Yes		Yes		Yes		Yes		Yes	
Is the Auditor free from any financial, ownership, or management interest in the Development or any Responsible Party?		Yes		Yes		Yes		Yes		Yes		Yes	
Is the Auditor currently serving, or has the Auditor previously served, as the Management Agent for this Development?		No		No		No		No		No		No	
Has the HFC User complied with the three-year rotation and, if applicable, the two-year cooling-off requirement?		Yes		Yes		Yes		Yes		Yes		Yes	
Income & Rents Limits													
Does the Regulatory Agreement specify income limits?		Yes		Yes		Yes		Yes		Yes		Yes	
Are the income limits adjusted for household size?		NA		NA		NA		NA		NA		NA	
Are the income limits based on HUD income limits?		Yes		Yes		Yes		Yes		Yes		Yes	
Did the Development comply with the Available Unit Rule when a household became over-income?		Yes		Yes		Yes		Yes		Yes		Yes	
Does the Regulatory Agreement specify rent limits for Restricted Units?		Yes		Yes		Yes		Yes		Yes		Yes	
Are the rent limits based on HUD rental limits?		Yes		Yes		Yes		Yes		Yes		Yes	
Are restricted unit rents ≤30% of the applicable income limit (adjusted for household size)?		No		No		No		No		No		No	
Are rent limit adjusted for family size, as determined by HUD?		No		No		No		No		No		No	
What is the family-size adjustment specified by the Development's Regulatory Agreement?		1.5 Persons per Bedroom		1.5 Persons per Bedroom		1.5 Persons per Bedroom		1.5 Persons per Bedroom		1.5 Persons per Bedroom		1.5 Persons per Bedroom	
Fees													
Does Rent charged to income-restricted tenants include any recurring fees or charges?		Yes		Yes		Yes		Yes		Yes		Yes	
If "Yes", are any recurring fees or charges required as a condition of occupancy?		Yes		Yes		Yes		Yes		Yes		Yes	
Units & Occupancy													
Restricted Units Occupied by Voucher Holders		0		Restricted Occupied Units		489		Non-Restricted Occupied Units		55		55	
Total Units (ALL)		580		Restricted Vacant Units		33		Non-Restricted Vacant Units		3		3	
				Total Restricted Units		522		Total Non-Restricted Units		58		58	
Triggering Events: Acquisition and Ownership Transfer													
Did a triggering event occur during the reporting period or any prior Tax Year?		No		No		No		No		No		No	
Set Asides													
Date first occupied by one or more tenants?		Unknown		Unknown		Unknown		Unknown		Unknown		Unknown	
Is the Development currently in lease up?		No		No		No		No		No		No	
Do Restricted Units have comparable square footage and floor plans as Non-Restricted Units?		Yes		Yes		Yes		Yes		Yes		Yes	
Are Restricted Units equal in finishes and equipment to Non-Restricted units?		Yes		Yes		Yes		Yes		Yes		Yes	
Do Restricted Units have equal amenity and program access as Non-Restricted Units?		Yes		Yes		Yes		Yes		Yes		Yes	
Are Restricted Units proportionally distributed by unit type and income category?		Yes		Yes		Yes		Yes		Yes		Yes	
Did the Auditor receive photographic evidence and written certification confirming unit comparability?		Yes		Yes		Yes		Yes		Yes		Yes	
Audit Sample Summary													
Audit Sample		Item		Item		Item		Item		Item		Item	
Overall Sample meets minimum requirements?		Yes		Yes		Yes		Yes		Yes		Yes	
Move-in Sample meets minimum requirements?		Yes		Yes		Yes		Yes		Yes		Yes	
Recertification Sample meets minimum requirements?		NA		NA		NA		NA		NA		NA	
Is the Development currently in lease-up?		No		No		No		No		No		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		Audit Received Date: 7/31/2026		Audit Received Date: 7/31/2026		Audit Received Date: 7/31/2026		Audit Received Date: 7/31/2026	
PRELIMINARY COMPLIANCE INDICATORS													
Reporting		Reporting		Reporting		Reporting		Reporting		Reporting		Reporting	
Is the Development required to submit an Audit Report?		Yes		Yes		Yes		Yes		Yes		Yes	
Did the Development submit an Audit Report by the deadline, with approved extensions?		Yes		Yes		Yes		Yes		Yes		Yes	
Does the Audit Report cover the full prior reporting year ending December 31 and include a rent roll for the same period?		Yes		Yes		Yes		Yes		Yes		Yes	
Does the Audit Report include contact information for all Responsible Parties?		No		No		No		No		No		No	
Was the Audit Report submitted in the Department-prescribed manner through the Department's file transfer system (Serv-U/File Serve)?		Yes		Yes		Yes		Yes		Yes		Yes	
Was the annual service fee (\$35 per Restricted Unit in the sample or \$500 minimum) submitted with the Audit Report?		Deficient Payment		Amount		Amount		Amount		Amount		Amount	
Did the Audit Report include a one-time exemption application submitted to the Texas Comptroller's Office?		No		No		No		No		No		No	
Did the first Audit Report include all required supporting documentation?		No		No		No		No		No		No	
Does the Auditor meet independence and qualification standards and comply with applicable rotation and cooling-off requirements?		Auditor		Auditor		Auditor		Auditor		Auditor		Auditor	
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?		Geographic Boundaries		Geographic Boundaries		Geographic Boundaries		Geographic Boundaries		Geographic Boundaries		Geographic Boundaries	
		In the Transition Period		In the Transition Period		In the Transition Period		In the Transition Period		In the Transition Period		In the Transition Period	
Overall Chapter 394 Status:		Noncompliant: See Detail		Noncompliant: See Detail		Noncompliant: See Detail		Noncompliant: See Detail		Noncompliant: See Detail		Noncompliant: See Detail	
TDHCA Notes/Notations:		Findings Report		Findings Report		Findings Report		Findings Report		Findings Report		Findings Report	
		None		None		None		None		None		None	

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION REPORT

HFC ID: AA26-101-0092
HFC User: Village at Bellaire Owner LLC c/o Magma Equities LLC
Property Name: The Village at Bellaire
Address: 5454 Newcastle St Houston, TX 77081

Regulatory Agreement Date: 4/30/2025
Audit Report Received Date: 7/31/2026
Corrective Action Due Date: 3/17/2027

Audit Report Review Date: 9/17/2026

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.	

Finding: Failure to comply with §10.1203(4)				
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
Property Wide	7/31/2026	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 annual service fee received by the Department for this property was \$1,540. The amount is incorrect as the sample size submitted to the Department was fifty (50) household files. The correct annual fee amount is \$1,750.	To correct, submit the remaining balance of \$210 toward the \$1,750 to the Department, in accordance with TAC §10.1203(4). Payments must be paid 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	