

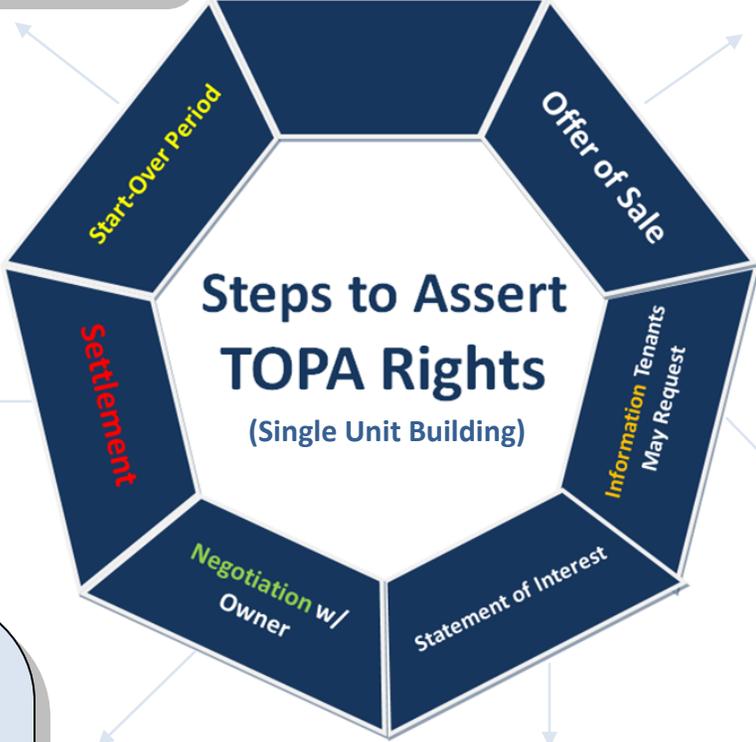
**Start Here**



**Start-Over Period**  
If the Landlord has not entered into a sales contract within **180 days** of the Offer of Sale, the TOPA process must start over with a new Offer of Sale.

**Landlord Makes Offer of Sale**  
Before selling the rental accommodation, the Landlord must provide the Tenant with an Offer of Sale, regardless of whether a Third Party contract is already in place. For an Offer with a Third Party contract, the Landlord must provide the Tenant with a copy of the contract within **7 days** of Tenant's request.

**Tenant & Landlord Reach Settlement**  
Tenant will have not less than **60 days** from the date of contracting to secure financing and financial assistance. If the lending institution states in writing that a decision regarding financing will be made within **90 days** after contracting, the Landlord is required to grant that extension.



**Tenant May Request Information**  
Upon receiving an Offer of Sale, the Tenant may request certain information, which the Landlord must provide within **7 days** of the request, including:  
- Building floor plan  
- Itemized list of operating expenses, utility consumption rates, and capital expenditures for the previous 2 years.

**Tenant Negotiates with Landlord\***  
The law allows a minimum **60 day** negotiation period after the current Landlord receives the Tenant's Statement of Interest.  
• The **60 days** can be extended one day for each day the Landlord fails to deliver information required by TOPA.  
• The **60 days** can also be extended by **15 days** if the Landlord enters into a contract with a Third Party before or during the negotiation period. This is called a right of first refusal period. The Tenant and Landlord must bargain in good faith.

**Tenant Submits Statement of Interest**  
To exercise the right to purchase, the Tenant must deliver a written statement of interest to both the Landlord and the Mayor (at DHCD's Rental Conversion and Sale Division). The statement must be sent by certified mail or delivered in person within **30 days** of receipt of offer of sale by the Tenant or the Mayor, whichever is later.



## \*Tenant Negotiates with Landlord

The Landlord and the Tenant must negotiate in good faith. While the statute does not define good faith, it does give **examples of bad faith:**

- Landlord's failure to offer the Tenant a price or term at least as favorable as that offered to a Third Party, within the negotiation period, without a reasonable justification for so doing;
- Landlord's failure to contract with Tenant with terms which substantially conform with the price and terms of a Third Party contract without a reasonable justification for so doing; or
- Intentional failure of a Tenant or a Landlord to comply with the TOPA statute.

### **Right of First Refusal:**

Tenant has the right to match the material terms of any contract for sale between the Landlord and a Third Party. The law gives the Tenant **15 days** to match the contract. If the Landlord gives the Tenant the contract during or before the negotiation period discussed above, **15 days** are added to the end of the negotiation period.

- The Landlord may not require the Tenant to prove financial ability to purchase as a condition to entering into a contract, and the Landlord may not require the Tenant to pay the purchase price in installments unless the Landlord provides financing on terms reasonably acceptable to the Tenant.
- The Landlord, however, may require the Tenant to pay a deposit of up to 5% of the contract sales price in order to make a contract. The deposit is refundable in the event of a good faith failure of the Tenant to perform under the contract.
- Instead of purchasing the building outright, **a Tenant can assign or sell his or her rights to other groups.** Using this right, a Tenant can use his or her rights to negotiate better building conditions, limit rent increases or for other benefits.