MODERATELY PRICED DWELLING UNIT
ADDENDUM TO LEASE

This MODERATELY PRICED DWELLING UNIT (MPDU) ADDENDUM TO LEASE (the "**MPDU Lease Addendum**") is hereby incorporated into and hereafter is a part of the Lease by and between the Tenant and the Owner[1], each as identified in the Lease, for rental unit #_____ (the "**Rental Unit**") located at _____.

WHEREAS, the Rental Unit is a part of a rental housing project (the "**Project**") that is governed by the Anne Arundel County Housing Attainability Act 72-24, adopted October 15, 2024 (the "**Act**") which created a Moderately Priced Dwelling Unit ("**MPDU**") program.

WHEREAS, Arundel Community Development Services, Inc. ("**ACDS**") is delegated responsibility under the Act to ensure MPDU compliance; and

WHEREAS, as a condition of the Act, the Owner must restrict 15% of the units in the Project as MPDUs which shall be available only to households of limited income and must otherwise comply with the terms, requirements and restrictions set forth in the Act; and

WHEREAS, the Rental Unit is an MPDU and as a condition of renting the Rental Unit to the Tenant, Owner requires Tenant to comply with the terms of this MPDU Lease Addendum.

NOW, THEREFORE, it is hereby agreed and understood by the Tenant and the Owner that the following conditions apply to this Lease:

1.   Initial Income Certification. At the time of application, the Tenant shall certify to the Owner, including documentation in support of such certification and in compliance with the MPDU income requirements, that the Tenant's income does not exceed 75% of area median income adjusted for household size, as determined annually by ACDS ("**AMI**").

2.   Annual Income Recertification. Annually, the Tenant shall re-certify its income to the Owner, including documentation in support of such certification and in compliance with the MPDU income requirements. After the initial term of the lease, Tenant's income may increase up to 120% of AMI adjusted for household size as determined annually by ACDS, and Tenant may remain in the Rental Unit. If the household is no longer eligible to remain in the Rental Unit due to income or household size, the Owner shall allow the Tenant the opportunity to remain in the Rental Unit as a reclassified market unit subject to payment of market rent. If the household declines the offer, the Owner shall issue the Tenant a 60-day notice to vacate the Rental Unit.

3.   Failure to Comply. If Tenant fails to provide requested recertification information within 30 days, the Owner shall allow the Tenant the opportunity to remain in the Rental Unit as a

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[1] All references to Owner in this Addendum shall include the "Landlord" identified in the Lease, if other than the Owner, and legal agents of the Owner.

reclassified market unit subject to payment of market rent. If Tenant declines the offer, the Owner shall issue the Tenant a 60-day notice to vacate the Rental Unit for failing to submit the recertification form and required documentation.

4.   **Lease Term**. The initial term of the Lease shall not be for a period of less than 1 year.

5.   **Additional Tenant Conditions.** By executing this MPDU Lease Addendum, the Tenant certifies that the Rental Unit is the household's primary residence;

6.   **Compliance Monitoring**. The Owner shall maintain all leases and income certifications and supporting documentation in connection with the Tenant and the Rental Unit in a form and manner acceptable to ACDS. ACDS shall have the right to review all information provided and maintained in accordance with this section.

It is understood and agreed that in the event of any inconsistency between the terms, conditions, and provisions of the Lease and this MPDU Lease Addendum, this MPDU Lease Addendum shall control and prevail over the inconsistent or conflicting term, condition or provision of the Lease.

By signing below, Owner and Tenant each acknowledge that they have read, understand, and agree to the foregoing.

TENANT:

_____   Signature: _____
        Date   Printed Name: _____

TENANT:

_____   Signature: _____
        Date   Printed Name: _____

OWNER:

_____   Signature: _____
        Date   Printed Name: _____