

# Tenant Opportunity to Purchase Act (TOPA)

An Act to guarantee a tenant's first right of refusal (S.890 & H.1426)

Lead Sponsors Sen. Patricia Jehlen & Reps. Jay Livingstone and Rob Consalvo

A Revenue-Neutral Local Option To Stabilize Housing

The pandemic is causing increasing distress in the housing market and is expected to result in more turmoil, speculative purchases, and resident displacement. Already billion-dollar investment funds have been set up for distressed properties. Housing stabilization is a public health issue and cities and towns desperately need tools as this housing crisis worsens.

- **TOPA is essential during the pandemic to help tenants keep their homes.** It would help prevent the displacement of vulnerable tenants.
- **TOPA would help blunt deepening inequities.** Displacement and unaffordable rents disproportionately impact people of color, seniors, people with disabilities, and other vulnerable groups -- and increase segregation in our communities. TOPA would help to avert the speculation of 2008 when huge amounts of wealth were lost by communities of color and working-class families.

**An Act to guarantee a tenant's first right of refusal (S.890 & H.1426)** would allow cities and towns the local option of providing tenants in multi-family buildings the right to match a third-party offer when their homes are being sold. Tenants can designate their rights to a non-profit or local housing authority, or partner with an affordable housing purchaser. *TOPA is revenue neutral, does not regulate sales price, and explicitly exempts small owners.*

**TOPA contains safeguards to protect owners.** *TOPA's timeframes are designed to be typical of a normal real estate market in which properties are purchased with a combination of cash equity and debt.* It imposes no price restrictions. Sales are at market-rate. TOPA exempts below-market sales to immediate family members and tenants are prohibited from selling their rights. Small owners are exempted from TOPA.

**TOPA could move thousands of rental units to permanent affordability - every year.** This bill is based on a Washington D.C. ordinance that has helped preserve thousands of homes since its enactment in 1980.

**The TOPA Enabling Act neither brings in additional revenue nor requires additional expenditures.** As an enabling act, it simply allows municipalities to adopt tenant right-of-first-refusal ordinances. Existing state and local housing funding programs could be deployed to properties acquired via TOPA programs, and additional sources will be needed to fully stabilize neighborhoods and provide housing needed by low- and moderate-income tenants.

***Support the TOPA Enabling Act - (S.890 & H.1426)***

*For more information or contact [topacoalition@mlri.org](mailto:topacoalition@mlri.org)*