

TENANT OPPORTUNITY TO PURCHASE ACT (TOPA)

WHAT IS TOPA?

TOPA gives many tenants in DC the right to decide what happens to their housing when it is being sold. DC residents have used TOPA to become homeowners, preserve their affordable housing, get renovations to their homes, and prevent displacement. TOPA applies in some form to most buildings that are not single-family homes, though tenants' ability to exercise their rights may vary.

Tenant Associations can work with an attorney to improve poor housing conditions, challenge illegal rent increases, and purchase their apartment building when it is for sale. Under TOPA, Tenant Associations can have the first right to purchase their apartment building when it's for sale, or assign this right to someone else.

TOPA allows tenants to choose to:

- Buy their building as a tenant association, either as a condominium or affordable housing cooperative OR
- Partner with the future owner of the building to protect current and future tenants, negotiate repairs, and sometimes to choose the new owner.

Tenant Associations that purchase often use local funds from the Housing Production Trust Fund to create an affordable housing cooperative.

IF YOUR BUILDING IS FOR SALE

The process for exercising your TOPA rights begins when tenants receive an **Offer of Sale**. Tenants may request certain information, including a copy of the contract for an offer from a third-party buyer, which the landlord must provide within 7 days of the tenants' request.

Phase 1: Letter of Intent/Formation. This can take 45 days if no tenants' association exists at your building, or 30 days if one already exists. The requirements for formation of a TA can vary depending on building size.

- Formation of a tenants' association (TA), if applicable. Registration with the Department of Housing and Community Development (DHCD). For assistance with this, reach out to Housing Counseling Services, the Latino Economic Development Center, or the Office of the Tenant Advocate
- Sending a *Letter of Intent to Purchase* to the seller and DHCD.

Phase 2: Negotiating. This usually takes up to 120 days.

- Receive a package of due diligence material about the building within 7 days. Any delay gives your TA more time.
- Finding and retaining a lawyer to represent the tenants' association.
- Learning about your rights and exploring all your options. Some TAs meet with several developers to compare options. An attorney or an advocate with Housing Counseling Services, the Latino Economic Development Center, or the Office of the Tenant Advocate can assist you with this
- Signing a contract between TA and the seller. If you are not forming a cooperative or condominium, you may sign an agreement with a developer partner as well.

Phase 3: Closing. At the end of this 120-day process, the building will have a new owner - either a developer partner or the tenants. Possible steps include:

- Staying as renters: you can work with an attorney or advocate to negotiate a development agreement that protects tenants and includes necessary repairs or renovations.
- Convert to a cooperative or condominium: a development consultant can help you secure financing through the city or private bank and meet with architects and engineers.

Phase 4: Post Purchase. After the building is formally transferred to a new owner, it may receive renovations. You can work with your advocate to make sure the new owner does everything required in the development agreement.

If the Landlord has not entered into a sales contract within 360 days of the Offer of Sale, the TOPA process should start over with a *new* Offer of Sale.

Please consult an attorney before signing anything! There are multiple organizations in the District that can help you understand your rights and connect you to an attorney for free.

- The Latino Economic Development Center (LEDC): Contact Lauren Taylor at ltaylor@ledcmetro.org or call 202-740-7623.
- Housing Counseling Services: Call (202) 667-7006 or email info@housingetc.org to connect with their Tenant Services Program.
- Office of the Tenant Advocate: Call (202) 719-6560 or visit 2000 14th St NW, Suite 300 N Monday-Thursday between 9 AM and 4 PM.

Neighborhood Legal Services Program (NLSP) provides free legal advice and representation to low-income residents of D.C.



Contact NLSP for help!

Call (202) 832-6577 or visit www.nlsp.org for more information.