

Summary of Steps for the Resale of an MPDU AFTER the Control Period

The owner of an MPDU who wants to sell their MPDU after the applicable MPDU control period must contact and work with the MPDU office. ***This summary is provided as a courtesy to MPDU owners. Detailed instructions can be found on the MPDU website, and in the MPDU law, regulations, and covenants.***

Background

As part of an MPDU owner's initial agreement with Montgomery County, the MPDU owner is required to share one-half of the "Excess Windfall Profit" with Montgomery County. The payment made to Montgomery County is called the Shared Profit Payment.

Steps to Follow. When an MPDU owner sells an MPDU after the controls have expired, the owner must figure out how much of a Shared Profit is owed to Montgomery County by following these steps:

Step 1 – Send Shared Profit Request, including Calculation of Improvements Credit form and attach copy of the first page of the sales contract

Send by email (mpdu.resales@montgomerycountymd.gov, completed copy of the Shared Profit Calculation Improvements Credit Request Form (if the MPDU owner is requesting credits for improvements to the MPDU). Attach a copy of the first page of the signed Sales Contract.

NOTE: No credits to the buyer for closing cost assistance, for repairs or other are acceptable. If given, the seller will pay for them.

NOTE: This sale must be an arms-length transaction. No commission will be approved for the listing agent, if he/she is a family member of the seller. Commission for the buyer's agent will be granted.

NOTE: Submit this request at least 21 days before settlement.

Step 2 – The MPDU Program office sends to the MPDU owner the Shared Profit Calculation, and sends copies to the Real Estate Agent and Settlement Agent listed on the Share Profit Calculation Request Form. Please allow at least 21 days before settlement for this calculation.

Step 3: Settlement Company sends a check for the Shared Profit payment to Montgomery County.

The Settlement Company must send a check for the Shared Profit Payment and make the check payable to Montgomery County, Maryland. The check should be sent to:

MPDU Program
Department of Housing and Community Affairs
1401 Rockville Pike, Fourth Floor
Rockville, MD 20852
Attn: Shared Profit Calculation