



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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July 11, 2025

Writer's direct phone # (512)475-4065
Email: shay.erickson@tdhca.texas.gov

Ron Kowal
South Congress IVP II Apartments, LP
Austin, TX
ronk@hacanet.org

RE: The Martingale

Dear Ron Kowal:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Public Facility Corporation (PFC) Audit Report submitted by Murphy HTC, LLC on May 29, 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 The Martingale.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Shay Erickson", with a long horizontal flourish extending to the right.

Shay Erickson
PFC Monitor

CC: patricia@murphyhtc.com



Audit Report
The Martingale

The Texas Department of Housing and Community Affairs provides the following Technical Assistance:

- Income must be documented 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. The file sample revealed one (1) household file that did not include the required numbers of paystubs.
- Section 3(f) of the Regulatory Agreement requires each lease for a Low-Income Unit to include a provision stating that tenant eligibility is based on the Income Certification and that any material misrepresentation may result in immediate lease termination. The lease must also disclose that the tenant's income will be reviewed annually. The file sample revealed one (1) household file was missing this required provision or accompanying addendum.
- Pursuant to §10.1104(a) of the Texas Administrative Code, the file sample for Restricted Units must primarily consist of new move-ins and include at least ten percent (10%) of all recertified household files. The Auditor was unable to confirm annual recertifications, as the selected files pertained to households that moved in during 2023 and were presumed to have recertified in 2024; however, documentation of the initial income certification was missing. Please ensure that all initial Income Certifications are completed and dated prior to initial occupancy and are properly retained in the household file, in accordance with Section 3(c) of the Regulatory Agreement.
- Annual income also includes all income derived from assets as identified and calculated in accordance with 24 CFR § 5.609(a). All income and asset sources must be properly verified and documented to ensure full compliance. Moving forward, failure to verify and document assets will result in a finding of noncompliance. Households with assets valued at \$51,600 or less may utilize the Asset Certification of Net Family Assets form found on the Department's website here: [Compliance Forms | Texas Department of Housing and Community Affairs](#) or a comparable form.