Bailey at Berkman LP

May 29, 2025

Mr. Cody Campbell
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: Request for Force Majeure for Bailey at Berkman TDHCA ID 24019

Dear Mr. Cambell:

On behalf of Bailey at Berkman LP, we respectfully request Force Majeure for the purpose of extending the Bailey at Berkman placement in service deadline six months. Our 2024 tax credit allocation requires placement in service by December 31, 2026. While the current 15-month construction schedule shows construction complete by the end of 2026, ***our financial partners are requiring additional time*** to allow for unanticipated hurdles.

The need for additional time was unforeseen and outside the control of the Development Owner. We began the due diligence process well before we received the 2024 Commitment Notice. Since then, our team has worked tirelessly to secure a building permit from the City of Austin. As a 104-unit supportive housing development in Austin, the financing includes a variety of sources including HUD vouchers and City of Austin Residential Housing Development Assistance funding. The sources have numerous application, environmental, and public hearing requirements in addition to the substantial City of Austin regulations. The following summarizes steps taken to meet the tax credit program deadlines:

- 6-15-24 Architectural and Engineering Firms Engaged
- 7-3-24 TDHCA Underwriting Report Published
- 7-3-24 Part 58 Environmental Review Ordered
- 8-9-24 Service Extension Request for City of Austin Water Submitted
- 8-26-24 Commitment Notice Received
- 11-15-24 Part 58 Environmental Public Notice Process Restarted due to staff turnover
- 11-18-24 Formal Site Plan Submission to the City of Austin
- 12-24-24 Formal Building Permit Submission to the City of Austin
- 1-22-25 Development Site Purchased
- 7-15-25 Permits Expected
- 8-1-25 Notice to Proceed
- 11-4-26 Current 15 Month Finish Date, see attached schedule

Our finance partners have been steadfast in their commitment to Bailey at Berkman. Both Citi Bank and Redstone Equity Partners remain committed to the development and are ready to close on the transaction upon receipt of the building permit. However, an impending placed in service deadline 15 months after start of construction has created concern. In evaluating the risk involved with the margin between construction completion and the placed in service deadline, our financial partners are requiring an extension to the placed in service deadline prior to closing on the transaction. I have attached documentation of this requirement from Redstone Equity Partners.

We understand the Department is considering an administrative avenue for 2026 Awards to apply for a placed in service 6-month extension need, like ours. As a 2024 Housing Tax Credit Award, a placed in service extension at this phase is only afforded through force majeure. We respectfully request the Department approve the force majeure for Bailey at Berkman. This will give the lender and investor the necessary confidence to close on the development in July and we can start construction on August 1, 2025.

We believe that our circumstance satisfies TDHCA's requirements for a reallocation of Tax Credits under Section 11.6(5) of the 2024 QAP. We request that this matter be considered at the June 12th Board meeting with a recommendation for approval.

If additional information is required, please contact me at or 512-473-2527.

Sincerely,

Sallie Burchett

Sallie Burchett
Representative of Bailey at Berkman LP

REDSTONE
EQUITY PARTNERS

May 27, 2025

Cody Campbell
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

RE: Support for Placed in Service Extension – Bailey at Berkman

Dear Mr. Campbell:

On behalf of Red Stone Equity Partners, we are writing in support of a request submitted by the development team for Bailey at Berkman, a 104-unit affordable and supportive housing community located in Austin, Texas, seeking an extension of the placed in service deadline for their 2024 9% Housing Tax Credit award.

We have begun the due diligence process and preliminary underwriting associated with our participation in the financing of this important development, which will deliver much-needed permanent supportive housing and deeply affordable units to the Austin community. While we remain committed to working with the development team to bring this project to closing, we are unable to proceed with finalizing financing and executing closing documents without the assurance that there is an extension to the current placed in service deadline of December 31, 2026.

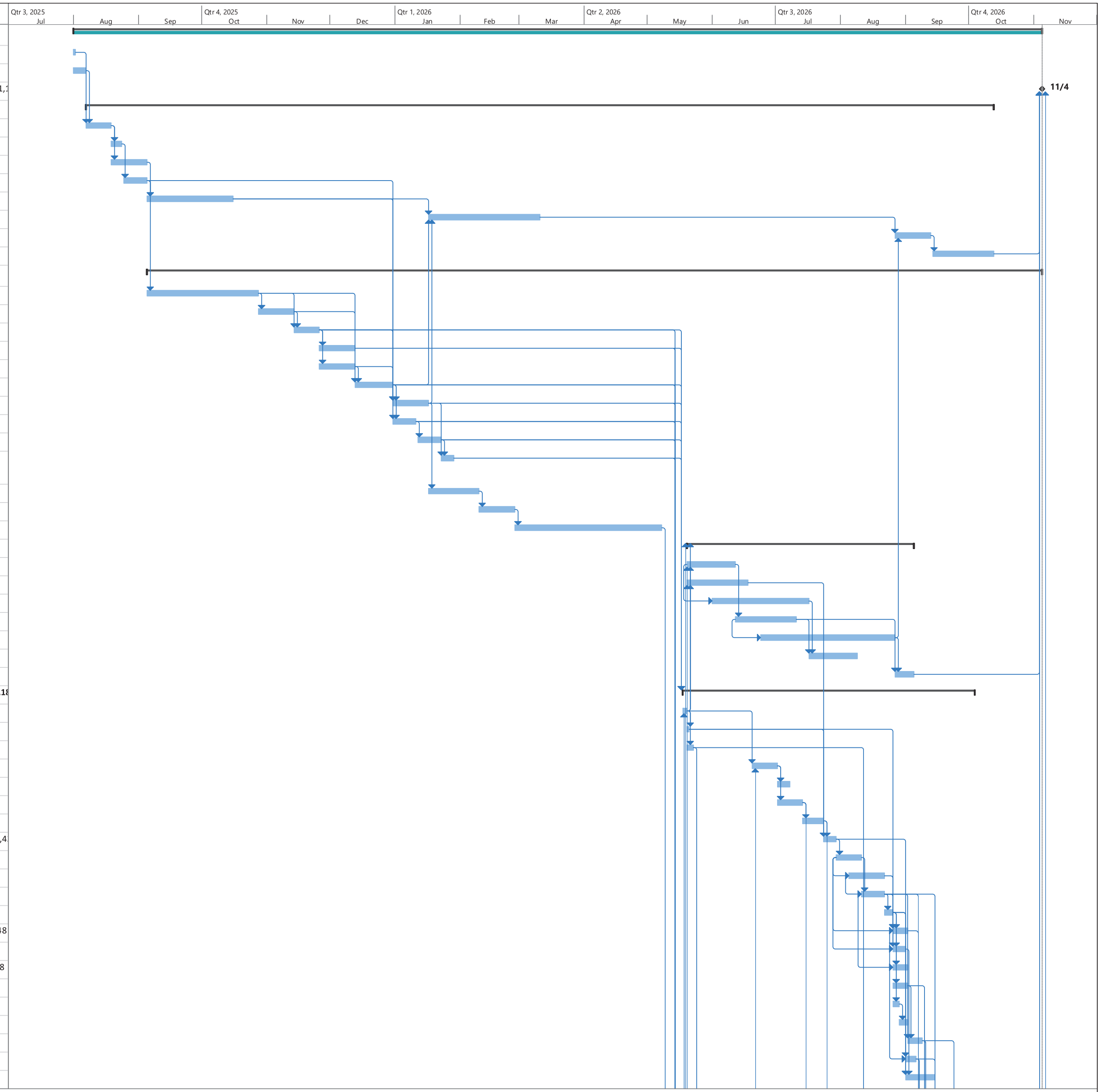
An extension would provide the flexibility needed to move forward confidently with financial closing, while maintaining the high standards required by all parties involved.

We appreciate your consideration of this request and your continued support for developments like Bailey at Berkman that serve Texas' most vulnerable populations. Please do not hesitate to contact me at matt@rsequity.com or 858.752.2066 should you have any questions regarding our role in the project or this request.

Sincerely,

Matt Grosz
Managing Director and Deputy Chief Investment Officer

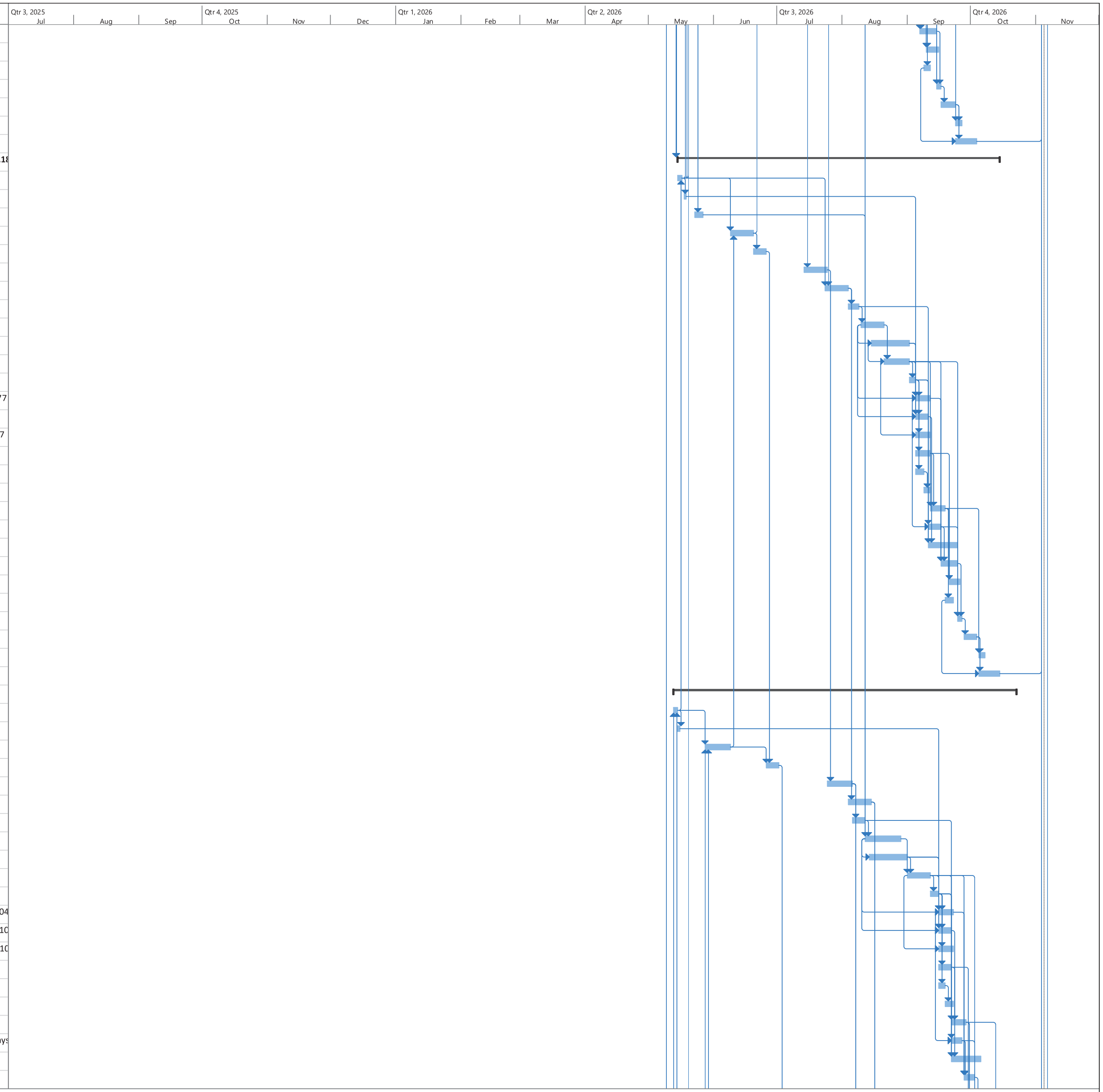
ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors
1		**Bailey at Berkman - Austin**	**395 days**	**Fri 8/1/25**	**Wed 11/4/26**	
2		Notice to Proceed	1 day?	Fri 8/1/25	Fri 8/1/25	
3		Mobilization	5 days	Fri 8/1/25	Wed 8/6/25	
4		Building Completion	0 days	Wed 11/4/26	Wed 11/4/26	13,35,64,93,121,1
5		**Sitework**	**370 days**	**Thu 8/7/25**	**Mon 10/12/26**	
6		Layout / Testing	10 days	Thu 8/7/25	Mon 8/18/25	2,3
7		Clear and Grub Site	5 days	Tue 8/19/25	Sat 8/23/25	6
8		Off Site Utilities	15 days	Tue 8/19/25	Thu 9/4/25	6
9		Earthwork & Rough Grading	10 days	Mon 8/25/25	Thu 9/4/25	7
10		On Site Utilities & Detention System	35 days	Fri 9/5/25	Wed 10/15/25	8,9
11		Fire Lane & Access Paving	45 days	Sat 1/17/26	Tue 3/10/26	10,20,21
12		Paving & Concrete Finishes	15 days	Thu 8/27/26	Sat 9/12/26	33,11
13		Landscaping & Irrigation	25 days	Mon 9/14/26	Mon 10/12/26	12
14		**Main Building**	**365 days**	**Fri 9/5/25**	**Wed 11/4/26**	
15		Ground Level Retaining Walls	45 days	Fri 9/5/25	Mon 10/27/25	9
16		Underslab Waterproofing and drainag	15 days	Tue 10/28/25	Thu 11/13/25	15
17		Building Slab Prep - Level 1	10 days	Fri 11/14/25	Tue 11/25/25	15,16
18		MEP Underground - Level 1	15 days	Wed 11/26/25	Fri 12/12/25	17
19		Elevator Pit	15 days	Wed 11/26/25	Fri 12/12/25	17
20		Building Slab (Pour 1) - Form and Plac	15 days	Sat 12/13/25	Tue 12/30/25	19,15,16
21		Building Slab (Pour 2) - Form and Plac	15 days	Wed 12/31/25	Fri 1/16/26	19,17,10,20
22		Building Slab Prep - Ground Lvl	10 days	Wed 12/31/25	Sat 1/10/26	9,20
23		MEP Underground - Ground Level	10 days	Mon 1/12/26	Thu 1/22/26	22
24		Building Slab (Ground Lvl Pour 3) - Form and Place	5 days	Fri 1/23/26	Wed 1/28/26	23,21
25		CMU Shafts and Walls	20 days	Sat 1/17/26	Mon 2/9/26	21
26		Misc Steel Members	15 days	Tue 2/10/26	Thu 2/26/26	25
27		Building Framing	60 days	Fri 2/27/26	Thu 5/7/26	26
28		**Exteriors**	**93 days**	**Wed 5/20/26**	**Fri 9/4/26**	**66,37**
29		Building Moisture Proofing / Wrap	20 days	Wed 5/20/26	Thu 6/11/26	123,66,37,152
30		Roofing/Copping	25 days	Wed 5/20/26	Wed 6/17/26	66,37
31		Unit Windows	40 days	Mon 6/1/26	Thu 7/16/26	29SS+10 days
32		Masonry / Stone	25 days	Fri 6/12/26	Fri 7/10/26	29
33		Stucco	55 days	Wed 6/24/26	Wed 8/26/26	32SS+10 days
34		Storefront Windows	20 days	Fri 7/17/26	Sat 8/8/26	32,31
35		Exterior Punch	8 days	Thu 8/27/26	Fri 9/4/26	32,33
36		**4th Floor**	**120 days**	**Mon 5/18/26**	**Sat 10/3/26**	**22,23,24,17,20,18**
37		Framing & Rough Punch	2 days	Mon 5/18/26	Tue 5/19/26	66
38		Framing Inspection	1 day	Wed 5/20/26	Wed 5/20/26	37
39		Trash Chute	3 days	Wed 5/20/26	Fri 5/22/26	37
40		Plumbing Rough/Inspection	10 days	Sat 6/20/26	Wed 7/1/26	69,37
41		Fire Protection Rough inspection	5 days	Thu 7/2/26	Tue 7/7/26	40
42		Mechanical Rough/Inspection	10 days	Thu 7/2/26	Mon 7/13/26	40
43		Electrical Rough/Inspection	9 days	Tue 7/14/26	Thu 7/23/26	42
44		Insulation	5 days	Fri 7/24/26	Wed 7/29/26	38FS+3 days,30,4
45		Drywall	10 days	Thu 7/30/26	Mon 8/10/26	44
46		Tape/Float	15 days	Wed 8/5/26	Fri 8/21/26	45SS+5 days
47		Paint - Finish	10 days	Tue 8/11/26	Fri 8/21/26	45,46SS+5 days
48		Gypcrete	3 days	Sat 8/22/26	Tue 8/25/26	47
49		Cabinets	6 days	Wed 8/26/26	Tue 9/1/26	38,45SS,46,47,48
50		Interior Doors	5 days	Wed 8/26/26	Mon 8/31/26	45SS,46,47,48
51		Ceramic Tile	6 days	Wed 8/26/26	Tue 9/1/26	47SS+10 days,48
52		Electrical Trims	6 days	Wed 8/26/26	Tue 9/1/26	48
53		Fire Protection Trims	3 days	Wed 8/26/26	Fri 8/28/26	48
54		Mechanical Trims	3 days	Sat 8/29/26	Tue 9/1/26	53
55		Light Fixtures	6 days	Wed 9/2/26	Tue 9/8/26	47,52
56		Countertops	5 days	Tue 9/1/26	Sat 9/5/26	48,49SS+5 days
57		Finish Carpentry/Hardware	12 days	Tue 9/1/26	Mon 9/14/26	44,48,50



Project: Bailey at Berkman
Construction Schedule - Prelim
Date: Thu 4/17/25

Task	Summary	Inactive Milestone	Duration-only	Start-only	External Milestone	Manual Progress
Split	Project Summary	Inactive Summary	Manual Summary Rollup	Finish-only	Deadline	
Milestone	Inactive Task	Manual Task	Manual Summary	External Tasks	Progress	

ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors
58		Resilient Flooring	7 days	Mon 9/7/26	Mon 9/14/26	47,49,56
59		Hot Punch	5 days	Thu 9/10/26	Tue 9/15/26	52,55FS+1 day
60		Window Coverings	3 days	Wed 9/9/26	Fri 9/11/26	55
61		Appliances	2 days	Tue 9/15/26	Wed 9/16/26	47,56,58
62		Plumbing Trims	6 days	Thu 9/17/26	Wed 9/23/26	61
63		Inspections	3 days	Thu 9/24/26	Sat 9/26/26	55,62
64		Punchlist and Turnover	9 days	Thu 9/24/26	Sat 10/3/26	60SS+2 days,62
65		**3rd Floor Interiors**	**131 days**	**Fri 5/15/26**	**Wed 10/14/26**	**22,23,24,17,20,18**
66		Framing & Rough Punch	2 days	Fri 5/15/26	Sat 5/16/26	95
67		Framing Inspection	1 day	Mon 5/18/26	Mon 5/18/26	66
68		Trash Chute	3 days	Sat 5/23/26	Tue 5/26/26	39
69		Plumbing Rough/Inspection	10 days	Tue 6/9/26	Fri 6/19/26	97,66
70		Fire Protection Rough inspection	5 days	Sat 6/20/26	Thu 6/25/26	69
71		Mechanical Rough/Inspection	10 days	Tue 7/14/26	Fri 7/24/26	42
72		Electrical Rough/Inspection	9 days	Fri 7/24/26	Mon 8/3/26	43,66
73		Insulation	5 days	Tue 8/4/26	Sat 8/8/26	72
74		Drywall	10 days	Mon 8/10/26	Thu 8/20/26	73
75		Tape/Float	15 days	Sat 8/15/26	Tue 9/1/26	74SS+5 days
76		Paint - Finish	10 days	Fri 8/21/26	Tue 9/1/26	74,75SS+5 days
77		Gypcrete	3 days	Wed 9/2/26	Fri 9/4/26	76
78		Cabinets	6 days	Sat 9/5/26	Fri 9/11/26	74SS,67,75,76,77
79		Interior Doors	5 days	Sat 9/5/26	Thu 9/10/26	74SS,75,76,77
80		Ceramic Tile	6 days	Sat 9/5/26	Fri 9/11/26	76SS+10 days,77
81		Electrical Trims	6 days	Sat 9/5/26	Fri 9/11/26	77
82		Fire Protection Trims	3 days	Sat 9/5/26	Tue 9/8/26	77
83		Mechanical Trims	3 days	Wed 9/9/26	Fri 9/11/26	82
84		Light Fixtures	6 days	Sat 9/12/26	Fri 9/18/26	81,76
85		Countertops	5 days	Fri 9/11/26	Wed 9/16/26	78SS+5 days,77
86		Finish Carpentry/Hardware	12 days	Fri 9/11/26	Thu 9/24/26	79,73,77
87		Resilient Flooring	7 days	Thu 9/17/26	Thu 9/24/26	76,78,85
88		Hot Punch	5 days	Mon 9/21/26	Fri 9/25/26	81,84FS+1 day
89		Window Coverings	3 days	Sat 9/19/26	Tue 9/22/26	84
90		Appliances	2 days	Fri 9/25/26	Sat 9/26/26	85,76,87
91		Plumbing Trims	6 days	Mon 9/28/26	Sat 10/3/26	90
92		Inspections	3 days	Mon 10/5/26	Wed 10/7/26	84,91
93		Punchlist and Turnover	9 days	Mon 10/5/26	Wed 10/14/26	89SS+2 days,91
94		**2nd Floor Interiors**	**140 days**	**Wed 5/13/26**	**Thu 10/22/26**	
95		Framing & Rough Punch	2 days	Wed 5/13/26	Thu 5/14/26	123,152
96		Framing Inspection	1 day	Fri 5/15/26	Fri 5/15/26	95
97		Plumbing Rough/Inspection	10 days	Thu 5/28/26	Mon 6/8/26	125,95,154
98		Fire Protection Rough inspection	5 days	Fri 6/26/26	Wed 7/1/26	70,97
99		Mechanical Rough/Inspection	10 days	Sat 7/25/26	Wed 8/5/26	71
100		Electrical Rough/Inspection	10 days	Tue 8/4/26	Fri 8/14/26	72
101		Insulation	5 days	Thu 8/6/26	Tue 8/11/26	99
102		Drywall	15 days	Wed 8/12/26	Fri 8/28/26	101,68,39
103		Tape/Float	15 days	Fri 8/14/26	Mon 8/31/26	102SS+2 days
104		Paint - Finish	10 days	Tue 9/1/26	Fri 9/11/26	102,103
105		Gypcrete	3 days	Sat 9/12/26	Tue 9/15/26	104
106		Cabinets	6 days	Wed 9/16/26	Tue 9/22/26	96,102SS,103,104
107		Interior Doors	5 days	Wed 9/16/26	Mon 9/21/26	102SS,103,104,10
108		Ceramic Tile	6 days	Wed 9/16/26	Tue 9/22/26	104SS+10 days,10
109		Electrical Trims	5 days	Wed 9/16/26	Mon 9/21/26	105
110		Fire Protection Trims	3 days	Wed 9/16/26	Fri 9/18/26	105
111		Mechanical Trims	3 days	Sat 9/19/26	Tue 9/22/26	110
112		Light Fixtures	6 days	Tue 9/22/26	Mon 9/28/26	104,109
113		Countertops	5 days	Tue 9/22/26	Sat 9/26/26	105,106SS+5 days
114		Finish Carpentry/Harware	12 days	Tue 9/22/26	Mon 10/5/26	101,105,107
115		Resilient Flooring	5 days	Mon 9/28/26	Fri 10/2/26	104,106,113



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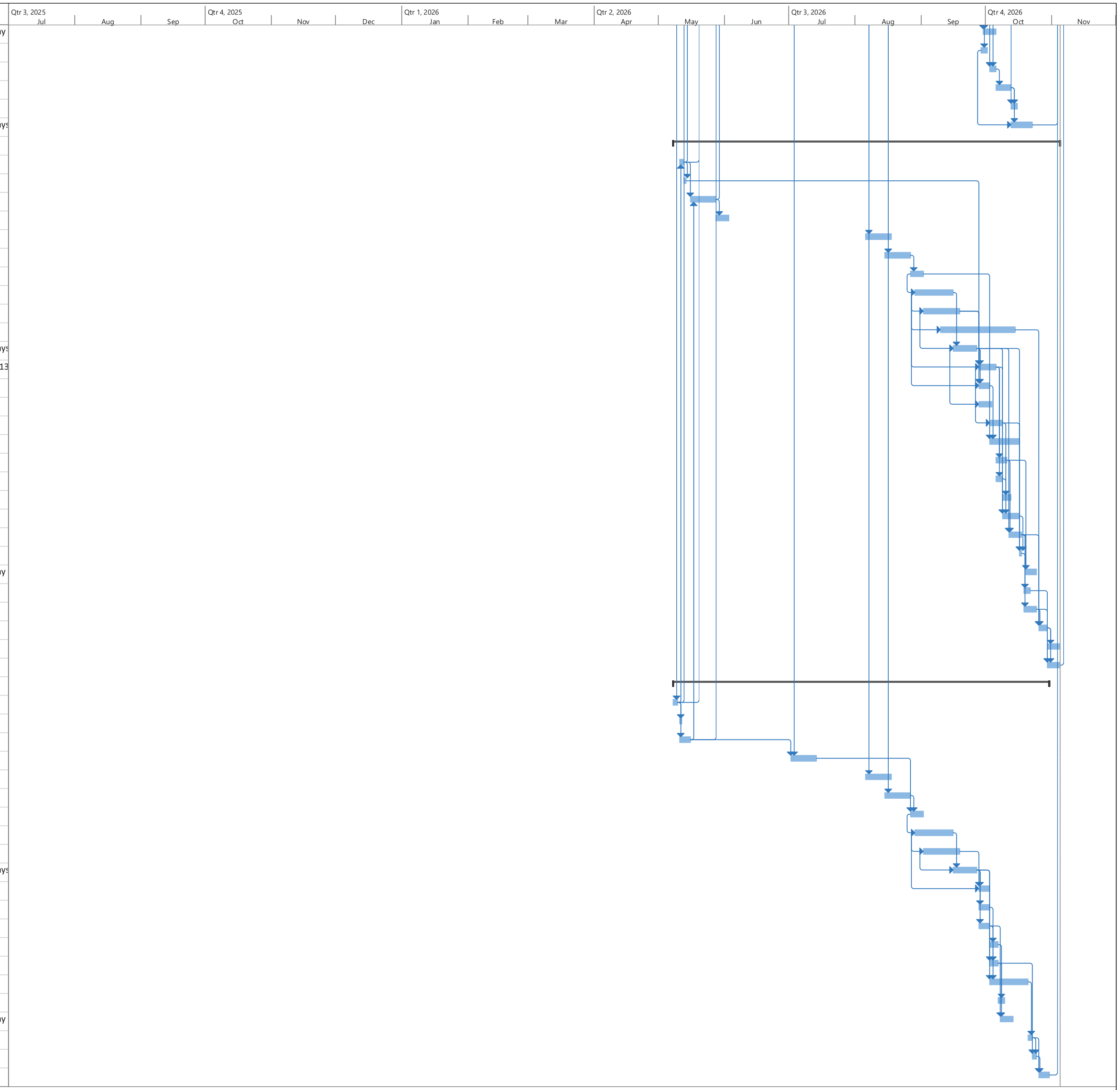
Date: Thu 4/17/25

Task	Summary	Inactive Milestone	Duration-only	Start-only	External Milestone	Manual Progress	
Split	Project Summary	Inactive Summary	Manual Summary Rollup	Finish-only	Deadline		
Milestone	Inactive Task	Manual Task	Manual Summary	External Tasks	Progress		

ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors
116		Hot Punch	5 days	Wed 9/30/26	Mon 10/5/26	109,112FS+1 day
117		Window Coverings	3 days	Tue 9/29/26	Thu 10/1/26	112
118		Appliances	2 days	Sat 10/3/26	Mon 10/5/26	104,113,115
119		Plumbing Trims	6 days	Tue 10/6/26	Mon 10/12/26	118
120		Inspections	3 days	Tue 10/13/26	Thu 10/15/26	119,112
121		Punchlist and Turnover	9 days	Tue 10/13/26	Thu 10/22/26	119,117SS+2 days
122		**1st Floor Interiors**	**155 days**	**Fri 5/8/26**	**Wed 11/4/26**	
123		Framing & Rough Punch	2 days	Mon 5/11/26	Tue 5/12/26	152
124		Framing Inspection	1 day	Wed 5/13/26	Wed 5/13/26	123
125		Plumbing Rough/Inspection	10 days	Sat 5/16/26	Wed 5/27/26	123,154
126		Fire Protection Rough inspection	5 days	Thu 5/28/26	Tue 6/2/26	125
127		Mechanical Rough/Inspection	10 days	Thu 8/6/26	Mon 8/17/26	99
128		Electrical Rough/Inspection	10 days	Sat 8/15/26	Wed 8/26/26	100
129		Insulation	5 days	Thu 8/27/26	Tue 9/1/26	128
130		Drywall	15 days	Sat 8/29/26	Tue 9/15/26	129SS+2 days
131		Tape/Float	15 days	Wed 9/2/26	Fri 9/18/26	130SS+3 days
132		Elevator Installation	30 days	Thu 9/10/26	Wed 10/14/26	130SS+10 days
133		Paint - Finish	10 days	Wed 9/16/26	Sat 9/26/26	130,131SS+3 days
134		Cabinets	7 days	Mon 9/28/26	Mon 10/5/26	124,130SS,131,13
135		Interior Doors	5 days	Mon 9/28/26	Fri 10/2/26	130SS,131,133
136		Ceramic Tile	6 days	Mon 9/28/26	Sat 10/3/26	133SS+10 days
137		Countertops	5 days	Sat 10/3/26	Thu 10/8/26	134SS+5 days
138		Finish Carpentry/Hardware	12 days	Sat 10/3/26	Fri 10/16/26	129,135
139		Electrical Trims	5 days	Tue 10/6/26	Sat 10/10/26	134
140		Fire Protection Trims	3 days	Tue 10/6/26	Thu 10/8/26	134
141		Mechanical Trims	3 days	Fri 10/9/26	Mon 10/12/26	140
142		Resilient Flooring	7 days	Fri 10/9/26	Fri 10/16/26	133,134,137
143		Light Fixtures	6 days	Mon 10/12/26	Sat 10/17/26	133,139
144		Appliances	1 day	Sat 10/17/26	Sat 10/17/26	133,137,142
145		Hot Punch	5 days	Tue 10/20/26	Sat 10/24/26	139,143FS+1 day
146		Window Coverings	3 days	Mon 10/19/26	Wed 10/21/26	143
147		Plumbing Trims	6 days	Mon 10/19/26	Sat 10/24/26	144
148		Inspections	4 days	Mon 10/26/26	Thu 10/29/26	147,143,132
149		Clubhouse Furnishings	5 days	Fri 10/30/26	Wed 11/4/26	148
150		Punchlist and Turnover	5 days	Fri 10/30/26	Wed 11/4/26	147,146,148
151		**Ground Floor Interiors**	**151 days**	**Fri 5/8/26**	**Fri 10/30/26**	
152		Framing & Rough Punch	2 days	Fri 5/8/26	Sat 5/9/26	27
153		Framing Inspection	1 day	Mon 5/11/26	Mon 5/11/26	152
154		Plumbing Rough/Inspection	5 days	Mon 5/11/26	Fri 5/15/26	152
155		Fire Protection - Pump and Pipin	10 days	Thu 7/2/26	Mon 7/13/26	154,98
156		Mechanical Rough/Inspection	10 days	Thu 8/6/26	Mon 8/17/26	99
157		Electrical Rough/Inspection	10 days	Sat 8/15/26	Wed 8/26/26	100
158		Insulation	5 days	Thu 8/27/26	Tue 9/1/26	157,155
159		Drywall	15 days	Sat 8/29/26	Tue 9/15/26	158SS+2 days
160		Tape/Float	15 days	Wed 9/2/26	Fri 9/18/26	159SS+3 days
161		Paint - Finish	10 days	Wed 9/16/26	Sat 9/26/26	159,160SS+3 days
162		Interior Doors	5 days	Mon 9/28/26	Fri 10/2/26	159SS,160,161
163		Flooring	5 days	Mon 9/28/26	Fri 10/2/26	161
164		Electrical Trims	5 days	Mon 9/28/26	Fri 10/2/26	161
165		Fire Protection Trims	3 days	Sat 10/3/26	Tue 10/6/26	164
166		Light Fixtures	3 days	Sat 10/3/26	Tue 10/6/26	161,164
167		MEP Equipment	15 days	Sat 10/3/26	Tue 10/20/26	161,163
168		Mechanical Trims	3 days	Wed 10/7/26	Fri 10/9/26	165
169		Hot Punch	5 days	Thu 10/8/26	Tue 10/13/26	164,166FS+1 day
170		Plumbing Trims	2 days	Wed 10/21/26	Thu 10/22/26	167
171		Inspections	2 days	Fri 10/23/26	Sat 10/24/26	166,170
172		Punchlist and Turnover	5 days	Mon 10/26/26	Fri 10/30/26	170,171



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Task | Split | Milestone | Summary | Project Summary | Inactive Task | Inactive Milestone | Inactive Summary | Manual Task | Duration-only | Manual Summary Rollup | Manual Summary | Start-only | Finish-only | External Tasks | External Milestone | Deadline | Progress | Manual Progress