



District of Columbia Department of Housing and Community Development
Housing Regulation Administration – Rental Conversion and Sale Division
1800 Martin Luther King, Jr. Avenue, S.E.
Washington, D.C. 20020
Telephone (202) 442-9505
www.dhcd.dc.gov

**INSTRUCTIONS FOR PREPARING AND ISSUING
AN OFFER OF SALE WITH A THIRD PARTY SALE CONTRACT FOR
FIVE (5) OR MORE RENTAL UNIT HOUSING ACCOMMODATIONS**

PLEASE READ AND FOLLOW THESE INSTRUCTIONS CAREFULLY

These instructions apply to an Offer of Sale (Form A) for the sale of a five (5) or more residential rental unit housing accommodation. This Offer of Sale (Form A) is used when an owner gives the tenants an opportunity to purchase **after** the owner has accepted (ratified) a third party sale contract for the housing accommodation.

In order to determine whether the housing accommodation is five (5) or more rental units, all rental units in the housing accommodation are counted. The occupied rental units as well as those vacant rental units must be included in the total number of rental units for the housing accommodation.

INSTRUCTIONS FOR ISSUING THE OFFER OF SALE (FORM A)

1. Do not delete or alter any part of the Offer of Sale (Form A).
2. Fill in the date, number of occupied and vacant rental units, combined total number of rental units, name of each tenant with each apartment number and the address of the housing accommodation. Each tenant must receive a separate Offer of Sale (Form A) addressed to him or her.
3. Due to the number of Offers of Sale involved in housing accommodations with five (5) or more rental units, the Rental Conversion and Sale Division requests that the owner, or the owner's agent, send only one (1) copy of the Offer of Sale (Form A) and a list of the tenants to whom the Offers of Sale were issued.
4. The asking price and the material terms of the sale must be stated in the Offer of Sale (Form A). The material terms include the type of financial arrangements, if any, the owner will accept at settlement. If the material terms do not fit in the space provided, attach a supplemental page listing those material terms to the Offer of Sale (Form A).
5. The address and telephone number of the owner, or the owner's agent, must be stated on the Offer of Sale (Form A).
6. The owner or the owner's agent must sign his or her full name on the Offer of Sale (Form A). For the purposes of legibility, a printed or typed name must also be placed on the appropriate line. An individual's **name**, not a business name, must be on this line. The name of the business may be placed in the address area.
7. After a tenant organization has been registered, the owner or the owner's agent must send the tenant organization a copy of the third party sale contract in order to commence the fifteen (15) day right of first refusal time period.

8. Send each tenant the Offer of Sale (Form A) by **certified mail**. A copy of the Offer of Sale (Form A) must also be posted in conspicuous places in the common areas of the housing accommodation.
9. One (1) copy of the Offer of Sale (Form A) with a list of the tenants must be sent **by certified mail** to or **filed in person** at the Rental Conversion and Sale Division. **Do NOT send the Offer of Sale (Form A) by facsimile or email. Faxing or emailing an Offer of Sale is NOT proper delivery.**
10. **The owner or the owner's agent must certify that the Rental Conversion and Sale Division and each tenant were sent copies of the Offer of Sale (Form A) on the same day.** Fill in and sign the attached affidavit, and include the completed and signed affidavit to the Rental Conversion and Sale Division when the Offer of Sale (Form A) is sent or delivered. Attach a list of tenants to the Affidavit and label the list "Exhibit A."
11. If a tenant organization is formed, the owner or the owner's agent, must send or deliver to the Rental Conversion and Sale Division one (1) copy of the third party sale contract when it is sent to the tenant organization. A copy of the third party sale contract can be sent to the Rental Conversion and Sale Division along with the copy of the Offer of Sale (Form A). The Rental Conversion and Sale Division's address and telephone numbers are listed below and on the Offer of Sale (Form A).
12. The District's Opportunity to Purchase Amendment Act of 2008, D.C. Law 17-286, effective Dec. 24, 2008, codified at D.C. Official Code § 42-3404.31 (the "DCOP Act") (2009), requires a housing accommodation owner to offer the property for sale to the Mayor of the District of Columbia. An owner must offer the housing accommodation for sale to the Mayor if 25% or more of the rental units are "affordable units" under the DCOP Act. For further information, please contact the Rental Conversion and Sale Division.

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(Revised 08/19/2010)

AFFIDAVIT OF DELIVERY OF OFFER OF SALE WITH A THIRD PARTY CONTRACT
FOR HOUSING ACCOMMODATIONS CONSISTING OF MORE THAN 1 RENTAL UNIT

PROPERTY ADDRESS: _____

The undersigned hereby certifies the following to the Mayor of the District of Columbia:

1. That on _____ at _____ a.m. / p.m. [circle one], I delivered envelopes addressed to each tenant identified on the list attached to this Affidavit as **Exhibit A** to a U.S. Postal Service employee at the U.S. Post Office located at _____, with proper postage affixed for delivery by certified mail, and containing a true, correct and complete copy of the Offer of Sale dated _____ and a complete copy of the ratified third party contract for the housing accommodation located at the above stated address;

2. I posted a true, correct and complete copy of the Offer of Sale dated _____ in a conspicuous place in common areas of the housing accommodation;

3. That on _____ at _____ a.m. / p.m. [circle one], I [check only one]

hand-delivered a copy of the attached true, correct and complete Offer of Sale dated _____ and a complete copy of the ratified third party contract for the housing accommodation located at the above stated address and a list of the tenants identified on the list attached to this Affidavit as **Exhibit A** to the D.C. Department of Housing and Community Development, Rental Conversion and Sale Division; **OR**

delivered by certified mail a copy of the attached true, correct and complete Offer of Sale dated _____ and a complete copy of the ratified third party contract for the housing accommodation located at the above stated address and a list of the tenants identified on the list attached to this Affidavit as **Exhibit A** to the D.C. Department of Housing and Community Development, Rental Conversion and Sale Division; and

4. I hereby certify that the D.C. Department of Housing and Community Development, Rental Conversion and Sale Division and each tenant listed on Exhibit A of this Affidavit were provided copies of the Offer of Sale **on the same day**.

I declare under penalty of law for making a false statement, as set out in D.C. Official Code § 22-2405, 2001 ed., as amended, that the foregoing representations and statements are true and correct.

Date

Signature

Print Name

FORM A

DO NOT DELETE OR ALTER ANY PART OF THIS OFFER OF SALE
POST A COPY IN THE HOUSING ACCOMMODATION

OFFER OF SALE & TENANT OPPORTUNITY TO PURCHASE WITH A THIRD PARTY SALE
CONTRACT FOR HOUSING ACCOMMODATIONS WITH FIVE OR MORE RENTAL UNITS

FIVE OR MORE RENTAL UNITS

DATE: _____

Number of Occupied Rental Units _____

Number of Vacant Rental Units _____

COMBINED TOTAL NUMBER OF RENTAL UNITS _____

BY CERTIFIED MAIL

Dear _____:

This is to advise you of the owner's offer to sell the housing accommodation in which you live located at _____, Washington, D.C. _____. The total number of rental units in the housing accommodation is: _____.

1. OFFER OF SALE

As a tenant of a housing accommodation in the District of Columbia, you must be given an opportunity to purchase this housing accommodation in accordance with Title IV of the Rental Housing Conversion and Sale Act of 1980, as amended (D.C. Law 3-86, § 42-3401.01 et. seq. (2001)) (the "Act"). This Offer of Sale also describes your tenant rights and responsibilities and the statutory time periods under the Act.

2. ACCEPTANCE PERIOD

If you wish to respond to this Offer of Sale, any response must be made by a tenant organization. A tenant organization must be registered with the D.C. Department of Housing and Community Development, Rental Conversion and Sale Division. A tenant organization registration application must be notarized and include: (1) a written statement accepting the owner's offer to sell the housing accommodation; (2) a list of tenant members representing the majority of the heads of households in the housing accommodation as of the time of registration; (3) information regarding the elected officers; and (4) copies of the tenant organization articles of incorporation, certification of incorporation and the bylaws. The tenant organization registration application must be either sent by certified mail to the owner and the Rental Conversion and Sale Division.

The tenants must organize a tenant organization with the legal capacity to hold real property, and shall send the tenant organization registration application by certified mail to **both** the owner and the Rental Conversion and Sale Division on or before the forty-fifth (45th) day after you and the other tenants received this Offer of Sale, or the Rental Conversion and Sale Division's receipt of a copy of this Offer of Sale, whichever date is later.

If a tenant organization already exists in a form desired by the tenants, the tenant organization must send **both** the owner and the Rental Conversion and Sale Division the tenant organization registration application by certified mail on or before the thirtieth (30th) day after you and the other tenants received this Offer of Sale, or the Rental Conversion and Sale Division's receipt of a copy of this Offer of Sale, whichever date is later.

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If the tenants fail to organize and send the tenant organization registration application by certified mail to **both** the owner and the Rental Conversion and Sale Division within the applicable time period, the tenants' rights under this Offer of Sale will expire.

3. NEGOTIATION

If a tenant organization properly submits a tenant organization registration application in accordance with the above paragraphs, the tenant organization has a minimum of one hundred twenty (120) days to ratify a sale contract with the owner.

4. INFORMATION

Within seven (7) days of receiving a written request for the information, the owner shall provide the tenant organization with copies of: (1) a floor plan of the housing accommodation, if available; (2) an itemized list of monthly operation expenses; (3) utility consumption rates and capital expenditures for each of the two (2) preceding calendar years; and (4) the most recent rent roll, listing of tenants, and a list of vacant rental units.

5. PRICE AND MATERIAL TERMS

The asking price for the housing accommodation is \$_____. The tenant organization must be informed of the type of financial arrangements, if any, the owner will accept at settlement. The owner may not require that the tenant organization prove financial ability to enter into a sale contract. However, in the event the third party sale contract provides for deferred purchase money financing, the owner may require that prior to settlement, the tenant organization prove (either alone or in conjunction with a third party) the ability to pay back financing before the owner grants the tenant organization deferred purchase money financing. The material terms of the sale for the tenant organization are as follows:

Check here ONLY if a separate page of material terms is attached.

Optional: check here only if a copy of the ratified third party contract is attached.

6. DEPOSIT

At the time of contracting, the tenant organization is required to deposit no more than five (5) percent of the contract sale price. This deposit, with interest accrued thereon, is refundable in case there is a good faith inability to perform under the sale contract.

7. SETTLEMENT TIME

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If the tenant organization decides to purchase, and the owner accepts the offer, the tenant organization will have a minimum of one hundred twenty (120) days to secure financing or financial assistance and go to settlement for the purchase of this housing accommodation. However, if a lending institution or agency estimates that a decision regarding financing or financial assistance will be made within two hundred forty (240) days after the date the contract is ratified, the owner will provide the tenant organization with an extension of time consistent with the written estimate. If the tenant organization's articles of incorporation provide by the date the contract is ratified that the purpose of the tenant organization is to convert the housing accommodation to non-profit housing cooperative with appreciation of share value limited to a maximum of an annual rate of inflation, the tenant organization will have a minimum of one hundred eighty (180) days after the date the contract is ratified to secure financing or financial assistance.

8. THIRD PARTY SALE CONTRACT AND RIGHT OF FIRST REFUSAL

As of this date, the owner has accepted a third party sale contract to sell the housing accommodation to another party. If a tenant organization is formed and registered, the owner will send a copy of the ratified sale contract to the tenant organization. The tenant organization will have an additional fifteen (15) days (right of first refusal) to match the third party sale contract. If a valid tenant organization registration application is filed prior to the deadlines given in Section 2 of this Offer of Sale, the fifteen (15) day Right of First Refusal time period will commence at the end of the negotiation time period.

9. NEW OFFER OF SALE

You will be issued a new Offer of Sale if the owner sells or signs a sale contract with a third party purchaser for a price that is more than ten (10) percent less than the price offered to you or for other terms which would constitute bargaining without good faith. In addition, if the owner has not contracted or sold this housing accommodation within three hundred sixty (360) days from the date of this Offer of Sale, and, if the owner still desires to sell the housing accommodation at that time, the owner must comply anew with the provisions of the Act.

10. WAIVER

You are prohibited from waiving your right to receive this Offer of Sale. However, upon receipt of this Offer of Sale, if you and the other tenants form a tenant organization and comply with the statutory requirements as outlined in this Offer of Sale, the tenant organization may waive any other tenants' rights under the Act in exchange for any consideration which it finds acceptable. Any waiver of the rights of a tenant organization must be in writing and signed by an authorized tenant organization officer on behalf of the tenant organization. The owner will provide the Rental Conversion and Sale Division with a copy of the signed waiver documents.

11. ASSISTANCE

If you would like information concerning technical and financial assistance, you may contact University Legal Services on (202) 547-4747, the D.C. Department of Housing and Community Development, Development Finance Division on (202) 442-7200, the Rental Conversion and Sale Division on (202) 442-4610 or (202) 442-9505, or the D.C. Office of the Tenant Advocate on (202) 719-6560.

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If you have any questions regarding this matter, please call _____ (insert owner's name or owner's agent's name) on telephone number (_____)_____.

THIS OFFER OF SALE IS NOT A NOTICE TO VACATE.

Sincerely (either Owner or Owner's Agent may sign),

Owner's SIGNATURE

Owner's Agent's SIGNATURE

Owner's PRINTED Name

Owner's Agent's PRINTED Name

Owner's Address, City, State & Zip Code)

Owner's Agent's Address, City, State & Zip Code)

cc: 1 copy of the Offer of Sale, 1 copy of the third party sale contract, Affidavit and an Exhibit A attachment by hand delivery or certified mail to:
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