

Exhibit 3

RISE RESIDENTIAL

March 6, 2025

Texas Dept of Housing & Community Affairs
221 East 11th Street
Austin, Texas 78701

RE: 02.14.25 Debarment Referral Letter – HTC #20613 / Bond #20613B

Dear Mr. Banuelos,

I received your letter dated February 14, 2025, regarding the referral of Rise Residential Construction Riverside, LLC, Sonoma Housing Advisors, LLC, James R. (Bill) Fisher, and myself to the Enforcement Committee for possible debarment.

I deny any unethical behavior or intent to misrepresent information included in the submission of the Quarter 3 2024 Construction Status Report. I take compliance with TDHCA's regulations and ethical standards very seriously and would never knowingly participate in or condone an action of that nature.

The submission of this notated inspection report was an oversight, not an intentional misrepresentation of another professional's work. In this instance, Bill Fisher mistakenly selected a copy of the inspection report that contained internal comments from the field team rather than the original version when submitting the Construction Status Report to the Department. It is common practice for the field team to review the third-party reports and to add comments to the document if they disagree with anything reflected in the report so that we may discuss those findings with the relevant lender during our regularly scheduled meetings. I would be somewhat surprised that someone would reasonably conclude that we intentionally tried to mislead the department by submitting this obviously altered report. As noted in the Department's letter to us, the copy submitted contained red font in a styling was materially different from the rest of the report. Also, it is obvious that certain parts of sentences had been deleted, and the comments added clearly do not complete the sentences in a logical or coherent manner. I believe a reasonable person would identify this as a red-lined document. Further, when staff asked Bill Fisher about the report via email, he investigated and reported back that it had been notated by our staff internally. This would normally result in a request for the original report and perhaps a late fee for the submission, but not debarment.

This submission occurred while I was traveling back from a TDHCA Board meeting, I was not involved in the submission process at that time. Given that we have submitted four to six of these reports every quarter for years—totaling approximately 30 per year and hundreds over our 22-year working relationship with the Department—this was an isolated clerical mistake, not an act of deception.

Debarment is a penalty that would have far-reaching consequences beyond myself and Bill Fisher. RISE Residential employs approximately 120 people whose livelihoods depend on our ability to continue our work. Further, hundreds of subcontractors, suppliers, and workers engaged in our ongoing projects would be negatively impacted. Our developments provide much-needed affordable housing across Texas, aligning with TDHCA's mission, and an administrative oversight of this nature should not warrant a punishment that would disrupt nine active housing projects, harm countless families and workers, and dismantle a company that has developed over 10,000 affordable homes in Texas.

March 6, 2025

Since 2007, I have committed my career to the mission of creating affordable housing in Texas, working diligently with TDHCA to ensure quality developments that serve communities in need. My professional reputation has been built on integrity, transparency, and my respect for the Department and its staff's critical role in regulating and supporting housing initiatives.

I look forward to working with the Department to resolve this issue in a fair and factual manner.

Respectfully,

A handwritten signature in black ink, appearing to read 'Melissa Fisher', written in a cursive style.

Melissa Fisher
RISE Residential