

Project Name	Fireside Condominium
Address	116 Duval Lane, Gaithersburg, MD 20877
Owner	Private ownership
Total # of Units	258
# of Affordable Units	258
Population Served	Low and moderate income households

COUNTY FINANCING AND SOURCE:

Montgomery County HIF Loan	\$1,087,500
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DATE OF COUNTY LOAN:

06/16/2004

OTHER FINANCING SOURCES:

Potomac Valley Bank	\$3,500,000
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LEVERAGE RATIO OF COUNTY FUNDS:

3 to 1



TOTAL PROJECT COST:

\$4,587,500

AFFORDABLE HOUSING EXPIRATION DATE:

PROJECT DESCRIPTION:

Fireside Condominium is a 258-unit building constructed in 1971. The building was improperly designed and constructed, and has thus experienced substantial structural problems. As structural damage caused by defects in the floor supports became increasingly serious, the building's low and moderate income owners struggled to develop a financial strategy to address the problem. Most residents in the building, which is 61% owner-occupied, have incomes less than 50% of area median income (AMI), and nearly all households (88%) have incomes below 80% of AMI. Facing a condemn order from the City of Gaithersburg if they did not fix the problem quickly, condo members approved a special assessment - charged monthly to each unit - to pay for repairs. Many of the low-income residents were eligible for low-interest home repair loans to ease some of the burden, and Montgomery County made a \$637,500 loan to pay for engineers, project managers, and temporary relocation assistance. The County also made an additional \$450,000 loan to act as a reserve to secure a \$3.5 million loan from Potomac Valley Bank.