Military Housing Privatization Initiative Program Evaluation Report

May 2019

Reporting Period:
October 1, 2016 – September 30, 2017

Department of Defense
Office of the Assistant Secretary of Defense
for Sustainment

The estimated cost of this report or study for the Department of Defense is approximately $672,000 in Fiscal Years 2018 - 2019. This includes $560,000 in expenses and $112,000 in DoD labor.
Generated on 2019Feb15
RefID: 5-EDA5D98

Executive Summary

Military Housing Privatization Initiative (MHPI) Program Evaluation Report

Reporting Period: October 1, 2016 – September 30, 2017

Office of the Assistant Secretary of Defense (Sustainment)

Overview

This Military Housing Privatization Initiative (MHPI) Program Evaluation Report (PER) covers the reporting period: October 1, 2016, through September 30, 2017 (Fiscal Year (FY) 2017), and includes information on MHPI project implementation, operations, and long-term financial stability.

This report also provides information on overall tenant satisfaction, as requested in House Report 114-497, accompanying H.R. 4974, the Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2017.

In addition, this PER provides supplemental FY 2017 information in response to an annual reporting requirement contained in section 2884(c) of title 10, United States Code (U.S.C.), which requests the status of six oversight and accountability measures for military housing privatization projects.

The Office of Secretary of Defense (OSD) designed the PER as a tool to document and evaluate the performance of MHPI projects, with emphasis on the ongoing and long-term operations and financial health of privatized housing, as well as program management of the overall MHPI portfolio.

This report is based on information provided to OSD by the Military Departments.

Program Status Summary

MHPI PROGRAM STATUS	Oct 2016 through Sep 2017
Privatized Family Housing (FH) Units	204,000
Privatized Unaccompanied Housing (UH) Apartment Units / Bedrooms	4,700 / 8,500
Privatized Lodging Guestrooms	14,400
Inadequate FH Units Eliminated	141,000
Deficit Reduction FH Units Constructed	18,000
Deficit Reduction UH Units / Bedrooms	3,700 / 6,600
Deficit Reduction Lodging Constructed	0
Project Initial Development Period Completed (for the 87 Current Projects)	69 of 87
Planned FH New Construction Completed (%)	99%
Planned FH Renovation Completed (%)	99%
Planned UH New Construction Completed (%)	100%
Planned UH Renovation Completed (%)	100%
FH Occupancy (%)	93%
FH Waterfall Tenants as a % of Available Rental Units	9%
UH Occupancy (%)	93%
Average Tenant Satisfaction Rating for MHPI Housing	87%
Lodging Guest Room Occupancy (%)	72%
Projects Making Scheduled Debt Payments	100%
Projects Making 100% of Scheduled Reinvestment Deposits (Used for Future Redevelopment)	65%

Table of Contents

LIST OF APPENDICES AND ATTACHMENTS

MHPI PROGRAM EVALUATION REPORT

REPORTING PERIOD: OCTOBER 1, 2016 - SEPTEMBER 30, 2017

I. INTRODUCTION

The Office of the Secretary of Defense (OSD) Program Evaluation Report (PER) includes detailed information submitted by each of the Military Departments regarding the performance of their Military Housing Privatization Initiative (MHPI) project portfolios. The OSD uses this information to monitor program progress, conduct financial and performance oversight, and implement program improvements. This executive report provides contextual information and summary statistics about the MHPI program's health and status, based on information submitted by the Military Departments for the reporting period October 1, 2016, through September 30, 2017 (FY 2017).

Appendix A includes 12 attachments (**Attachments A1** through **A12**) that contain graphs and tables to provide additional detail about the MHPI program for FY 2017. The report in response to section 2884(c) of Title 10, United States Code (U.S.C.) is provided as **Attachment A1** for FY 2017.

II. FAMILY HOUSING DEVELOPMENT PROGRESS

The initial development scope (construction and renovation) required by MHPI project owners to bring homes to adequate condition is executed during the initial development period (IDP). During the IDP, the project owners eliminate inadequate housing and the projects are right-sized by either eliminating excess housing or by constructing additional homes to ensure the current housing requirement for each installation is met. The term of the IDP is generally five to 10 years, depending upon the number of required new homes, the existing condition of homes to be renovated, and the amount of resources available to fund the development. As of September 30, 2017, 64 of 79 existing privatized family housing projects and five of seven existing privatized unaccompanied housing (UH) projects have completed their IDPs.

Attachment A3 identifies, on a project basis, the original approved scope and current project scope resulting from changes during the IDP, as of the end of FY 2017. **Attachment A4** contains tables that graphically illustrate how completed IDP construction and renovation for the last several reporting periods compares to IDP construction and renovation scheduled for delivery through the end of FY 2017. As demonstrated in the table, the MHPI program has been very successful at achieving development goals on time.

Now that most of the Department of Defense's (DoD) family housing in the U.S. has been privatized, the MHPI program focus is shifting to the ongoing task of managing and monitoring the Government's long-term interests in the portfolio. For the remaining term of each MHPI project agreement/ground lease, homes will continue to be maintained, renovated, and replaced, and project development scopes may be adjusted to meet changing requirements and market conditions.

DEVELOPMENT PERFORMANCE HIGHLIGHTS FOR FISCAL YEAR 2017

As of September 30, 2017, cumulative MHPI program development in the family housing portfolio included approximately 76,400 new or replacement homes and about 51,700 major/medium renovations to existing homes. On a portfolio level, actual deliveries of new homes through September 2017 totaled more than 99 percent of pro forma (scheduled/planned) deliveries, and completed major/medium home renovations totaled more than 99 percent of pro forma (scheduled/planned) completions. (Refer to **Attachment A4** for more information.)

III. FAMILY HOUSING OPERATIONS AND FINANCIAL PERFORMANCE

As more MHPI projects complete their IDPs, the OSD's focus is shifting from monitoring construction and renovations to an increased emphasis on monitoring project viability over the typical 50-year lease term, to include project financial indicators, operational performance, and long-term recapitalization. The primary tasks for OSD and the Military Departments for the next 40 years are ensuring that:

- ✓ Project owners meet their financial and operational obligations
- ✓ Projects remain financially viable and provide adequate funds for long-term recapitalization
- ✓ Projects continue to address changing requirements and market conditions
- ✓ Military members and their families have access to quality, affordable housing in which they choose to live

MHPI projects are market-driven private ventures that utilize a mix of government and private financing for project development and rental income to fund project maintenance, operations (including debt payments), and recapitalization. Private financing of MHPI projects is subject to similar covenants as a typical large-scale private-sector development project, and the MHPI projects are affected by the same cyclical economic trends as other multifamily projects. Most MHPI projects perform as expected; however, like the private sector, some experience financial challenges that result from unfavorable economic fluctuations. MHPI project owners/partners work with the Military Departments in a true public private partnership to minimize any potential adverse impacts from the cyclical housing market and/or military changes to ensure the financial viability of the projects.

BASIC ALLOWANCE FOR HOUSING (BAH)

Variations in housing rental rates in the local community influence Service members' BAH at a given installation. Since rents charged to military tenants of privatized housing are generally based on the Service member's BAH at that installation, and changes in rental rates in the surrounding community affect BAH levels, changes in local rents also indirectly but significantly affect MHPI project cash flows. In recent years, several installations have experienced slower rates of BAH growth, and some have experienced decreases in BAH levels due to decreases in local housing costs. In addition to market changes impacts on BAH, DoD-level decisions also influence BAH. For example, DoD requested and received congressional authorization to reinstate a Service member out-of-pocket cost-sharing element as part of BAH starting with the 2015 calendar year. The BAH out-of-pocket amount was one percent in the calendar year (CY) 2015 and increases one percent annually until it reaches a maximum of five percent in CY 2019. Implementation of the out-of-pocket amount results in slightly lower revenue growth (compounded over time) than the future revenue growth projected at project closing, but is just one factor impacting BAH calculations.

While a moderate one or two-year BAH decrease may not result in an overwhelming financial impact on an individual project, each project must still develop short- and long-term strategies if BAH rates decline. The short-term corrective action plans developed by most MHPI projects typically involve (i) an increase in marketing efforts to improve occupancy; and (ii) a reduction in operating costs by deferring maintenance, eliminating non-critical services to residents, and/or reducing labor costs. Key stakeholders (e.g., private developer/property manager) continuously evaluate financial impacts to their privatization project and determine how to balance current operational expenditures against future financial stability, with a focus on ensuring that funds will be available to maintain homes to competitive market standard.

OCCUPANCY

The Military Departments monitor the current financial health and performance of housing privatization projects primarily based on two performance metrics: occupancy rates and the debt service coverage ratio (DSCR). Occupancy rates in a residential project serve as an indicator of both the financial stability of the project and the desirability of the homes.

Because occupancy directly affects financial performance and serves as an indicator of tenant satisfaction, project owners must aggressively focus on occupancy to maintain strong performance or reverse negative trends.

At installations with privatized housing, Service members receive BAH and they choose where to reside, whether in privatized housing or another private sector housing. The fact that occupancy rates remain greater than 93 percent program-wide demonstrates a high level of Service member satisfaction and overall success in providing suitable and desirable housing. (Refer to **Attachment A5** for more information on MHPI occupancy and **Attachment A8** for more information on tenant satisfaction.)

The economic risk for each MHPI project is borne by the private-sector developers and lenders. If the project cannot attract a sufficient number of military families due to changing circumstances or factors beyond their control (such as extended deployments, force realignments, market fluctuations, etc.), they use the alternative tenant waterfall (a priority listing of who may lease the homes) to help ensure the project has sufficient ongoing occupancy. **Attachment A5** shows the degree to which the alternative tenant waterfall was used and the additional tenant groups residing in MHPI family housing as of September 30, 2017. The percentage of alternative tenants remains small compared to the number of military families the program serves.

OPERATIONAL PERFORMANCE HIGHLIGHTS FOR FISCAL YEAR 2017

As of September 30, 2017, MHPI tenants occupied 93 percent of homes available to be leased, approximately the same level as the previous year. Military families comprise approximately 90 percent of those MHPI tenants; the remaining 10 percent are military unaccompanied and other waterfall tenant groups. (Refer to **Attachment A5** for more information.)

DEBT SERVICE COVERAGE RATIO

The second primary metric that the Military Departments use to monitor financial performance of housing projects is the debt service coverage ratio (DSCR, also referred to as the debt coverage ratio, or DCR). The exact calculation of DSCR varies slightly from project to project, depending on the private-sector lender's requirements and transaction-specific circumstances such as the priority of payment in the cash flow waterfall. The DSCR calculation specifies a measurement of a project's cash available to pay principal and/or interest on a debt obligation over a specified period. A DSCR of 1.25 implies that a project's available cash is 25 percent greater than its debt service requirements. A DSCR below 1.0 ratio implies that a project's cash flow is insufficient to cover the project's debt service requirements (principal and/or interest).

To ensure the financial safety of their debt, commercial lenders commonly require a minimum DSCR for any loan. Lender DSCR minimum requirements range from 1.10 to 1.25, depending on the project's risk profile; when the DSCR falls below the minimum requirement over a period, the lender may require budget approval rights and/or can require that additional project cash flow be diverted to a special debt service reserve account. Alternatively, MHPI project Government Direct Loans (usually in a subordinate position to a project's private senior debt) are typically sized to provide a minimum 1.05 project combined DSCR (i.e., a project's cash flow in relation to the combined debt service of the senior and junior debt equals at least 1.05). The lower DSCR implies additional risk to the Government lender. **Attachment A6** identifies the actual average DSCRs and minimum project loan DSCRs required to avoid default for those projects that have completed their IDPs at the end of FY 2017.

PROJECT SUSTAINABILITY AND OVERALL HEALTH OF THE MHPI PROGRAM

Given that previous DoD housing privatization programs encountered sustainability issues soon after implementation, the designers of the MHPI authorities and the resulting Military Departments' privatization programs developed tools that build in flexibility to address sustainability issues right into the Military Departments' MHPI program models. Each housing project in an MHPI program was implemented with a 50-year pro forma financial model that incorporated thousands of assumptions about development, operations, and financing that may have changed over time. These changes in assumptions reflect actual market conditions or adjustments to military requirements, and therefore some mid-term adjustments to those original project pro formas are to be expected. Most of the MHPI projects have been able to navigate these changes with minimal to moderate adjustment to their pro forma models, but some projects have encountered significant changes affecting development, operations, or financing that may limit the project's ability to recapitalize the housing assets at some point during the 50-year project life cycle. Preserving a project's ability to recapitalize its housing assets is the main determinant of successful project sustainment.

The bellwether metrics used by MHPI managers to determine when a project's ability to recapitalize its housing assets is at risk are (a) occupancy rates and (b) DSCRs. As discussed in an earlier section, a persistent inability to meet pro forma occupancy targets indicates a mismatch of the available project housing inventory and what type of housing military families want and are willing to pay for. When occupancy challenges result in rental revenue decreases that cannot be offset by cutbacks in operating expenses, a project's ability to pay debt service is challenged, as indicated by a low DSCR. Even if a project is able to continue operations and make debt service payments, persistent underperformance versus pro forma expectations for occupancy and DSCR leads to shortfalls in reinvestment savings deposits that are used for recapitalization and revitalization of the housing assets during its 50-year project life cycle. This dynamic is at the heart of the assessment of a project's sustainability.

The Military Departments continually collaborate with the MHPI project owners/partners in a public private partnership to create and revise plans to resolve outstanding project sustainability issues by improving financial and operational performance. This includes the MHPI private sector owners conducting re-forecasting analyses to ascertain the project's long-term ability to complete its targeted revitalization scope, remain competitive, and sustain MHPI program success over its 45- to 50-year life span. The Military Departments work with the project owners/partners in collaboration to pursue solutions with the goal of protecting the Government investment and ensuring MHPI program success over the long term.

The Military Departments assess the short-term financial viability and long-term housing asset sustainability outlook for each MHPI project using the following assessment ratings:

> Green – Project has no operating or capital challenges that could adversely impact operational performance, financial viability, and asset sustainability. All facilities are expected to remain adequate over the life of the project.
>
> Yellow – Project has some operating and/or capital challenges that could adversely impact operational performance, financial viability, and asset sustainability. Certain adjustments have been and/or will be made to original plans to enhance the likelihood that all facilities remain adequate.
>
> Red – Project has significant operating and/or capital challenges that threaten short-term project financial viability and long-term housing asset sustainability. Corrective actions have been and/or are being taken to improve project viability, but it is unlikely that the housing will remain adequate without restructure, additional funding support, and/or other intervention.

PROJECTS WITH PERFORMANCE CHALLENGES

The respective Military Departments assessed their respective projects based on their interpretation of the categories above. The following MHPI projects were rated Red in the short term as of the end of the fiscal year:

Military Department	Project	Primary Near-Term Performance Issue
Army	Fort Hood	Lower-than-projected occupancy due to reductions in force.
Army	Fort Irwin / Moffett / Parks	FY 2017 10% BAH increase has not yet offset effects of sustained low BAH growth rates due to local economic conditions. Persistent occupancy challenges correlating to Fort Irwin's geographic isolation.
Army	Fort Knox	Lower-than-projected occupancy due to reductions in force.
Navy	Midwest	Revenue and operating expense challenges.
Navy	South Texas	Lower-than-projected occupancy due to hurricane damage that required the evacuation and lease termination of off-base homes.
Air Force	Robins Air Force Base (AFB) I	Revenue and operating expense challenges. Capital Repair and Replacement funding shortfalls are projected.
Air Force	Offutt AFB	Revenue and operating expense challenges. Capital Repair and Replacement funding shortfalls are projected.
Air Force	Scott AFB	Capital Repair and Replacement funding shortfalls are projected.
Air Force	BLB Group	Capital Repair and Replacement funding shortfalls are projected.

OVERALL HEALTH OF THE MHPI PROGRAM

The life cycle of the MHPI program is analogous to the three distinct phases of an MHPI project's life cycle:

Initial Development Phase – This phase is typically planned for the initial five to 10 year period after project close. With 99 percent of the initial development complete, more than 62 percent of the program portfolio is either newly constructed or received a major renovation. More than $22.8 billion of private capital was financed or invested by the private sector along with an additional $3.4 billion of government funding (through a combination of equity investments, direct loan and loan guarantee subsidies, and differential lease payments), generating more than $32.0 billion of development scope, a ratio of eight to one that significantly surpasses the MHPI program's original internal DoD requirement of three to one.

Sustainment Phase – This phase begins after the IDP where ongoing operation of the asset and planned capital repair and replacement is the norm as the project pays down the initial financing and begins to save for the next major recapitalization development period, which will likely occur around year 25 to year 30 of the project. While the MHPI program is in the early stages of this phase, the program remains very healthy with strong occupancy across the portfolio, positive resident satisfaction, and, for the most part, strong cash flows to support the initial debt taken down by the projects. The projects of the most concern at this point in the phase are those that were highly leveraged at the outset, most notably the projects with Government Direct Loans (GDLs) in addition to their private debt. This leverage increases the risk that the project might lack sufficient funding to cover project debt in the event that cash flows are lower than expected. This can occur due to lower than expected occupancy or BAH rental income and/or higher than anticipated operating costs. Given that debt service is generally a higher priority than sustainment and/or recapitalization reserves in the cash flow waterfall, higher leverage projects may have difficulty meeting these long-term needs if not monitored carefully. The focus of oversight in situations where the GDL is at risk is on restructuring or modifying the GDL to ensure, first and foremost, maximization of the total return to the Government while still supporting the sustainability of the MHPI project.

Recapitalization Phase – Recapitalization of the assets at the appropriate time in the life cycle is a bellwether measure of the overall success of the MHPI program. At this time, it is too early to assess success as there is significant time remaining in the Sustainment Phase and there are many changes to each project that impact the funds available at the time recapitalization of individual project assets begins. To be sure, the management of the projects includes frequent forecasting of funds available in relation to anticipated costs of recapitalization. In addition, the MHPI authorities and the existing project structures provide adequate tools to address potential funding shortfalls. As such, the expectation is that the overall program will remain healthy as we approach and proceed through this phase.

While the MHPI program is very healthy at this time, it is still early in the overall life cycle of the program. To ensure continued health and success, long-term government oversight of the program is critical. The private sector brings exceptional experience and expertise to perform a non-core function for the Department of Defense. However, it must be recognized that the Government's interests are not always aligned with the private sector, and oversight and engagement is required and expected in a public-private partnership over the long term to ensure success.

GOVERNMENT CONTRIBUTIONS

GOVERNMENT EQUITY INVESTMENTS

As of the end of FY 2017, Government equity investments totaling approximately $3.4 billion had been made to 45 family housing projects and approximately $79.7 million had been made to two unaccompanied housing projects.

DIFFERENTIAL LEASE PAYMENTS

As of the end of FY 2017, Government differential lease payment commitments totaling approximately $32.8 million had been made to four family housing projects.

The remaining balance of the differential lease payments to be paid to the projects in future fiscal years is $0.5 million.

GOVERNMENT DIRECT LOANS

As of the end of FY 2017, outstanding GDL balances at 27 family housing projects totaled more than $1.7 billion.

The remaining balance of the GDLs available to be disbursed to the projects in future fiscal years is approximately $227.5 million.

GOVERNMENT LIMITED LOAN GUARANTEES

As of the end of FY 2017, outstanding Government guaranteed loan balances at nine family housing projects totaled more than $960.4 million.

The remaining balance of the guaranteed loans expected to be disbursed by the private sector to the projects in future fiscal years is approximately $40.9 million.

Further information on the type(s) of Government contribution(s) received by each MHPI project can be found in **Attachment A9**.

ACQUISITION, DIVESTMENT AND OTHER TRANSACTIONS

HIGHLIGHTS FOR FISCAL YEAR 2017

Military Department	Project	Description
Army	Joint Base (JB) Lewis-McChord	During FY 2017, Equity Residential sold its ownership interest in the MHPI portfolio to Lincoln Property Company. Lincoln is an MHPI project owner with existing projects in the Army and Navy MHPI portfolios. The sale included Equity's ownership interests in the JB Lewis-McChord, WA, privatized housing project in the Army MHPI portfolio. This project will continue to be managed, operated, and reported as part of the Army MHPI portfolio.
	Fort Wainwright - Fort Greely	During FY 2017, the Army completed the restructure of the Fort Wainwright-Fort Greely MHPI project's private loan, necessitating a modification to the underlying limited government loan guarantee (GLG).
Navy	Naval Station (NS) Everett II	During FY 2017, the Navy completed the sale/divesture of the NS Everett II, WA, project; as such, this project is no longer part of the Navy's privatized housing portfolio. As one of the DoD's early projects that transitioned to the MHPI portfolio in 2000, this project, comprising the deficit construction of 288 homes outside the installation and managed by Gateway Development Group and CED Military Group, was originally envisioned to have a 30-year project term.
Air Force	Air Combat Command (ACC) Group II	During FY 2017, the Office of Management and Budget (OMB) approved a restructure of the ACC Group II project that included an administrative workout of the GDL to address a projected debt service shortfall due to persistently low BAH growth. The Air Force finalized the restructure in July 2017.
	Nellis AFB	During FY 2017, OMB approved a restructure of the Nellis AFB MHPI project that included an administrative workout of the GDL to address ongoing GDL debt service shortfalls. The private sector MHPI project owner had been making short-term equity contributions to ensure sufficient funding was available to pay debt service. The Air Force finalized the restructure in June 2017.

IV. UNACCOMPANIED HOUSING

The Army's unaccompanied housing (UH) program includes privatized UH assets at five installations (Forts Irwin, Bragg, Stewart, Drum, and Meade), with a combined end state of 1,590 privatized apartments (2,408 bedrooms) after the IDPs are completed. The Navy has executed two UH projects – one at Naval Station San Diego, California, and another in Hampton Roads, Virginia – with a combined end state of 3,112 privatized apartments (6,080 bedrooms). The Navy's pilot projects were authorized under the National Defense Authorization Act of FY 2003 that provided the Navy additional UH authorities. Occupancy rates that are consistently high across the program demonstrate a high level of Service member satisfaction and overall success in providing suitable and desirable housing.

DEVELOPMENT PERFORMANCE HIGHLIGHTS FOR FISCAL YEAR 2017

As of September 30, 2017, cumulative MHPI program development in the UH portfolio includes 3,651 new or replacement UH units and 39 major/medium renovations to existing UH units. On a portfolio level, actual deliveries of units to date totaled 100 percent of pro forma (scheduled/planned) deliveries and completed major/medium home renovations to date totaled 100 percent of pro forma (scheduled/planned) completions. Completed UH unit/bedroom development by Military Department can be found in **Attachment A7**.

OPERATIONAL PERFORMANCE HIGHLIGHTS FOR FISCAL YEAR 2017

As of September 30, 2017, MHPI tenants occupied more than 93 percent of UH units available to be leased, just below the occupancy rate of the previous year. UH unit and bedroom occupancies by Military Department can be found in **Attachment A7**.

V. TENANT SATISFACTION WITH PRIVATIZED HOUSING

Given the DoD's objective of improving the quality of life for its Service members, the degree of satisfaction military families experience in privatized housing is a critical indicator of overall program success. The Military Departments and project managers conduct tenant surveys to help assess the quality of privatized housing. To help interpret results, the Military Departments and project managers code surveys based on whether the respondent resides in a newly constructed home, a renovated home, or an unrenovated home.

PERFORMANCE HIGHLIGHTS FOR FISCAL YEAR 2017

The overall tenant satisfaction rating in FY 2017 remained at 87 percent, approximately the same as the previous year. **Attachment A8** summarizes the satisfaction results collected for the program for FY 2017. Tenant satisfaction survey results by project for FY 2017 can also be found in **Attachment A8**.

VI. LODGING

Using the same MHPI authorities, the Privatization of Army Lodging (PAL) program is the Army's chosen approach to recapitalize and sustain its on-post transient lodging facilities in the U.S. The PAL program is critical to the Army's mission as the lodging source for institutional trainees and other official travelers. The PAL program capitalizes on the success of the Army's privatized family and unaccompanied housing programs and was initiated to improve the quality of life for Service members and their families, develop new and renovated hotel facilities with superior hotel amenities and services, provide for the long-term sustainment of the facilities, and maintain a weighted official traveler rate not to exceed 75 percent of lodging per diem. PAL is designed as a portfolio-based program where installation operations are financially cross-collateralized and jointly-leveraged. The portfolio-based approach creates a financially-balanced and diversified installation mix with uniform service and amenity standards. Unlike the Army's family and unaccompanied housing programs, the Army is not a partner in the underlying operating entity with the developer and its contracted hotelier.

PERFORMANCE HIGHLIGHTS FOR FISCAL YEAR 2017

During FY 2017, PAL opened a new Staybridge Suites hotel at Fort Belvoir, VA, and refurbished and rebranded existing lodging facilities as Holiday Inn Express hotels at Fort Jackson, SC; Fort Campbell, KY; and Fort Leonard Wood, MO. The PAL portfolio averaged approximately 13,600 guestrooms across 40 installations during the reporting period. **Attachment A11** identifies, on an installation-level basis, end states and existing inventory for the PAL project as of September 30, 2017.

Annual occupancy was 72.1 percent compared to pro forma projections of 70.7 percent. PAL revenue was also above pro forma expectations. The PAL average daily rate for official travelers during FY 2017 was $77.05 which equated to 75.0 percent of the lodging per diem, resulting in $83.9 million in annual cost avoidance. Despite the strong revenue performance, operating expenses prevented the PAL project from achieving net operating income targets for FY 2017. Guest satisfaction rose in FY 2017 from 4.07 to 4.13 on a scale of 5.00, an "Excellent" rating, which indicates that the PAL program continues to provide high-quality service while delivering measurable improvements to the PAL facilities.

Appendix A:
MHPI Program Evaluation Report
Reporting Period: October 1, 2016 – September 30, 2017

This **Appendix A** includes 12 attachments that summarize the MHPI program's health and status based on information submitted for the reporting period October 1, 2016, through September 30, 2017.

Attachment A1 presents the report in response to section 2884(c) of title 10 U.S.C.: the Military Departments have responded to six key questions regarding the financial and operational health of their respective MHPI portfolios as of the end of the PER reporting period.

Attachment A2 contains a list of privatization projects awarded since program inception through the end of the PER reporting period.

Attachment A3 identifies, on a project basis, the MHPI project scope and existing inventory as of the end of the PER reporting period.

Attachment A4 graphically displays the scheduled and completed new construction and renovation portfolio totals for MHPI family housing as of the end of the PER reporting period.

Attachment A5 provides informational tables on MHPI family housing occupancy rates by Military Department and a summary of MHPI tenants by demographic category as of the end of the PER reporting period.

Attachment A6 lists the debt service coverage ratios for MHPI projects that have completed their initial development period as of the end of the PER reporting period.

Attachment A7 provides informational tables showing the scheduled and completed new construction and renovation portfolio totals for MHPI unaccompanied housing and the MHPI unaccompanied housing occupancy rates by Military Department as of the end of the PER reporting period.

Attachment A8 displays the tenant satisfaction results by housing condition and by MHPI project as of end of the PER reporting period.

Attachment A9 displays the type(s) of Government contribution(s) received by MHPI project as of end of the PER reporting period.

Attachment A10 provides detailed information on the active government loan guarantees on MHPI projects as of end of the PER reporting period.

Attachment A11 identifies, on an installation-level basis, end states and existing inventory for the one MHPI lodging project as of the end of the PER reporting period.

Attachment A12 provides a list of helpful acronyms.

Attachment A1:
Report in Response to Section 2884(c) of Title 10, United States Code

Background on Legislative Requirement

Section 2884(c) of title 10, United States Code (U.S.C.) requires a report on privatized housing, subject to the extent each Secretary concerned has the right to attain the specifically-requested information. Because this report is subject to the extent each Secretary concerned has the right to attain the information, clarification of the legislative request and standardization of requested data formats was made to facilitate reporting. Since each project may have slightly different legal agreements or definitions, these clarifications are based on industry standards, standards associated with the Military Housing Privatization Initiative (MHPI), and readily available and currently reported data, to ensure a consistent interpretation of the requirements and a standard format for Military Department use. These reporting items, as noted in the legislation, represent the minimum required information. The specific language from the applicable section of the statute is set out below, followed by clarifying instructions provided by the Office of the Secretary of Defense (OSD) to facilitate reporting by the Military Departments:

(1) An assessment of the backlog of maintenance and repair at each military housing privatization project where a significant backlog exists, including an estimation of the cost of eliminating the maintenance and repair backlog.

Instructions: For those projects that have a 20 percent or greater backlog of the number of maintenance and repair items as of the end of the reporting period, provide the name of the project and give an estimate of the cost to eliminate their outstanding maintenance and repair backlog. For the purpose of this report, a backlog of maintenance and repair items is defined as the number of items which have not been responded to or completed within a project's specific maintenance time standards.

(2) If the debt associated with a privatization project exceeds net operating income or the occupancy rates for the housing units are below 75 percent for more than one year, the plan developed to mitigate the financial risk of the project.

Instructions: For all projects which have completed their initial development periods (IDPs), provide a list of those projects that have an average monthly debt service coverage ratio (DSCR), for either the senior loan or the combined first and second mortgages, that has been less than 1.0 for more than one year or has had an average monthly occupancy of below 75 percent for more than one year. For each of those projects listed, provide the relevant DCR and occupancy at the end of the current reporting period and describe the plan developed to mitigate the financial risk of the project.

(3) An assessment of any significant project variances between the actual and pro forma deposits in the recapitalization account, to specifically include any unique variances associated with litigation costs.

Instructions: The amount of anticipated deposits in the recapitalization account is quantified in the project's latest agreed to pro forma. For those projects that have completed their IDPs, list the projects that have a negative variance in their current reporting period's deposits of greater than 25 percent from its pro forma. For those projects listed, provide the percentage variance from pro forma and a detailed explanation for the cause of the negative variance (to specifically include any unique variances associated with litigation costs).

(4) The details of any significant withdrawals from a recapitalization account, including the purpose and rationale of the withdrawal and, if the withdrawal occurs before the normal recapitalization period, the impact of the early withdrawal on the financial health of the project.

Instructions: List all projects where a withdrawal of 20 percent or greater of the current recapitalization account balance was made for a single purpose (e.g. whole house renovations, deficit deduction units, etc.) this reporting period. Provide

Attachment A1:
Report in Response to Section 2884(c) of Title 10, United States Code

the details of any such withdrawal, including the purpose and rationale of the withdrawal and, if the withdrawal occurs before the planned recapitalization period, the impact of the early withdrawal on the financial health of the project.

(5) An assessment of the extent to which the information required to comply with paragraphs (1) through (4) has been requested by the Secretaries, but has not been made available.

Instructions: If the information requested of the Military Department Secretaries in items (1) through (4) cannot or will not be provided for the requested timeframe, please explain the reasons why.

(6) An assessment of cost assessed to members of the armed forces for utilities compared to utility rates in the local area.

Instructions: Describe in one or two paragraphs how tenants, once the privatized units are individually metered, are assessed their individual unit utility usage and cost. Also include how any utility reimbursement or additional costs that accrue to the individual tenant are handled.

Military Department Reports

Attachment A1, Sections A1.1, A1.2 and A1.3 contain the required reports from the Departments of the Army, Navy and Air Force, respectively.

Contextual information regarding debt service coverage ratios and financial information on future sustainment for MHPI projects is provided on page 3 of the main report.

Attachment A1:
Report in Response to Section 2884(c) of Title 10, United States Code

Section A1.1: Department of the Army (Army)
10 U.S.C. 2884 (c) Semi-Annual Report on Privatized Housing

(1) An assessment of the backlog of maintenance and repair at each military housing privatization project where a significant backlog exists, including an estimation of the cost of eliminating the maintenance and repair backlog.

ARMY RESPONSE:
As of September 30, 2017, no Residential Communities Initiative (RCI) projects have a backlog of maintenance and repair items that exceeds 20 percent of the project's maintenance and repair items for fiscal year 2017.

(2) If the debt associated with a privatization project exceeds net operating income or the occupancy rates for the housing units are below 75 percent for more than one year, the plan developed to mitigate the financial risk of the project.

ARMY RESPONSE:
For the fiscal year 2017, no RCI projects that have completed their initial development periods had debt service that exceeded net operating income or had housing occupancy rates below 75 percent for more than one year.

(3) An assessment of any significant project variances between the actual and pro forma deposits in the recapitalization account, to specifically include any unique variances associated with litigation costs.

ARMY RESPONSE:
As of 30 September 2017, the recapitalization account for the Fort Polk project is 66.7 percent of the anticipated account balance. The Fort Polk project has experienced occupancy challenges in the past but is improving notably during the reporting period. To date, the recapitalization account balance trails pro forma expectations of $17.1M by $5.7M.

(4) The details of any significant withdrawals from a recapitalization account, including the purpose and rationale of the withdrawal and, if the withdrawal occurs before the normal recapitalization period, the impact of the early withdrawal on the financial health of the project.

ARMY RESPONSE:
During the fiscal year 2017, the Army approved Major Decisions for out-year development using project recapitalization account funding for multiple projects. The Army grants approval when proposed recapitalization account uses are determined to be the best course of action to protect and preserve the health of a project.

Fort Campbell: Withdrawal of approximately $19.9M from the reinvestment account to fund demolitions, new construction, and renovations as detailed in the approved Modified Scope Plan.

Fort Carson: Withdrawal of approximately $1.3M to execute additional development work associated with the approved Grow The Army (GTA-II) initiative and in accordance with out-year plan timing and costs.

Fort Drum: Withdrawal of approximately $61.0M to fund demolitions, area infrastructure, new construction, and exterior renovations as detailed in the approved Out-Year Development Plan (ODP).

Fort Eustis-Fort Story: Withdrawal of approximately $1.2M to perform storm water intrusion repairs and repair damage associated with Hurricane Matthew.

Fort Polk: Withdrawal of approximately $4.8M to perform the approved ODP Phase 1, including minor and medium home renovations.

Attachment A1:
Report in Response to Section 2884(c) of Title 10, United States Code

Joint Base Lewis-McChord: Withdrawal of approximately $7.0M from the reinvestment account to fund renovations including new roofs, windows, and exterior siding as detailed in the approved Modified Scope Plan.

Fort Meade: Withdrawal of approximately $3.0M from the reinvestment account to fund site work and new housing construction as detailed in the approved five-year ODP. The ODP is currently awaiting approval from AMBAC pending ongoing litigation.

Fort Stewart: Withdrawal of approximately $1.3M to perform storm water pipe repairs and repair damage associated with Hurricane Matthew.

(5) An assessment of the extent to which the information required to comply with paragraphs (1) through (4) has been requested by the Secretaries, but has not been made available.

ARMY RESPONSE:
The Office of the Deputy Assistant Secretary of the Army for Installations, Housing and Partnerships (ODASA (IH&P)) has received all information necessary to ensure compliance with requirements in paragraphs 1-4.

(6) An assessment of cost assessed to members of the armed forces for utilities compared to utility rates in the local area.

ARMY RESPONSE:
The Army completed a review of utility rates charged to residents living in on-post housing as compared to off-post rates. In almost all cases, electricity and natural gas rates charged to residents are at or lower than those rates charged to residents living off-post. In all cases, the Army and RCI Partners review utility rates to ensure they are accurate and meet the requirements detailed in the DASA (IH&P) Policy Subject: Utility and Services Reimbursement Policy for Residential Communities Initiative (RCI) and Privatization of Army Lodging (PAL) Partnerships.

As of 30 September 2017, over 90 percent of occupied, privatized homes are in the RCI Energy Conservation Program (RECP), either in mock or live billing. Residents are billed for excess usage above a calculated baseline and receive rebates for decreased consumption of their electric and natural gas utilities. The utility baseline is carefully measured and based on an average cost of energy consumption for electricity and natural gas for like-type homes within the Project. A buffer of normally five to 10 percent, contingent on the RCI Partner's business case analysis, may be added to the baseline. In accordance with RECP policy, if a buffer is in use either above or below the baseline, billing and rebates are calculated from usage above and below the buffer limits, respectively. Residents who are above the baseline plus buffer incur a bill; residents below the baseline plus buffer qualify for a rebate. Approximate percentages in each category include 29 percent of residents above the baseline, 22 percent below, and 49 percent within buffer limits and neither incurring a bill nor qualifying for a rebate. All projects adjust the monthly baseline by using a calculation which includes historical consumption as well as commodity costs. Vacant/unoccupied homes are not included in the calculation of the baseline.

No resident is unduly treated because of the condition or size of their home since their usage is compared to other residents' usage in similar, like-type homes. For installations where large numbers of spouses stay home, some of that generally higher usage will translate into a higher overall average for the baseline. RCI partners provide specialized attention to those residents whose bills are significantly higher than average, regularly assisting residents by providing in-home energy audits and technical information. Dispute resolution and analysis of utility charges is available for all residents through the Project's property management office. In addition, residents may qualify for exceptions to the policy where warranted (e.g., exceptional family members, special equipment, non-standard homes, etc.).

Attachment A1:
Report in Response to Section 2884(c) of Title 10, United States Code

Section A1.2: Department of the Navy (Navy)
10 U.S.C. 2884 (c) Semi-Annual Report on Privatized Housing

(1) An assessment of the backlog of maintenance and repair at each military housing privatization project where a significant backlog exists, including an estimation of the cost of eliminating the maintenance and repair backlog.

NAVY RESPONSE:
Not applicable.

(2) If the debt associated with a privatization project exceeds net operating income or the occupancy rates for the housing units are below 75 percent for more than one year, the plan developed to mitigate the financial risk of the project.

NAVY RESPONSE:
Not applicable.

(3) An assessment of any significant project variances between the actual and pro forma deposits in the recapitalization account, to specifically include any unique variances associated with litigation costs.

NAVY RESPONSE:
Hampton Roads PPV, LLC: The 87 percent negative variation from pro forma deposits is due primarily to reduced revenue resulting from lower BAH and initially lower occupancy than projected plus ongoing payments to deferred fees.

Mid Atlantic Military Family Communities, LLC (Navy phases): Improved from 2016 (88 percent), this project currently reflects a 71 percent negative variation from pro forma deposits due to higher than anticipated ongoing capital expenditures, and to maintenance and legal expenses that date back to the previously reported Hampton Roads events of 2011-2012.

New Orleans Navy Housing, LLC: The 75 percent negative variation from pro forma deposits is mainly due to higher than expected vacancies at the beginning of the period and a tenant mix projected in pro forma that is different than the actual mix, with more E1-9 tenants than officers. The 2016 PER reported a 58 percent variance for the project. The gap has widened due to continued vacancy, rent and mix issues. Low military demand requires outreach to waterfall tenants and Managing Member has not responded robustly to this challenge.

Northeast Housing, LLC: The 27 percent negative variation from pro forma deposits is due to high (above-market) BAH in some locations leading to the use of market rate rents and a different tenant mix than anticipated generating significantly lower revenues than expected.

South Texas Military Housing, LP: The 65 percent negative variance from pro forma deposits is attributed to low financial performance with no cash flow to the operating reserve account (ORA). The project is financially challenged due to the impact of Hurricane Harvey (Category 4 storm) which hit in August 2017 and extensively damaged the off-base location, Windy Shores. There are units that are still not occupied due to hurricane damage. Only 83 of 155 units at Windy Shores are occupied.

Attachment A1:
Report in Response to Section 2884(c) of Title 10, United States Code

Atlantic Marine Corps Communities, LLC: A 43 percent negative variation is primarily due to lack of demand across the portfolio. The use of concessions and market rents to attract residents is producing shortfalls to cash flows. The result is shortfalls to accounts at the lower end of the cash waterfall such as the Project Reserve Account (PRA). PRA shortfalls accrue to be paid when cash flows improve. The pro forma did not account for concessions/market rents.

(4) The details of any significant withdrawals from a recapitalization account, including the purpose and rationale of the withdrawal and, if the withdrawal occurs before the normal recapitalization period, the impact of the early withdrawal on the financial health of the project.

NAVY RESPONSE:
Not applicable.

(5) An assessment of the extent to which the information required to comply with paragraphs (1) through (4) has been requested by the Secretaries, but has not been made available.

NAVY RESPONSE:
Not applicable.

(6) An assessment of cost assessed to members of the armed forces for utilities compared to utility rates in the local area.

NAVY RESPONSE:
a. The Navy privatized housing program implemented the Resident Energy Conservation Program (RECP) that authorizes and encourages projects to combine individually metered housing units into like type groups of comparable energy characteristics, size, construction style, and other energy usage related component characteristics and then bill residents monthly for their electricity and gas usage based on how they compare to the average costs of utilities for their like type groups. Marine Corps privatized housing units are combined into like type groups based on key criteria that affect energy usage such as location, size, and construction and component characteristics.

b. Each month the average usage for the like type group is calculated based on the reported usage of individually metered homes. The average usage is based on fully occupied homes and the calculation excludes the top and bottom 5 percent of users (except for like type groups of less than 20 homes when all occupied homes are included in the average).

c. A buffer of 10 percent above and below is applied to the average to create a Normal Usage Band. Residents with usage under the normal usage band receive a credit for their conservation, and those over the normal usage pay for their excess consumption. Residents who earn a credit will be paid by check when their accumulated credit balance is greater than $25. Residents may elect to roll over their utility credits to bank the money or to offset costs if future monthly usage is above the normal usage band. Conversely, residents over the normal usage band must pay when their accumulated amount owed exceeds $25.

Attachment A1:
Report in Response to Section 2884(c) of Title 10, United States Code

Section A1.3: Department of the Air Force (Air Force)
10 U.S.C. 2884 (c) Semi-Annual Report on Privatized Housing

(1) An assessment of the backlog of maintenance and repair at each military housing privatization project where a significant backlog exists, including an estimation of the cost of eliminating the maintenance and repair backlog.

AIR FORCE RESPONSE:
None of the 32 projects in the Air Force portfolio had a maintenance backlog of 20 percent or greater as of September 30, 2017.

(2) If the debt associated with a privatization project exceeds net operating income or the occupancy rates for the housing units are below 75 percent for more than one year, the plan developed to mitigate the financial risk of the project.

AIR FORCE RESPONSE:
None of the projects in the Air Force portfolio had debt that exceeded net operating income for more than one year or an average monthly occupancy of below 75 percent for more than one year. Two projects (Offutt AFB and Robins I) had months of shortfalls of net operating income relative to debt during the reporting period, but not sustained for more than one year.

(3) An assessment of any significant project variances between the actual and pro forma deposits in the recapitalization account.

AIR FORCE RESPONSE:
ACC Group II: A 100 percent variance. The reinvestment account has not been funded because cash flow has been below expectations. A modification of the GDL (finalized in the third quarter of FY 2017) will result in additional cash flow that will help fund the required $6.0M deferred demolition account sooner than previously estimated (in FY 2040). Forecasts indicate the project will fully fund the deferred demolition account by January 2019. After the project fully funds the deferred demolition account, excess cash flow will be split 16 percent to the preferred return and 84 percent to the reinvestment account.

AMC East: A 47.6 percent variance. The reinvestment account is behind the pro forma plan by $4.0M. As of September 30, 2017, the project has used $10.5M of reinvestment account funds, whereas the pro forma did not forecast withdrawals until 2024. Projects included work on a fire-damaged house (which should be reimbursed by insurance), siding re-clad projects at MacDill AFB, sustainment needs, a water conservation project, and window modifications at MacDill AFB.

BLB Group: A 100 percent variance. The reinvestment account has not been funded because of amounts owed to the design builder and project owner for deferred fees and preferred return balances that must be paid off before funds will be deposited in the reinvestment account. As of the fourth quarter of FY 2017, the project owes $19.5M to the design builder for deferred fees and $45.0M to the project owner for an outstanding preferred return. Forecasts indicate funds will not be sufficient to payoff these obligations and fund the reinvestment account before the end of the lease term under the status quo.

Buckley AFB: A 100 percent variance. The reinvestment account has not been funded because of a $15.1M outstanding deferred fee which must be paid off first and is behind the pro forma plan by $925K.

Dover AFB: A 100 percent variance. The reinvestment account has not been funded because of a $13.5M outstanding deferred fee which must be paid off first and is behind the pro forma plan by $700K.

Falcon Group: A 52.6 percent variance. The reinvestment account is behind the pro forma plan by $10.1M because: 1) BAH rates dropped for three straight years; 2) Little Rock AFB struggled with occupancy below 90 percent for two years; 3) Hanscom AFB and Little Rock AFB have not yet implemented a utility allowance, so they have not realized savings from conservation; and 4) the project had to use $2.5M of reinvestment account funds in 2016 for a mold remediation project at Patrick AFB.

Lackland AFB: A 67.2 percent variance. The reinvestment account is behind the pro forma plan by $7.6M because an extension of the initial development period to build new rather than renovate 40 homes extended the IDP and delayed the commencement of cash flow splits to the reinvestment account. Additionally, operating expenses have exceeded pro forma projections (the utility allowance has not yet been implemented so there has been no conservation, electricity rates have inflated faster than expected, and the cost of maintaining older homes at the project has been greater than originally forecasted). Finally, $1.4M of capital repair and replacement (CR&R) funds had to be used to demolish 24 Zachary homes three years sooner than expected due to safety concerns.

Nellis AFB: A 100 percent variance. The reinvestment account has not been funded and is behind the pro forma plan by $12.0K because the project has $6.6M in outstanding liabilities (short-term equity contributions, asset management fees, performance incentive fees, and property management fees) that must be paid off first.

Offutt AFB: A 100 percent variance. The reinvestment account has not been funded and is behind the pro forma plan due to cash flow shortfalls that have hindered the project's ability to complete IDP demolition requirements. Without a restructure, forecasts indicate reinvestment account deposits will not commence until approximately FY 2029 after the project fully funds a $3.3M demolition account.

Robins AFB II: A 95.3 percent variance. The reinvestment account has not been funded due to deferred fees and a $5.1M preferred return balance. The project paid off its deferred fees in August 2017. Now 10 percent of excess cash flow goes to the reinvestment account while the preferred return balance is outstanding. Forecasts indicate cash flow will not be sufficient to pay off the preferred return during the remaining lease term.

Scott AFB: A 100 percent variance. No funds have been deposited into the reinvestment account because of outstanding preferred return and deferred fee balances ($85.8M as of the end of this reporting period), which must be paid off first. Forecasts indicate cash flow will not be sufficient to pay off the preferred return and deferred fees during the remaining lease term.

Tri-Group: A 100 percent variance. The reinvestment account has not been funded due to an $8.6M preferred return balance. Forecasts indicate the project will pay off the preferred return in 2019, at which time reinvestment account deposits will commence.

(4) The details of any significant withdrawals from a recapitalization account, including the purpose and rationale of the withdrawal and, if the withdrawal occurs before the normal recapitalization period, the impact of the early withdrawal on the financial health of the project.

AIR FORCE RESPONSE:
In December 2016 the Hill AFB project disbursed $3.0M from its reinvestment account to build 10 new homes. At the time, the account balance was $3.9M. The project owner, Boyer Hill, believes it is prudent to build a few new homes every year,

Attachment A1:
Report in Response to Section 2884(c) of Title 10, United States Code

rather than to hold money in the reinvestment account earning less interest than the cost of construction inflation. This strategy is a withdrawal of funds before the mid-term of the project, but is an acceptable approach.

During the reporting period, the AMC East project disbursed $6.3M to fund work on a fire damaged house (which should be reimbursed by insurance), siding re-clad projects at MacDill AFB, and sustainment needs. Air Force forecasts indicate this use of reinvestment account funds before the original pro forma plan of 2024 will not adversely affect the project's ability to complete sustainment and mid-term renovations.

The Falcon Group project had to use $2.5M of reinvestment account funds in 2016 for a mold remediation project at Patrick AFB. The expense was unavoidable. Air Force forecasts indicate the project will have sufficient funds to pay for CR&R sustainment needs, but will likely have only enough funds to complete 23.5 percent of the Air Force forecasted mid-term renovation needs.

(5) An assessment of the extent to which the information required to comply with paragraphs (1) through (4) has been requested by the Secretaries, but has not been made available.

AIR FORCE RESPONSE:
Not applicable.

(6) An assessment of cost assessed to members of the armed forces for utilities compared to utility rates in the local area.

AIR FORCE RESPONSE:
The utility rates members of the armed forces pay while living in privatized housing are less than or equal to the utility rates in the local area.

During the reporting period, 34 of 68 Air Force project locations had implemented utility allowances whereby Service members are credited with an allowance to pay their electricity and gas bills. Each unit received a monthly utility allowance, which was calculated as the monthly average consumption for like-type homes multiplied by the appropriate utility rate. The allowance residents received, and the bills residents paid, were based on the commodity rates the project paid. If the project pays a local utility company, the rates are those of the local utility company. If the project pays the installation on a reimbursable basis, the rates are those that the installation charges the project (the government rate which is less than the local rate). Service members use that allowance to pay for their consumption. At projects that have not yet implemented a utility allowance, residents are not directly affected by utility rates because they are not accountable for their electricity and gas consumption. All projects are expected to implement a utility allowance during their lease terms.

Attachment A2:
Privatized Projects Awarded

The following is a chronological list of partial and full base housing privatization project phases awarded by the Military Departments from 1996 through September 30, 2017.

Military Department	Project Name [Locations]
Department of Navy (Navy)	Naval Air Station (NAS) Corpus Christi/NAS Kingsville I, TX
Navy	Naval Station (NS) Everett I, WA
Department of Air Force (Air Force)	Joint Base (JB) San Antonio – Lackland Air Force Base (AFB), TX
Department of Army (Army)	Fort Carson, CO
Air Force	Dyess AFB, TX
Air Force	Robins AFB I, GA
Navy	NAS Kingsville II, TX
Navy/United States Marine Corps (USMC)	Marine Corps Base (MCB) Camp Pendleton I, CA
Navy	NS Everett II, WA
Air Force	JB Elmendorf-Richardson (JBER) I [JB Elmendorf-Richardson – Elmendorf AFB, AK]
Navy	San Diego Naval Complex (Phase I)[1] [NS San Diego, CA]
Navy	NAS Joint Reserve Base (JRB) New Orleans, LA
Army	Fort Hood, TX
Navy	South Texas [NAS Corpus Christi, TX; and NS Ingleside, TX]
Army	JB Lewis-McChord [JB Lewis-McChord – Fort Lewis, WA; and JB Lewis-McChord – McChord AFB, WA]
Army	Fort Meade, MD
Air Force	Wright-Patterson AFB, OH
Navy/USMC	Tri-Command Military Housing[1] [Marine Corps Air Station (MCAS) Beaufort, SC; Marine Corps Recruit Depot (MCRD) Parris Island, SC; and Naval Hospital (NH) Beaufort, SC]
Air Force	Kirtland AFB, NM
Navy	San Diego Naval Complex (Phase II)[1] [NS San Diego, CA]
Army	Fort Bragg, NC
Navy/USMC	MCB Camp Pendleton (Phase II), CA/MCB Quantico, VA[1]
Army	Presidio of Monterey, CA/Naval Postgraduate School (NPS), CA
Army	Fort Stewart, GA/Hunter Army Airfield, GA
Army	Fort Belvoir, VA
Army	Fort Campbell, KY
Army	Fort Irwin, CA/Moffett Field, CA/Parks Reserve Forces Training Area (RFTA), CA
Navy	Hawaii Regional (Phase I)[1] [JB Pearl Harbor-Hickam – NS Pearl Harbor, HI]
Army	Fort Hamilton, NY
Army	Fort Detrick, MD/Walter Reed Army Medical Center, DC
Air Force	Buckley AFB, CO

Attachment A2:
Privatized Projects Awarded

(Table continued)

Military Department	Project Name [Locations]
Air Force	JBER II [JB Elmendorf-Richardson – Elmendorf AFB, AK]
Navy/USMC	MCB Camp Lejeune/MCAS Cherry Point (Phase II)[1] [MCB Camp Lejeune, NC; MCAS Cherry Point, NC; and MCAS New River, NC]
Navy/USMC	MCB Camp Pendleton (Phase IV), CA[1]
Navy	Hawaii Regional (Phase II)[1] [MCB Hawaii (MCBH) Kaneohe Bay, HI]
Navy	Hawaii Regional (Phase III)[1] [JB Pearl Harbor-Hickam – NS Pearl Harbor, HI; and Pacific Missile Range Facility (PMRF) Barking Sands, HI]
Air Force	McGuire AFB/Fort Dix [JB McGuire-Dix-Lakehurst – McGuire AFB, NJ; and JB McGuire-Dix-Lakehurst – Fort Dix, NJ]
Army	Redstone Arsenal, AL
Army	Fort Knox, KY
Air Force	Air Education and Training Command (AETC) Group I [Altus AFB, OK; Luke AFB, AZ; Sheppard AFB, TX; and Tyndall AFB, FL]
Air Force	United States Air Force Academy, CO
Air Force	Air Combat Command (ACC) Group II [Davis-Monthan AFB, AZ; and Holloman AFB, NM]
Air Force	JB Pearl Harbor-Hickam – Hickam AFB (Phase II), HI[1]
Army	Fort Lee, VA
Air Force	Tri-Group [Peterson AFB, CO; Schriever AFB, CO; and Los Angeles AFB, CA]
Air Force	BLB Group [Barksdale AFB, LA; Langley AFB, VA; and Bolling AFB, DC]
Navy	Southeast Regional [NAS Pensacola, FL; NAS Whiting Field, FL; NSA Panama City, FL; JB Charleston – Naval Weapons Station (NWS) Charleston, SC; NS Mayport, FL; NAS Jacksonville, FL; Submarine Base (SB) Kings Bay, GA; NAS Key West, FL; NAS JRB Fort Worth, TX; NAS Meridian, MS; and Naval Construction Battalion Center (NCBC) Gulfport, MS]
Navy	Midwest Regional (Phase II)[1] [NSA Mid-South, TN]
Navy	San Diego Naval Complex (Phase IV)[1] [Naval Air Weapons Station (NAWS) China Lake, CA; NAS Lemoore, CA; Naval Base (NB) Ventura County, CA; Naval Air Facility (NAF) El Centro, CA; Weapons Station (WPNSTA) Seal Beach, CA; and NAS Fallon, NV]
Navy	Hawaii Regional (Phase IV)[1] [MCBH Kaneohe Bay, HI]
Navy/USMC	MCB Camp Lejeune/Cherry Point (Phase III)[1] [MCB Camp Lejeune, NC; MCAS Cherry Point, NC; MCAS New River, NC; and Westover Air Reserve Base (ARB), MA]
Navy/USMC	MCB Camp Pendleton (Phase V), CA/Marine Corps Logistics Base (MCLB) Albany, GA[1]
Air Force	Robins AFB II, GA
Air Force	AETC Group II [Columbus AFB, MS; Goodfellow AFB, TX; Laughlin AFB, TX: Maxwell AFB, AL; JB San Antonio – Randolph AFB, TX; and Vance AFB, OK]
Air Force	Vandenberg AFB, CA
Air Force	Air Mobility Command (AMC) East [Andrews AFB, MD; and MacDill AFB, FL]
Air Force	AMC West [Tinker AFB, OK; Travis AFB, CA; and Fairchild AFB, WA]
Army	United States Military Academy at West Point, NY
Army	Fort Jackson, SC

Attachment A2: Privatized Projects Awarded

(Table continued)

Military Department	Project Name [Locations]
Army	Fort Polk, LA
Navy/USMC	MCAS Yuma, AZ/MCB Camp Pendleton (Phase III), CA[1]
Army	Fort Shafter, HI/Schofield Barracks, HI
Navy	Northeast Regional [JB McGuire-Dix-Lakehurst – Naval Air Engineering Station (NAES) Lakehurst, NJ; SB New London, CT; NS Newport, RI; Naval Shipyard (NSY) BOS Portsmouth, NH; Naval Support Activity (NSA) Saratoga Springs, NY; Mitchel Complex Navy Recruiting District (NRD), NY; and WPNSTA Earle, NJ]
Army	Fort Eustis/Fort Story [JB Langley-Eustis – Fort Eustis, VA; and Joint Expeditionary Base (JEB) Little Creek-Fort Story – Fort Story, VA]
Air Force	JB Pearl Harbor-Hickam – Hickam AFB (Phase I), HI[1]
Navy	Northwest Regional [NB Kitsap, WA; NAS Whidbey Island, WA; and NS Everett, WA]
Army	JB San Antonio – Fort Sam Houston, TX
Army	Fort Leonard Wood, MO
Army	Fort Drum, NY
Army	Fort Bliss, TX/White Sands Missile Range, NM
Navy	Mid-Atlantic Regional (Phase I)[1] [Naval Sea Systems (NSS) Norfolk Naval Shipyard, VA; JEB Little Creek-Fort Story – Naval Amphibious Base (NAB) Little Creek, VA; NSA Hampton Roads, VA; NAS Oceana, VA; NS Norfolk, VA; WPNSTA Yorktown, VA; NSA Annapolis, MD-United States Naval Academy, MD; NSA South Potomac-Dahlgren, VA; NSA South Potomac-Indian Head, MD; NAS Patuxent River, MD; Navy Information Operations Command (NIOC) Sugar Grove, WV; and NSA Washington-Tingey House, DC]
Air Force	Offutt AFB, NE
Air Force	Hill AFB, UT
Air Force	Dover AFB, DE
Navy/USMC	Marine Corps Air Ground Combat Center (MCAGCC) Twentynine Palms, CA/Marine Corps Mobilization Command (MOBCOM) Kansas City, MO[1]
Navy/USMC	MCB Camp Lejeune/MCAS Cherry Point (Phase IV)[1] [MCB Camp Lejeune, NC; MCAS Cherry Point, NC; MCAS New River, NC; and Stewart Air National Guard Base (ANGB), NY]
Navy	Midwest Regional (Phase I)[1] [NS Great Lakes, IL; and NSA Crane, IN]
Air Force	Scott AFB, IL
Army	Fort Benning, GA
Army	Fort Leavenworth, KS
Army	Fort Rucker, AL
Army	Fort Gordon, GA
Air Force	Nellis AFB, NV
Navy	San Diego Naval Complex (Phase III)[1] [NS San Diego, CA; NB Coronado, CA; NB Point Loma, CA; and MCAS Miramar, CA]
Army	Carlisle Barracks, PA/Picatinny Arsenal, NJ
Army	Fort Riley, KS

Attachment A2: Privatized Projects Awarded

(Table continued)

Military Department	Project Name [Locations]
Army	Fort Sill, OK
Air Force	Falcon Group [Patrick AFB, FL; Moody AFB, GA; Little Rock AFB, AR; and Hanscom AFB, MA]
Army	Fort Huachuca, AZ/Yuma Proving Ground, AZ
Army	Fort Wainwright, AK/Fort Greely, AK
Navy/USMC	Mid-Atlantic Regional (Phase II)[1] [NSA Mechanicsburg, PA]
Army	Aberdeen Proving Ground, MD
Navy/USMC	Mid-Atlantic Regional (Phase III)[1] [MCB Camp Lejeune (Phase IV), NC]
Navy	San Diego Naval Complex (Phase V)[1] [NSA Washington, DC; JB Anacostia-Bolling – Naval Support Facility (NSF) Anacostia, DC; NSA Annapolis-Buchanan House, MD; NSA Bethesda, MD; and NSF Thurmont-Camp David, MD]
Navy/USMC	MCB Camp Pendleton (Phase VI), CA[1]
Navy	Hawaii Regional (Phase V)[1] [MCBH Kaneohe Bay, HI]
Air Force	JBER III [JB Elmendorf-Richardson – Richardson AFB, AK]
Air Force	Southern Group [Shaw AFB, SC; Arnold AFB, TN; JB Charleston – Charleston AFB, SC; and Keesler AFB, MS]
Air Force	Western Group [Beale AFB, CA; FE Warren AFB, WY; Malmstrom AFB, MT; and Whiteman AFB, MO]
Air Force	Northern Group [Cannon AFB, NM; Cavalier Air Force Station (AFS), ND; Ellsworth AFB, SD; Grand Forks AFB, ND; Minot AFB, ND; and Mountain Home AFB, ID]
Air Force	Continental Group [Edwards AFB, CA; Eglin AFB, FL; Hurlburt Field, FL; Eielson AFB, AK; McConnell AFB, KS; and Seymour-Johnson AFB, NC]
Air Force	ACC Group III [Dyess AFB, TX; and Moody AFB, GA]
Navy	San Diego Naval Complex (Phase VI)[1] [NB Ventura County, CA]
Navy	Hawaii Regional (Phase VI)[1] [MCBH Kaneohe Bay, HI]

1. For reporting purposes, the following project phases are combined and reported as single projects:

A. San Diego Naval Complex Overview: San Diego Phases I, II, III, IV, V, and VI.

B. Cherry Point/Camp Lejeune Overview (Atlantic Marine Corps Communities - AMCC): MCB Camp Lejeune/MCAS Cherry Point Phases I, II, III, and IV; and Tri-Command.

C. PE/QU/YU (Camp Pendleton II): MCB Camp Pendleton Phase II/MCB Quantico; MCAS Yuma/MCB Camp Pendleton Phase III; MCAGCC Twentynine Palms/MOBCOM Kansas City; MCB Camp Pendleton Phase IV; MCB Camp Pendleton Phase V/MCLB Albany; and MCB Camp Pendleton Phase VI.

D. Hawaii Regional: Hawaii Regional Phases I, II, III, IV, V, and VI.

E. Hickam AFB: Hickam AFB Phases I and II.

F. Mid-Atlantic Regional: Mid-Atlantic Regional Phases I, II, and III.

G. Midwest Regional: Midwest Regional Phases I and II.

Attachment A3: MHPI Project Scope

Throughout this report, the expressed size of the individual privatized projects is the IDP scope that was approved by the OSD and OMB. During the development of a major residential project, particularly a project that is built over an extended number of years, the actual scope may change a small amount. Reasons for these changes vary, and include local market and base operational transformations and unforeseen construction costs. Unless the ultimate project size changes and the resulting investment requires re-approval by OSD and OMB, the individual project scope in this report remains the currently approved number. Actual project scope is monitored by the Military Department portfolio managers through various other reports.

Existing inventory may exceed approved and/or actual unit scope (e.g., homes may not be demolished until new homes are constructed).

This appendix is provided to identify, on a project by project basis, the most recent scope modifications, if any, that have occurred subsequent to the last OSD and OMB approval, as well as total existing inventory (in terms of family homes or unaccompanied units, as applicable) as of September 30, 2017.

MHPI Project Scope and Existing Inventory (Online + Offline) at September 30, 2017

Military Department	Project[1]	Developer/Partner Name	Approved Unit Scope	Actual Unit Scope	Existing Inventory
FAMILY HOUSING					
Army	Aberdeen Proving Ground	Corvias Military Living	372	372	952
Army	Fort Belvoir	Clark Pinnacle Family Communities	2,070	2,106	2,154
Army	Fort Benning	Clark Pinnacle Family Communities	4,200	4,000	4,001
Army	Fort Bliss / White Sands Missile Range	Balfour Beatty Communities	4,409	4,843	4,841
Army	Fort Bragg	Corvias Military Living	6,238	6,238	6,150
Army	Fort Campbell	Lendlease	4,455	4,457	4,458
Army	Carlisle Barracks / Picatinny Arsenal	Balfour Beatty Communities	348	348	348
Army	Fort Carson	Balfour Beatty Communities	3,456	3,368	3,387
Army	Fort Detrick / Walter Reed Army Medical Center	Balfour Beatty Communities	590	593	593
Army	Fort Drum	Lendlease	3,835	3,835	3,627
Army	JB Langley-Eustis – Fort Eustis / JEB Little Creek-Fort Story --Fort Story	Balfour Beatty Communities	1,131	1,131	1,131
Army	Fort Gordon	Balfour Beatty Communities	887	1,080	1,080
Army	Fort Hamilton	Balfour Beatty Communities	228	228	228

Attachment A3: MHPI Project Scope

(Table continued)

MHPI Project Scope and Existing Inventory (Online + Offline) at September 30, 2017					
Military Department	**Project[1]**	**Developer/Partner Name**	**Approved Unit Scope**	**Actual Unit Scope**	**Existing Inventory**
FAMILY HOUSING (continued)					
Army	Fort Hood	Lendlease	5,912	5,912	5,550
Army	Fort Huachuca / Yuma Proving Ground	Michaels Military Housing	1,169	1,169	1,269
Army	Fort Irwin / Moffett Field / Parks RFTA	Clark Pinnacle Family Communities	2,982	2,900	2,895
Army	Fort Jackson	Balfour Beatty Communities	850	850	850
Army	Fort Knox	Lendlease	2,563	2,563	2,380
Army	Fort Leavenworth	Michaels Military Housing	1,583	1,583	1,701
Army	Fort Lee	Hunt Companies/Falcon Properties	1,508	1,508	1,508
Army	Fort Leonard Wood	Balfour Beatty Communities	1,806	1,806	1,806
Army	Fort Meade	Corvias Military Living	3,170	2,627	2,628
Army	Fort Polk	Corvias Military Living	3,773	3,661	3,661
Army	JB Lewis-McChord[2]	Lincoln Property Company	4,964	4,994	5,161
Army	Presidio of Monterey / Naval Postgraduate School	Clark Pinnacle Family Communities	1,565	1,565	2,580
Army	Redstone Arsenal	Hunt Companies	230	230	354
Army	Fort Riley	Corvias Military Living	3,514	3,827	4,171
Army	Fort Rucker	Corvias Military Living	1,476	1,476	1,476
Army	JB San Antonio – Fort Sam Houston	Lincoln Property Company	925	925	925
Army	Fort Shafter/Schofield Barracks	Lendlease	7,894	7,240	8,151
Army	Fort Sill	Corvias Military Living	1,728	1,728	1,813
Army	Fort Stewart / Hunter Army Airfield	Balfour Beatty Communities	3,629	3,404	3,404
Army	Fort Wainwright / Fort Greely	Lendlease	1,815	1,815	1,932
Army	West Point	Balfour Beatty Communities	824	824	825
Army Family Housing Total			**86,099**	**85,206**	**87,990**

Attachment A3:
MHPI Project Scope

(Table continued)

MHPI Project Scope and Existing Inventory (Online + Offline) at September 30, 2017					
Military Department	Project[1]	Developer/Partner Name	Approved Unit Scope	Actual Unit Scope	Existing Inventory
FAMILY HOUSING (continued)					
Navy/USMC	Marine Corps Base (MCB) Camp Pendleton I	Hunt Companies	712	714	714
Navy/USMC	Cherry Point/Camp Lejeune Overview (Atlantic Marines)	Lendlease	8,060	7,973	7,945
Navy/USMC	Corpus Christi/Kingsville I[3]	Landmark Residential, LLC	404	404	0
Navy/USMC	Naval Station (NS) Everett I[4]	Forest City Enterprises Inc.	185	185	0
Navy/USMC	NS Everett II[5]	Gateway Development Group and CED Military Group	288	288	0
Navy/USMC	Hawaii Regional[6]	Hunt Companies	6,802	6,781	6,960
Navy/USMC	Naval Air Station (NAS) Kingsville II	Hunt Companies	150	150	150
Navy/USMC	Mid-Atlantic Regional	Lincoln Family Communities, LLC	6,702	6,330	6,382
Navy/USMC	Midwest Regional[6]	Hunt Companies	1,719	1,719	2,199
Navy/USMC	NAS Joint Reserve Base New Orleans	Patrician Development	941	936	936
Navy/USMC	Northeast Regional	Balfour Beatty Communities	4,264	2,950	3,451
Navy/USMC	Northwest Regional[6]	Hunt Companies	3,370	3,369	3,710
Navy/USMC	PE/QU/YU (Camp Pendleton II)	Hunt/Lincoln/Clark	11,126	11,126	11,126
Navy/USMC	San Diego Naval Complex Overview	Lincoln/Clark San Diego LLC	14,524	14,513	14,513
Navy/USMC	South Texas	Landmark Organization (Faulkner USA)	665	417	417
Navy/USMC	Southeast Regional	Balfour Beatty Communities	4,468	4,673	5,260
Navy / Marine Corps Family Housing Total			**64,380**	**62,528**	**63,763**

Attachment A3:
MHPI Project Scope

(Table continued)

MHPI Project Scope and Existing Inventory (Online + Offline) at September 30, 2017					
Military Department	Project[1]	Developer/Partner Name	Approved Unit Scope	Actual Unit Scope	Existing Inventory
FAMILY HOUSING (continued)					
Air Force	Air Combat Command (ACC) Group II	Lendlease	1,838	1,884	2,232
Air Force	ACC Group III	Balfour Beatty Communities	858	775	775
Air Force	Air Education & Training Command (AETC) Group I	BBC AF Management / Development LLC	2,607	2,607	2,661
Air Force	AETC Group II	Pinnacle Hunt Communities	2,257	2,205	2,217
Air Force	Air Force Academy[6]	Hunt Companies	427	427	671
Air Force	Air Mobility Command (AMC) East	Clark Realty Builders / Clark DOC Builders	1,458	1,505	1,687
Air Force	AMC West	AMC West Housing, LP	2,435	2,435	2,575
Air Force	BLB Group	Hunt ELP, Ltd.	3,189	3,192	3,370
Air Force	Buckley Air Force Base (AFB)	Investment Builders Inc. / Hunt Building Corporation	351	351	351
Air Force	Continental Group	Corvias Military Living	3,862	3,840	4,078
Air Force	Dover AFB	Hunt Building Company	980	980	980
Air Force	Dyess AFB	Hunt Building Company	402	402	402
Air Force	JB Elmendorf–Richardson (JBER I) - Elmendorf AFB	JL Properties	828	828	828
Air Force	JB Elmendorf–Richardson (JBER II) - Elmendorf AFB	JL Properties	1,194	1,194	1,194
Air Force	JB Elmendorf–Richardson (JBER III) - Fort Richardson	JL Properties	1,240	1,240	1,240
Air Force	Falcon Group	HP Communities, LLC	2,617	2,625	2,625
Air Force	JB Pearl Harbor–Hickam - Hickam AFB	Lendlease	2,474	2,474	2,485
Air Force	Hill AFB	BHMH, LC (Boyer/Gardner)	1,018	1,018	1,082
Air Force	Kirtland AFB	Hunt Building Company	1,078	1,078	1,302
Air Force	JB San Antonio - Lackland AFB	Balfour Beatty Communities	885	885	1,033
Air Force	JB McGuire-Dix-Lakehurst – McGuire AFB / JB McGuire-Dix-Lakehurst – Fort Dix	United Communities Development, LLC	2,083	2,084	2,212

Attachment A3: MHPI Project Scope

(Table continued)

MHPI Project Scope and Existing Inventory (Online + Offline) at September 30, 2017					
Military Department	**Project[1]**	**Developer/Partner Name**	**Approved Unit Scope**	**Actual Unit Scope**	**Existing Inventory**
FAMILY HOUSING (continued)					
Air Force	Nellis AFB	Hunt Building Company	1,178	1,178	1,178
Air Force	Northern Group	BBC AF Housing Construction, LLC	4,546	4,546	4,546
Air Force	Offutt AFB	America First Real Estate Group	1,640	1,640	1,954
Air Force	Robins AFB I	Hunt Building Company	670	670	670
Air Force	Robins AFB II	Hunt Building Company	207	207	254
Air Force	Scott AFB	Hunt Building Company	1,593	1,593	1,593
Air Force	Southern Group[6]	Hunt Companies	2,185	2,185	2,442
Air Force	Tri-Group	Lendlease	1,564	1,524	1,524
Air Force	Vandenberg AFB	Balfour Beatty Communities	867	867	999
Air Force	Western Group	BBC AF Management / Development LLC	3,264	3,264	3,264
Air Force	Wright-Patterson AFB	Hunt Building Corp/ MV Communities/ Woolpert LLC	1,536	1,536	1,536
Air Force Family Housing Total			**53,331**	**53,239**	**55,960**
MHPI Family Housing Total			**203,810**	**200,973**	**207,713**

Attachment A3: MHPI Project Scope

(Table continued)

MHPI Project Scope and Existing Inventory (Online + Offline) at September 30, 2017					
Military Department	Project[1]	Developer/Partner Name	Approved Unit Scope	Actual Unit Scope	Existing Inventory
UNACCOMPANIED HOUSING (APARTMENTS / BEDROOMS)					
Army	Fort Bragg	Corvias Military Living	432 / 702	432 / 702	432 / 702
Army	Fort Drum	Lendlease	192 / 320	192 / 320	192 / 320
Army	Fort Irwin	Clark Pinnacle Family Communities	200 / 200	200 / 200	200 / 200
Army	Fort Meade	Corvias Military Living	432 / 816	432 / 816	362 / 686
Army	Fort Stewart	Balfour Beatty Communities	334 / 370	334 / 370	334 / 370
Army Unaccompanied Housing (Apartments / Bedrooms) Total			**1,590 / 2,408**	**1,590 / 2,408**	**1,520 / 2,278**
Navy/USMC	Homeport Hampton Roads	Hunt ELP LTD and American Campus Communities OP, LLC	1,913 / 3,682	1,913 / 3,682	1,913 / 3,682
Navy/USMC	NS San Diego	California Naval Communities, LLC	1,199 / 2,398	1,199 / 2,398	1,199 / 2,398
Navy/USMC Unaccompanied Housing (Apartments / Bedrooms) Total			**3,112 / 6,080**	**3,112 / 6,080**	**3,112 / 6,080**
MHPI Unaccompanied Housing (Apartments / Bedrooms) Total			**4,702 / 8,488**	**4,702 / 8,488**	**4,632 / 8,358**

1. For reporting purposes, the following projects are combined and reported as single projects:
   A. San Diego Naval Complex Overview: San Diego Phases I, II, III, IV, V, and VI.
   B. Cherry Point/Camp Lejeune Overview (Atlantic Marine Corps Communities - AMCC): MCB Camp Lejeune/MCAS Cherry Point Phases I, II, and III; and Tri-Command.
   C. PE/QU/YU (Camp Pendleton II): MCB Camp Pendleton Phase II/MCB Quantico; MCAS Yuma/MCB Camp Pendleton Phase III; MCAGCC Twentynine Palms/MOBCOM Kansas City; MCB Camp Pendleton Phase IV; MCB Camp Pendleton Phase V/MCLB Albany; and MCB Camp Pendleton Phase VI.
   D. Hawaii Regional: Hawaii Regional Phases I, II, III, IV, V, and VI.
   E. Hickam AFB: Hickam AFB Phases I and II.
   F. Mid-Atlantic Regional: Mid-Atlantic Regional Phases I, II, and III.
   G. Midwest Regional: Midwest Regional Phases I and II.

2. The original MHPI developer/partner, Equity Residential, sold its interest in the JB Lewis-McChord project to Lincoln Property Company in fiscal year 2016.

3. Project sold in fiscal year 2016: no longer MHPI.

4. Project sold prior to fiscal year 2014: no longer MHPI.

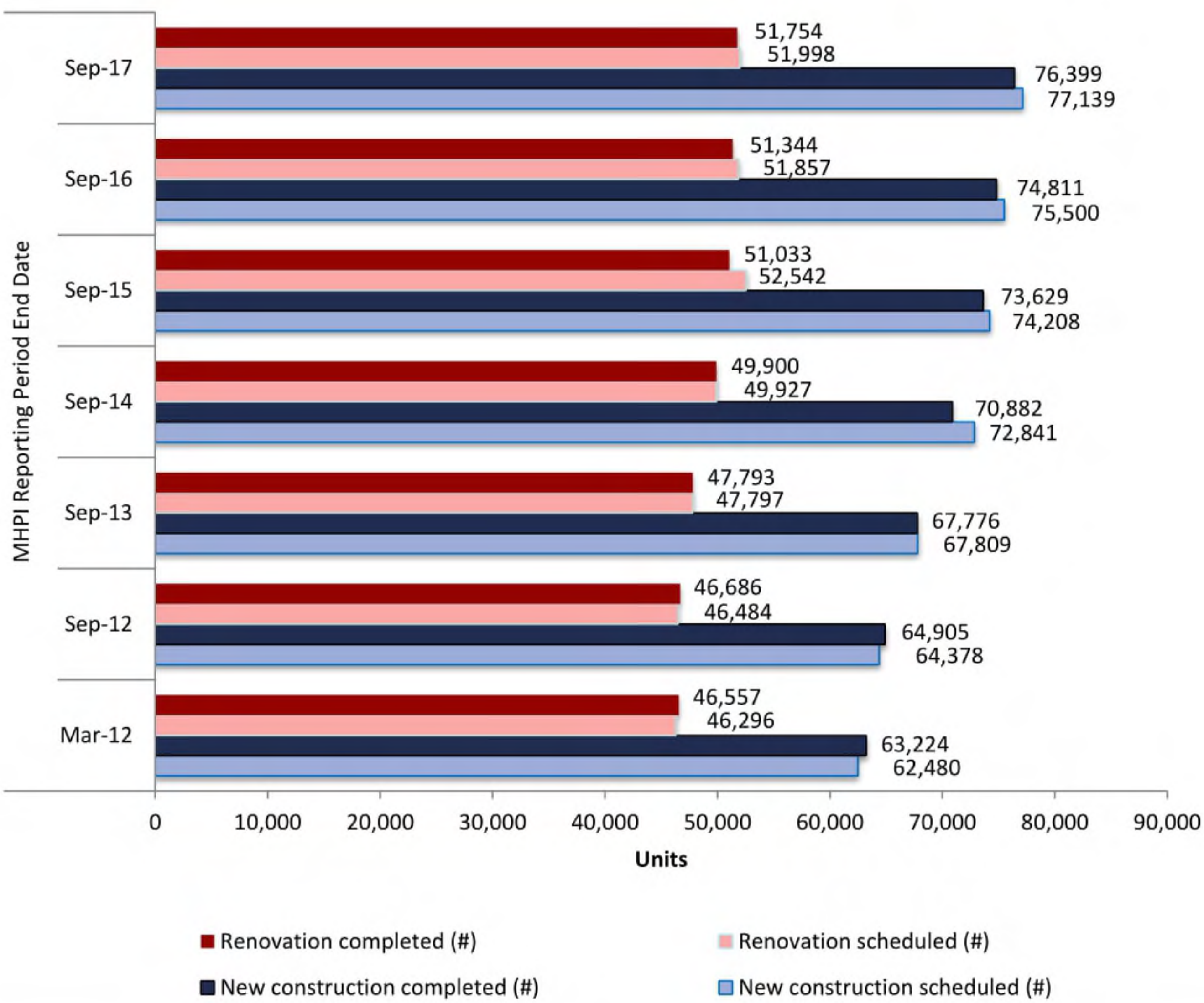
5. Project sold in fiscal year 2017: no longer MHPI.

6. The original MHPI developer/partner, Forest City Enterprises Inc., sold its interest in all MHPI projects to the Hunt Companies in fiscal year 2016.

Attachment A4:
MHPI Family Housing Development

The chart below graphically illustrates how completed IDP construction and renovation for the last several reporting periods compares to IDP construction and renovation scheduled for delivery through that date. As demonstrated, the MHPI portfolio as a whole has generally met its construction schedule for the last five reporting periods.

Scheduled and Completed Construction and Renovation through September 30, 2017



Attachment A5: MHPI Family Housing Occupancy and Tenant Demographics

As reflected in the table below, MHPI tenants occupied an average 93 percent of homes available to be leased during the reporting period October 1, 2016 through September 30, 2017.

MHPI Family Housing Occupancy

	Sep 2014	Sep 2015	Sep 2016	Sep 2017	% Change from Sep 2016 to Sep 2017
Army Family Housing Occupancy	92.8%	91.2%	91.3%	92.0%	0.7%
Navy Family Housing Occupancy	94.3%	94.5%	94.8%	93.9%	-0.9%
Air Force Family Housing Occupancy	94.0%	95.6%	95.1%	94.3%	-0.8%
MHPI Family Housing Occupancy Rate	**93.6%**	**93.4%**	**93.4%**	**93.2%**	**-0.2%**

Since September 2014, the number of waterfall tenants living in privatized housing increased from 12,496 to 19,063, an average increase of about 15 percent per year over the last three years. When comparing total waterfall tenants as a percentage of total available units, the percentage is 9.4 percent as of September 30, 2017, which is somewhat higher than the historical range of 5.5 percent to 8.5 percent over the life of the program. While the alternative tenant waterfall serves as a risk mitigation tool to improve program occupancy, the percentage of alternative tenants still remains small compared to the number of military families the program serves.

Annual Use of the Tenant Waterfall for Occupancy of MHPI Family Housing

	Sep 2014	Sep 2015	Sep 2016	Sep 2017	% of Total Available Units as of Sep 2016	% of Total Available Units as of Sep 2017	% Change from Sep 2016 to Sep 2017
Military Families	175,186	174,218	172,708	169,905	85.1%	83.8%	-1.3%
Unaccompanied Military	4,281	5,310	5,761	5,670	2.8%	2.8%	0.0%
Military Retirees	1,844	2,685	3,404	4,040	1.7%	2.0%	0.3%
Federal Employees	2,891	3,477	3,979	4,752	2.0%	2.3%	0.3%
Other Civilians	3,480	4,069	4,148	4,601	2.0%	2.3%	0.3%
Total Non-Target Tenant Waterfall	**12,496**	**15,541**	**17,292**	**19,063**	**8.5%**	**9.4%**	**0.9%**

Attachment A6:
Debt Service Coverage Ratios for MHPI Projects with Completed IDPs

A Debt Service Coverage Ratio (DSCR) of 1.25 implies that a project's available cash is 25 percent greater than its debt service requirements, and provides an indication of a project's ability to repay debt. If the DSCR drops below a 1.0 ratio, cash flow is insufficient to cover the project's debt service requirements (principal and/or interest) after payment of operating expenses.

As of September 30, 2017, 69 current family housing and unaccompanied housing projects had completed their IDPs. The one project that completed its IDP during the 2017 fiscal year is in **green font**.

Debt Service Coverage Ratios (DSCRs) for MHPI Projects That Have Completed Their Initial Development Periods (IDPs)

Project	Average Actual Senior Loan DSCR in FY 17	Required Minimum Senior Loan DSCR to Avoid Default	Average Actual Combined DSCR Including Subordinate (Junior) Loan in FY 17	Required Minimum Combined Senior & Junior Loan DSCR to Avoid Default	IDP Completion Date
ACC Group II	1.48	N/A	1.04	N/A	Feb-15
AETC Group I	1.33	N/A	1.19	N/A	Dec-11
AETC Group II	1.64	N/A	N/A	N/A	Oct-10
AMC East	1.36	N/A	N/A	N/A	Apr-14
AMC West	2.24	N/A	1.56	N/A	Jun-15
BLB	1.53	N/A	1.08	N/A	Sep-14
Buckley AFB	2.11	N/A	1.88	N/A	Aug-07
Camp Pendleton I	2.26	1.25	N/A	N/A	Feb-04
Camp Pendleton II	2.06	1.15	N/A	N/A	Dec-12
Carlisle Barracks / Picatinny Arsenal	2.71	N/A	N/A	N/A	Apr-11
Dover AFB	1.67	N/A	1.20	N/A	Jan-09
Dyess AFB	1.59	N/A	N/A	N/A	Sep-02
Elmendorf AFB I	2.72	N/A	1.63	N/A	Sep-03
Elmendorf AFB II	2.20	N/A	1.43	N/A	Dec-06
Everett I (sold, no longer MHPI)	N/A	N/A	N/A	N/A	N/A
Everett II (sold, no longer MHPI)	N/A	N/A	N/A	N/A	N/A
Falcon Group	1.67	N/A	1.51	N/A	Jun-13
Fort Belvoir	1.55	N/A	N/A	N/A	Nov-11
Fort Benning	1.35	N/A	N/A	N/A	Sep-16
Fort Bliss / White Sands MR	1.33	N/A	N/A	N/A	Jun-11
Fort Bragg	1.37	1.00	N/A	N/A	Dec-13
Fort Campbell	1.96	N/A	N/A	N/A	Mar-11
Fort Carson	2.15	N/A	N/A	N/A	Nov-04
Fort Detrick / Walter Reed AMC	1.34	1.00	N/A	N/A	Jul-08
Fort Drum FH & UH	1.46, 1.46	N/A	N/A	N/A	Feb-11, May-11
Fort Eustis / Fort Story	1.60	N/A	N/A	N/A	Nov-10

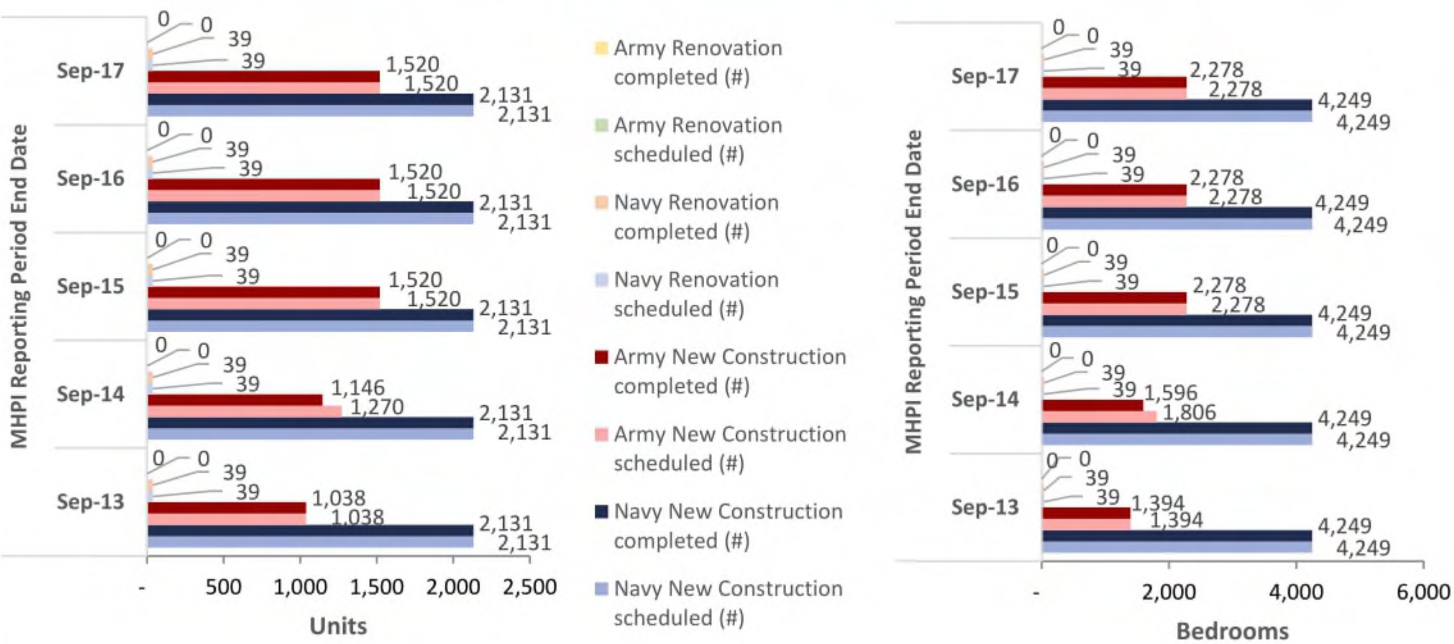
Attachment A6:
Debt Service Coverage Ratios for MHPI Projects with Completed IDPs

Fort Gordon	1.80	N/A	N/A	N/A	Apr-12
Fort Hamilton	1.59	N/A	N/A	N/A	Nov-09
Fort Hood	2.06	N/A	N/A	N/A	Jun-06
Fort Huachuca / Yuma PG	1.25	N/A	N/A	N/A	Sep-15
Fort Irwin / Moffett / Parks FH&UH	1.15, 1.15	N/A	N/A	N/A	Apr-16, Jun-11
Fort Jackson	1.38	N/A	N/A	N/A	Feb-15
Fort Knox	1.21	N/A	N/A	N/A	Sep-15
Fort Lee	2.06	N/A	N/A	N/A	Jan-16
Fort Leonard Wood	1.22	N/A	N/A	N/A	Oct-14
Fort Meade	1.39	1.00	N/A	N/A	May-12
Fort Polk	1.69	N/A	N/A	N/A	Oct-15
Fort Riley	1.44	N/A	N/A	N/A	Jun-16
Fort Rucker	1.28	N/A	N/A	N/A	Jan-15
Fort Sam Houston	1.71	N/A	N/A	N/A	Mar-10
Fort Stewart FH & UH	1.61, 1.00	1.00	N/A	N/A	Dec-13, Oct-09
Hampton Roads	1.20	N/A	N/A	N/A	Jul-10
Hickam AFB	1.25	N/A	1.18	N/A	Sep-13
Hill AFB	3.53	N/A	2.11	N/A	Dec-13
JB Elmendorf-Richardson (JBER)	1.79	N/A	1.30	N/A	Nov-13
JB McGuire-Dix-Lakehurst	2.11	N/A	1.80	N/A	Dec-11
Kingsville I (sold, no longer MHPI)	N/A	N/A	N/A	N/A	N/A
Kingsville II	2.96	1.45	2.15	N/A	Aug-02
Kirtland AFB	1.94	N/A	1.48	N/A	Aug-06
Lackland AFB	1.72	N/A	1.10	N/A	Jun-13
MidAtlantic	1.16	N/A	N/A	N/A	Mar-15
Nellis AFB	1.33	N/A	1.03	N/A	Jan-12
New Orleans	1.70	1.25	N/A	N/A	Dec-03
Northeast Regional	1.25	N/A	N/A	N/A	Oct-10
Presidio of Monterey / NPS	1.38	N/A	N/A	N/A	Dec-14
Redstone Arsenal	1.84	N/A	N/A	N/A	Mar-09
Robins AFB I	1.52	N/A	0.97	N/A	Jun-02
Robins AFB II	1.47	N/A	N/A	N/A	Feb-12
San Diego FH	2.75	1.20	N/A	N/A	Oct-16
San Diego UH	1.63	1.20	N/A	N/A	Mar-09
Scott AFB	1.47	1.25	1.28	1.05	Feb-09
South Texas	1.47	1.10	N/A	N/A	May-05
Southeast Regional	1.53	1.15	N/A	N/A	Sep-13
Southern Group	1.83	N/A	1.36	N/A	Jul-16
Tri-Group	1.37	N/A	N/A	N/A	Dec-14
Vandenberg AFB	1.43	N/A	N/A	N/A	Mar-13
West Point	2.01	N/A	N/A	N/A	Jul-16
Western Group	2.53	N/A	1.82	N/A	Aug-16
Wright-Patterson AFB	2.09	N/A	1.71	N/A	Feb-06

Attachment A7: MHPI Unaccompanied Housing Development and Occupancy

As of September 30, 2017, cumulative MHPI program development in the unaccompanied housing portfolio includes 3,651 new or replacement unaccompanied housing units (6,527 bedrooms) and 39 major/medium renovations to existing unaccompanied housing units (39 bedrooms).

MHPI Unaccompanied Housing Development: Units/Bedrooms Completed as of September 30, 2017



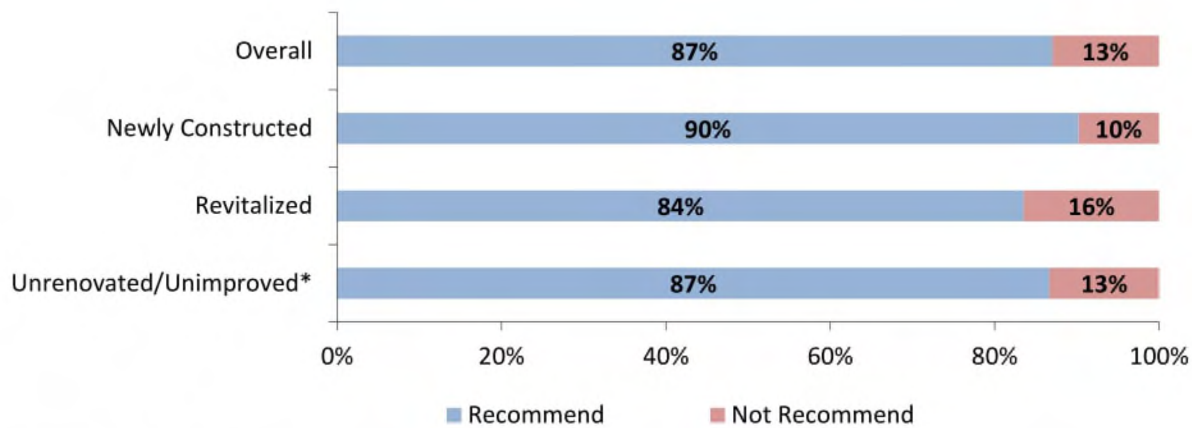
As of September 30, 2017, MHPI tenants occupied more than 92 percent of unaccompanied housing units available to be leased, approximately one percent lower than the previous year.

MHPI Unaccompanied Housing Occupancy as of September 30, 2017

	Sep-14	Sep-15	Sep-16	Sep-17	% Change from Sep-16 to Sep-17
Army UH Occupancy (Units/Bedrooms)	90.6%/90.6%	87.4%/87.0%	86.7%/87.5%	85.8%/86.8%	-0.9%/-0.7%
Navy UH Occupancy (Units/Bedrooms)	96.4%/96.4%	97.9%/97.9%	96.9%/97.0%	96.5%/96.4%	-0.4%/-0.6%
MHPI UH Occupancy Rate (Units/Bedrooms)	**94.9%/95.3%**	**94.7%/95.2%**	**93.4%/94.4%**	**92.6%/93.8%**	**-0.8%/-0.6%**

Attachment A8:
Tenant Satisfaction by Project

"Would You Recommend Privatized Housing?"
Average Tenant Satisfaction Rating by Housing Condition for Calendar Year 2017



**Unrenovated/unimproved housing units typically have been "refreshed" with new paint and flooring, but have not been substantially remodeled/revitalized. In many cases, these homes were less than 10 years old when the housing was privatized, and in some cases these homes were less than one year old when they were privatized. Such units, for example, did not warrant immediate replacement of cabinetry or remodeling of the floor-plan. However, these unrenovated/unimproved housing units are scheduled for revitalization during the out-year development period of the projects, for example, when the units are 20-30 years old.*

Based on data collection methods/timing by the Military Departments, this report provides average tenant satisfaction rating data for calendar year 2017 rather than for the reporting period October 1, 2016 through September 30, 2017.

To help interpret results, the Military Departments and project managers code surveys based on whether the respondent resides in a newly constructed or renovated/revitalized home, or in an unrenovated/unimproved home. As expected, satisfaction was highest among those living in newly constructed homes. Satisfaction was slightly lower for tenants living in renovated and unimproved homes when compared to tenants living in new homes, but relative satisfaction results are comparable to historical levels.

Attachment A8:
Tenant Satisfaction by Project

The table below displays the satisfaction results collected for the MHPI program during calendar year 2017. Surveys request tenants residing in privatized housing to indicate whether or not they would recommend privatized housing. The percentages of tenants responding, "Yes," "No," or "Don't Know" for each project are reflected below.

"Would You Recommend Privatized Housing?"
Average Tenant Satisfaction Rating by Project for Calendar Year 2017

	Newly Constructed Units			Renovated Units			Unrenovated Units		
Project	Yes	No	Don't Know	Yes	No	Don't Know	Yes	No	Don't Know
Corpus Christi/Kingsville I, TX-Navy	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NS Everett I, WA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lackland AFB, TX	78%	20%	2%	N/A	N/A	N/A	60%	38%	2%
Fort Carson, CO	57%	23%	20%	42%	37%	21%	N/A	N/A	N/A
Dyess AFB, TX	95%	5%	0%	N/A	N/A	N/A	N/A	N/A	N/A
Robins AFB I, GA	75%	23%	3%	N/A	N/A	N/A	85%	13%	1%
NAS Kingsville II, TX	N/A	N/A	N/A	N/A	N/A	N/A	76%	9%	15%
MCB Camp Pendleton, CA	80%	7%	13%	78%	6%	16%	N/A	N/A	N/A
NS Everett II, WA	N/A	N/A	N/A	N/A	N/A	N/A	49%	19%	31%
Elmendorf AFB I, AK	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
San Diego Naval Complex Overview, CA	77%	9%	15%	72%	13%	15%	79%	9%	12%
New Orleans Naval Complex, LA (NOLA)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fort Hood, TX	77%	9%	14%	62%	17%	21%	68%	15%	17%
South Texas, TX (SOTX)-Navy	N/A	N/A	N/A	N/A	N/A	N/A	78%	9%	13%
Fort Lewis, WA/McChord AFB, WA	82%	9%	9%	63%	20%	17%	68%	9%	23%
Fort Meade, MD	N/A	N/A	N/A	69%	15%	16%	57%	24%	19%
Wright-Patterson AFB, OH	89%	10%	1%	N/A	N/A	N/A	89%	10%	1%
Kirtland AFB, NM	91%	8%	1%	N/A	N/A	N/A	90%	10%	0%
Fort Bragg, NC	36%	29%	35%	73%	10%	18%	72%	13%	15%
PE/QU/YU (Camp Pendleton II)	75%	11%	14%	63%	21%	17%	77%	11%	13%
Presidio of Monterey/NPS, CA	71%	12%	16%	79%	12%	10%	65%	15%	20%
Fort Stewart/Hunter Army Airfield, GA	70%	15%	15%	61%	23%	16%	50%	30%	20%
Fort Belvoir, VA	74%	10%	16%	71%	15%	14%	67%	16%	17%
Fort Campbell, KY	77%	9%	14%	74%	13%	14%	73%	13%	14%
Fort Irwin/Moffett Field/Camp Parks, CA	70%	12%	17%	69%	13%	19%	58%	24%	18%

Attachment A8: Tenant Satisfaction by Project

Hawaii Regional, HI-Navy/MC	80%	6%	14%	73%	9%	18%	74%	10%	16%
Fort Hamilton, NY	80%	7%	13%	N/A	N/A	N/A	64%	27%	9%
Fort Detrick, MD/Walter Reed Army Med. Ctr., DC	59%	30%	11%	25%	50%	25%	77%	11%	12%
Buckley AFB, CO	81%	19%	0%	N/A	N/A	N/A	N/A	N/A	N/A
Elmendorf AFB II, AK	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fort Polk, LA	N/A	N/A	N/A	64%	18%	18%	N/A	N/A	N/A
Fort Shafter/Schofield Barracks, HI	84%	4%	11%	72%	13%	16%	68%	17%	15%
Northeast Regional, (NY, NJ, CT, RI, ME)-Navy	85%	7%	8%	77%	8%	15%	81%	8%	10%
Fort Eustis/Fort Story, VA	63%	21%	17%	56%	28%	16%	N/A	N/A	N/A
Hickam AFB, HI	81%	18%	1%	81%	18%	1%	81%	18%	1%
Northwest Regional, WA-Navy	91%	1%	8%	68%	8%	24%	59%	13%	28%
Fort Sam Houston, TX	84%	8%	8%	60%	21%	19%	N/A	N/A	N/A
Fort Leonard Wood, MO	81%	13%	6%	N/A	N/A	N/A	N/A	N/A	N/A
Fort Drum, NY	80%	7%	13%	71%	15%	15%	N/A	N/A	N/A
Fort Bliss, TX/White Sands, NM	N/A	N/A	N/A	59%	22%	19%	62%	18%	20%
Mid-Atlantic Regional, (VA, WV, MD)-Navy	86%	6%	7%	79%	8%	13%	56%	23%	21%
Offutt AFB, NE	85%	14%	1%	80%	17%	3%	89%	9%	2%
Hill AFB, UT	85%	14%	1%	81%	19%	0%	89%	9%	2%
Dover AFB, DE	92%	7%	1%	N/A	N/A	N/A	87%	13%	0%
Cherry Point/Camp Lejeune Overview (AMCC), NC	79%	9%	12%	71%	13%	16%	77%	11%	12%
Midwest Regional, (IL, IN, TN)-Navy	77%	8%	15%	71%	14%	15%	70%	14%	16%
Scott AFB, IL	91%	7%	2%	89%	10%	2%	89%	7%	4%
Fort Benning, GA	73%	9%	18%	78%	10%	12%	77%	10%	13%
Fort Leavenworth, KS	89%	4%	8%	68%	16%	16%	68%	16%	15%
Fort Rucker, AL	74%	11%	16%	83%	7%	10%	N/A	N/A	N/A
Fort Gordon, GA	79%	11%	10%	53%	29%	18%	N/A	N/A	N/A
Nellis AFB, NV	86%	12%	1%	71%	28%	1%	N/A	N/A	N/A
Carlisle Barracks, PA/Picatinny Arsenal, NJ	80%	6%	14%	63%	25%	13%	78%	8%	14%
Fort Riley, KS	N/A	N/A	N/A	79%	9%	13%	N/A	N/A	N/A
McGuire AFB/Fort Dix, NJ-Air Force	99%	1%	0%	99%	1%	0%	N/A	N/A	N/A
Redstone Arsenal, AL	N/A	N/A	N/A	N/A	N/A	N/A	83%	5%	11%
Fort Knox, KY	N/A	N/A	N/A	84%	5%	11%	N/A	N/A	N/A
AETC Group I, (OK, AZ, TX, FL)	92%	7%	0%	90%	9%	1%	86%	12%	2%
AF Academy, CO	N/A	N/A	N/A	78%	21%	1%	90%	8%	2%

Attachment A8: Tenant Satisfaction by Project

ACC Grp II (Davis-Monthan AFB, AZ/Holloman AFB, NM)	90%	10%	1%	77%	22%	1%	88%	11%	1%
Fort Lee, VA	82%	9%	9%	0%	0%	0%	71%	13%	16%
Tri-Group (CO, CA)	91%	8%	0%	69%	31%	0%	84%	15%	1%
BLB (LA, VA, DC)	88%	12%	1%	87%	13%	0%	77%	22%	1%
Southeast Regional (SC, MS, FL, GA, TX) – Navy	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Robins AFB II, GA	81%	19%	0%	75%	25%	0%	79%	21%	0%
AETC Group II (MS, TX, AL, OK)	86%	13%	1%	78%	21%	1%	81%	16%	2%
Vandenberg AFB, CA	94%	5%	1%	89%	10%	1%	89%	11%	0%
AMC East (MD, FL)	93%	7%	0%	93%	7%	0%	84%	16%	0%
AMC West (OK, CA, WA)	87%	11%	2%	77%	20%	2%	81%	17%	2%
West Point, NY	58%	14%	28%	58%	21%	22%	54%	27%	19%
Fort Jackson, SC	75%	7%	18%	79%	8%	13%	N/A	N/A	N/A
Fort Sill, OK	N/A	N/A	N/A	79%	8%	14%	N/A	N/A	N/A
Falcon Group (FL, GA, AR, MA)	82%	17%	1%	85%	13%	2%	85%	14%	2%
Fort Huachuca/Yuma, AK	94%	5%	1%	80%	5%	15%	89%	11%	0%
Fort Wainwright/Greely, AK	0%	0%	0%	81%	7%	12%	84%	7%	10%
Aberdeen Proving Ground, MD	0%	0%	0%	81%	8%	11%	75%	11%	14%
Joint Base Elmendorf-Richardson, AK	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Southern Group (SC, TN, MS)	95%	4%	1%	N/A	N/A	N/A	92%	7%	1%
Western Group (CA, WY, MT, MO)	94%	5%	1%	91%	8%	1%	92%	7%	1%
Northern Group (NM, SD, ND, ID)	90%	7%	2%	N/A	N/A	N/A	91%	7%	2%
Continental Group (CA, FL, AK, KS, NC)	N/A	N/A	N/A	88%	11%	1%	N/A	N/A	N/A
ACC Group III (TX, GA)	96%	1%	3%	N/A	N/A	N/A	95%	3%	2%
San Diego UH Privatization, CA	95%	1%	4%	N/A	N/A	N/A	99%	0%	1%
Hampton Roads UH Privatization, VA	91%	1%	8%	N/A	N/A	N/A	66%	10%	24%
Fort Bragg UH, NC	94%	2%	4%	0%	0%	0%	0%	0%	0%
Fort Drum UH, NY	90%	4%	6%	0%	0%	0%	0%	0%	0%
Fort Meade UH, MD	83%	7%	10%	0%	0%	0%	0%	0%	0%
Fort Stewart UH, GA	73%	3%	23%	0%	0%	0%	0%	0%	0%
Fort Irwin UH, CA	60%	20%	20%	0%	0%	0%	0%	0%	0%
Army	**77%**	**10%**	**14%**	**70%**	**15%**	**15%**	**68%**	**16%**	**16%**
Navy	**82%**	**7%**	**11%**	**69%**	**14%**	**17%**	**75%**	**16%**	**14%**
Air Force	**89%**	**10%**	**1%**	**85%**	**14%**	**1%**	**87%**	**11%**	**1%**
Total DoD	**82%**	**9%**	**9%**	**72%**	**14%**	**13%**	**78%**	**12%**	**10%**

Attachment A9: MHPI Government Contributions

MHPI Program Evaluation Report

For the Fiscal Year Ending September 30, 2017

This appendix is provided to identify, on a project by project basis, the Government contributions utilized as of September 30, 2017.

MHPI Government Contributions as of September 30, 2017						
Military Department	Project[1]	Developer/Partner Name	Equity Investment	Differential Lease Payments	Government Direct Loan	Government Loan Guarantee
FAMILY HOUSING						
Army	Aberdeen Proving Ground	Corvias Military Living	X	-	-	-
Army	Fort Belvoir	Clark Pinnacle Family Communities	-	-	-	-
Army	Fort Benning	Clark Pinnacle Family Communities	X	-	-	-
Army	Fort Bliss / White Sands Missile Range	Balfour Beatty Communities	X	-	-	-
Army	Fort Bragg	Corvias Military Living	X	-	-	-
Army	Fort Campbell	Lendlease	X	-	-	-
Army	Carlisle Barracks / Picatinny Arsenal	Balfour Beatty Communities	X	-	-	-
Army	Fort Carson	Balfour Beatty Communities	X	-	-	X
Army	Fort Detrick / Walter Reed Army Medical Center	Balfour Beatty Communities	X	-	-	-
Army	Fort Drum	Lendlease	X	-	-	-
Army	JB Langley-Eustis – Fort Eustis / JEB Little Creek-Fort Story – Fort Story	Balfour Beatty Communities	X	-	-	-
Army	Fort Gordon	Balfour Beatty Communities	X	-	-	-
Army	Fort Hamilton	Balfour Beatty Communities	X	-	-	-
Army	Fort Hood	Lendlease	X	-	-	-
Army	Fort Huachuca / Yuma Proving Ground	Michaels Military Housing	-	-	-	-
Army	Fort Irwin / Moffett Field / Parks RFTA	Clark Pinnacle Family Communities	X	-	-	-
Army	Fort Jackson	Balfour Beatty Communities	X	-	-	-

Attachment A9:
MHPI Government Contributions

(Table continued)

MHPI Government Contributions as of September 30, 2017						
Military Department	Project[1]	Developer/Partner Name	Equity Investment	Differential Lease Payments	Government Direct Loan	Government Loan Guarantee
FAMILY HOUSING (continued)						
Army	Fort Knox	Lendlease	X	-	-	-
Army	Fort Leavenworth	Michaels Military Housing	X	-	-	-
Army	Fort Lee	Hunt Companies/Falcon Properties	X	-	-	-
Army	Fort Leonard Wood	Balfour Beatty Communities	X	-	-	-
Army	Fort Meade	Corvias Military Living	-	-	-	-
Army	Fort Polk	Corvias Military Living	X	-	-	X
Army	JB Lewis-McChord[2]	Lincoln Property Company	X	-	-	-
Army	Presidio of Monterey / Naval Postgraduate School	Clark Pinnacle Family Communities	-	-	-	-
Army	Redstone Arsenal	Hunt Companies	X	-	-	-
Army	Fort Riley	Corvias Military Living	X	-	-	-
Army	Fort Rucker	Corvias Military Living	X	-	-	-
Army	JB San Antonio – Fort Sam Houston	Lincoln Property Company	X	-	-	-
Army	Fort Shafter/Schofield Barracks	Lendlease	-	-	-	-
Army	Fort Sill	Corvias Military Living	X	-	-	-
Army	Fort Stewart / Hunter Army Airfield	Balfour Beatty Communities	X	-	-	-
Army	Fort Wainwright / Fort Greely	Lendlease	X	-	-	X
Army	West Point	Balfour Beatty Communities	X	-	-	-
Army Family Housing Total			**29**	**0**	**0**	**3**

Attachment A9:
MHPI Government Contributions

(Table continued)

MHPI Government Contributions as of September 30, 2017

Military Department	Project[1]	Developer/Partner Name	Equity Investment	Differential Lease Payments	Government Direct Loan	Government Loan Guarantee
FAMILY HOUSING (continued)						
Navy/USMC	Marine Corps Base (MCB) Camp Pendleton I	Hunt Companies	-	-	X	-
Navy/USMC	Cherry Point/Camp Lejeune Overview (Atlantic Marines)	Lendlease	X	-	-	-
Navy/USMC	Corpus Christi/Kingsville I[3]	Landmark Residential, LLC	X	X	-	-
Navy/USMC	Naval Station (NS) Everett I[4]	Forest City Enterprises Inc.	-	X	-	-
Navy/USMC	NS Everett II[5]	Gateway Development Group and CED Military Group	X	X	-	-
Navy/USMC	Hawaii Regional[6]	Hunt Companies	X	-	-	-
Navy/USMC	Naval Air Station (NAS) Kingsville II	Hunt Companies	X	-	X	-
Navy/USMC	Mid-Atlantic Regional	Lincoln Family Communities, LLC	X	-	-	-
Navy/USMC	Midwest Regional[6]	Hunt Companies	X	-	-	-
Navy/USMC	NAS Joint Reserve Base New Orleans	Patrician Development	X	-	-	-
Navy/USMC	Northeast Regional	Balfour Beatty Communities	-	-	-	-
Navy/USMC	Northwest Regional[6]	Hunt Companies	X	-	-	-
Navy/USMC	PE/QU/YU (Camp Pendleton II)	Hunt/Lincoln/Clark	X	-	-	-
Navy/USMC	San Diego Naval Complex Overview	Lincoln/Clark San Diego LLC	X	-	-	-
Navy/USMC	South Texas	Landmark Organization (Faulkner USA)	X	-	-	-
Navy/USMC	Southeast Regional	Balfour Beatty Communities	X	-	-	-
Navy / Marine Corps Family Housing Total			**13**	**3**	**2**	**0**

Attachment A9: MHPI Government Contributions

(Table continued)

MHPI Government Contributions as of September 30, 2017						
Military Department	Project[1]	Developer/Partner Name	Equity Investment	Differential Lease Payments	Government Direct Loan	Government Loan Guarantee
FAMILY HOUSING (continued)						
Air Force	Air Combat Command (ACC) Group II	Lendlease	-	-	X	-
Air Force	ACC Group III	Balfour Beatty Communities	-	-	X	X
Air Force	Air Education & Training Command (AETC) Group I	BBC AF Management / Development LLC	-	-	X	-
Air Force	AETC Group II	Pinnacle Hunt Communities	X	-	-	-
Air Force	Air Force Academy[6]	Hunt Companies	-	-	X	-
Air Force	Air Mobility Command (AMC) East	Clark Realty Builders / Clark DOC Builders	-	-	-	-
Air Force	AMC West	AMC West Housing, LP	-	-	X	-
Air Force	BLB Group	Hunt ELP, Ltd.	-	-	X	-
Air Force	Buckley Air Force Base (AFB)	Investment Builders Inc. / Hunt Building Corporation	-	-	X	-
Air Force	Continental Group	Corvias Military Living	-	-	X	X
Air Force	Dover AFB	Hunt Building Company	-	-	X	-
Air Force	Dyess AFB	Hunt Building Company	-	-	X	-
Air Force	JB Elmendorf–Richardson (JBER I) - Elmendorf AFB[7]	JL Properties	-	-	X	X
Air Force	JB Elmendorf–Richardson (JBER II) - Elmendorf AFB	JL Properties	-	X	X	-
Air Force	JB Elmendorf–Richardson (JBER III) - Fort Richardson	JL Properties	-	-	X	-
Air Force	Falcon Group	HP Communities, LLC	-	-	X	-
Air Force	JB Pearl Harbor–Hickam - Hickam AFB	Lendlease	-	-	X	-

Attachment A9:
MHPI Government Contributions

(Table continued)

MHPI Government Contributions as of September 30, 2017						
Military Department	Project[1]	Developer/Partner Name	Equity Investment	Differential Lease Payments	Government Direct Loan	Government Loan Guarantee
FAMILY HOUSING (continued)						
Air Force	Hill AFB	BHMH, LC (Boyer/Gardner)	-	-	X	-
Air Force	Kirtland AFB	Hunt Building Company	-	-	X	X
Air Force	JB San Antonio - Lackland AFB[7]	Balfour Beatty Communities	-	-	X	X
Air Force	JB McGuire-Dix-Lakehurst – McGuire AFB / JB McGuire-Dix-Lakehurst – Fort Dix	United Communities Development, LLC	-	-	X	-
Air Force	Nellis AFB	Hunt Building Company	-	-	X	-
Air Force	Northern Group	BBC AF Housing Construction, LLC	-	-	X	X
Air Force	Offutt AFB	America First Real Estate Group	-	-	X	-
Air Force	Robins AFB I	Hunt Building Company	-	-	X	X
Air Force	Robins AFB II	Hunt Building Company	X	-	-	-
Air Force	Scott AFB	Hunt Building Company	-	-	X	-
Air Force	Southern Group[6]	Hunt Companies	-	-	X	-
Air Force	Tri-Group	Lendlease	X	-	-	-
Air Force	Vandenberg AFB	Balfour Beatty Communities	-	-	-	-
Air Force	Western Group	BBC AF Management / Development LLC	-	-	X	-
Air Force	Wright-Patterson AFB	Hunt Building Corp/ MV Communities/ Woolpert LLC	-	-	X	X
Air Force Family Housing Total			**3**	**1**	**27**	**8**
MHPI Family Housing Total			**45**	**4**	**29**	**11**

Attachment A9: MHPI Government Contributions

(Table continued)

MHPI Government Contributions as of September 30, 2017						
Military Department	Project[1]	Developer/Partner Name	Equity Investment	Differential Lease Payments	Government Direct Loan	Government Loan Guarantee
UNACCOMPANIED HOUSING						
Army	Fort Bragg	Corvias Military Living	-	-	-	-
Army	Fort Drum	Lendlease	-	-	-	-
Army	Fort Irwin	Clark Pinnacle Family Communities	-	-	-	-
Army	Fort Meade	Corvias Military Living	-	-	-	-
Army	Fort Stewart	Balfour Beatty Communities	-	-	-	-
Army	Privatization of Army Lodging	Lendlease	-	-	-	-
Army Unaccompanied Housing Total			**0**	**0**	**0**	**0**
Navy/USMC	Homeport Hampton Roads	Hunt ELP LTD and American Campus Communities OP, LLC	X	-	-	-
Navy/USMC	NS San Diego	California Naval Communities, LLC	X	-	-	-
Navy/USMC Unaccompanied Housing Total			**2**	**0**	**0**	**0**
MHPI Unaccompanied Housing Total			**2**	**0**	**0**	**0**

1. For reporting purposes, the following projects are combined and reported as single projects:
   A. San Diego Naval Complex Overview: San Diego Phases I, II, III, IV, V, and VI.
   B. Cherry Point/Camp Lejeune Overview (Atlantic Marine Corps Communities - AMCC): MCB Camp Lejeune/MCAS Cherry Point Phases I, II, and III; and Tri-Command.
   C. PE/QU/YU (Camp Pendleton II): MCB Camp Pendleton Phase II/MCB Quantico; MCAS Yuma/MCB Camp Pendleton Phase III; MCAGCC Twentynine Palms/MOBCOM Kansas City; MCB Camp Pendleton Phase IV; MCB Camp Pendleton Phase V/MCLB Albany; and MCB Camp Pendleton Phase VI.
   D. Hawaii Regional: Hawaii Regional Phases I, II, III, IV, V, and VI.
   E. Hickam AFB: Hickam AFB Phases I and II.
   F. Mid-Atlantic Regional: Mid-Atlantic Regional Phases I, II, and III.
   G. Midwest Regional: Midwest Regional Phases I and II.
2. The original MHPI developer/partner, Equity Residential, sold its interest in the JB Lewis-McChord project to Lincoln Property Company in fiscal year 2016.
3. Project sold in fiscal year 2016: no longer MHPI.
4. Project sold prior to fiscal year 2014: no longer MHPI.
5. Project sold in fiscal year 2017: no longer MHPI.
6. The original MHPI developer/partner, Forest City Enterprises Inc., sold its interest in all MHPI projects to the Hunt Companies in fiscal year 2016.
7. The limited Government Loan Guarantees at Lackland AFB Phase I and Elmendorf AFB I have been retired.

Attachment A10: Active Government Loan Guarantees on MHPI Projects

DoD has provided limited loan guarantees on 11 MHPI projects. A limited government loan guarantee contains provisions that address the impact of three events that could affect the available tenant supply of eligible personnel at an installation, and therefore potentially affect the financial viability of the project: downsizing of a military installation; prolonged deployment; and base closure.

When the guarantee agreements were executed for seven projects – Fort Carson, Colorado; Fort Polk, Louisiana; Fort Wainwright/Fort Greely, Alaska; Kirtland AFB, New Mexico; and the Air Force's Northern, Continental, and Air Combat Command (ACC) III grouped projects – the Military Departments identified the baseline number of eligible families used to determine a Guarantee Threshold event. The Guarantee Threshold criteria for these seven projects, which could potentially trigger a guarantee claim, are project-specific percentage reductions of eligible military families from the identified baseline numbers. The threshold criteria at Robins AFB I, Georgia, uses a sliding scale based on the occurrence of either of two events – a percentage decrease of eligible families that is greater than 30 percent in any 12-month period; or, a decrease in the ratio of eligible families to privatized homes below a set ratio (1.5:1). The threshold criteria for Wright-Patterson AFB, Ohio, is solely a reduction in the number of eligible families to privatized homes below a ratio of 1.5:1.

The limited government loan guarantees at Lackland AFB Phase I and Elmendorf AFB I have been retired. The Air Force negotiated to retire the guarantee at Elmendorf AFB I when the Project refinanced in 2004. The Air Force negotiated for the elimination of the guarantee at Lackland AFB Phase I when the Project was sold to a new project owner. Elimination of additional loan guarantees may occur during future loan refinancings as the MHPI program matures and financial institutions no longer require any government support of the loan. This elimination represents a reduction in the government's financial exposure.

The 2005 Base Realignment and Closure (BRAC) round resulted in adjustments in military end strength at many military installations, impacting MHPI project occupancy at several installations. However, the 2005 BRAC round did not close any installations where DoD had provided a limited government loan guarantee to an MHPI project.

The possibility of a reduction in eligible personnel due to the current extent of deployment actions continues to be of interest. A reduction in eligible personnel could affect projects that carry a limited government loan guarantee because of the potential for a mortgage payment default. If this were to occur, the Military Department would require the borrower to demonstrate that the threshold reduction in the percentage of eligible personnel had occurred and, despite all appropriate action taken by the project to remedy the problem (including full use of the alternative tenant waterfall), that this Government action had led to a mortgage payment default. The borrower could then file a guarantee claim. To date, no project has experienced a Guarantee Threshold event.

Although all nine of the projects with existing government limited loan guarantees are currently healthy in terms of occupancy, the Military Departments will continue to monitor these projects and loan guarantees to assess the impact of any future BRAC round, ongoing or future long-term deployments, and personnel realignments.

The following table summarizes the baseline number of eligible families (starting point for the current change calculation), current eligible families, and defined threshold reduction percentage for each of the active guaranteed loans, and, if applicable, the baseline and current ratios of eligible military families to privatized homes for the nine currently executed limited government loan guarantee agreements. Two projects, Lackland AFB Phase I and Elmendorf AFB I, have retired guarantees.

Attachment A10: Active Government Loan Guarantees on MHPI Projects

MHPI Program Evaluation Report For the Fiscal Year Ending September 30, 2017

To date, no project has experienced a Guarantee Threshold event. As of the end of fiscal year 2017, five projects – Robins AFB I, Georgia; Fort Polk, Louisiana; Kirtland AFB, New Mexico; Fort Wainwright/Fort Greely, Alaska; and Air Force's Northern Group—have eligible populations less than their baseline number, and just one – Kirkland AFB – experienced a material reduction.

Loan Guarantee Thresholds, Threshold Ratios and Status as of September 30, 2017

MHPI Project	Fort Carson	Robins AFB I	Fort Polk	Wright-Patterson AFB	Kirtland AFB	Fort Wainwright/ Fort Greely	Northern Group	Continental Group	ACC Group III
Number of Privatized Housing Units	3,368	670	3,661	1,536	1,078	1,815	4,546	3,840	775
Baseline Date[1]	Nov-99	Oct-16	Sep-04	Jan-06	Aug-06	Apr-09	Aug-13	Sep-13	Jun-14
Eligible Families as of Baseline Date	9,373	3,513	6,215	4,368	2,183	4,449	9,718	15,329	5,080
Eligible Families as of September 30, 2017	11,315	3,991	5,502	3,652	3,057	3,977	9,559	15,639	4,628
Guarantee Threshold[2]	-40%	-30%	-30%	N/A	-25%	-33%	-30%	-30%	-30%
Current Change as of September 30, 2017[3]	21%	13%	-11%	N/A	40%	-11%	-2%	2%	-9%
Threshold Ratio[4]	N/A	1.5:1	N/A	1.5:1	N/A	N/A	N/A	N/A	N/A
Current Ratio as of September 30, 2017[5]	N/A	6.0:1	N/A	2.4:1	N/A	N/A	N/A	N/A	N/A

Notes:

1. The Baseline Date reflects the effective date of the Loan Guarantee agreement that identifies the parameters that could trigger a Guarantee Threshold Event.

2. The Guarantee Threshold is the percentage reduction in Eligible Families that triggers a Guarantee Threshold Event. All projects on this table except the Wright-Patterson AFB project have a Guarantee Threshold.

3. Current Change reflects the percentage increase or decrease in the number of Eligible Families at the installation within a certain timeframe. For Fort Carson, Fort Polk, Kirtland AFB, Forts Wainwright/Greely, Northern Group, Continental Group and ACC Group III, the measurement is the percentage change in Eligible Families between the original Loan Guarantee Baseline Date and the end of the current PER reporting period. The timeframe for which the percentage change is measured for the Robins AFB I project is based on a sliding 12-month timeframe. For the fiscal year 2016, the measurement period is October 1, 2016, to September 30, 2017.

4. The Robins AFB I and Wright-Patterson AFB projects have Loan Guarantees that specify a Threshold Ratio parameter. The Threshold Ratio is the minimum ratio of Eligible Families to the Number of Privatized Housing Units: a ratio lower than the minimum would trigger a Threshold Ratio event. At Robins AFB I, the Threshold Ratio uses a sliding scale based on the occurrence of either of two events: a percentage drop of Eligible Families, or a drop in the ratio of Eligible Families to privatized homes.

5. The Current Ratio is calculated based on the number of Eligible Families as of the end of the current PER reporting period divided by the Number of Privatized Housing Units.

Attachment A11:
MHPI Lodging Project Scope

MHPI Program Evaluation Report
For the Fiscal Year Ending September 30, 2017

This appendix is provided to identify, on an installation-level basis, any end state modifications that have occurred subsequent to the last OSD and OMB approval, as well as total existing guestroom inventory as of September 30, 2017.

In the table below, the "OMB-Approved End State" inventories at individual installations of the Privatization of Army Lodging (PAL) project are notional IDP scopes which comprised the overall project end state that was approved by the OSD and OMB. During the development of a major multi-site lodging project, particularly a project that was built over an extended number of years at multiple locations, the actual installation-level end state values may have been changed to due to shifts in official demand requirements, facility usage determinations (renovate vs. replace), or unforeseen increases in construction costs. Material changes in installation-level end states are approved by the applicable Military Department (MilDep), unless the aggregated lodging project end state changes and the resulting investment requires re-approval by OSD and OMB.

MHPI Lodging Approved End States and Existing Inventory (Online + Offline) as of 9/30/2017[1]									
Military Dept	Project/MHPI Partner *(Installations/separate geographic sites listed in italics on lines below)*	OMB-Approved End State Guestrooms[2]	MilDep-Approved End State Guestrooms[3]	Existing Guestroom Inventory[4]	Existing Unit Inventory Category[4]				Fiscal Year of Transfer to Privatized Operation
					Holiday Inn Express	Candlewood Suites	Staybridge Suites	IHG Army Hotels / Historia Collection	
LODGING									
Army	**Privatization of Army Lodging (PAL) / Lendlease-IHG**	**14,398**	**12,396**	**13,602**	**3,583**	**1,407**	**141**	**8,471**	**(multiple, see below)**
	Fort Hood	367	367	367	274	93	0	0	2009
	Joint Base San Antonio - Sam Houston	983	983	983	350	310	0	323	2009
	Yuma Proving Ground	102	102	183	0	92	0	91	2009
	Joint Base Myer-Henderson Hall	31	31	31	0	0	0	31	2009
	Fort Sill	724	724	724	619	0	0	105	2009
	Fort Riley	109	109	109	0	100	0	9	2009
	Fort Leavenworth	329	321	321	308	0	0	13	2009
	Tripler Army Medic Center / Ft Shafter	42	42	42	0	0	0	42	2009
	Fort Rucker	563	651	652	193	0	0	459	2009
	Fort Polk	148	148	126	126	0	0	0	2009
	Fort Campbell	188	133	214	132	0	0	82	2011
	Fort Knox	482	311	609	301	0	0	308	2011
	Fort Gordon	855	553	550	150	0	0	400	2011
	White Sands Missile Range	58	58	58	0	0	0	58	2011
	Fort Bliss	400	268	262	148	0	0	114	2011
	Fort Belvoir	477	360	479	219	0	141	119	2011
	Fort Leonard Wood	1,538	1,541	1,540	347	234	0	959	2011
	Fort Buchanan	73	73	73	73	0	0	0	2011
	Fort Huachuca	403	403	487	0	243	0	244	2011

Attachment A11:
MHPI Lodging Project Scope

(Table continued)

MHPI Lodging Approved End States and Existing Inventory (Online + Offline) as of 9/30/2017[1]

Military Dept	Project/MHPI Partner *(Installations/separate geographic sites listed in italics on lines below)*	OMB-Approved End State Guestrooms[2]	MilDep-Approved End State Guestrooms[3]	Existing Guestroom Inventory[4]	Existing Unit Inventory Category[4]				Fiscal Year of Transfer to Privatized Operation
					Holiday Inn Express	Candlewood Suites	Staybridge Suites	IHG Army Hotels / Historia Collection	
	Fort Wainwright	90	90	90	90	0	0	0	2011
	Fort Hamilton	46	46	46	46	0	0	0	2011
	Fort Stewart	161	91	169	0	0	0	169	2013
	Hunter Army Airfield	77	77	77	0	0	0	77	2013
	Fort Carson	186	99	95	0	0	0	95	2013
	Dugway Proving Ground	59	59	60	0	0	0	60	2013
	Parks Reserve Force Training Area	53	54	64	0	0	0	64	2013
	Fort McCoy	218	218	218	0	0	0	218	2013
	Fort Hunter Liggett	54	54	49	0	0	0	49	2013
	Presidio of Monterey	66	54	66	0	0	0	66	2013
	Joint Base Lewis-McChord	544	496	640	0	0	0	640	2013
	Redstone Arsenal	114	92	150	0	92	0	58	2013
	Fort Meade	243	243	243	0	243	0	0	2013
	Aberdeen Proving Ground	144	69	148	0	0	0	148	2013
	Fort Jackson	833	676	845	207	0	0	638	2013
	Fort Bragg	620	520	540	0	0	0	540	2013
	West Point	76	78	78	0	0	0	78	2013
	Carlisle Barracks	45	45	45	0	0	0	45	2013
	Fort Drum	346	99	111	0	0	0	111	2013
	B.T. Collins[5]	54	0	0	0	0	0	0	2013
	Fort Lee	1,577	1,138	1,138	0	0	0	1,138	2016
	Fort Benning	920	920	920	0	0	0	920	2016
Total MHPI Lodging		**14,398**	**12,396**	**13,602**	**3,583**	**1,407**	**141**	**8,471**	

1. "Units" are lodging rooms / guestrooms.

2. Notional installation-level breakout of the aggregate project's "OMB-Approved End State" as per the most recent Approved Scoring Report.

3. Installation-level values for "MilDep-Approved Unit End State" are the planned development values approved by applicable Military Department.

4. Existing unit inventory includes both offline and online units as of 9/30/2017. Additional columns show inventory counts by hotel brand. Most IHG Army Hotels are transient lodging facilities transferred to privatized operations that will be replaced in the short term, or rebranded to an IHG brand (Holiday Inn Express, Candlewood Suites or Staybridge Suites) in the long term. The lodging facilities included in the Historia Collection are fully renovated historic guestrooms that, due to historic renovation restrictions, are unable to provide physical attributes/amenities that are representative of existing IHG brands.

5. Privatized lodging ceased operations at B.T. Collins on 9/30/2016.

Attachment A12: Acronyms

Below is an alphabetical list of acronyms that appear in this report:

Acronym	Definition
ACC	Air Combat Command
AETC	Air Education and Training Command
AFB	Air Force Base
AFS	Air Force Station
AMC	Air Mobility Command
AMCC	Atlantic Marine Corps Communities (aka CLCPS)
ANGB	Air National Guard Base
ARB	Air Reserve Base
BAH	Basic Allowance for Housing
BLB	Barksdale AFB, Langley AFB, Bolling AFB
BRAC	Base Realignment and Closure
CR&R	Capital Repair and Replacement
CY	Calendar Year
DSCR	Debt Service Coverage Ratio (also referred to as debt coverage ratio, DCR)
DoD	Department of Defense
FY	Fiscal Year
GDL	Government Direct Loan
GLG	Government Loan Guarantee
GTA	Grow the Army
IDP	Initial Development Period
JB	Joint Base
JBER	Joint Base Elmendorf-Richardson
JEB	Joint Expeditionary Base
MCAGCC	Marine Corps Air Ground Combat Center
MCAS	Marine Corps Air Station
MCB	Marine Corps Base
MCBH	Marine Corps Base Hawaii
MCLB	Marine Corps Logistics Base
MCRD	Marine Corps Recruit Depot
MHPI	Military Housing Privatization Initiative
MILDEP	Military Department
MOBCOM	Mobilization Command
NAB	Naval Amphibious Base
NAES	Naval Air Engineering Station
NAF	Naval Air Facility
NAS	Naval Air Station

Attachment A12: Acronyms

(Table continued)

Acronym	Definition
NAS JRB	Naval Air Station – Joint Reserve Base
NAWS	Naval Air Weapons Station
NB	Naval Base
NCBC	Naval Construction Battalion Center
NH	Naval Hospital
NIOC	Navy Information Operations Command
NOI	Net Operating Income
NPS	Naval Postgraduate School
NRD	Navy Recruiting District
NS	Naval Station
NSA	Naval Support Activity
NSF	Naval Support Facility
NSS	Naval Sea Systems
NSY	Naval Shipyard
NWS	Naval Weapons Station
ODP	Out-Year Development Plan
OMB	Office of Management and Budget
ORA	Operating Reserve Account
OSD	Office of the Secretary of Defense
PAL	Privatization of Army Lodging
PER	Program Evaluation Report
PMRF	Pacific Missile Range Facility
PE/QU/YU	MCB Pendleton/MCB Quantico/MCAS Yuma
PRA	Project Reserve Account
RCI	Residential Communities Initiative
RECP	RCI Energy Conservation Program or Resident Energy Conservation Program
RFTA	Reserve Forces Training Area
SB	Submarine Base
U.S.C.	United States Code
UH	Unaccompanied Housing
USMC	United States Marine Corps
WPNSTA	Weapons Station