

LORIG CHARKOUDIAN
Legislative District 20
Montgomery County

Vice Chair, Economic Matters Committee

Rules and Executive
Nominations Committee



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THE MARYLAND HOUSE OF DELEGATES
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HB 85 - CORPORATIONS AND ASSOCIATIONS - COOPERATIVE LIMITED EQUITY HOUSING
CORPORATIONS - ESTABLISHMENT

TESTIMONY OF DELEGATE LORIG CHARKOUDIAN
FEBRUARY 10, 2026

Chair Valderrama and Members of the Economic Matters Committee,

The Limited Equity Housing Cooperative Bill will allow Maryland residents to more easily convert their resident-owned buildings into limited-equity cooperatives, where they can maintain housing affordability and achieve long-term stability. An LEHC is a resident-owned building where households buy a membership share, elect a board, and set monthly charges together. Resale prices are capped by a formula, so homes stay affordable over time. Members build modest equity and long-term stability rather than chasing speculative gains.

The benefits to easing LEHC conversion include: making it easier for residents to convert their building into an LEHC which would reduce displacement, while providing opportunities for low-income residents to take ownership and manage their property.

Current law is not designed for tenant-owned limited equity cooperatives. This legislation creates a clear, simple path for residents to pursue conversion, while requiring transparent budgets and maintenance reserves to ensure future success through collective democratic governance.

This bill will:

- ✓ Establish statute specifically for converting to an LEHC, including:
 - ✓ An outline of the conversion process (needed documents, voting procedures, timelines, etc.)
 - ✓ Requirements associated with being an LEHC

I respectfully request a favorable report on HB 85.