

DEPARTMENT OF THE NAVY

NAVY REGION MID-ATLANTIC PUBLIC AFFAIRS OFFICE



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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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CNRMA Housing Forum
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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.

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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.

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

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.