



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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July 10, 2026

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

LSC Timberwalk Owner II, LLC
New York, New York
kent@lscre.com

RE: Timberwalk

Dear LSC Timberwalk Owner II, LLC:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Public Facility Corporation (PFC) Audit Report submitted by Stephanie Naquin on June 1, 2026. This review was performed as required by Section 303.042(c) of Chapter 303, the Texas Administrative Code Chapter 10, Subchapter I, and the Regulatory Agreement/Deed Restriction for Timberwalk Apartments.

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 Public Facility Corporation User's responsibility to maintain compliance.

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
PFC Monitor

CC: stephanie.naquin@novoco.com; econ.dev@cpa.texas.gov; Michelle.Coles@liveatlscre.com;
Sawyer@lscre.com; reidcompliance@housingforhouston.com; Mayor@houstontx.gov



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Texas Department of Housing and Community Affairs		
Public Facility Corporation Audit - Preliminary Summary of Audit		
Pre-June 18, 2023 Development Utilizing a Prior Version of the Workbook		
This is a preliminary summary of the Audit Report. TDHCA's review remains in progress. Applicable non-compliance in this Summary will be formally issued in the Monitoring Report.		
Reporting Details		
Report Due Date: 6/1/2026	Current Reporting Year: 2026	Occupancy Year: 2025
Regulatory		
Property Name: Timberwalk	PRE or POST June 18, 2023?: PRE	Development Type: Acquisition
PFC Property Street Address: 5635 Timber Creek Pl Dr		
PFC City, State Zip: Houston, TX 77084	Regulatory Agreement Effective Date: 4/6/2023	Date acquired OR first occupied by tenants: 4/6/2023
PFC User Name: LSC Timberwalk Owner II, LLC	Approval Date (if differs from RA Effect Date): N/A	
Latitude: 29.85914	Does the RA include a minimum 10-year restriction term?: YES	
Longitude: -95.64221	If No, include any notes regarding the RA term?: N/A	
	The development participates in other affordable programs?: NO	
Development Contacts		
	Organization Name: City, State Zip:	
	Individual Auditor: Stephanie Naquin Austin, TX 78758	
	PFC User: LSC Timberwalk Owner II, LLC New York, NY 10007	
	PFC Management: Lone Star Capital New York, NY 10007	
	PFC Sponsor: Houston Housing Authority Houston, TX 77057	
Auditor Qualifications & Affiliations		
	Is the Auditor affiliated with or related to any PFC Responsible Parties?: NO	
	Has the Auditor provided a resume demonstrating housing compliance audit experience?: YES	
Income & Rents Limits		
	Does the Regulatory Agreement specify income & rent limits?: YES	
	Are the income limits adjusted for household size?: YES	
	Are the income and rent limits derived from data released by HUD?: YES	
Occupancy		
	How many units are occupied: 197	How many units are vacant?: 103
Set-Aside		
	What percentage of the program units are occupied and/or reserved?: 51.33%	
Texas Department of Housing and Community Affairs (TDHCA) Observations - DEPARTMENT USE ONLY		
This is a preliminary summary. TDHCA's review remains in progress.		
Report Due Date: 6/1/2026	Current Reporting Year: 2026	Audit Received Date: 6/1/2026
Preliminary Compliance Indicators:		
	Is the Development required to submit an audit report under Local Government Code Chapter 303?: YES	
	Did the Development submit an audit report as required by Local Government Code Chapter 303?: YES	
	Is the auditor independent of all PFC Responsible Parties and has the auditor provided a resume demonstrating housing compliance audit experience?: YES	
	Did the Development provide the difference between restricted rents and estimated maximum market rents?: YES	
	Overall Chapter 303 Status: Compliant: Pending Final Close Out Letter	
	TDHCA Notes/Notations: NONE	