

Please see the information I have to share at this time:

Of the 136 units at Sunset Village, 96 units are occupied. Of the 96 occupied units, 78 households were temporarily relocated to hotels. The remainder of the households elected to stay with friends or family.

The phased return of residents to Sunset Village has started. On Saturday, the first group of households began returning to the apartment development. In this first phase, there are 26 households returning to buildings 2, 4, 6 and 8. For this first group of buildings, all work to install new furnaces, hot water heaters, smoke/carbon monoxide detectors and gas line infrastructure has been completed and tested. As these steps are completed in the next set of buildings, another group of residents will return.

Of note, as of now, carbon monoxide detectors are not required at this apartment complex; however, a device is being installed in every unit - ahead of a new requirement from HUD that will go into effect on December 27, 2022.

Since there are situations where a tenant is paying zero rent, to abate one person's rent as "compensation" may lead to fair housing issues; therefore, financial compensation is not planned at this time. The management company has covered the costs of the hotel accommodations and meals while residents were displaced; while these actions do not substitute for one being in their home, it is hoped that the effort minimized some inconvenience.

As it relates to the security of the units, residents have had access to their units during this displacement period. Additionally, the construction and management teams have been entering to install the new appliances and ensuring the doors are secure. If there is concern about criminal activity, the household should contact the police as soon as possible. If a burglary occurred, compensation would come through the form of renter's insurance.

As it relates to actions taken while residents have been displaced, the team proceeded with an overabundance of caution to facilitate the following steps in each unit:

- Installed new furnaces
- Installed new hot water heaters
- Installed new smoke detector / carbon monoxide detectors
- Installed new flues
- Evaluated the natural gas infrastructure (buildings and underground)

With the above actions completed, local officials and housing partners have approved the phased return of households to Sunset Village.

In the immediate wake of the tragic incident, residents initially returned to the property because the incident was isolated, and all efforts were being made to minimize disruption and

keep families in their homes. The waiver stated that residents agreed to returning to the property without gas service while the actions above were completed. However, after receiving feedback, the decision was made to complete the actions outlined above in every unit, leading to the temporary relocation of families.

It is standard practice for the property management team to review accounts and issue 10-day notices, notifying the residents of past due balances. This is a notice for the household to speak with management about their account. No evictions have been filed. If a resident experiences the loss of income, or a reduction in income, this should be reported so that their income can be adjusted. All units at Sunset Village are covered by a Project-Based Section 8 Contract, meaning tenants pay 30% of their income toward rent.

Many of the balances are more than 90-days old, and it is important for residents to remain in good standing, so that the property remains in compliance with HUD rules and regulations. There are not only house rules and procedures, which are acknowledged and signed by residents, but the management team also follows the program requirements as established by the United States Department of Housing and Urban Development

Regarding your question about resident concerns, when a resident registers a concern, management generates a work order and determines the actions needed to address it. Generally, this process entails working with the maintenance team, engaging vendors, if needed, and partnering with the resident to ensure the issue is fully addressed.

Regarding the questions about the incident, this is still an ongoing investigation, and there is litigation pending, limiting what information can be shared.

Regarding the vendor, there is currently a substantial rehabilitation underway; the contractor was hired by the general contractor.

A Millennia-affiliate entity acquired Sunset Village in 2017.

While the investigation continues, the property management and leadership teams are working together with officials to respond to this tragedy and to support residents. The teams are grateful for those who have been assisting residents in numerous ways during this difficult time and extend deepest condolences to those who our mourning loved ones.

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