

# AIR FORCE

## Housing Privatization



## Privatized Housing Facts for Airmen: Know Your Housing Choices

Privatized housing is one of the many choices you have when it comes to family housing at your installation. When suitable homes are not available in the community, the Air Force creates business agreements in your area to provide quality homes for you and your family. Since every location is unique, guidelines and features of privatized communities vary from installation to installation. Here are the facts.

### What is Housing Privatization?

The Military Housing Privatization Initiative (MHPI) is a public private partnership based on a long-term commitment between the Air Force and the private developer, wherein both parties benefit from the success of the projects. It is owned, operated and managed similar to off-base community rental properties.

- Privatization saves taxpayers money. Homes are built and owned by private businesses as part of an overall business model, and absorbs all the overhead expenses the Air Force used to pay
- Projects typically involve new construction or renovation of old Military Family Housing units in a fraction of the time it would have taken the Air Force using traditional funding and construction methods

### How is privatized housing different from Military Family Housing (MFH)?

Privatized housing looks more like community rental housing than on-base MFH housing. Even so, privatized housing retains the sense of military community you find in a traditional military family housing area.

- These are not government-owned homes—a property owner controls the property, providing leasing, management and maintenance services
- You sign a rental agreement (lease) and pay rent by allotment; you also pay for your own utilities
- As with other housing choices, the government housing office is there to assist you with housing referral, community information, and complaint mediation

### Is living in privatized housing mandatory?

No. However, if your Commander designates your position as “Mission or Key and Essential” personnel, you may be required to live on base, whether housing is privatized or not.

### Who can live in a privatized housing community?

Active duty military families are the preferred tenants.

- The Air Force’s agreement with the property owner ensures military families have top priority. In fact, measures are in place to ensure these properties remain military communities as much as possible
- Because living in privatized housing is not mandatory, the property owner does have the opportunity to fill vacancies with

others when enough military families do not make privatized housing their choice

- Non-military tenants can only lease homes for one year at a time in order to continually provide incoming military families top priority for vacant homes

### Do tenants have a voice?

As with any rental community or Homeowner’s Association (HOA), your primary contact is the on-site property manager who works for the property owner.

- At most installations, military tenants are chosen as “Tenant Representatives,” to give the community a voice when addressing issues with the property owner and/or the commander
- The government housing office is also your advocate and is in constant contact with the property owner to ensure compliance with the legal agreement
- The government housing office is available to mediate in the event of a disagreement between tenants and landlords, with the intent of achieving a mutually acceptable resolution

### What amenities are available?

Since each location is unique, amenities and features of each community vary. Typical features may include:

- Modern floor plans; pre-wired for phone, cable, and internet
- Covered patios and fenced yards
- Garages with door openers
- Modern appliances and large laundry rooms
- Community clubhouses and pools
- Parks, playgrounds, jogging/walking trails
- Lawn care service

### How does living in privatized housing work?

Depending on your location, different communities may have different procedures. Here are some tips:

- You will be signing a rental lease agreement (similar to local community rental properties)
- The agreement will probably be for a one-year term and it includes provisions for release due to official military orders and other lease termination requirements
- To start the process, you can contact the government housing office or the property management office directly

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## **Privatized Housing Facts for Airmen: Know Your Housing Choices (cont'd)**

- There may or may not be a waiting list for these homes depending upon demand
- As with any home, ask to view an available unit and visit the neighborhood before signing a lease

### **You will pay rent.**

Rent is generally paid as you would in the local community, with some unique benefits:

- Your rent is based on the Basic Allowance for Housing (BAH) for your rank minus 110% of the average cost of gas and electric utilities for the type of unit you occupy
- Usually, you pay for rent by allotment on the first of the month and your first month's rent is pro-rated if you move in after the first of the month
- Rental payment includes water, trash, and sewage
- The remaining portion of your BAH is yours to use as you determine, but the intent is to have funds available to pay for your gas and electric usage

### **You will pay for gas and electric utilities.**

Utility payments may vary depending on whether your house is metered or not.

- If the homes are metered, you are billed directly for gas and electric
- If the homes are not metered, your rent will include these utility costs, up to your full BAH amount
- Depending on your location, you may be billed by your utility company or by the community itself

### **You will need personal property insurance, just like in community rental housing.**

You can choose the personal property insurance and liability insurance that best fits your needs.

- Depending on your location, the property owner may offer some renter's insurance to tenants (cost is included in your rent), but it is typically not in an amount high enough to cover your possessions should damage occur
- As with other rental communities or HOAs, the community pays for their own corporate liability and other insurance items

### **You'll be reimbursed for moves in accordance with government regulations.**

Moves work exactly as they would if you lived at a location outside privatized housing.

- Partial Dislocation Allowance (PDLA) is ONLY paid for moves either from or to government family housing, per federal law

- The government pays for your first move into privatized housing and one additional move if relocation is required due to construction or renovation of your unit
- The property owner may also pay for any moves they feel are necessary in order to improve the condition of the homes
- As a tenant, you are responsible for any other personal moves of your choice (also see your lease agreement)
- Temporary Living Allowance (TLA) is not authorized
- Contact your housing office for more specific information

### **You are responsible for normal home care.**

- The property owner provides traditional maintenance and repairs for the homes and all common areas
- Whether you or the landlord maintains your lawn depends on the agreements at your location; verify your responsibilities with the on-site property manager prior to signing a lease

### **Does the Installation Commander have a role in housing?**

- Your Installation Commander is involved to ensure the mission and quality of life at the installation
- The Installation Commander is not a party to the business agreement with the property owner, so authority to impact the property owner's business decisions is limited
- The proper recourse should you become dissatisfied with privatized housing or the property owner is to work with them directly, as you would any landlord. Seek assistance from the housing office to mediate the situation

### **Privatized homes are a good value!**

Living in a privatized community offers the benefits of living in a military community while, at the same time, providing you with better quality, well maintained, and professionally managed homes.

**Contact your government housing office or property manager to join one of our privatized communities!**

### **For more information contact:**

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