

DEPARTMENT OF THE NAVY

NAVY REGION MID-ATLANTIC PUBLIC AFFAIRS OFFICE



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MEDIA ADVISORY

11-35

December 15, 2011

FOR IMMEDIATE RELEASE

NAVY CONTINUES TESTING AND INSPECTIONS OF LINCOLN MILITARY HOUSING

Norfolk, Va. – The Navy and Lincoln Military Housing (LMH) began testing with the contracted Marine Chemist Services out of Newport News, Va. Dec. 14, of 12 Lincoln Military homes. Nine of the 12 homes previously had testing completed by LMH contractor Apex.

The testing began yesterday of the first two homes. Navy Facilities Engineering Command expects to see the results of those tests within five business days.

Testing of the homes will continue in intervals of two per day beginning tomorrow Dec. 16 and they will hold further testing on Tuesday, Thursday and Friday of next week. The testing included mold testing in the form of visual inspections, air sampling and tape samplings.

The Navy has approval for LMH to contract any additional inspections with Froehling & Robertson, Inc. in Richmond, Virginia in order to identify homes needing further testing.

Navy Region Mid-Atlantic is responsible for the operation of Navy installations from North Carolina to Maine, and provides support programs and services for the fleet, fighter and family.

Follow Navy Region Mid-Atlantic's Facebook at <http://bit.ly/9fKiGJ> or on Twitter at <http://twitter.com/CNRMA>.

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For addition information about the Housing Forums please call the Navy's Mid-Atlantic Region Public Affairs Office at (757)322-2853.

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FOR IMMEDIATE RELEASE

11-34

December 14, 2011

Navy Outlines Actions To Solve Housing Concerns in Hampton Roads

Norfolk, VA (CNRMA) – The Navy today outlined the steps being taken in the Hampton Roads area in support of military families who have expressed concerns of mold and maintenance issues in homes managed by Lincoln Military Housing. Lincoln has owned and managed the former Navy housing communities since 2005.

- The Navy has met individually over the past several weeks with families who have come forward to make sure their immediate needs and concerns are resolved. In some cases this has involved the relocation of families.
- The Navy has hired an independent, third-party mold inspector to do thorough re-inspections of the houses that Lincoln had previously inspected.
- Navy will approve all mold inspection companies used by Lincoln.
- Tonight and tomorrow, service members and families have been invited to housing forums to meet Navy leaders, ask questions and get information about the Navy resources and advocates available to help resolve housing concerns or problems.
- The Navy is communicating with area commands, ombudsmen and family support groups to ensure they are aware of the housing resources available to support their Sailors and families at both the Fleet and Family Service Centers and Navy Housing Welcome Centers.
- The Navy is working with Lincoln to establish Resident Advisory Boards in each community that will include service members and families.

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- The Navy is increasing its oversight of Lincoln's maintenance processes to ensure responsive, effective repairs are made to the homes largely rented by military members.

The Navy acknowledged earlier that they need more oversight of the maintenance and resolution process to better ensure military families are living in comfortable, safe homes.

Service members or families members who have unresolved housing issues are encouraged to contact the Navy Housing Welcome Centers. In the Virginia Beach/Norfolk area call 1-800-628-7510. On the Peninsula call 1-800-704-5488.

The Flagship®



militaryhousing

LMH, NAVY TAKE STEPS TO ADDRESS PPV HOUSING CONCERNS

“It is important to me that you and your family feel safe and secure in your home and neighborhood.”

-Rear Adm. Tim Alexander, Commander, Navy Region Mid-Atlantic

Compiled by The Flagship Staff

NORFOLK

Lincoln Military Housing (LMH) announced, Dec. 11, an 8-point plan of immediate actions to alleviate resident's current concerns about conditions in the LMH's homes in Hampton Roads.

The announcement was made during a meeting with concerned military families, Sen. Mark Warner, Rep. Scott Rigell, Rep. Robert "Bobby" Scott and U.S. Navy officials.

"We greatly appreciate Sen. Warner's and Rep. Rigell and Scott's continued commitment to our military. We share the common goal of making the care, comfort and safety of our residents the top priority," Jarl Bliss, President of LMH said in a news release. "His actions, along with the efforts of the legislators in attendance today have garnered our full attention. We are committed to working with members of the Virginia delegation, and the Navy, to

do what is best for our military families. In keeping with that commitment, Lincoln is taking this opportunity to announce a sweeping series of new initiatives – proactive steps that will have an immediately positive impact for our residents."

The housing concerns have also become a priority for the regional commander, who immediately communicated with LMH management to better understand the facts and circumstances and to ensure that LMH is being responsive to the resident's needs in terms of providing safe and secure housing for service members and their families.

"It is important to me that you and your family feel safe and secure in your home and neighborhood," Rear Adm. Tim Alexander, Commander, Navy Region Mid-Atlantic said in a letter to military family housing residents. "To that end, I want to take a moment to let you know that the Navy family team is here to support you."



■ call us

The Mid-Atlantic region staff is asking for resident's support in resolving and identifying housing issues.

If you live in a PPV home and have concerns, your first touch point is with your community management team, the LMH staff at (855) LMH-4YOU (855-564-4968). If your issue is not resolved to your satisfaction, contact the family housing counselors at the Navy Housing Welcome Center at (800) 628-7510. If you live on the Peninsula, please call 847-7806.

Alexander stated that he will remain engaged with LMH to identify and resolve any concerns that residents may have regarding mold and/or maintenance repair issues.

"As the regional commander, I promise you the Navy Region Mid-Atlantic staff is engaged to make sure our military families are satisfied with the outcomes and aware of all resources available to resolve housing issues."

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MEDIA ADVISORY

11-33

December 12, 2011

FOR IMMEDIATE RELEASE

NAVY TO HOLD EDUCATIONAL HOUSING FORUMS THIS WEEK

Norfolk, Va. – The Navy announced today two Housing Forums will be held this week following reports by military families about the condition and maintenance of their Lincoln Military Housing (LMH) homes.

The Navy's Regional Commander, Rear Adm. Tim Alexander ordered the housing forums to ensure all residents have the opportunity to learn about what military resources are available to them to locate appropriate rental housing and resolve landlord/tenant issues. Leadership from LMH and the Navy will be in attendance along with representatives from Fleet and Family Readiness and Navy and Marine Corps Public Health.

"The health and safety of our military personnel and their families is always our highest priority." said Alexander. "Since we were first informed of this issue, we have been engaged with Lincoln Military Housing and continue to assist them in addressing these concerns. Navy staff, including engineers and technicians, along with Lincoln Military Housing staff, have visited with several residents to assess their Lincoln managed homes. The Navy will continue to work with Lincoln to insure that these issues are appropriately resolved."

The educational forums will be held from 6 p.m. to 7:30 p.m. on the following dates and locations:

- Wednesday, Dec. 14
 - Little Creek Community Center, 2156 Wellings Court, Va. Beach
- Thursday, Dec. 15
 - Castle Acre Community Center, 7853 Norfolk Crossing, Norfolk

The Navy is working with LMH, who has owned and operated the housing units on land leased from the service since 2005, to review internal procedures to ensure service members and their families concerns are identified, tracked and resolved in a timely and efficient manner.

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2/2/2
CNRMA Housing Forum
December 12, 2011

Last week the Navy began meeting individually with military families who have reported unresolved issues in their LMH homes. During those meetings the families had the opportunity to express their specific concerns with Navy officials. In addition, citing concerns from several residents that leaking windows may be responsible mildew/mold issues, the Navy is ordering independent testing of several homes.

Navy Region Mid-Atlantic encourages all Public/Private Venture residents with concerns to contact their property managers. If issues are not addressed in a satisfactory manner, resident can contact the Navy Housing Welcome Center staff and request assistance.

- USN -

For addition information about the Housing Forums please call the Navy's Mid-Atlantic Region Public Affairs Office at (757)322-2853.

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Privatized (PPV) Housing Program Frequently Asked Questions

This listing of FAQs reflects the most common military questions asked by military members and their families. The answers are provided from a Navy-wide corporate level. Some of the activity web sites may include similar FAQs and the answers to those questions may vary slightly because of local difference in the PPV Projects.

Refer back often for updates/additions to this section.

Q: What is Privatized housing?

A: Legislation passed by Congress in 1996, known as the Military Privatization Initiative (MHPI), provided a series of authorities that allows the Department of the Navy (DoN) and other military services to enter into long-term agreements with private industry to design, finance, construct, own, operate, maintain, and professionally manage public/private housing ventures. PPV housing may be located on or off government property and may be former military housing.

The basic concept of PPV is the formation of a Limited Liability Company (LLC) between the DoN and a private company. The private company secures the necessary financing and, as the majority member in the LLC, is responsible for the replacement, renovation, maintenance, management and operation of the conveyed Navy housing homes. The Navy, as a minority member in the LLC, maintains a vested interest in ensuring that quality housing is available to service members and that the housing is fully sustained for the life of the 50-year agreements. Under the PPV plan, the service member signs a lease and makes monthly rent payments to the LLC using the service member's Basic Allowance for Housing (BAH) entitlement, which covers rent, utilities and renter's insurance.

If there is a lack of demand by military families and other preferred referrals, the LLC may seek civilian tenants (after 30 days).

Q: Who is privatizing their housing?

A: All of the services: Navy/USMC, Army and Air Force are privatizing their housing. You can see all the locations that have been privatized and are scheduled for privatization at the OSD website.

Q: Why did the Navy privatizing their housing?

A: DoD began privatization of family housing after the Military Housing Privatization Initiative (MHPI) legislation was passed in 1996 in an effort to have private industry borrow funds to recapitalize current infrastructure. In turn, the PPV company, in this case Lincoln Military Housing, signs a lease with the military member and receives the members BAH for rent.

Privatization has allowed the DoN to leverage private investment to more quickly improve the family housing inventory. In addition, resident satisfaction scores have trended

dramatically up across the entire program and in the Mid-Atlantic privatization portfolio specifically.

The Mid-Atlantic Military Family Communities, LLC (MAMFC) was established in August 2005. LMH, a nationwide leader in providing military housing, is the managing member. MAMFC owns and operates a portfolio of nearly 6,000 homes in the Hampton Roads, DC, Northern Virginia, and Maryland areas. In pursuing privatization, the DoN displays its steadfast commitment to providing quality and affordable homes for military families

Q: How is privatized housing similar to military housing?

A: A few of the similarities are:

- Zero out of pocket expenses for residents; rent is based on BAH.
- You will continue to live in a military community.
- Government pays for the cost of moves into PPV units for eligible service members.
- You will continue to go to the Housing Welcome Center for housing information.
- The Housing Welcome Center will receive your application for PPV housing and will refer you to the Property Management Company.

Q: How is privatized housing different from military housing?

A: Units are managed and operated by a private property management company.

- You must sign a lease. The lease will include a "military clause".
- You will receive BAH and pay rent directly to the property manager.
- The property management company handles all resident matters, including maintenance.

Q: What is the Navy's role and responsibility with a PPV partner when residents are not satisfied with Lincoln's response to their concerns?

A: If a resident has a concern about their unit or neighborhood, their primary contact is with the local Mid-Atlantic Military Family Communities (MAMFC) community/property manager (not unlike if living in housing in the local surrounding economy). If the resident is dissatisfied with the property management response and has exhausted other avenues with their landlord such as raising the issue to higher levels within the company, the member can contact a Navy representative at the Housing Welcome Center and speak with a military liaison who is trained in Landlord-Tenant relations. The liaison will work with the PPV partner and resident to resolve any issues. If the issue is still un-resolved, the tenant can seek assistance from the Navy Legal Service Office (NLSO), as well as raise the concern with his/her command. This is the case with all military members and their landlords, not just PPV.

The Navy provides oversight of the project by conducting annual condition inspections of the property (with Navy Facilities Engineering Command (NAVFAC) and Lincoln Military Housing (LMH) leadership.). However, they do not visit an occupied unit. The Navy monitors development, construction and renovations, as well as reviews financial statements of the PPV to protect the DoN's investment. LMH has responsibility for day-to-day management of the business entity and running the company, in accordance with the business agreements that were developed.

Q: How long has the Navy had a partnership with Lincoln Military Housing?

A: Since August 2005.

Q: Why is Lincoln Military Housing in all of the Navy Welcome Centers?

A: Lincoln has a small office in the Hampton Roads Service Center which the Navy owns. Since the outside economy is the primary source of housing in the Hampton Roads area. The Navy maintains the Welcome Center to provide housing options to the more than 54,000 Navy and military members in the area, and provides a preferred referral to Lincoln Military Housing. If the military member chooses to rent with Lincoln, the convenience of their office at the Welcome Center makes for a one stop shop to sign their lease. The other housing offices were conveyed to Lincoln when privatization began in 2005 and they now own them.

Staff at the Welcome Center provides assistance to over 30,000 customers in the Center annually, as well as thousands of internet and phone requests.

Q: How do you monitor/track the satisfaction of residents in PPV housing?

A: We have a process in place to monitor customer satisfaction and partner performance via survey tools, meetings and community service events. The last annual customer survey was October 2010 – the annual survey is currently underway; the last Community Service Event in Norfolk Crossing was Oct. 18, from 6-8 p.m.

The annual survey is conducted by CEL & Associates, a third party survey, with objective standards and conducted by real estate industry standards. The three primary benchmarks by which properties are evaluated are Overall Satisfaction; Property Satisfaction; and, Service Satisfaction.

Medical/health issues

Q: What is mold?

A: Mold is a fungus that can be found both indoors and outdoors. No one knows how many species of fungi exist but estimates range from tens of thousands to perhaps three hundred thousand or more. Molds grow best in warm, damp, and humid conditions, and spread and reproduce by making spores. Mold spores can survive harsh environmental conditions, such as dry conditions, that do not support normal mold growth.

Q: Where are molds found?

A: Molds are found in virtually every environment and can be detected, both indoors and outdoors, year round. Mold growth is encouraged by warm and humid conditions. Outdoors they can be found in shady, damp areas or places where leaves or other vegetation is decomposing. Indoors they can be found where humidity levels are high, such as basements or showers and can be due to leaking air conditioners, leaking windows, poorly vented bathrooms, or it may be a plumbing problem or roof leak.

Q: How do molds affect people?

A: Some people are sensitive to molds. For these people, exposure to molds can cause symptoms such as nasal stuffiness, eye irritation, wheezing, or skin irritation. Some people, such

as those with serious allergies to molds, may have more severe reactions. Severe reactions may occur among workers exposed to large amounts of molds in occupational settings, such as farmers working around moldy hay. Severe reactions may include fever and shortness of breath. Some people with chronic lung illnesses, such as obstructive lung disease, may develop mold infections in their lungs. In 2004 the Institute of Medicine (IOM) found there was sufficient evidence to link indoor exposure to mold with upper respiratory tract symptoms, cough, and wheeze in otherwise healthy people; with asthma symptoms in people with asthma; and with hypersensitivity pneumonitis in individuals susceptible to that immune-mediated condition. The IOM also found limited or suggestive evidence linking indoor mold exposure and respiratory illness in otherwise healthy children.

Q: What should a resident in PPV housing do if they believe conditions in their home is affecting their health?

A: If a military member of their family has a concern about their health, they should seek medical attention from their health care provider.

If they believe their health concerns stem from conditions in their home, they should promptly bring this to the attention of the property management team. Each resident signs a lease, including a mold addendum, noting that it is important for the owner and the resident to work together to minimize any mold growth on the premises and outlining the responsibilities of both the resident and the owner. The Navy's role is to ensure that the business agreements, which require compliance with applicable laws, are followed and resident concerns are fairly and appropriately resolved.

If a resident has a concern about their unit or neighborhood, the first thing he/she should do, as a tenant, is to contact their property manager (not unlike if living in an apartment complex that is a non Navy PPV). If that does not yield expected results from the tenant, the member can contact a representative at the Navy Welcome Center and speak with a trained military liaison. Military Liaison's are trained in Landlord-Tenant relations. The liaison will work with the PPV partner to try and resolve any issues. If the issue can still not be resolved, the tenant can seek assistance from the Navy's Legal Service Office (NLSO), as well as raise the concern with his/her command. This is the case with all military members and their landlords, not just PPV.

FOR IMMEDIATE RELEASE

December 12, 2011

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**LINCOLN MILITARY TAKES IMMEDIATE ACTIONS
TO ADDRESS HOUSING ISSUES**

*Steps Announced During Meeting With Legislators
And Military Families in Norfolk*

[Norfolk, VA] [December 11, 2011] – Lincoln Military Housing (LMH), in partnership with the Navy, today announced an eight-point plan of immediate actions to alleviate resident's current concerns about conditions in the company's homes in Hampton Roads.

The announcement was made during a meeting with concerned military families, Senator Mark Warner, Congressman Scott Rigell, Congressman Bobby Scott and United States Navy officials.

"We greatly appreciate Senator Warner's, and Congressman Rigell and Scott's continued commitment to our military. We share the common goal of making the care, comfort and safety of our residents the top priority" Jarl Bliss, President of LMH, said. "His actions, along with the efforts of the legislators in attendance today have garnered our full attention. We are committed to working with members of the Virginia delegation, and the Navy to do what is best for our military families. In keeping with that commitment Lincoln is taking this opportunity to announce a sweeping series of new initiatives – proactive steps that will have an immediately positive impact for our residents."

Specifically, Lincoln:

1. Appointed a full-time Chief Customer Service Officer (CCSO) for its Mid-Atlantic family housing on December 9, 2011.
2. Will recruit a current resident of LMH housing in Hampton Roads to serve as a family housing advocate with unlimited direct access to the CCSO.
3. Put in place a new toll free number (855-LMH-4YOU) (855-564-4968) for residents with issues or concerns they feel need to be addressed.
4. Effective immediately and at the company's expense, Lincoln will offer a mold inspection using certified independent mold inspectors designated by the Navy to any resident who requests the service.
5. Will deploy a task force of special Lincoln maintenance teams and Navy personnel, starting today, December 12, 2011 to conduct interior life safety and water intrusion inspections of all Hampton Roads homes.
6. Will hire an independent, licensed professional engineering firm to survey the condition of aged building exteriors and address any systemic issues that could result in water infiltration.
7. Has hired respected and recognized experts to conduct a top-to-bottom review of current Lincoln maintenance and communication policies and procedures. The conclusions of this analysis will be reported directly to senior Lincoln management, the CCSO and the Navy.
8. Update training for all Lincoln maintenance teams to ensure that they properly communicate with residents.

“In addition to the actions I announced today, we will actively seek resident’s ideas on how to improve our program,” Bliss continued. “That started at today’s meeting. My staff and I took plenty of notes that we will bring back to the entire Lincoln team and be made part of the top-to-bottom review we are conducting.”

Lincoln currently manages 4,381 homes in the Hampton Roads area serving military families. Since taking over Navy-owned and managed housing in 2005, more than 14,600 families have lived in these Lincoln Hampton Roads communities.

Since 2001, Lincoln Military Housing has developed and managed more than 31,000 military family homes across the country working closely with all levels of the armed services including Navy, Marine Corps, Army and Air Force leaders, to create a new and improved standard of military housing.

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For additional information, please contact Dan Rene of Levick Strategic Communications at 202-973-1325 or drene@levick.com