

February 27, 2024

Re: Testimony in Support of House Bill 1035

Mr. Chairman, Madam Vice Chair, and Members of the Committee:

We, the undersigned condominium board leaders, collectively submit this letter of **support for HB1035**, which would establish an Insufficient Condominium Reserve Account Grant Fund. This bill presents an important solution to a significant problem facing older condo buildings such as ours and will provide relief especially for buildings whose residents are primarily older adults, as is the case in our condo communities.

Many condominium buildings in the Park Heights Avenue corridor where we live were built in the 1960's and 70's and are in need of significant repair. The buildings have been maintained under the direction of the condo board, which consists of volunteer owner representatives. Prior to the recent requirement to have reserve studies completed, many of our buildings did not have up to date studies that would help us manage the schedule of repairs and maintenance required to keep our building safe and stable. We have made deposits to our reserve accounts but not at the pace needed to have sufficient funds in reserve to accommodate the vast repair needs we are currently facing. As a result, our buildings have deferred maintenance, which needs to be addressed, and insufficient funds in reserve to get the work done.

We are now faced with a requirement to fully fund reserves and we are too far behind to be able to meet this requirement in a timely manner. Further, if our buildings need immediate repair, we will be faced with the need to levy special assessments on each owner. Many of our building owners are lower-income older adults who simply cannot afford to pay these special assessments. If some owners can't pay, they may be forced to sell their units and move out. As a low-income senior, this could be devastating. However, if the building cannot collect the funds needed for repairs, they would be faced with delaying needed upkeep while they attempt to collect, which would further decrease the safety and value of the building.

We are in need of assistance to help get our reserve accounts fully funded and cover any necessary special assessments required while we work on funding the reserve account. A State fund that could help our lower-income unit owners to meet their assessments will help put the buildings on the path to security in our ability to maintain the safety and value of our condominium communities.

Sincerely,

The Boards of:

Elmont Condominium

Heather Ridge Condominium Association

Park Slade Condominium Association

Park Towers East Condominium

Park Towers West Condominium

Regency Condominium

Seven Slade Condominium

Shelburne Court Condominium Association

Slade Village Condominium

Stevenson Commons Condominium, Inc

The Bartonwood Condominium

The Risteau Condominium

The Towers Condominium