

### Tenant Purchase Assistance Programs

The Department of Housing and Community Development has two programs that will assist low-to-moderate income District residents who are threatened with displacement because of the sale of their building. DC Law 3-86, the “Rental Housing Conversion and Sale Act of 1980,” states that tenants in buildings being presented for sale must, as a right, be offered the first opportunity to buy their building. Both programs assist tenants who have decided to exercise that right.

#### *First Right Purchase Assistance Program*

The First Right Purchase Assistance Program enables low-to-moderate income<sup>1</sup> District residents who are threatened with displacement because of the sale of their apartment building<sup>2</sup> to exercise their “first right” to purchase the building. The program offers low-interest loans to income-qualified persons and tenant groups in the District. These affordable loans can be used for:

- Down payment;
- Purchase;
- Earnest money deposits; and
- Legal, architectural and engineering costs.

The District of Columbia encourages tenants to exercise their right to first purchase when their building are offered for sale—it stabilizes city neighborhoods. This innovative housing program combats urban displacement.



#### **Who is eligible?**

First Right Purchase applicants must:

1. Reside in a building within the District of Columbia;
2. Head a low- to moderate-income household;
3. Possess a good credit rating and adequate income to afford a mortgage from a private lender (for single family buildings); and
4. Not have any ownership interest in any other housing in the District or in neighboring jurisdictions.

*See reverse for more information.*

## *Tenant Purchase Technical Assistance Program*

The Tenant Purchase Technical Assistance Program provides free, specialized development services for tenant groups who are pursuing the purchase of their apartment buildings as cooperatives or condominiums.<sup>2</sup> These services can include:

- Assistance with organizing and structuring the tenant association;
- Preparation of legal organizational documents;
- Help with loan applications; and
- Support in sales negotiations.

### **Who is eligible?**

Tenant associations can apply, provided the following conditions are met:

1. The building must be located in the District of Columbia;
2. The building is to be converted to a cooperative or a condominium;
3. More than 50 percent of the tenants are interests in purchasing a unit; and
4. 50 percent or more of the tenant association must qualify as low- to moderate-income households.

### *How Do I Apply for Either Program?*

If you are interested in either program, please call (202) 442-7156.

### **Important Notes**

<sup>(1)</sup> DHCD has established income guidelines for the First Right Purchase Program and Tenant Purchase Technical Assistance applicants based on income limits that are adjusted periodically. For more information on current income limits, call (202) 442-7200.

<sup>(2)</sup> Tenant associations and individual households facing displacement, as defined by DC Law 3-86, may be eligible for priority assistance under this program.

## **Department of Housing and Community Development** **Polly Donaldson, Director**

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Muriel Bowser, Mayor



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