



Montgomery County Department of Housing and Community of Affairs
Office of Rent Stabilization
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CAPITAL IMPROVEMENT PETITION – FINAL RECONCILIATION PACKAGE

Once the capital improvement project outlined in the Capital Improvement Petition, or any relevant phase of it, is completed, the landlord is required to submit a final reconciliation package to the Director. This package should detail the actual costs of the completed capital improvements, include supporting documentation, and provide a revised calculation of the surcharge for those improvements.

This Capital Improvement Petition must be completed and filed according to the provisions of the Rent Stabilization Regulations 2-24, Code Section 29.58.01.04 and Chapter 29, Landlord-Tenant Relations.

Failure to provide information may result in the delay or rejection of the petition request.

RE: Capital Improvement Petition #: _____

SECTION I - CHECKLIST

You must complete every item on this checklist. Otherwise, your petition will be considered incomplete, which could delay its result or result in a denial.

A. Required Attachments

	Final comprehensive calculations following the instructions in COMCOR 29.58.01.04 (f).
	Documentation of the total capital improvement costs per COMCOR 29.58.01.04 (g).
	Documentation for the costs incurred as per COMCOR 29.58.01.04 (i).
	Documentation of interest incurred as per COMCOR 29.58.01.04(j).
	Service charges in connection with a loan taken to make capital improvements as listed in COMCOR 29.58.01.04 (l).
	Copy of a notice to tenants of filing.

SECTION II – DESCRIPTION AND COSTS

Please list the actual costs of the completed capital improvements with supporting documentation.

Description of Improvement	Unit, Common Area, or Facility Improved	Date Work Began	Date Work Completed	Cost
				\$
				\$
				\$
				\$
				\$
Total Cost of Capital Improvements:				\$

SECTION III - INTEREST

Itemize below all interest. Interest is defined as all compensation paid or required to be paid by the landlord to a lender for the use of money used to make a capital improvement over the amortization period of the loan. In the absence in the absence of any loan commitment, agreement, or other evidence of interest, DHCA may apply the average 52-week Wall Street Journal's U.S. Prime Rate, as reported by The Wall Street Journal's bank survey, applied over a seven-year period. The average is calculated as the mid-point between the high and low Prime Rates reported for the 52 weeks immediately before the effective date of the surcharge for capital improvements.

1. With evidence of loan commitment or agreement from lender:

- Rate of Interest:¹ _____ %
- Term of loan: _____ years
- Total interest to be paid: \$ _____

2. Without evidence of loan commitment or agreement from lender:

- Average 52-Week Wall Street Journal's U.S. Prime Rate: ____ %
- Date rate published: _____
- Total amount of imputed interest: \$ _____

SECTION IV – SERVICE CHARGES

Itemize below all applicable service charges. Attach documentary evidence from the lender clearly showing the amount paid for each item.

Points:	\$ _____	Loan Origination Fees:	\$ _____
Loan Processing Fees:	\$ _____	Trustee Fees:	\$ _____
Escrow Set-Up Fees:	\$ _____	Loan Closing Fees:	\$ _____
Lenders' Counsel Fees:	\$ _____	Survey Fees:	\$ _____
Title Insurance Fees:	\$ _____	Borrowers' Counsel Fees:	\$ _____
Appraisal Fees:	\$ _____	Environmental Inspection Fees:	\$ _____
Lender's Inspection Fees:	\$ _____		
Other Applicable Charges (Other Than Interest):	_____		\$ _____
	_____		\$ _____
	_____		\$ _____
Total Service Charges:	\$ _____		

¹ If a loan with a variable interest rate was obtained, the total interest payable must be calculated using the actual loan rate over its term.

SECTION V – TOTAL COST OF CAPITAL IMPROVEMENTS

Total Capital Improvements (Section II):		\$	
Total Interest (Section III):	\$	Total Service Charges (Section IV):	\$
Total Costs of Capital Improvements Plus Service Charges and Interest:			\$

SECTION VI – SURCHARGE CALCULATION AND DURATION

Please choose between option 1 or 2.

1. The surcharge for improvements affecting less than all units:

- A. Current lowest base rent charge for a unit: \$ _____
- B. Highest surcharge amount allowed (multiply **Line A** by 15%): \$ _____
- C. Total cost of capital improvements (Section V): \$ _____
- D. Total # of rental units in the property that will benefit from the improvements: _____
- E. Divide **Line C** by **Line D** to obtain **the total cost per unit**: \$ _____
- F. Divide **Line E** by 60 to obtain the **cost in dollars per unit per month***: \$ _____

*If your monthly surcharge (Line F) exceeds the highest amount (Line B), please recalculate (Line F) using a higher number of months (over 60). The number of months needed to recuperate the surcharge within limits (Line B greater than Line F) equals _____ months.

2. The surcharge for improvements affecting ALL rental units:

- A. Current lowest base rent charge for a unit: \$ _____
- B. Highest surcharge amount allowed (multiply **Line A** by 20%): \$ _____
- C. Total cost of capital improvements (Section V): \$ _____
- D. Total # of rental units in the property that will benefit from the improvements: _____
- E. Divide **Line C** by **Line D** to obtain **the total cost per unit**: \$ _____
- F. Divide **Line E** by 96 to obtain the **cost in dollars per unit per month****: \$ _____

**If your monthly surcharge (Line F) exceeds the highest amount (Line B), please recalculate (Line F) using a higher number of months (over 96). The number of months needed to recuperate the surcharge within limits (Line B greater than Line F) equals _____ months.

SECTION VII – RENT ADJUSTMENT SCHEDULE

The rent adjustment schedule is based on your responses to the prior sections and will be subject to change upon the department's review.

[illegible]

SECTION VIII – CERTIFICATION OF LANDLORD

I hereby certify that I am the owner or authorized representative of the rental facility identified in this Capital Improvement Petition. I further certify, under penalty of perjury and the laws of Montgomery County, Maryland, that the information and every attached document, statement, and form is true and correct.

Signature: _____

Print Name of Person Signing: _____

Title: _____

Date: _____

SECTION IX – DECLARATION OF NOTIFICATION TO TENANTS

The landlord must notify all affected tenants of the filing of the Capital Improvement Petition by first-class mail and electronic mail within 5 business days of the filing.

Declaration: I declare under penalty of perjury and the laws of Montgomery County, Maryland, that I have served the tenant(s) with a complete copy of the notice within 5 business days of submission and have attached a separate copy to the Office of Rent Stabilization.

Signature: _____ Date: _____

OFFICE USE ONLY

Petition Number: _____

Submission Date: _____

Rental License Number: _____

Rental License Status: ☐ Licensed ☐ Not Licensed

Code Enforcement Cases: ☐ Yes Open Cases ☐ No Open Cases

Determination: ☐ Approved ☐ Denied

Decision date: _____

Comments: _____