



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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January 16, 2025

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

Morgan Group
Houston, Texas
assetmanagement@morgangroup.com

RE: Eclipse

Dear Morgan Group:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Public Facility Corporation (PFC) Audit Report submitted by Novogradac & Company LLP on December 13, 2025. 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 Eclipse.

Events of noncompliance have been identified and corrective action is required. The attached Findings Report details the event(s) of noncompliance and the required corrective action. This notice begins the corrective action period. Please supply all requested documentation no later than **March 17, 2025**, the last day of the corrective action period.

If clarification is necessary to complete the corrective action, contact us as soon as possible. If it is not possible to provide the requested documentation by the corrective action period, correct as much as you can and submit a corrective action plan detailing how and when the remaining issue(s) of noncompliance will be corrected.

The Department recommends submitting a cover letter explaining the documentation submitted to address each event of noncompliance. Submit corrective action to pfc.monitoring@tdhca.texas.gov.



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,

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

Christina Thompson
PFC Monitor

CC: Stephanie.Naquin@novoco.com

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION
PFC PROGRAM

PFC User: Morgan Group
 Property Name: Eclipse
 Address: 1725 Cres Plaza Dr, Houston, TX 77077
 RA Date: June 23, 2021

Audit Report Date: 11/20/2024
 Program: PFC

Corrective Action Due Date: 3/17/2025

Audit Report Review Date: 1/13/2024

PROGRAM: PFC

PROPERTY FINDINGS

<p>Finding Noncompliance Date Reason</p>	<p>Failure to comply with the Public Facility Corporation Regulatory Agreement: 12/13/2024 The Development's Regulatory Agreement requires at least one hundred thirty-six (136) units are income restricted at 80% AMI.</p> <p>The Audit Report submitted to the Department did not contain the number of 80% AMI units restricted at the Development.</p>	<p>Correction Date:</p>
<p>Corrective Action</p>	<p>Submit for Department review the number of restricted units for each unit type identified in Tab 7. If the number of restricted units at 80% AMI does not meet the minimum requirement, as units become available, lease to households' earning between 60% AMI - 80% AMI until the occupancy requirements of the Regulatory Agreement have been met.</p> <p>The owner may also survey existing market rate households and certify them if their income is between 60% AMI - 80% AMI. Submit copies of new move-ins etc. that have been certified between 60% AMI - 80% AMI and a current rent roll showing at least one hundred thirty-six (136) units are restricted.</p> <p>Provide the Department copies of the following for the new certified households: application(s), verifications of income/assets, executed Income Certification and the lease contract.</p>	
<p>Finding Noncompliance Date Reason</p>	<p>Failure to comply with the Public Facility Corporation Regulatory Agreement: 12/13/2024 The Development's Regulatory Agreement requires at least thirty-three (33) units are income restricted at 60% AMI.</p> <p>The Audit Report submitted to the Department did not contain the number of 60% AMI units restricted at the Development.</p>	<p>Correction Date:</p>

Corrective Action	<p>Submit for Department review the number of restricted units for each unit type identified in Tab 7. If the number of restricted units at 60% AMI does not meet the minimum requirement, as units become available, lease to households' with 60% AMI or less until the occupancy requirements of the Regulatory Agreement have been met.</p> <p>The owner may also survey existing market rate households and certify them if their income is at or below 60% AMI. Submit copies of new move-ins etc. that have been certified at 60% AMI and a current rent roll showing at least thirty-three (33) units are restricted.</p> <p>Provide the Department copies of the following for the new certified households: application(s), verifications of income/assets, executed Income Certification and the lease contract.</p>	
Unit # 2181		
Finding	Gross rent exceeds the highest rent allowed under the Regulatory Agreement	
Noncompliance Date	9/8/2023	Correction Date:
Reason	Unit #2181 is designated as 80% AMI . The household's rent of \$1,855 exceeds the 80% AMI rent limit of \$1,492 for a 1- bedroom unit.	
Corrective Action	To correct, reduce the household's rent to \$1,492 per month. Calculate the rent overage from the time of move-in, and either refund or credit the household the overpaid rent. Submit the follow documentation for review: the rent overage calculation, an amended lease contract reflecting the new rent amount, the household's rent ledger of the new rent amount reflected and the rent credit (if applicable) or a copy of the cancelled check (if a refund is issued).	
Unit # 1194		
Finding	Failure to comply with the Public Facility Corporation Regulatory Agreement	
Noncompliance Date	12/6/2023	Correction Date:
Reason	In accordance with the Regulatory Agreement, Section 3(c), annual Income Certification with verification of income must be obtained by the household's anniversary date (occupancy date of the unit) and no less than once in a 12-month period. Unit number 1194 moved in 12/6/2022, and a new Income Certification with verifications has not been completed as required.	
Corrective Action	To correct, complete annual Income Certification with verifications and submit to the Department for review. Submit the following documentation for review: application, verification of income/assets and an executed Income Certification form.	
Unit # 2160		
Finding	Household above the income limit upon initial occupancy	
Noncompliance Date	10/20/2023	Correction Date:
Reason	Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$97,458.92, which exceeds the applicable 80% AMI income limit of \$74,560.	
Corrective Action	When the unit becomes available occupy with an eligible household and submit the following documentation to the Department for review: application, verification of income and assets, executed Income Certification. If the households circumstances have changed they may be qualified using current income limits. If qualifying the household under current circumstances please submit the following for Department review: application, verification of income and assets, and executed Income Certification.	
Unit # 3195		

<p>Finding</p> <p>Noncompliance Date</p> <p>Reason</p>	<p>Household above the income limit upon initial occupancy</p> <p>8/18/2023</p> <p>Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$79,878.76, which exceeds the applicable 80% AMI income limit of \$74,560.</p>	<p>Correction Date:</p>
<p>Corrective Action</p>	<p>When the unit becomes available occupy with an eligible household and submit the following documentation to the Department for review: application, verification of income and assets, executed Income Certification. If the households circumstances have changed they may be qualified using current income limits. If qualifying the household under current circumstances please submit the following for Department review: application, verification of income and assets, and executed Income Certification.</p>	
<p>Unit # 2154</p> <p>Finding</p> <p>Noncompliance Date</p> <p>Reason</p>	<p>Household above the income limit upon initial occupancy</p> <p>11/25/2023</p> <p>In accordance with Section 3(c) of the Regulatory Agreement, the following items are acceptable to determine income eligibility: (1) pay stubs for the most recent four-week period; (2) income tax returns for the most recent two tax years; (3) an income verification from the applicant's current employer; (4) an income verification from the Social Security Administration; or (5) if applicant is unemployed, does not have tax returns or is otherwise unable to provide other forms of verification as required, another form of independent verification as would be satisfactory.</p> <p>Department is unable to establish eligibility. The tenant file for unit 2154 does not contain any acceptable forms of income verification documentation for self-employed Household Member #2.</p>	<p>Correction Date:</p>
<p>Corrective Action</p>	<p>To correct, submit for Department review the income from the time of initial occupancy, and an updated Income Certification, if needed. If unable to verify income from the time of initial occupancy, the household may be certified under current circumstances using current income limits. If verifying under current circumstances, please provide the following for Department review: application, verification of income/assets, and executed Income Certification. If the household remains ineligible, when the unit becomes available lease to a qualified household and submit the following for Department review: application, verification of income/assets and, executed Income Certification and the lease contract.</p>	