Arundel Community Development Services, Inc.

Moderately Priced Dwelling Unit (“MPDU”) Program

Frequently Asked Questions (“FAQ”)

Last updated: September 3, 2026

FAQS FOR HOMEBUYERS

Background

The following FAQs provide information about Anne Arundel County’s Moderately Priced Dwelling Unit (“**MPDU**”) Program, created by the Housing Attainability Act, Anne Arundel County Council Bill 72-24, codified at Anne Arundel County Code Section § 17-12-101 through § 17-12-115 (as amended). The MPDU Program requires the inclusion of affordable units in most rental and for-sale developments with 10 or more units and provides density bonuses and other land use benefits and flexibility for housing development.

Anne Arundel County has named Arundel Community Development Services, Inc. (“**ACDS**”) as the MPDU Administrator. The ACDS website includes a special MPDU section (the “**MPDU Website**”) that provides resources for landlords, developers, tenants, homebuyers and other interested parties regarding the MPDU Program:

https://acdsinc.org/moderately-priced-dwelling-unit-mpdu-program/

For any questions not addressed in this FAQ sheet, please check the materials on the MPDU Website or contact ACDS at mpdu@acdsinc.org or OPZ at Planning and Zoning Customer Support.

These FAQs will be periodically updated and posted to the MPDU website.

For information on renter eligibility and other details on development and rental community operations, see the separate FAQs for Developers/Builders/Property Owners and Managers and for Renters on the MPDU Website.

EQUAL HOUSING OPPORTUNITY

General Program Questions

When will MPDU homeownership units be available for purchase?
MPDU units are expected to become available for sale approximately 24 months after the MPDU law effective date of July 1, 2025. Anne Arundel County and ACDS have begun affirmative marketing and outreach promoting the MPDU opportunity to Anne Arundel County residents and employees who work in Anne Arundel County. Units will not all become available at once. New opportunities will be added over time as qualifying developments are constructed.

How many MPDU units are currently expected?
As of September 2026, approximately 36 homeownership units and 147 rental units in the development pipeline. These numbers are expected to grow as additional qualifying developments are approved.

Where will MPDU properties be located?
MPDU units will be created throughout Anne Arundel County as qualifying new developments are built. They will not be concentrated in one particular community. Developments currently in the pipeline include opportunities in several areas of the county, but locations will continue to change as new developments are approved. When a unit becomes available, applicants on the waiting list will receive information about the specific property, including its location, unit size and other relevant details.

Will there be MPDUs accessible to persons with disabilities?
All MPDU developments must comply with applicable federal, state and local fair housing and accessibility laws, rules and regulations. The number of accessible MPDUs in any given development, whether rental or homeownership, will depend on the total number of units, both MPDU and market rate.

What is the purchase price of an MPDU?
The purchase price of an MPDU will be established by ACDS and will be updated on a semi-annual basis. The purchase price will be based on an amount affordable to households earning 80% of AMI, adjusted for household size, and accounting for housing cost allowances and prevailing mortgage rate (while eligible homeowner household income cannot exceed 100% of AMI). As of July 1, 2026, the maximum purchase price is $397,000. For more detail, see the “Program Policy Establishing Initial Sales Price and Housing Income Limits in For Sale Moderately Priced Dwelling Units” available on the MPDU Website.

What if there are no eligible homebuyers to purchase an MPDU at initial sale?
If there are no eligible households willing or able to purchase an MPDU, the owner must offer ACDS and the Housing Commission of Anne Arundel County ("HCAAC") the first option to purchase the unit. If ACDS and HCAAC do not purchase the MPDU, the MPDU may be sold to an ineligible household. The sales price to ACDS, HCAAC or an ineligible household is the same as the price to an eligible household and the MPDU will still remain subject to all resale provisions during the 20-year control period.

How long must for-sale MPDUs be restricted?
MPDUs in for-sale developments must be restricted for 20 years, measured from the initial sale of the MPDU.

Are there restrictions on resale of an MPDU?
A household that purchases an MPDU may sell their unit at any time, however, during the 20-year control period referenced above, prior to listing the MPDU for sale, the owner must provide ACDS and HCAAC the first option to purchase the unit. If both ACDS and HCAAC decline to purchase, the unit must be sold to an income-eligible household. If no income-eligible households are willing or able to purchase the unit, the unit may be sold to an ineligible household but will remain subject to the re-sale restrictions for the remainder of the 20-year control period. All MPDUs will be subject to a recorded deed restriction containing these re-sale restrictions.

Are there restrictions on the sales price of an MPDU on resale?
Yes. Regardless of the purchaser, i.e. whether an MPDU is re-sold to ACDS, HCAAC, an eligible household or an ineligible household, the sales price is limited to the prior sales price adjusted for an increase in the cost of living as calculated using the consumer price index, the fair market value of any improvements, and a reasonable sales commission.

If I own an MPDU, can I rent the unit to someone else?
No, you must live in the MPDU as your primary residence.

Is this a subsidized housing program?
No. Private developers are required to provide a certain number of affordable rental or for-sale units within their development, but there is no additional subsidy to purchase or rent MPDUs.

Will MPDU homes have garages or driveways?
This depends on the individual development. MPDU design requirements do not guarantee that every home will include a garage or driveway. The features available will depend on the design of the particular community and property. When an available unit is offered to the waiting list, the property information will help applicants decide whether they are interested.

Will there be MPDU properties for residents age 55 and older?
Yes. Currently, there is one age-restricted development in the pipeline. Whether a household member under age 55 can reside in a particular 55+ community will depend on the requirements of that specific development and applicable fair-housing rules. Any age restrictions will be identified when information about an available unit is distributed.

Eligibility and Other Program Requirements

Who is eligible to purchase an MPDU homeownership unit?
Households who meet the MPDU program's residency/Anne Arundel County Employment and income eligibility requirements, meet first-time homebuyer status requirements and agree to occupy the unit as their primary residence (more information about these requirements can be found below) are eligible to purchase an MPDU. A household also must qualify for a first mortgage, which involves meeting mortgage lenders' credit and income minimums. An MPDU Application Portal is expected to open in approximately mid-October 2026, which will guide interested applicants through the steps to determine eligibility requirements and obtain a first lender pre-approval. Once eligibility and pre-approval have been obtained, the applicant will be placed on the ACDS MPDU For-Sale Waitlist. Applicants will also need to meet the credit, downpayment or other screening requirements of their mortgage lender.

What are the residency/employment eligibility requirements?
To be eligible to purchase an MPDU, at least one adult household member must be a resident of Anne Arundel County (including the City of Annapolis) or have been employed in the County (including the City of Annapolis) for at least six months prior to the date of application.

Can a single person qualify?
Yes. A one-person household may apply as long as the applicant meets the applicable program requirements. Available units will vary in size, including smaller apartments and townhomes that may be appropriate for smaller households.

What are the first-time homebuyer status requirements?
A first-time homebuyer is defined as someone who has not owned an interest in residential property within the last three years.

What are the income limits for households to qualify to purchase an MPDU?
In for-sale developments, households earning 100% or below of the AMI, adjusted for household size, are eligible to purchase an MPDU. The income limits in dollar amounts are available on the MPDU Website and will be adjusted on an annual basis based on information published by the U.S. Department of Housing and Urban Development (HUD). Households must meet residency/employment requirements as well as meet first time

homebuyer requirements. At the same time, households must qualify for a first mortgage, which means they will need to meet lender minimum credit scores and minimum income requirements. You will need to speak to your lender about what those minimums entail.

Does Social Security or retirement income count as income?
Generally, ongoing income such as Social Security may be included when determining household income. Other sources of income, including certain retirement distributions, investment income or recurring income, may also need to be considered. Some situations will require individual review based on the type of income, how regularly it is received and how long it is expected to continue.

Can the MPDU Program be combined with other housing assistance programs?
Potentially. Eligibility will depend on the requirements of the MPDU program and the other housing assistance program such as housing vouchers and family self-sufficiency programs.

If a household qualifies for an MPDU Program in another jurisdiction, including the City of Annapolis, does that qualify that household in Anne Arundel County?
No. Each rental and homeownership applicant must be qualified in accordance with the rules and requirements of Anne Arundel County's MPDU Program.

What credit score do I need?
There is not one universal credit-score requirement for every MPDU purchaser because different mortgage lenders and loan products have different underwriting requirements. 620 is often used as a general baseline for some mortgage products, but applicants should not assume that 620 automatically guarantees qualification.

How are bedrooms/unit sizes matched to household size?
MPDUs will be prioritized to households on the waiting list in accordance with their housing needs. Generally, children of the same sex and married couples or adult partners will be presumed to share a room. For example, in a household of 5, consisting of two parents, two daughters and one son, the household would be prioritized for a 3 bedroom unit, and would likely only be eligible for a 4 bedroom unit if there were not larger households also interested in the MPDU. Some family configurations may require case-by-case consideration under applicable housing rules

When is the sales price for a MPDU for sale unit established?

MPDU home sales prices are updated bi-annually, on or about January 1 and July 1. When a developer/builder is ready to sell an MPDU, the developer/builder will send ACDS a Notice of Availability. The MPDU sales price will be set on the date of the Notice of Availability and cannot be raised or lowered after that. So, for example, if a Notice of Availability is sent on June 15, but the unit is not sold before the next sales price updating, the sale price is established as of June 15, regardless of any changes effective on July 1.

How does immigration status affect participation in the MPDU Program?

The County's law does not contemplate citizen status as part of the certification process, but lenders and landlords typically require a social security number or some other tax ID number as part of their approval process to obtain a mortgage or rental application.

What assets are included in determining household income?
Income or cash flow generated by a specific asset is included when calculating total household income.

If I do not live or work in Anne Arundel County but I am a student at a college located in the County, am I eligible to buy an MPDU unit?
No. You must live or work in Anne Arundel County to be eligible to rent an MPDU unit.

I have a dependent child attending college and living on campus. Is this child included in my household size for determining income limits and unit size?

Full-time college students over the age of 18 who are dependent household members can have most of their earned income excluded when determining household income and size for program eligibility.

I have an adult household member attending college who works on campus to partially pay for tuition. Is this college student's income included in the household income?

The same rule applies if the adult household member is a dependent child (above), whereas an adult member who is not a dependent contributes their entire income to the household total.

Can I have a pet in an MPDU home?
This will depend on the rules of the individual community. Some HOA's may have pet policies which may differ from one development to another and may include breed, size or other restrictions.

Can someone transitioning from Section 8 become an MPDU homeowner?
Potentially, but the applicant must independently satisfy all MPDU homeownership requirements, including qualifying for a first mortgage. Participation in another housing program does not eliminate the MPDU mortgage, income or other eligibility requirements.

Can a nonprofit organization that assists low-income households with housing opportunities purchase an MPDU and rent the MPDU to its clients?
No. The MPDU program is designed to promote homeownership opportunities for qualified households and MPDUs may only be purchased by eligible homeowners. MPDUs may not be rented.

Applying and the Waiting List

When will the application portal open?
As of the date of these FAQs, ACDS anticipates opening the MPDU application portal in mid-October 2026. Applicants should check ACDS's MPDU webpage for the official opening date and any updated instructions.

Is the application online?
Yes. The MPDU application will be electronic.

Is the MPDU homebuyer orientation required?
Yes. Applicants seeking to purchase an MPDU home must attend a designated MPDU homebuyer orientation session before they can submit an application for the homeownership waiting list. This requirement is separate from ACDS's general homeownership counseling program, which is not required to purchase an MPDU home.

Is there an application fee?
No. There will be no fee to apply for the MPDU waiting list.

Can I apply for both rental and homeownership?
An applicant who meets the qualifications for both programs may pursue both. Because rental and homeownership will have separate application processes, the applicant would need to complete the requirements for each.

Will certain groups receive preference on the waiting list?
No special preference for particular protected classes or demographic groups is currently permitted under the MPDU law. ACDS is conducting broad affirmative outreach so residents throughout the county know about the opportunity, but eligibility and access to available units will be based on the established program requirements, waiting-list position, and appropriate household-to-unit matching.

Is placement on the waiting list a lottery?
No. Applicants will be selected for available units based on the applicant's position on the waiting list . Household size will also be considered when matching applicants to available units.

How long will I have to respond when a unit becomes available?
Applicants will have three days from the date of the notification to submit an interest form for an available unit.

How will ACDS decide who gets an available unit?
Among applicants who express interest, ACDS will consider position on the applicable waiting list and whether the applicant's household size appropriately matches the available unit. For example, if a three-bedroom home is available, a larger household needing those bedrooms could receive priority over a smaller household, even if both expressed interest.

How does a household apply to purchase an MPDU?
As noted above, ACDS will manage all initial applications and conduct initial household eligibility screening through its MPDU Application Portal, which is expected to open in approximately mid-October 2026. Households that meet the minimum eligibility standards and have obtained a mortgage pre-approval letter will be placed on a waiting list maintained by ACDS and will be notified when units become available. When an MPDU becomes available, households will work directly with the developer/home builder to purchase an MPDU.

How does a household obtain a mortgage to purchase an MPDU?
There will be a list of Associate Lenders posted on the MPDU Website who have experience working with first-time homebuyers and may be able to offer financial assistance to homebuyers. Homebuilders/developers may also offer financial assistance to homebuyers through their affiliated lending divisions or relationships with financial institutions. Applicants may work with one of these lenders or a qualified lender of their choice.

How recent does my mortgage pre-approval need to be?
A pre-approval generally should be no more than approximately 60 days old when submitted through the application portal. Because the first homes are not expected to become available until later, applicants may ultimately need an updated pre-approval before purchasing a home.

Does the MPDU Program pay my down payment and closing costs?
No. MPDU applicants are responsible for securing the funds necessary for their down payment and closing costs. ACDS administers a separate down payment and closing-cost assistance program that some MPDU buyers may qualify for, but that program has its own eligibility requirements, income limits, funding availability and homeownership counseling requirements.

Does being on the waiting list mean I have to accept the first property offered?
No. When an MPDU becomes available, ACDS will email people on the applicable waiting list with information about the property. Applicants who are interested will submit an interest form through the portal. You can decide whether the particular property is right for you based on its location, size, features and other information provided.

Staying Informed

How will I know when new MPDU properties become available?
ACDS will communicate with applicants on the waiting list as units become available. Because units will be added gradually over time, applicants should make sure their contact information remains current and monitor email communications carefully.

What should I do now if I am interested?
Prospective applicants should learn as much as possible about the MPDU Program and its eligibility requirements; join ACDS's MPDU mailing or interested-parties list for updates; if pursuing homeownership, register for a required MPDU homebuyer orientation; review credit and overall finances; consider participating in homeownership counseling if not mortgage-ready; begin planning for down payment and closing costs; and watch for the announcement of the application portal opening.

What if I am interested in homeownership but I am not mortgage-ready? What if I am returning from the criminal justice system and still need assistance with the homeownership process?
ACDS offers a separate Homeownership Counseling Program to help prospective buyers work on issues such as credit, budgeting, savings, income and affordability, and preparing for the mortgage process. This counseling program is different from the mandatory MPDU homebuyer orientation. You do not have to complete ACDS's broader homeownership counseling program to apply for an MPDU if you are already mortgage-ready.

Where can I get additional information?
Visit the Arundel Community Development Services website, acdsinc.org/mpduprogram, for current MPDU information, orientation schedules, application updates and additional housing resources. Residents with questions about their individual circumstances should contact ACDS directly rather than relying on general program information, since eligibility may depend on household income, household composition, mortgage qualification and other individual factors. Please contact ACDS at mpdu@acdsinc.org.