



Testimony offered on behalf of:  
**MARYLAND MORTGAGE BANKERS & BROKERS ASSOCIATION, INC.**

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**IN SUPPORT OF:**  
**HB1262 – Common Ownership Communities – Reserve Studies - Altercations**

**Environment and Transportation**  
Hearing – 03/05/2024 at 1:00PM

**The Maryland Mortgage Bankers and Brokers Association, Inc. (“MMBBA”) SUPPORTS HOUSE BILL 1262.**

In recent years, a significant amount of important legislation related to Condominiums and Cooperatives has been passed into law. The MMBBA supports the legislature's efforts to ensure that Maryland's condos and coops are properly managed and maintained in a manner that assures the safety of its residents.

Oftentimes when there are sweeping changes like this, follow up legislation to provide refinement is appropriate. **HB1262** fits squarely into this category.

Reserve Studies are important but is a costly capital planning tool. This cost does not scale down relative to the size of the condo development. This puts small developments in a situation where the reserve study may be their largest expense of the year. And while it will provide helpful information, the cost burden is far more disruptive than the additional information on finances that are not all that complicated to begin with. The 7-unit threshold makes sense.

It also provides an additional 2 years for these communities to raise the newly increased reserve requirements. A reasonable, but still timely extension.

For these reasons, The **MMBBA urges a FAVORABLE REPORT on House Bill 1262.**

Respectfully submitted,

*Brendan McKay*

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