



## TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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December 11, 2025

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PFC User  
Red Line GL, LP  
Cleveland, OH

[ewaller@nrpgroup.com](mailto:ewaller@nrpgroup.com); [info@nrpgroup.com](mailto:info@nrpgroup.com); [drbrown@nrpgroup.com](mailto:drbrown@nrpgroup.com)

RE: The Exchange

Dear PFC User:

The Texas Department of Housing and Community Affairs (Department) received documentation on April 29, 2025, addressing the noncompliance identified during the review of the Audit Report submitted by Murphy HTC, LLC on January 7, 2025. Corrective action was due on April 28, 2025.

The documentation submitted was sufficient to correct the noncompliance related to **Households above the income limit** affecting units 2303, 1121, and 1427, and **Failure to comply with the Public Facility Corporation Regulatory Agreement** affecting units 3116 and 3209. Please see the attached Finding Report for details.

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](mailto:shay.erickson@tdhca.texas.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Shay Erickson".

Shay Erickson  
PFC Compliance Monitor

CC:[theexchange@nrpgroup.com](mailto:theexchange@nrpgroup.com); [jmason@houstonforhousing.com](mailto:jmason@houstonforhousing.com); [patricia@murphyhtc.com](mailto:patricia@murphyhtc.com)



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION  
PFC PROGRAM

Corrective Action Response

PFC User: The NRP Group  
Property Name: The Exchange  
Address: 1250 Leona Street, Houston, TX 77009  
RA Date: 10/18/2019

Audit Report Date: 1/7/2025  
Program: PFC

Corrective Action Due Date: 4/28/2025

PROGRAM: PFC

PROPERTY FINDINGS

Unit # 2303

Finding Household above the income limit upon initial occupancy  
Noncompliance Date 2/3/2023 Correction Date: 4/29/2025  
Reason Income documentation reveals tip income was being received but was not included in the initial income calculation. The inclusion of the additional income results in the household's annual gross income of \$83,955 which exceeds the applicable 80% AMI income limit of \$72,080.  
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 # 1121

Finding Household above the income limit  
Noncompliance Date 7/29/2023 Correction Date: 4/29/2025  
Reason Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$85,847 which exceeds 100% of the applicable renewal income limit of \$74,560 but is below 120% of the applicable income limit.  
Corrective Action In accordance with the Regulatory Agreement, the Next Available Unit Rule must be followed in the event a tenant's income falls between 100% to 120% of the applicable income limit.  
To correct, designate unit 1121 to an non-program unit since their income exceeds the renewal limit and lease the next available unit of comparable or smaller size to a household that income qualifies at the 80% AMI limit. Owner may survey existing vacant non-program units to replace unit 1121 and hold vacant as an available program-unit for immediate occupancy by a household that income qualifies at 80% AMI. Submit documentation to the Department that the unit is vacant and a statement that it is reserved to be occupied by a Low-Income Household. Or if the household's circumstances have changed, the owner may certify them under current circumstances using current income limits. If verifying under current circumstances, submit a copy of the household file, application, verification of income and assets, executed Income Certification and lease agreement.

Unit # 1427

Finding

Household above the income limit

Noncompliance Date

10/9/2023

Correction Date: 4/29/2025

Reason

Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$76,674 which exceeds the applicable renewal income limit of \$74,560.

Corrective Action

In accordance with the Regulatory Agreement, the Next Available Unit Rule must be followed in the event a tenant's income falls between 100% to 120% of the applicable income limit.  
To correct, designate unit 1427 to a non-program unit since their income falls between the 100% to 120% of the applicable income limit and lease the next available unit of comparable or smaller size to a household that income qualifies at the 80% AMI limit. Owner may survey existing vacant non-program units to replace unit 1427 and hold vacant as an available program-unit for immediate occupancy by a household that income qualifies at 80% AMI. Submit documentation to the Department that the unit is vacant and a statement that it is reserved to be occupied by a Low-Income Household. Or if the household's circumstances have changed, the owner may certify them under current circumstances using current income limits. If verifying under current circumstances, submit a copy of the household file, application, verification of income and assets, executed Income Certification and lease agreement.

Unit # 3116

Finding

Failure to comply with the Public Facility Corporation Regulatory Agreement

Noncompliance Date

4/1/2023

Correction Date: 4/29/2025

Reason

In Accordance with Section 3(c) of the Development's Regulatory Agreement, annual Income Certifications must be obtained on the anniversary of such Low-Income Household's occupancy of the unit, and in no event less than once in every 12-month period following each Low-IncomeTenant's occupancy of a unit. The Development's Regulatory Agreement requires the Exhibit-D, form be completed as part of the Income Certification.

Corrective Action

Auditor reports the Exhibit-D form was not completed for the annual income certification.  
To correct, have the tenant complete and execute the Exhibit-D form and submit the following for Department review: application, verification of income and assets, executed Exhibit-D form and lease contract.

Unit # 3209

Finding

Failure to comply with the Public Facility Corporation Regulatory Agreement

Noncompliance Date

12/29/2023

Correction Date: 4/29/2025

Reason

In Accordance with Section 3(c) of the Development's Regulatory Agreement, annual Income Certifications must be obtained on the anniversary of such Low-Income Household's occupancy of the unit, and in no event less than once in every 12-month period following each Low-IncomeTenant's occupancy of a unit. The Development's Regulatory Agreement requires the Exhibit-D, form be completed as part of the Income Certification.

Corrective Action

Auditor reports the Exhibit-D form was not completed for the annual income certification.  
To correct, have the tenant complete and execute the Exhibit-D form and submit the following for Department review: application, verification of income and assets, executed Exhibit-D form and lease contract.