



Revitalization for Troubled and Distressed Common Ownership Communities

(P762504)

Category	Community Development and Housing	Date Last Modified	12/23/25
SubCategory	Housing (MCG)	Administering Agency	Housing & Community Affairs
Planning Area	Countywide	Status	Ongoing

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY25	Est FY26	Total 6 Years	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32	Beyond 6 Years
Construction	13,663	-	3,080	10,583	2,223	2,358	2,078	1,908	908	1,108	-
TOTAL EXPENDITURES	13,663	-	3,080	10,583	2,223	2,358	2,078	1,908	908	1,108	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY25	Est FY26	Total 6 Years	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32	Beyond 6 Years
Current Revenue: General	10,000	-	3,080	6,920	2,100	2,050	1,570	1,200	-	-	-
Loan Repayment Proceeds	3,663	-	-	3,663	123	308	508	708	908	1,108	-
TOTAL FUNDING SOURCES	13,663	-	3,080	10,583	2,223	2,358	2,078	1,908	908	1,108	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 27 Request	2,223	Year First Appropriation	FY25
Appropriation FY 28 Request	2,358	Last FY's Cost Estimate	10,000
Cumulative Appropriation	3,080		
Expenditure / Encumbrances	-		
Unencumbered Balance	3,080		

PROJECT DESCRIPTION

This program, known as the Common Area Assistance Loan Fund (CAALF), will provide financial and technical support for Common Ownership Communities (COCs), specifically homeowner associations and condominium associations. COCs must be experiencing financial hardship in their efforts to address immediate health or safety repairs and be properly documented by professional assessments or government citations. All participating COCs must be duly registered, and their respective Board of Directors must have a current and valid certificate of completion for the required Community Governance Fundamentals training.

COST CHANGE

The cost increase is attributed to the inclusion of loan repayments within the six-year funding period.

PROJECT JUSTIFICATION

A vast amount of the housing stock in Common Ownership Communities are now 30 years or older; this is a point where issues associated with aging infrastructure are more prominent and often require immediate attention. In addition, many older multifamily and single-family properties located in the COCs of Montgomery County have become mired in financial instability and adverse economic conditions. As a result, condominium and homeowner associations are forced to defer regular maintenance if members are unable or unwilling to pay their monthly assessments. These loans are expected to assist COCs in addressing critical and urgent capital improvements, including but not limited to the replacement or major repair of community-wide exterior site and building elements, such as deficient facades, roofs, siding, major water infiltration, and potentially condemned balconies; compromised garage and building support structures; as well as other major and unexpected common area improvements and structural issues caused by neglect or deferred maintenance. This program will require the condominium or homeowner's association to invest a minimum of 20 percent of the total project costs.

COORDINATION

Office of the County Executive, Office of the County Attorney, Department of Permitting Services, Office of Code Enforcement, Office of Multifamily Housing, Office of Asset Management and Finance, Director's Office, and Office of Common Ownership Communities.