



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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September 14, 2026

Writer's direct phone # (512) 475-4065
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Residence at Red Sierra, LLC
Houston, TX 77024
awu@nityacapital.com

RE: Monitoring Report for Residence at Red Sierra

Dear Residence at Red Sierra, LLC:

The Texas Department of Housing and Community Affairs (Department) received documentation on September 8, 2026, addressing the noncompliance identified during the review of the Audit Report submitted by Auxano Compliance, LLC on June 1, 2026. Corrective action was due on September 8, 2026.

The documentation submitted was sufficient to correct the noncompliance related to **Failure to comply with §10.1103(1)** which requires the Audit Report to identify the difference between the rent charged for income-restricted residential units and the estimated maximum market rents that could be charged for those units without the applicable rent and income restrictions. Please see attached Finding Report for details.

The Department considers this review closed. The next Audit report is due June 1, 2027.

If you have any questions, please contact Shay Erickson toll free in Texas at (800) 643-8204, directly at (512) 475-4065, or email: shay.erickson@tdhca.texas.gov.

Sincerely,

Shay Erickson
PFC Compliance Monitor

cc: rjacob@nityacapital.com; nnagpal@nityacapital.com; mpatel@nityacapital.com; vmcmurry@sh130mmd.com; chamgr@karyamanagement.com; kana.sneed@auxanocompliance.com; econ.dev@cpa.texas.gov



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TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION
Corrective Action Response

PFC User: Residence at Red Sierra, LLC
Property Name: Residence at Red Sierra
Address: 6520 Red Sierra Drive
Forth Worth, TX 76112

Corrective Action Report Issued: 7/10/2026
Corrective Action Due Date: 9/8/2026
Corrective Action Received Date: 9/8/2026

PROGRAM: PFC

PROPERTY FINDINGS

Finding:	Failure to comply with §10.1103(1)			
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
Property Wide	6/1/2026	An Audit Report from an Auditor must be submitted to the Department annually. This submission will satisfy the requirements by demonstrating eligibility to continue under the former law, but must fully address the requirements of identifying the difference in rent charged for income-restricted residential units and the estimated maximum market rents that could be charged for those units without the rent and income restrictions. The Audit Report submitted to the Department did not contain the comparison of the restricted rent to the estimated market rent on Tab 7 of the Audit Report.	Submit the comparison of the restricted rent to the estimated market rent for each unit identified in Tab 7. Include the Restricted Rent and the Estimated Maximum Market Rent. Market rent is defined as the highest rent charged for the same Unit Type at the Development. If no market-rate units exist, include an Estimated Maximum Market Rent and a written methodology with the Audit Report.	9/8/2026