

Support the TOPA amendment!

WHAT IS TOPA AND WHY IT IS NEEDED NOW

TOPA, the Tenant Opportunity to Purchase Act (H 1260, S 786), also known as the Tenant's Right of First Refusal Act, in an **important COVID-response anti-displacement proposal** to address the dangers of post-pandemic real estate speculation.

TOPA is one of many amendments to the economic development bill (An Act Enabling Partnerships for Growth, H. 4887, S. 2842) now in Conference Committee. Contact six members of the Conference Committee and Senate President Spilka to let them know you support TOPA!

In municipalities that opt in, TOPA will allow tenants in multifamily properties purchase their homes when offered for sale, including in foreclosure situations, by matching the purchase price of a third-party purchaser. The opportunity to purchase can be designated by tenants to a non-profit, or tenants may form a housing cooperative. The Act is revenue neutral.

Major points of the TOPA Enabling Act:

When a landlord decides to put the property on the market, (s)he must notify the tenants and the City or town administration.

The tenant association or its designee has the right to make a first offer to purchase after being notified of the sale, but the landlord is not required to accept. Tenants must make a standard refundable deposit

When the owner enters a contract to sell the property to a third party, the tenant association/designee can agree to the terms of the third-party contract or make a counter offer.

If they agree to the third-party contract, the tenant association/designee has a reasonable period of time to perform due diligence, secure financing, and close on the purchase of the building. Otherwise, the owner can sell to a third party.

TOPA is needed to address post-pandemic housing speculation. The COVID-19 pandemic is expected to result in a wave of foreclosures, resident displacement, and speculative purchases.

TOPA gives cities and towns tools they urgently need. Housing stabilization is a public health issue and our municipalities need tools before the crisis worsens even more. The law will apply only to municipalities that choose it.

TOPA is revenue neutral and does not impose hardships. Owners get a market price, tenants save their homes, and housing can be preserved as affordable for future residents. The smallest property owners are exempted.

TOPA can preserve thousands of rental units. Washington DC has preserved some 200 apartment buildings since 1981.

Endorsed by Mass Association of Housing Cooperatives, Greater Boston Community Land Trust Network, Mass. Law Reform Institute, and many other organizations.