

**Start Over Period (180 days)**  
**More Information!**

### Settlement

Typically the tenant association will have **60 days** after the date of contracting to secure financing and financial assistance. There are also extension provisions to this rule, particularly if a lending institution estimates in writing that a decision with respect to financing or financial assistance will be made within 240 days after the date of contracting, the owner shall afford an extension of time consistent with that written estimate. **CONSULT YOUR ATTORNEY.**

### Negotiation w/ Owner

The law allows a minimum **60 day** negotiation period after the current owner receives the tenant association's registration application.

- The 60 days can be extended one day for each day the owner fails to deliver required information referenced in the next bullet point.
- The 60 days can also be extended by 15 days if the owner enters into a contract with a third party before or during the negotiation period. This is called a right of first refusal period. Tenants and owner must bargain in good faith.

**More Information!**

### If Tenant Association Does Not Exist

Since there is no tenant association in this situation—

Tenants have **30 days** from their receipt of the offer of sale or receipt of the offer of sale by the Rental Conversion and Sale Division, whichever date is later, to give both the owner and the Rental Conversion and Sale Division a written statement accepting the owner's offer of sale.

On or before the 30th day, the tenants must provide his written statement to both the owner and the Rental Conversion and Sale Division either by sending the statement by certified mail or by hand delivery. This means that the tenants must hand deliver the acceptance letter by the 30th day or mail the acceptance letter by certified mail no later than the 30th day.

### Notice of Transfer

The Notice of Transfer must be delivered to the tenants and the Condominium Office **at least 90 days** before the proposed transfer. The Notice must describe the transaction, and state whether the transfer is an exempt transaction, (or not a sale). It must give the reasons why the transfer is not a sale.

### Tenants' Challenge to Transfer

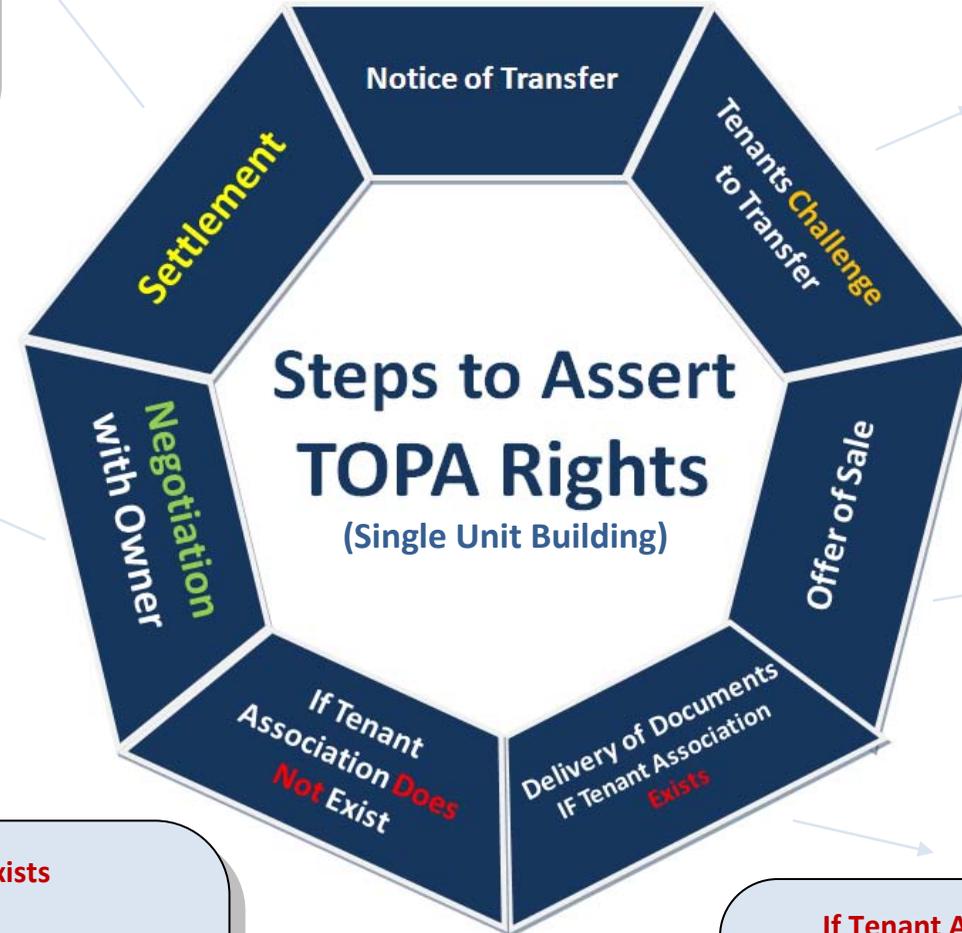
If any owner does not claim an exemption, then tenants may challenge the transfer by filing an intent to file a petition for declaratory relief within **45 days**. If the owner claims an exemption, the tenants must file their intent notice in **30 days**.

### Offer of Sale

Must be provided to tenants (before or after contract is signed with third party), but before settlement with third party. Accompanying documents (if requested by tenants) must be provided within **7 days** of request.  
\*Accompanying documents: floor plan list of operating expenses, utility consumption rates, past 2 years expenditures, most recent rent roll, list of tenants, list of vacant apartments.

### If Tenant Association Already Exists

**Skip**



## Steps to Assert TOPA Rights (Single Unit Building)

## More Information!

### -Negotiation w/ Owner

The tenant association may request certain building and operational information. Within 7 days after receiving the tenant association's written request, the owner must provide:

- A floor plan of the building (if the owner does not have a floor plan, the owner may state in writing that the owner does not have a floor plan);
- An itemized list of monthly operating expenses, utility consumption rates, and capital expenditures for each of the 2 preceding calendar years; and
- The most recent rent roll, list of tenants, and list of vacant apartments.



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

- Owner'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;
- Owner's failure to contract with the tenant association 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 association or an owner to comply with the TOPA statute.

#### Right of First Refusal:

Tenants have the right to match any contract for sale between the owner and a third party. The law gives tenants 15 days to match the contract. If the owner gives the tenants the contract during or before the negotiation period discussed above, 15 days are added to the end of the negotiation period.

- The owner may not require the tenant association to prove financial ability to purchase as a condition to entering into a contract, and the owner may not require the tenant association to pay the purchase price in installments unless the owner provides financing on terms reasonably acceptable to the tenant association. The rules get complicated at this point. CONSULT YOUR ATTORNEY.
- The owner, however, may require the tenant association 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 association to perform under the contract.
- Instead of purchasing the building themselves, **the tenant association can assign or sell its tenant rights to other groups.** Using this right, a tenant association can use its rights to negotiate better building conditions, limit rent increases or for other benefits.

### -Start Over Period

If the owner does not enter into a contract with anyone else within **180 days** after the offer is made to the tenants, the owner must start over. This means the owner must offer the building to the tenants again and comply with the time periods.