



Naval Station Everett Housing Service Center
2000 W Marine View Drive
Building 2028, Room 115
Everett, WA 98207

31 May 2017

Carroll's Creek Landing (CCL) Sale Frequently Asked Questions & Answers

1. Will I be able to continue to live in CCL after the sale on 1 Aug 2017?

Yes. JRK (the new owner) will continue to operate CCL as a rental property.

2. Why should I extend my military lease?

JRK will honor all terms and conditions of your lease if it is in place by 31 July 2017. Additionally, as part of the Purchase and Sale Agreement, JRK has agreed to allow Pinnacle to renew or extend military leases, allowing them to continue until 31 July 2018, if you so choose. (This option will not be available after 31 July 2017.) The benefit of extending your military lease is that it maintains special benefits you currently have as a military resident, including:

- (1) Rent is lower than the Everett Basic Allowance for Housing (BAH) rates to provide you with sufficient funds to pay for gas and electric utilities.
- (2) Your current military lease might include a concession.
- (3) Security deposits are waived if you pay rent via allotment.
- (4) You do not have to pay first and last months' rent in advance.
- (5) Water, sewer, and trash charges are included in your rent.

The risk of extending your military lease is that, if you move out of CCL prior to the expiration of your lease, you will be liable for rent for the remainder of the lease term or until CCL is able to re-rent your unit, whichever is earlier, unless:

- (1) Your move complies with the Servicemembers Civil Relief Act,
- (2) Your move is subject to the Washington State Armed Forces Exception, or
- (3) You are currently participating in the Constitution Park Waitlist Addendum.

Please check with the CCL leasing office for an explanation of how the lease-break process works.

If you choose not to extend your military lease, then your existing terms and expiration date will remain unchanged. Although you will have the option to extend your tenancy under JRK's civilian lease, any special conditions previously provided to you as a military resident will not be available under the civilian lease.

3. Will my rent increase in 2018 after the new BAH rates are released?

Yes, if the BAH rates go up. When the new 2018 BAH rates are released, your rent under a military lease will increase by the same percentage that the Everett BAH rate increases for your rank, as described in the following examples. A rent increase, if any, will be effective on the date of the new 2018 rates.

- (1) Example 1: You are receiving Naval Station Everett (NSE) BAH, and you currently pay \$1500 a month in rent. The NSE BAH for your rank increases by 10% in 2018. Your rent in 2018 will increase by 10% (\$150) to \$1650 a month.
- (2) Example 2: You are receiving Naval Air Station Whidbey Island (NASWI) BAH, and you currently pay \$1500 a month in rent. The NSE BAH for your rank increases by 10% in 2018. The NASWI BAH for your rank increases by only 5% in 2018. Your rent in 2018 will increase by 10% (\$150) to \$1650 a month because CCL rental rates for military leases are tied to the NSE BAH, not the NASWI BAH.

4. What happens if I remain on a month-to-month lease?

If you remain on a month-to-month lease after 31 July 2017, then you will be subject to any changes JRK implements with 30-days' notice. Changes can include new rental rates and fees or even the

termination of your lease. Therefore, unless you plan to move out of CCL in a few months, remaining on a month-to-month lease is inadvisable because it creates the most risk and uncertainty for you.

5. What changes will JRK make?

We do not know what changes JRK will make, although we can assure you they are a quality organization that will focus their very best efforts on maintaining and improving your community. While they can alter policies, implement new requirements, change rental rates and fees, bring in new staff, and make improvements to the community, their decisions will be based on a desire to retain good residents, maintain a quality community, and remain competitive within the local market. Also, they will be required by law to honor all existing leases and lease terms. Military residents simply need to be aware that changes are likely to occur. The best way to minimize and delay the changes that impact you is to extend your military lease.

6. What will my rent be under a civilian lease at CCL after 1 Aug 2017?

Rent will reflect local market levels and will not be limited by BAH. JRK might increase rental rates from the current military lease rates, and they might adjust fees and service costs. However, rental rates, deposits, fees, and policies will remain competitive because JRK will value occupancy and the continued ability to attract quality residents to the community. If you want to know the current market rate for your unit, please see the CCL leasing office.

7. How will utilities work under a civilian lease at CCL after 1 Aug 2017?

Residents on civilian leases pay for all utilities in addition to their rent. This means that when you transition from a military to a civilian lease, you will pay water, sewage, and trash fees in addition to the electric and gas fees you currently pay. Under a civilian lease, rent does not include utilities.

Please note that military rental rates are currently less than total BAH in order to provide service members with sufficient funds to pay for utilities. In order to retain this benefit as long as possible, you should consider extending your military lease.

8. Will I have to provide a deposit and first and last months' rent under a civilian lease?

Under a civilian lease, JRK may choose to require a security deposit and/or first and last months' rent in advance. JRK will make that determination with consideration for retaining good residents and remaining competitive with local market practices.

9. Who is entitled to a local area move at government expense?

Each active duty military member referred by the Navy to CCL prior to 26 Sep 2016 (when the Navy ceased referring members to CCL) is entitled to one local area move at government expense. The NSE Housing Service Center (HSC) has notified residents of their entitlement. If you choose to use your funded move to relocate to Constitution Park (the privatized military community located in Lake Stevens), then the move will not expire as long as you request to be placed on the waitlist by 31 July 2017. If you choose to relocate out in town, then you must execute the move no later than 31 July 2017 or the expiration of your military lease, whichever is later. After that, your funded move will expire.

If you wish to use your funded move, or if you are unsure of your eligibility for a paid move, please contact the HSC. We have a list of all service members who are eligible for government-funded moves.

10. What local housing resources are there in addition to CCL?

The NSE HSC is available to assist you with local housing options and will provide support with information on apartment complexes, property managers, and private rental listings. The HSC has information on and maintains the waitlist for Constitution Park, the privatized military community in Lake Stevens. We are here to assist you with your local housing needs.

NSE Housing Service Center contact information: For more information or to address your specific housing needs, please contact us at (800) 876-7022 or (425) 304-3402/3045 or visit www.navylifepnw.com and select "Naval Station Everett" and "Housing – Family Housing."