TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

www.tdhca.texas.gov

July 10, 2026

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

Ben Breuning
BV Bishop Arts Property LLC
Dallas, TX
ben@copper-re.com

RE: Copper Bishop Arts

Dear Ow BV Bishop Arts Property LLC:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Public Facility Corporation (PFC) Audit Report submitted by Patricia Murphy on May 28, 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 Bishop 8th Apartments.

Events of noncompliance were 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. Submit all requested documentation, along with a cover letter explaining the materials provided, to pfc.monitoring@tdhca.texas.gov by **July 27, 2026**, the last day of the corrective action period.

If clarification is needed, contact us promptly. If you cannot meet the deadline, correct what you can and submit a corrective action plan outlining how and when remaining noncompliance will be resolved. For Developments approved on or after June 18, 2023, any uncorrected noncompliance, including a corrective action plan, will be provided to the Texas Comptroller and the Chief Appraiser.

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: copperbishopartsmgr@willowbridgepc.com; patricia@murphyhtc.com; jinfante@willowbridgepc.com; Sophia@dallaspfc.com; ekycon.dev@cpa.texas.gov; DallasPFC@dallascityhall.com

Texas Department of Housing and Community Affairs

Public Facility Corporation Audit - Preliminary Summary of Audit

Post–June 18, 2023 Development

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 Period Begin Date:	5/1/2025
				Occupancy Period End Date:	12/31/2026

Regulatory

PFC Property Name	Copper Bishop Arts	PRE or POST June 18, 2023 Development?	POST	RA includes a minimum 10-year restriction term?	Yes
PFC Property Street Address	505 W 8th St				
PFC City, State Zip	Dallas, TX 75208	Is the Regulatory Agreement (RA) is properly recorded?	Yes	Traveling Status:	Non-Traveling
		Regulatory Agreement Effective Date:	12/28/2023		
PFC User Name	BV Bishop Arts Property LLC	Approval Date (if differs from RA Effective Date):	N/A	Total Number of Units in the Development (Include ALL Restricted & Unrestricted)	232
Latitude:	Latitude: 32.7446° N	Does the development participate in other affordable programs?	NO		
Longitude:	Longitude: –96.8290° W				

Affordability Requirements - AMI Percentage by Bedroom Size (Post Developments Only)

	Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total
60% AMI Units	1	22	1	0	0	24
80% AMI Units	2	89	1	0	0	92
Market Units	3	112	1	0	0	116
Total Restricted Units	3	111	2	0	0	116
Total Units (Restricted + Market)	6	223	3	0	0	232

Development Contacts

	Organization Name	City, State Zip
Property:	Copper Bishop Arts	Dallas, TX 75208
Texas Comptroller	Not Provided	Austin, TX 78753
Appraisal District:	Not Provided	Not Provided
Individual Auditor:	Patricia Murphy	Austin, TX 78703
PFC User:	Ben Breuning	Dallas TX 75231
PFC Management Company:	Willow Bridge	Dallas, TX 75201
PFC Sponsor:	Dallas Public Facility Corporation	Not Provided

Auditor Qualifications & Affiliations

Does the Auditor have a current Certified Occupancy Specialist (COS) or equivalent certification?	Yes
Has the Auditor provided a resume demonstrating housing compliance audit experience?	Yes
Is the Auditor independent of and unaffiliated with the PFC Sponsor, Operator, or any related governing entities?	Yes
Is the Auditor independent and not currently or previously serving as the Development's Management Agent?	Yes
Is the Auditor in compliance with the limit of no more than three consecutive audits for this Development?	Yes

Income & Rents Limits

Does the Regulatory Agreement specify income limits?	No
Are the income limits adjusted for household size?	Yes
Are the income limits based on HUD income limits?	Yes
Does the Regulatory Agreement specify rent limits for restricted units?	Yes
Are the rent limits based on HUD rent limits?	Yes
Do restricted rents comply with the 30% income limit?	Yes

Units & Occupancy

Total Units (ALL)	232	Total Restricted Units	117	Total Non-Restricted Units	115
		Total Occupied Units (All)	90	Total Vacant Units (All)	142
				Total Units Occupied by Voucher Holders	0

Difference Between Restricted Rents & Estimated Maximum Market Rents §303.0426(b)(2)

	Maximum Market Rent (No Exemption)	Actual Rent Charged	Savings/ Rent Difference
Total	$191,915.00	$186,015.00	$5,900.00
ANNUAL TOTAL (Total x12)	$2,302,980.00	$2,232,180.00	$70,800.00

What is the estimated amount of the annual ad-valorem taxes that would be imposed on the Development without the exemption?	Not Provided
Do total rental savings for Restricted Units equal or exceed 60% of estimated annual ad valorem taxes (no exemption)?	N/A

Set Asides

Development

Development Type	New Construction
Date acquired **or** first occupied by tenants:	5/1/2025
At least 50% of units at ≤ 80% AMI?	Yes
For each unit type, do Restricted Units equal/exceed Unrestricted units?	No
Does the Available Unit Rule apply when a household is over-income?	YES

New Construction

10% of units are ≤ 60%AM?	Yes
40% additional units are ≤ 80% AMI	yes

Acquisition

At least 25% of units ≤ 60% AMI?	N/A
At least 40% additional units 80% AMI?	N/A
≥15% of gross acquisition cost spent on qualifying rehabilitation within the required timeframe?	N/A

Marketing

Does the PFC's website display the required public disclosures demonstrating compliance with Texas Local Government Code §303.0425?	No
Does the website include Housing Choice Voucher (HCV) acceptance policies?	No
Is the Development affirmatively marketing to HCV (Section 8)holders and local housing authorities?	No

Vouchers

Does the Public Facility User refrain from refusing to rent to households solely based on participation in the Housing Choice Voucher program?	No
Do lease or screening policies avoid any refusal clause that prohibits HCV participation?	No
Does the Public Facility User avoid imposing a minimum income standard for Housing Choice Voucher households exceeding 250% of the tenant-paid portion of rent?	Yes

Tenant Lease, Policies & Retaliation Protections

Does the Development provide tenants with at least 30 days' written notice of non-renewal?	YES
Do lease agreements prohibit tenants from waiving required protections?	YES
Do Restricted Unit lease agreements prohibit retaliation against tenants for participating in tenant organizations?	YES
Do Restricted Unit lease agreements prohibit retaliation against tenants for organizing or participating in lawful tenant activities?	YES
Do Restricted Unit lease agreements limit non-renewals to permitted grounds?	YES
Do Restricted Unit lease agreements prohibit retaliation against tenants for exercising rights related to tenant organizations/collective activities?	YES

Audit Sample Summary

Audit Sample	Item
Overall Sample meets minimum requirements (20% of Restricted Units; max 50	YES
Move-In Sample meets minimum requirements?	YES
Recertification Sample meets minimum requirements?	N/A
Income Certification: Move-In & Recertification	
Number of Files Missing an Income Certification Prior to Move-In	NONE
Number of Files Missing Income Certification at Lease Renewal	NONE
Number of Files with "Self"-Certified Income	NONE
Number of Files Missing Executed Income Certification?	NONE
Income & Asset Verification	
Number of Files Missing Verification of Income?	1
Number of Files Missing a Verification of Assets?	NONE
Income & Rent Compliance	
Number of Files Over the Income Limit	3
Number of Files Over the Rent Limit	NONE
Required Forms & Lease Documentation	
Number of Files Missing a TDHCA TIC Form	NONE
Number of Files where Lease/Addendum Does Not Include Provisions Consistent with §10.1104(c)(3)	10
Number of Files Missing an Executed Lease?	NONE
Documentation Standards	
Number of Files with income documentation inconsistent with §10.1205	2

Texas Department of Housing and Community Affairs (TDHCA) Observations - DEPARTMENT USE ONLY

This is a preliminary summary of the Audit Report. TDHCA's review remains in progress.

Report Due Date: 6/1/2026 | Current Reporting Year: 2026 | Audit Received Date: 5/28/2026

Preliminary Compliance Indicators:

Reporting	
Is the Development required to submit an audit report under Chapter 303?	YES
Did the Development submit an audit report as required by Chapter 303?	YES
Auditor	
Does the Auditor meet all required independence and qualification standards and comply with the limit on consecutive audits for the Development?	YES
Regulatory	
Is there a properly recorded Regulatory Agreement, as required by TAC §10.1104(b)(1)?	YES
Does the Regulatory Agreement have a minimum 10-year term, as required by TAC §10.1104(b)(1)?	YES
Income & Rent Limits	
Do monthly rents for Restricted Units comply with TAC §10.1104(b)(4) by not exceeding 30% of the applicable income limit (adjusted for household size)?	YES
If a household becomes over-income, does the Development apply the Available Unit Rule in accordance with IRC §42(g)(2)(D)?	
Rent Difference	
Does the Audit Report include an annual rent savings calculation, as required by TAC §10.1104(d)?	YES
Do the calculated annual rent savings equal or exceed 60% of the estimated ad valorem taxes that would be imposed without the exemption, as required by TAC §10.1104(d)?	N/A
Audit Sample Summary	
Does the audit file sample meet the minimum size requirements under TAC §10.1104(a) (at least 20% of Restricted Units, not to exceed 50 files)?	YES
Does the audit file sample include the required move-in files in accordance with TAC §10.1104(a)?	YES
Does the audit file sample include at least ten percent (10%) recertification files, as required by TAC §10.1104(a)?	N/A
Audit Sample - Income Certification: Move-In & Recertification	
Number of Files Missing an Income Certification Prior to Move-In	NONE
Number of Files Missing Income Certification at Lease Renewal	NONE
Number of Files with "Self"-Certified Income	NONE
Number of Files Missing Executed Income Certification?	NONE
Audit Sample - Income & Asset Verification	
Number of Files Missing Verification of Income?	1
Number of Files Missing a Verification of Assets?	NONE
Audit Sample - Income & Rent Compliance	
Number of Files Over the Income Limit	3
Number of Files Over the Rent Limit	NONE
Audit Sample - Required Forms & Lease Documentation	
Number of Files Missing a TDHCA Tenant Income Certification (TIC) form	NONE
Number of Files Where Lease/Addendum Does Not Include Provisions Consistent with §10.1104(c)(3)	10
Number of Files Missing an Executed Lease?	NONE
Audit Sample - Documentation Standards	
Number of Files with income documentation inconsistent with §10.1205	2
Set Aside	
Are at least 50% of units at ≤ 80% AMI?	YES
For each unit type, does the percentage of Restricted Units equal or exceed the percentage of unrestricted units of the same unit type, as required by TAC §10.1104(b)(5)?	NO
For newly constructed Developments, are at least 10% of units reserved or occupied at or below 60% AMI (TAC §10.1104(b)(2)(A))?	YES
For newly constructed Developments, are an additional 40% of units reserved or occupied by households at or below 80% AMI, as required by TAC §10.1104(b)(2)(B)?	YES
For Acquisition Developments, are at least 25% of units reserved or occupied at or below 60% AMI (TAC §10.1104(b)(3)(A))?	N/A
For Acquisition Developments, are an additional 40% of units reserved or occupied at or below 80% AMI (TAC §10.1104(b)(3)(B))?	N/A
For Acquisition Developments, did the Development expend at least 15% of the gross acquisition cost on qualifying rehabilitation within the required post-acquisition timeframe under TAC §10.1104(b)(3)(D)?	N/A
Marketing	
Does the PFC's website display the required public disclosures demonstrating compliance with Texas Local Government Code §303.0425?	NO
Does the PFC's website include policies regarding acceptance of Housing Choice Voucher holders, as required by TAC §10.1104(b)(8)?	NO
Does the Development affirmatively market to Housing Choice Voucher holders and local housing authorities, as required by TAC §10.1104(b)(7)?	NO
Vouchers	
Does the Public Facility User refrain from refusing to rent to households solely based on participation in the Housing Choice Voucher program, as required by TAC §10.1104(c)(1)?	NO
Do lease or screening policies avoid any refusal clause that prohibits HCV participation, as required by TAC §10.1104(c)(1)?	NO
Does the PFC User refrain from imposing a minimum income standard for HCV households that exceeds 250% of the tenant-paid portion of rent, as required by TAC §10.1104(c)(2)?	YES
Tenant Lease, Policies & Retaliation	
Does the Development provide tenants with at least 30 days' written notice of non-renewal?	YES
Do lease agreements prohibit tenants from waiving required protections, as required by TAC §10.1104(c)(3)(D)?	YES
Do Restricted Unit lease agreements prohibit retaliation against tenants for participating in tenant organizations, as required by TAC §10.1104(c)(3)(A)?	YES
Do Restricted Unit lease agreements prohibit retaliation against tenants for organizing or participating in lawful tenant activities, as required by TAC §10.1104(c)(3)(B)?	YES
Do Restricted Unit lease agreements limit non-renewals to permitted grounds, as required by TAC §10.1104(c)(3)(B)?	YES
Do Restricted Unit lease agreements prohibit retaliation against tenants for exercising rights related to tenant organizations/collective activities, as required by TAC §10.1104(c)(3)(C)?	YES
Overall Chapter 303 Status:	Noncompliant: Pending Corrective Action
TDHCA Notes/Notations:	

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION REPORT

PFC ID:	B26-057-0012		
PFC User:	BV Bishop Arts Property LLC	Regulatory Agreement Date:	12/28/2023
Property Name:	Copper Bishop Arts	Audit Report Received Date:	5/28/2026
Address:	505 W 8th Street Dallas, TX 75208	Corrective Action Due Date:	7/27/2026
Audit Report Review Date:	7/10/2026		

PROGRAM: PFC

PROPERTY FINDINGS

Finding:	Failure to comply with §10.1104(b)(5)			
Unit #	**Non-Compliance Date**	**Reason**	**Corrective Action**	**Correction Date**
Property Wide	5/28/2026	TAC §10.1104(b)(5) requires the percentage of Restricted Units by unit type to be equal to or greater than the percentage of unrestricted units of that same unit type. The Development consists of 111 1-bedroom restricted units and 112 1-bedroom market units.	To correct, designate at least one additional 1-bedroom unit as a Restricted Unit, update the applicable rent roll/unit designation documentation, and resubmit supporting documentation showing that the percentage of restricted 1-bedroom units is equal to or greater than the percentage of unrestricted 1-bedroom units.	

Finding:	Failure to comply with §10.1104(b)(8)			
Unit #	**Non-Compliance Date**	**Reason**	**Corrective Action**	**Correction Date**
Property Wide	5/28/2026	TAC §10.1104(b)(8) requires the Public Facility Corporation's website to include information about the Development and compliance with section §303.0425 of the Texas Local Government Code and outline policies regarding acceptance of Housing Choice Voucher (HCV) holders. The auditor reports the Public Facility Corporation's website does not contain the required information regarding compliance with Section §303.0425 and the HCV policies.	To correct, update the Public Facility Corporation website to include information about the Development, its compliance with §303.0425 of the Texas Local Government Code, and its policies regarding acceptance of Housing Choice Voucher holders. Submit to the Department for review a link to the updated webpage and supporting documentation demonstrating the required information has been posted.	

Finding:	Failure to comply with §10.1104(b)(7)			
Unit #	**Non-Compliance Date**	**Reason**	**Corrective Action**	**Correction Date**
Property Wide	5/28/2026	TAC §10.1104(b)(7) requires PFC Developments to affirmatively market to Housing Choice Voucher (HCV) holders and local housing authorities. The auditor reports that they could not confirm the Development affirmatively markets to Housing Choice Voucher holders and local housing authorities. No marketing materials or logs were submitted with the audit report. showing outreach to HCV Voucher holders or local housing authorities.	Submit for Department review documentation demonstrating that the Development has conducted affirmative marketing outreach to local housing authorities and Housing Choice Voucher households. Documentation must include the marketing materials used in the outreach efforts, evidence of distribution or communication to local housing authorities, and any other records supporting that Housing Choice Voucher holders are affirmatively informed that vouchers are accepted at the Development.	

Finding:	Failure to comply with §10.1104(c)(1)			
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
Property Wide	5/28/2026	TAC §10.1104(c)(1) prohibits Public Facility Users from refusing to rent to a household solely based on participation in the Housing Choice Voucher program. The auditor reports that they requested the Development's leasing criteria but were not provided the information. The auditor also reviewed the Dallas PFC website and the Development's website and did not identify any policies regarding the acceptance of households participating in the Housing Choice Voucher program.	To correct submit to the Department for review documentation demonstrating that the Development does not refuse to rent to households solely based on participation in the Housing Choice Voucher program, as required by TAC §10.1104(c)(1). Documentation must include the Development's current leasing criteria and any written policies or procedures addressing acceptance of Housing Choice Voucher households. If the current leasing criteria or policies do not clearly address Housing Choice Voucher participation, submit revised criteria or policies confirming that participation in the Housing Choice Voucher program is not a basis for denial.	

Finding:	Household above the income limit			
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
S1218	7/1/2025	TAC §10.1105(a) requires annual income be determined using the definitions in 24 C.F.R. §5.609, as further described in the HUD Handbook 4350.3. The HUD Handbook 4350.3 also outlines the appropriate forms of income documentation and verification that must be obtained to ensure household income is accurately determined. Auditor reports they are unable to determine the household's income as the file did not contain income verification documents.	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 from 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 executed 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.	

Finding:	Household above the income limit			
Unit #	Non-Compliance Date	Reason	Corrective Action	Correction Date
N1212	8/1/2025	TAC §10.1105(a) requires annual income be determined using the definitions in 24 C.F.R. §5.609, as further described in the HUD Handbook 4350.3. The HUD Handbook 4350.3 also outlines the appropriate forms of income documentation and verification that must be obtained to ensure household income is accurately determined. Auditor reports the file contains employment documentation from a previous employer and not a current employer, therefore the household's current income cannot be determined.	Complete a current income certification using current income and assets documentation for all household members and apply the current income limits. Submit for Department review a copy of the application(s), income and asset verifications and a new executed 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.	

Finding:	Household above the income limit			
Unit #	**Non-Compliance Date**	**Reason**	**Corrective Action**	**Correction Date**
S1423	8/1/2025	TAC §10.1105(a) requires annual income be determined using the definitions in 24 C.F.R. §5.609, as further described in the HUD Handbook 4350.3. The HUD Handbook 4350.3 also outlines the appropriate forms of income documentation and verification that must be obtained to ensure household income is accurately determined. Auditor reports the file contains employment documentation from a previous employer out of state, and not a current employer, therefore the household's current income cannot be determined.	Complete a new current income certification using current income and assets documentation for all household members and apply the current income limits. Submit for Department review a copy of the application(s), income and asset verifications and a new executed 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.	

Finding:	Failure to comply with §10.1104(c)(3)			
Unit #	**Non-Compliance Date**	**Reason**	**Corrective Action**	**Correction Date**
S1218, S1423, S1305, S1109, S1326, S1205, S1404, N1208, N1330, N1409	5/28/2026	TAC §10.1104(c)(3) requires all Restricted Unit leases to contain tenant protections providing that the landlord may not retaliate against the tenant or the tenant's guests for establishing, attempting to establish, or participating in a tenant organization; may only non-renew a lease for specific lease violations or eligibility-related reasons; must provide at least thirty (30) days' written notice of non-renewal; and may not require tenants to waive these protections in a lease or lease addendum. The auditor reports that lease agreements reviewed for some Restricted Unit did not contain the required lease language.	Submit to the Department for review a signed owner's statement of compliance with the §10.1104(c)(3) moving forward, along with a blank template of the Lease or Lease Addenda that includes the required language provided in section §10.1104(c)(3) of the Texas Administrative Code.	