



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, DC 20020

Telephone (202) 442-4407 | www.dhcd.dc.gov

**INSTRUCTIONS FOR PREPARING AND ISSUING
AN OFFER OF SALE WITHOUT A THIRD PARTY SALE CONTRACT FOR
TWO (2), THREE (3) OR FOUR (4) RENTAL UNIT HOUSING ACCOMMODATIONS**

PLEASE READ AND FOLLOW THESE INSTRUCTIONS CAREFULLY

The instructions apply to an Offer of Sale (Form B) for the sale of a two (2), three (3) or four (4) residential rental unit housing accommodation. This Offer of Sale is used when an owner gives the tenants an opportunity to purchase **before** the owner has accepted (ratified) a third party sale contract for the housing accommodation.

In order to determine whether the housing accommodation is 2 to 4 rental units, all rental units in the housing accommodation are counted. The occupied rental units as well as 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 B)

1. Do not delete or alter any part of the Offer of Sale (Form B).
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 B) addressed to him or her.
3. Due to the number of Offers of Sale involved in housing accommodations with 2 to 4 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 with a list of the tenants to the Rental Conversion and Sale Division
4. The asking price and the material terms of the sale must be stated in the Offer of Sale (Form B). 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 B).
5. The address and telephone number of the owner, or the owner's agent, must be stated on the Offer of Sale (Form B).
6. The owner, or the owner's agent, must sign his or her full name on the Offer of Sale (Form B). For the purposes of legibility, a printed or typed name must also be placed on the appropriate line. An individual **name**, not a business name, must be on this line. The name of the business may be placed in the address area.
7. When the owner ratifies a third party sale contract, the owner or the owner's agent must send each tenant a notice, called a Right of First Refusal (Form C), along with a copy of the ratified third party sale contract. See "Right of First Refusal" (Form C).

8. Send each tenant the Offer of Sale (Form B) and a copy of the third party sale contract by **certified mail**. A copy of the Offer of Sale (Form B) 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 B) 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 B) 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 B) 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 B) is sent or delivered. Attach a list of tenants to the Affidavit and label the list "Exhibit A."

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(Revised 04/02/2015)

AFFIDAVIT OF DELIVERY OF OFFER OF SALE
WITHOUT 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, containing a true, correct and complete copy of the Offer of Sale dated _____ 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 _____ 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 _____ 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 B

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 WITHOUT A THIRD PARTY SALE
CONTRACT FOR HOUSING ACCOMMODATIONS WITH
TWO, THREE OR FOUR RENTAL UNITS

TWO, THREE OR FOUR RENTAL UNITS

DATE: _____

Number of Occupied Rental Units _____

Number of Vacant Rental Units _____

BY CERTIFIED MAIL

COMBINED TOTAL NUMBER OF RENTAL UNITS _____

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

Any reference to a "tenant group" means the tenants from more than one rental unit are acting together. Any reference to an "individual tenant" means all of the tenants (if more than one) from a single rental unit who sign a written statement accepting the owner's offer to sell the housing accommodation.

If you wish to respond to this Offer of Sale, the tenants acting together shall provide **both** the owner and the D.C. Department of Housing and Community Development, Rental Conversion and Sale Division with a **joint** written statement accepting the owner's offer to sell the housing accommodation either by certified mail or hand delivery on or before the fifteenth (15th) 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.

After the fifteen (15) day period, if the tenants acting together do not submit a written statement accepting the owner's offer to sell the housing accommodation, then you, as an individual tenant, have seven (7) days to provide **both** the owner and the Rental Conversion and Sale Division with a written statement accepting the owner's offer to sell the housing accommodation, either by hand-delivery or by certified mail on or before the twenty-second (22nd) 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 the tenants acting together or you, acting individually, do not provide a written statement accepting the owner's offer to sell the housing accommodation to the owner and the Rental Conversion and Sale Division within the fifteen (15) day and seven (7) day response time periods, the tenants' rights under this

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Offer of Sale will expire, except as to the right of first refusal as discussed below.

3. INFORMATION

Within seven (7) days of receiving a written request for the information, the owner shall provide you 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.

4. NEGOTIATION

If a tenant group or an individual tenant properly submits a written statement accepting the owner's offer to sell the housing accommodation to the owner and the Rental Conversion and Sale Division, upon the owner's receipt, the tenant group or an individual tenant has a minimum of ninety (90) days to ratify a sale contract with the owner.

If at the end of the ninety (90) day negotiation time period, or any extension thereof, a tenant group has not entered into a sale contract with the owner, the owner will provide an additional thirty (30) day period, during which any one (1) of the individual tenants may contract with the owner for the purchase of the housing accommodation.

If the owner receives a written statement accepting the owner's offer to sell the housing accommodation from more than one individual tenant, the owner will negotiate with each tenant separately, or jointly if you agree to negotiate jointly. However, if the owner is required to negotiate with more than one tenant, the owner will decide which sale contract is more favorable without liability to the other tenant(s).

5. PRICE AND MATERIAL TERMS

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

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

6. DEPOSIT

At the time of contracting, a tenant group or an individual tenant is required to deposit no more than five

FORM B

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(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

If a tenant group or an individual tenant decides to purchase, and the owner accepts, the tenant group or the individual tenant has a minimum of ninety (90) 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 one hundred twenty (120) days after the sale contract is ratified, the owner will provide the tenant group or the individual tenant with an extension of time consistent with the written estimate.

8. THIRD PARTY SALE CONTRACT AND RIGHT OF FIRST REFUSAL

As of this date, the owner has **not** accepted a third party sale contract to sell the housing accommodation to another party. If the owner accepts a third party sale contract, the owner will send you a copy of the ratified third party sale contract and a Right of First Refusal to each tenant. You will have an additional fifteen (15) days (right of first refusal) to match the third party sale contract, even if you do not submit a written statement accepting the owner's offer to sell the housing accommodation or if you reject this Offer of Sale. If a written statement accepting the owner's offer to sell the housing accommodation is submitted, 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 two hundred and forty (240) 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, you may waive any other tenants' rights in exchange for any consideration which you find acceptable. You must sign a written statement waiving any of your tenants' rights. The owner will provide the Rental Conversion and Sale Division with a copy of the signed waiver document.

11. ASSISTANCE

If you would like information concerning technical and financial assistance, you may contact Housing Counseling Services on (202) 667-7006, the Latino Economic Development Corporation on (202) 540-7417, the D.C. Department of Housing and Community Development, the Rental Conversion and Sale Division on (202) 442-4407, 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 contact name) on telephone number (____) _____.

THIS IS OFFER OF SALE IS NOT A NOTICE TO VACATE.

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

_____ Owner's <u>SIGNATURE</u>	_____ Owner's Agent's <u>SIGNATURE</u>
_____ Owner's <u>PRINTED</u> Name	_____ Owner's Agent's <u>PRINTED</u> 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, Affidavit and an Exhibit A attachment
by hand delivery or certified mail to:
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Rental Conversion and Sale Division
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