



MEDIA STATEMENT

Nov. 2, 2016

In Response to Today's News Conference (CASA and Bailey & Glasser, LLP)

We reiterate how deeply saddened the entire Kay Management team is from the effects of the natural gas explosion that occurred at Flower Branch Apartments on Aug. 10, 2016.

We must set the record straight in response to the assertions made by CASA during the press conference.

1) Meeting with our residents

We met with residents of the two affected buildings within days of the natural gas explosion on August 16th to answer questions and to provide details on the company-provided assistance packages.

We are continuing to work with CASA's attorneys to coordinate a second meeting under mutually agreed-upon terms with any resident.

2) The condition of our apartments

Kay Apartment Communities provides well-prepared, clean apartments in all of its communities, including Flower Branch and Northwest Park, where some of the families were relocated after the natural gas explosion.

At Flower Branch, of the 23 apartments that are no longer habitable, all leaseholders and their authorized occupants have secured housing.

- 18 (75%) of those apartments' leaseholders & authorized occupants have accepted other fully furnished homes with Kay Apartment Communities
- 3 displaced households have not informed us of their decision where to relocate
- 1 displaced household has found a new residence with the assistance of HOC
- 1 displaced household has made other housing arrangements

In addition, affected leaseholder households were provided with assistance including:

- Return of their security deposits with interest;
- A refund of their August rent payments;
- An additional \$1,800 check per apartment;
- A debit card in the amount of \$200 per apartment;
- Assisted with relocation to an available nearby Kay-managed apartment

community with an offer of three months rent-free plus a \$2,000 credit to their Kay Apartment Communities' account to assist with future rent payments;

- After the 3-month rent-free period, the leaseholder's current rent at Flower Branch will be extended for additional 9 months even if they have moved to another Kay Apartment Communities' apartment with higher rent;
- New furniture and housewares for the displaced residents, including a television, living room and dining room furniture, beds and bedroom furniture as well as linens, dinnerware, silverware and other household goods.

Furthermore, when any resident at any Kay Apartment community moves into their apartment, they are strongly encouraged to communicate with on-site managers any questions or concerns so that they can be addressed quickly.

We are committed to work with government agencies to resolve the ongoing investigation as quickly as possible.

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