



City of Annapolis

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Moderately Priced Dwelling Unit (MPDU) Program "Annapolis Houses"

THE CITY OF ANNAPOLIS IS ACCEPTING APPLICATIONS FOR THE MODERATELY PRICED DWELLING UNIT (MPDU) PROGRAM. PLEASE READ THE FOLLOWING OVERVIEW OF THE PROGRAM.

A HOME YOU CAN AFFORD

To ensure that housing choices continue to be available to its residents and employees with moderate incomes, the City Council passed the Moderately Priced Dwelling Unit Law in 2004. This law requires that 12% of the houses for sale in new subdivisions of 10 or more units be moderately priced dwelling units (MPDUs).

ELIGIBILITY

To be eligible for the program, an individual or household must:

1. Have an income that is 80% or less than the family median income for the Baltimore Metropolitan Statistical Area (MSA), with adjustments for household size, as reported by the United States Department of Housing and Urban Development (HUD). The current maximum income limits for an MPDU are:

Household size	Maximum Income*
1	\$40,450
2	\$46,200
3	\$52,000
4	\$57,750
5	\$62,400
6	\$67,000

* Gross annual income from all current sources for all wage earners in the household.

Eligibility continued

The City has established a minimum of \$35,000 for households to be eligible for the program, as sales prices normally require at least that amount of income to qualify for a mortgage. If you have sufficient assets to use for a down payment that would enable you to qualify for a mortgage with a lower income, you must document this in a letter attached to the application.

2. Hold a valid "Certificate of Eligibility" that entitles the person or household to buy an MPDU. To be eligible for the MPDU Program, you must complete an MPDU Program application for a Certificate of Eligibility. City staff will review your application and supporting documentation to determine if you are eligible for the program and can obtain mortgage financing. Application processing time may be reduced by providing a pre-qualification letter from a mortgage lender. Deadlines for submission can be found on the Announcement page for current lotteries.

If you are eligible for the Annapolis Houses program, City staff will mail you a Certificate of Eligibility. Certificates will be mailed out within six to eight weeks of applications being received by the City of Annapolis. Within the first six weeks after submittal of an application, PLEASE DO NOT CALL THE CITY OF ANNAPOLIS. If you do not receive a Certificate within eight weeks, then it is appropriate to call 410-263-7961 to discuss the status of your application.

3. Not currently own a home.
4. Be a City resident, or in the employ of the City of Annapolis beyond their probationary period, or be a full time teacher in an elementary, middle or high school within the city limits.

Additionally, the person must be able to qualify for a mortgage and must complete homebuyers classes before buying an MPDU. Information on these classes will be included with your eligibility certificate.

SELECTION

All of the houses offered for sale are sold through a lottery selection process to ensure that everyone on the eligibility list has an equal chance of purchasing an MPDU.

FINANCING

The sales prices of the MPDUs are set by the Department of Planning and Zoning. You must be able to qualify for a mortgage and pay down payment, settlement, and other closing costs that are necessary to purchase the house. All purchase agreements are negotiated between you and the private seller. To obtain a mortgage, you need to have good credit, a steady income, and the house must be affordable for your family's income.

Below-market-rate mortgage financing and down payment and closing cost assistance may be available through the Maryland Department of Housing and Community Development's "More House 4 Less" Program. You can find more information on this program at www.morehouse4less.com or by calling 1-800-638-7781.

TYPES OF HOMES

The types of homes that may be available through the MPDU Program are condominiums, town houses and single family-detached homes.

OCCUPANCY AND RESALE RESTRICTIONS

To ensure that the MPDUs serve eligible households and are affordable to future owners, restrictions are placed on the MPDUs. The MPDU must be owner occupied. The resale price of the MPDU is controlled for 10 years. The unit may be sold during the occupancy period; however, its resale price is restricted and the unit must be sold to another MPDU-eligible household.

HOMEBUYERS CLASSES

Persons interested in purchasing an MPDU are required to attend home buying classes prior to entering the housing lottery and signing a sales contract to purchase a house. Information on these classes will be included with your eligibility certificate.

ADDITIONAL MPDU INFORMATION

Please read the MPDU Frequently Asked Questions section since many questions can be answered there. These questions and answers are intended to cover some of the commonly asked questions about the City's MPDU program.