

## **4711 SALE OF RESIDENTIAL RENTAL HOUSING**

- 4711.1 Before an owner of a housing accommodation may sell, issue a notice to vacate or recover possession for the purpose of demolition or discontinuance of the housing use, the owner shall give the tenant(s) an opportunity to purchase.
- 4711.2 The owner shall send an offer to each tenant of the housing accommodation and to the Conversion and Sale Regulatory Office. The offer of sale shall be sent by first class mail.
- 4711.3 The owner shall post a copy of the offer of sale in a conspicuous place in the common areas of the housing accommodation if it consists of more than one unit.
- 4711.4 The offer of sale shall include the following information:
- (a) The asking price and material terms of the sale;
  - (b) A statement of tenant rights and responsibilities pursuant to the Act;
  - (c) A statement as to whether a contract with a third party exists for the sale of the housing accommodation and that a copy of such contract will be made available to the tenant(s) within seven (7) days after receiving a request; and
  - (d) A statement that the owner will provide to the tenants the following information within seven (7) days after receiving a request for any of the following if applicable:
    - (1) A floor plan of the building, if available;
    - (2) An itemized list of monthly operating expenses for each of the two (2) preceding calendar years;
    - (3) Utility consumption rates for each of the two preceding calendar years; and
    - (4) Capital expenditures for each of the two (2) preceding calendar years.
- 4711.5 The owner shall offer to sell the housing accommodation at a price and terms that represent a *bona fide* offer of sale.
- 4711.6 In the case of the existence of a third party contract, a *bona fide* offer is one in which the tenant(s) has been offered the building at a price and terms at least as favorable as and substantially conforming to the third party contract.
- 4711.7 Commercial tenants shall not be entitled to the first right to purchase. Commercial tenants

may participate in the purchase of the housing accommodation at the discretion of the tenant organization.

- 4711.8 Under Title IV of the Act, the terms “sale” or “sell” include the exchange or trade of properties, but shall exclude the transfer of title through a will or intestate succession and the transfer of property without consideration between husband and wife or from parent to child.
- 4711.9 An owner shall not request, and a tenant may not grant, a waiver of the right to receive an offer of sale under Title IV of the Act. After making an offer of sale, an owner shall not require a waiver of any other right under Title IV of the Act.
- 4711.10 If the owner contracts with parties other than the tenant(s) after an offer of sale has been made, the tenant(s) shall be informed immediately of the existence of any such contract and a copy of any such contract shall be made available to the tenant(s) upon request.
- 4711.11 Any response from the tenant(s) to an offer of sale shall be in writing.
- 4711.12 The rights of a third party shall be conditional upon the exercise of tenant rights under Title IV of the Act, and all time periods for negotiation and settlement by the tenant(s) are minimum time periods. The owner may give the tenant(s) a reasonable extension of such time periods, without liability under a third party contract.
- 4711.13 Third party purchasers shall act with full knowledge of tenant rights and public policy under the Act.

SOURCE: Notice of Final Rulemaking published at 28 DCR 2443 (May 29, 1981), incorporating by reference the text of Notice of Emergency and Proposed Rulemaking published at 28 DCR 694, 706-708 (February 13, 1981).