

Board of Directors
Leisure World Community Corporation
3701 Rossmoor Boulevard
Silver Spring, MD 20906

**TESTIMONY OF THE LEISURE WORLD COMMUNITY CORPORATION
ON FEBRUARY 19, 2026
BEFORE THE SENATE JUDICIAL PROCEEDINGS
SB 615 – COMMON OWNERSHIP COMMUNITIES - RESERVE ACCOUNTS AND RESERVE
STUDIES - ALTERATIONS**

FAVORABLE WITH AMENDMENTS

Honorable Chair William C. Smith, Vice-Chair Jeff Waldstreicher, and Members of the Senate Judicial Proceedings Committee:

This testimony is being submitted on behalf of the Leisure World Community Corporation. The Leisure World Community Corporation is a master homeowners association consisting of 29 common ownership communities: 27 condominiums, 1 cooperative, and 1 home owner association. It is a senior (55+) adult community in Silver Spring Maryland, located on 610 acres. More than 8500 residents live in Leisure World.

The Leisure World Community Corporation, as a master homeowner association with a reserve study equivalent to a small municipality, is impacted by this bill. It generally supports the provisions in this bill. However, it is the view of Leisure World that the provisions for homeowners associations that revises section 11B-112.2(d)(2) of Article-Real Property (codified as the Maryland Homeowners Association Act) associated with financial hardship situations needs to be amended. This section addresses the vote necessary to permit a homeowners association to deviate from required reserve funding based on financial hardship being experienced by the homeowners association and lot owners. Previously this section provided that two-thirds of the governing body could make that decision. The revised language substitutes a vote by lot owners instead of the governing body.

The reason for this substitution is not clear since under sections 11B112.2 and 112.3 the governing body is responsible for the reserve study and not the lot owners. Moreover, while in some homeowners associations, lot owners are members of the homeowners association, they are not in all associations. As recognized by Section 11B-101(d)(1), a

homeowners association may be made up of another homeowners association, condominium, or cooperative housing corporation. Such homeowners associations, like the Leisure World Community Corporation, are known as a master homeowners association where the governing body may be elected from the multiple common ownership communities making up the master homeowners association and not the lot owners.

At Leisure World, the lot owners of the 29 common ownership communities are not the members of the Leisure World Community Corporation. It is the 29 Common Ownership Communities as organization entities that are the governance members and the owners of the master homeowners association.

For master homeowner associations consisting of multiple common ownership communities, the governing body, as representatives of the multiple common ownership communities making up the master homeowners association, should continue to govern the reserve fund process in section 11B-112.2(d)(2) as they do with the rest of the budget. The members of the governing body should be fully aware of financial challenges of the lot owners who make up the underlying multiple common ownership communities.

For these reasons, Leisure World requests that the language in section 11B-112.2(d)(2) (i), (ii), and (iii)(2) be amended to replace “lot owners of a home owner association” with “lot owners or in the case of master homeowner associations consisting of multiple common ownership communities, governing body of a homeowners association.”

For these reasons with the above amendment to section 11B-112.2(d)(2)(i), (ii), and (iii)(2), we request a favorable vote.

Respectfully submitted,

Colette Collier Trohan
Chair of the Board of Directors
Leisure World Community Corporation