

**HEARING BEFORE THE UNITED STATES HOUSE
COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON MILITARY CONSTRUCTION, VETERANS AFFAIRS, AND
RELATED AGENCIES**

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I. Introduction

Chairwoman Wasserman Schultz, Ranking Member Carter, and distinguished members of the House Appropriations Subcommittee on Military Construction, Veterans Affairs, and Related Agencies: Good morning, and thank you for the opportunity to discuss housing for military families.

My name is Brian Stann and I am the President and Chief Executive Officer of Hunt Military Communities. I am responsible for overseeing the strategy, management, operations, and partner relationships associated with Hunt's military family housing portfolio. I attended the United States Naval Academy and served as a Marine Infantry Officer during Operation Iraqi Freedom. I have 15-plus years of leadership experience, leading military units in combat and private-sector organizations after I left active duty. This includes building a veteran employment assistance company, and board leadership and advising positions for several other veteran service organizations. Leading Hunt Military Communities is more than a job for me. I was drawn to this role due to my love and admiration for our service members and their families. I know and understand the sacrifices they make on a daily basis, and I do not take my current mission serving them for granted.

Since taking leadership of Hunt Military Communities in June 2021, I have been overwhelmed by the passion and commitment our teams have toward delivering great service and providing great communities for our military families. I have seen our employees make selfless decisions in the interest of our residents, whether to work harder, stay later, or go the extra mile when a resident needs it. Our employees know that our efforts honor the sacrifices made by our residents. We employ over 150 veterans and military spouses and that number continues to grow.

At Hunt Military Communities, we are taking a comprehensive look at how we can invest in innovation and radically enhance resident service, and I am excited to outline those initiatives for you today. Combat taught me that there is no place for a "comfort zone" when you are leading a team. Our Military is always evolving to be the best in the world, and we will do the same. This is the mindset of the best service companies in the world, and part of the performance culture I am implementing at Hunt Military Communities. We will never be satisfied.

II. Strategic Priorities

Hunt Military Communities has four strategic priorities, which are all intended to provide better service to our residents:

- Process improvements and investment in compliance;
- Technology investments to enhance the living experience;
- Establishing a performance culture and recruiting/retaining the best talent; and
- Financial stewardship and reinvestment in our communities.

A. Process Improvements and Investment in Compliance

First, we are focused on improving all of our operational processes to become more efficient and consistent across our entire portfolio. We have brought on a new leadership team that shares my vision of promoting consistent, great service to our military families.

In addition, we have a renewed focus on compliance from the top down, and I am dedicated to cultivating a culture of compliance across the entire organization. It will permeate all that we do: from hiring, to training, governance, and auditing. We will develop and improve systematic controls to ensure adherence to policy, building off the substantial compliance investments we have made since 2019.

We have built out an audit team whose sole focus is reviewing all performance data for our communities each quarter and reporting any deficiencies directly to me and other top leaders at the Company. We also have established centralized, company-wide compliance and review functions, which operate independently of the on-site property-management teams to provide an additional layer of compliance oversight. We have also developed customized software enhancements to better detect anomalies and improve accuracy in the data we report to our military partners.

These teams and initiatives are very important to me, because I know that if you do the right thing – keep people happy in their homes and in their communities – the other things will take care of themselves. Because when we provide our residents with a great living experience, we thrive too.

B. Technology Investments to Enhance the Living Experience

Second, we are investing in technology to enhance the living experience in our homes and improve communication with residents. I have had the real benefit of coming into this Company and looking at it with a fresh set of eyes. I am not afraid of change and I refuse to sit back and accept the status quo. I know from my personal experience that this industry has continued to grow and evolve and we must do the same. As a result, at Hunt Military Communities, we are building out tools to guide our teams through evidence-based workflows to better deliver exceptional service to our residents.

We are investing significantly in new technology. To drive this mission home, we have hired a new leader to head a newly formed technology team of developers, data scientists, and engineers. He has a proven track record of delivering results at Apple and NASA, and he is building out his team. In the short time the team has been here, they have already improved our technology architecture in order to enhance our ability to see performance data, in real time, with centralized data reporting functions. This empowers our operators to be more efficient in their service delivery, while allowing our leaders to rapidly diagnose performance issues and allocate resources adequately to better serve our residents across the country.

We are implementing a new phone system nationwide that will allow tracking of all resident phone calls, messages, missed calls, and service levels. This will allow us to seamlessly support our communities from our offices at other locations, if needed, due to weather-related emergencies or staffing shortages due to illness. Previously, we launched the RentCafe mobile app for the real-time submission and tracking of routine work orders and to access select historic work order data. The app provides data to our on-site maintenance teams as well as to their corporate-level supervisors to facilitate prompt, high-quality service.

Our new technology team will continue to build and develop the data architecture necessary to use advanced analytics, machine learning, and predictive technology to provide the highest-quality service and maintenance to our residents. And while technology will not solve everything, innovation of this caliber will undoubtedly improve our communities in the short and long term so that we can provide best-in-class housing to service members and their families.

C. Establishing a Performance Culture and Recruiting/Retaining the Best Talent

Third, we are establishing a performance culture with aggressive goals, accountability, and expected excellence. I will set the right tone at the top and am focused on recruiting and retaining the best talent possible. We are implementing a culture where my leadership team will personally walk our homes and meet with our base commanders to maintain direct relationships with our partners while inspecting our service delivery. I have personally been touring each one of our locations, meeting with residents, community leaders, and commanders and inspecting our processes. Since I joined the Company last summer, I have already made 24 on-site visits, and I expect to visit the rest of our communities by this summer.

Recruiting and retaining the best talent are a critical component of a great service company. At Hunt Military Communities, we are not only on a mission to keep our residents happy, but our employees as well. We are focused on goal alignment throughout the organization, centralized performance metrics, a clear understanding of expectations for each employee, including how they will be measured, and a common understanding of what defines success. We have and will continue to prioritize hiring military spouses and veterans to tap into the rich talent pool living in our own homes. They are invaluable to our mission and efforts to enhance the living experience for military families using their personal experiences and sacrifices.

D. Financial Stewardship and Reinvestment in Our Communities

Finally, we are analyzing financial performance and prioritizing reinvestment into our communities, along with the internal improvements necessary to enhance the living experience for our military families. The vast majority of each Basic Allowance for Housing dollar that we receive goes to supporting our military housing communities and, by extension, our resident families. In 2021 and 2022, we expect to invest approximately \$243 million in capital improvement projects ranging from whole house renovations to new HVAC systems. In total, we have invested more than \$5 billion in the communities we serve.

III. Department of Justice Settlement

I also want to address the Company's recent settlement of a Department of Justice investigation, which I understand is of interest to the Subcommittee. The Company fully cooperated with the Department over the course of its nearly two-year investigation, which was closed in January of this year. From my perspective, as someone taking over leadership of the Company, three things were critical to me: first, the issues were isolated to a single installation and were not indicative of larger issues across our portfolio; second, the resolution concerned legacy matters from 2013 to 2019 that pre-dated the substantial changes we have made to our compliance program over the past two-plus years; and third, there were no findings of intentional fraud and no admission of wrongdoing. The Company ultimately decided to enter into a civil settlement with the Department for \$500,000 in order to put the matter behind us so we could move forward with a fresh start and focus on the future.

IV. Conclusion

Hunt Military Communities is very excited about the priorities in front of us and the innovation we are undergoing. Most of all, we are passionate about continuously improving in order to provide the best service possible to our residents. We take our role in force readiness seriously, and in providing communities that are great places for our military families to call home.

We will continue listening to our residents and partnering with the Military Services to align our goals with their needs. I will continue to personally engage with our military partners and residents while visiting our communities to promote a culture of performance, integrity, and service.

Thank you for the opportunity to testify today. I look forward to hearing your views and answering any questions.