



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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October 13, 2025

Writer's direct phone # 512) 475 -3907
Email: christina.thompson@tdhca.texas.gov

Taryn Merrill
AO West Cypress Owner, LLC Austin, TX
taryn.merrill@greystar.com

Dear Taryn Merrill :

The Texas Department of Housing and Community Affairs (Department) received documentation on August 25, 2025 addressing the noncompliance identified during the review of the Audit Report submitted by Stephanie Naquin on June 2, 2025. Corrective action was due on September 9, 2025.

The documentation submitted was sufficient to correct the noncompliance related to **Failure to comply with the Public Facility Corporation Regulatory Agreement** affecting five (5) Housing Choice Voucher (HCV) units, **Household above the income limit** affecting units 1106, 5305, 9303, and 10107. Please see attached Finding Report for details.

Please note, the noncompliance outlined above is considered corrected during the corrective action period.

The Department considers this review closed. The next annual Audit Report is due June 1, 2026.

If you have any questions, 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,

A handwritten signature in black ink, appearing to be "CT" followed by a flourish.

Christina Thompson
PFC Compliance Monitor

Cc: stephanie.naquin@novoco.com



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION

PFC ID: A24-101-0072
PFC User: AO West Cypress Owner, LLC
Property Name: Emory West Cypress
Address: 19770 Clay Rd., Katy, TX, 77449

Regulatory Agreement Date: 2/18/2022
Audit Report Received Date: 6/2/2025
Corrective Action Due Date: 9/9/2025

Audit Report Review Date: 7/2/2025

PROGRAM: PFC

PROPERTY FINDINGS

Finding:	Failure to comply with the Public Facility Corporation Regulatory Agreement - Set-Aside HCV			
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
Property-Wide	6/2/2025	Failure to Comply with Section 3(a)(ii) – Housing Choice Voucher (HCV) Set-Aside Requirement. Section 3(a)(ii) of the Regulatory Agreement requires that at least five (5) of the 60% AMI units shall be reserved for rental to Housing Choice Voucher (HCV) holders. The Development is not in compliance with this requirement, as only one (1) of the five (5) required units is currently occupied by an HCV holder.	As units become available, they must be leased or reserved for HCV holders with incomes at or below 60% AMI until the requirements of the Regulatory Agreement are met. Submit copies of a current rent roll showing at least five 5 of the 60% AMI units are reserved for or occupied by HCV holders.	8/25/2025

Finding:	Household above the income limit			
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
1106	12/27/2024	In accordance with Section 3(c) of the Regulatory Agreement, the following items are acceptable to determine income eligibility: (1) pay stubs for the two most recent pay periods; (2) income tax returns for the most recent tax year; (3) conduct a consumer credit search; (4) obtain an income verification from the applicant's current employer; (5) obtain an income verification from the Social Security Administration; or (6) if the applicant is unemployed, does not have income tax returns or is otherwise unable to provide other forms of verification as required above, obtain another form of independent verification. Tenant file contains one (1) tax return for self-employment income verification, but the Regulatory Agreement requires tax returns for the most recent two (2) tax years for this type of income verification. The Auditor reported the income could not be determined or verified.	The owner may complete a retroactive income certification that completely and clearly documents the sources of income and assets for all household members that were in place at the time of the initial occupancy and apply income limits in effect on the move-in date. Submit for Department review a copy of the application(s), income and asset verifications and a new Income Certification form the time of move-in. Or the owner has the option to complete a new current certification using current income and assets sources and current income limits. Submit for Department review a copy of the application(s), income and asset verifications and a new Income Certification form. If the household has moved out or is not income eligible, occupy the unit or another comparable unit on the property with a new qualified household. Submit copies of the application(s), income and asset verifications, an executed Income Certification, lease contract and applicable lease addendums to the Department for review.	8/25/2025

Finding: Household above the income limit				
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
5305	10/31/2024	In accordance with Section 3(c) of the Regulatory Agreement, the following items are acceptable to determine income eligibility: (1) pay stubs for the two most recent pay periods; (2) income tax returns for the most recent tax year; (3) conduct a consumer credit search; (4) obtain an income verification from the applicant's current employer; (5) obtain an income verification from the Social Security Administration; or (6) if the applicant is unemployed, does not have income tax returns or is otherwise unable to provide other forms of verification as required above, obtain another form of independent verification. Tenant file contains one (1) tax return for self-employment income verification, but the Regulatory Agreement requires tax returns for the most recent two (2) tax years for this type of income verification. The Auditor reported the income could not be determined or verified.	The owner may complete a retroactive income certification that completely and clearly documents the sources of income and assets for all household members that were in place at the time of the initial occupancy and apply income limits in effect on the move-in date. Submit for Department review a copy of the application(s), income and asset verifications and a new Income Certification form the time of move-in. Or the owner has the option to complete a new current certification using current income and assets sources and current income limits. Submit for Department review a copy of the application(s), income and asset verifications and a new Income Certification form. If the household has moved out or is not income eligible, occupy the unit or another comparable unit on the property with a new qualified household. Submit copies of the application(s), income and asset verifications, an executed Income Certification, lease contract and applicable lease addendums to the Department for review.	8/25/2025

Finding: Household above the income limit				
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
9303	11/1/2024	The household file included an occupant who was not listed on the application. Additionally, income documentation indicated income from two sources, while the application stated that the household had no income. As a result, the Auditor reported that household income could not be determined or verified. In accordance with Section 3(c) of the Regulatory Agreement, the following items are acceptable to determine income eligibility: (1) pay stubs for the two most recent pay periods; (2) income tax returns for the most recent tax year; (3) conduct a consumer credit search; (4) obtain an income verification from the applicant's current employer; (5) obtain an income verification from the Social Security Administration; or (6) if the applicant is unemployed, does not have income tax returns or is otherwise unable to provide other forms of verification as required above, obtain another form of independent verification.	The owner may complete a retroactive income certification that completely and clearly documents the sources of income and assets for all household members that were in place at the time of the initial occupancy and apply income limits in effect on the move-in date. Submit for Department review a copy of the application(s), income and asset verifications and a new Income Certification form the time of move-in. Or the owner has the option to complete a new current certification using current income and assets sources and current income limits. Submit for Department review a copy of the application(s), income and asset verifications and a new Income Certification form. If the household has moved out or is not income eligible, occupy the unit or another comparable unit on the property with a new qualified household. Submit copies of the application(s), income and asset verifications, an executed Income Certification, lease contract and applicable lease addendums to the Department for review.	8/25/2025

Finding: Household above the income limit				
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
10107	9/11/2024	In accordance with Section 3(c) of the Regulatory Agreement, the following items are acceptable to determine income eligibility: (1) pay stubs for the two most recent pay periods; (2) income tax returns for the most recent tax year; (3) conduct a consumer credit search; (4) obtain an income verification from the applicant's current employer; (5) obtain an income verification from the Social Security Administration; or (6) if the applicant is unemployed, does not have income tax returns or is otherwise unable to provide other forms of verification as required above, obtain another form of independent verification. Tenant file contains one (1) tax return for self-employment income verification, but the Regulatory Agreement requires tax returns for the most recent two (2) tax years for this type of income verification. The Auditor reported the income could not be determined or verified.	The owner may complete a retroactive income certification that completely and clearly documents the sources of income and assets for all household members that were in place at the time of the initial occupancy and apply income limits in effect on the move-in date. Submit for Department review a copy of the application(s), income and asset verifications and a new Income Certification form the time of move-in. Or the owner has the option to complete a new current certification using current income and assets sources and current income limits. Submit for Department review a copy of the application(s), income and asset verifications and a new Income Certification form. If the household has moved out or is not income eligible, occupy the unit or another comparable unit on the property with a new qualified household. Submit copies of the application(s), income and asset verifications, an executed Income Certification, lease contract and applicable lease addendums to the Department for review.	8/25/2025