

TOPA and the First Right to Purchase



WHAT IS TOPA AND THE FIRST RIGHT TO PURCHASE?

TOPA stands for the Tenant Opportunity to Purchase Assistance. TOPA is a program offered by the Department of Housing and Community Development, or DHCD. The First Right to Purchase is a part of the "Rental Housing Conversion and Sale Act of 1980" and states that the tenants of rental buildings must be offered the first opportunity to buy the building.

- The DHCD assists low to moderate income District residents threatened with displacement because of the sale of their building.
- The DHCD offers services like financial and technical assistance, which includes money for down payments and purchase, and assisting with loan applications and structuring a tenant association

ELIGIBILITY

To be eligible for the Tenant Purchase Technical Assistance, the following must be present:

- The building must be within Washington D.C.
- The building must be converted into a cooperative or condominium.
- More than 50% of the tenants must be interested in purchasing a unit.
- 50% or more of the tenant association must qualify as low to moderate income.

To be eligible for the First Right to Purchase Assistance, the following must be present:

- Be low to moderate income and:
 - Reside in a building within Washington D.C.
 - Head a low to moderate income household.
 - Have a good credit rating and be able to afford a mortgage

SECURING FINANCING

To secure financing, there are several forms on the DHCD website. What form you fill out varies on how many rental units are in your building. On the website, there is a section for buildings with 2-4 rental units and a section for buildings with 5 or more rental units. Both sections have forms for Sale Offers with and without a third party contract, and also a form of Right of First Refusal. Below both of these sections, there are forms for a Housing Assistance Payment and a Tenant Organization Registration Package.

EXEMPTIONS

- Single family dwellings are now exempt from TOPA, unless they are occupied by elderly or disabled tenants.
- Single family dwellings with an Accessory Dwelling Unit are exempt.
- Single rental units in a condo, co-op, or homeowners' association are exempt.