July 1, 2026

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 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 Eclipse.

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; Mayor@houstontx.gov;;
reidcompliance@housingforhouston.com; Essentialhousingteam@morgangroup.com;
manager.eclipse@morgangroup.com

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: Eclipse
PFC Property Street Address: 1725 Cres Plaza Dr
PFC City, State Zip: Houston, TX 77077
PFC User Name: Morgan Group
Latitude: -95.62336
Longitude: 29.7526

PRE or POST June 18, 2023? PRE
Regulatory Agreement Effective Date: 6/23/2021
Approval Date (if differs from RA Effect Date): N/A
Does the RA include a minimum 10-year restriction term? Earlier of exemption lost for any reason, termination of lease or involuntary noncompliance of the Regulatory
If No, include any notes regarding the RA term? N/A
The development participates in other affordable programs? NO

Development Type: Acquisition
Date acquired **OR** first occupied by tenants: 6/23/2021

Development Contacts

	Organization Name	City, State Zip
Individual Auditor	Stephanie Naquin	Austin, TX 78758
PFC User	Morgan Group	Houston, TX 77098
PFC Management	Morgan Group	Houston, TX 77098
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: 305
How many units are vacant? 25

Set-Aside

What percentage of the program units are occupied and/or reserved? 52.42%

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