

**SENATE . . . . . No.**

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**The Commonwealth of Massachusetts**

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PRESENTED BY:

***Patricia D. Jehlen***

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*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

**An Act to guarantee a tenant’s first right of refusal.**

\_\_\_\_\_

PETITION OF:

NAME:

*Patricia D. Jehlen*

DISTRICT/ADDRESS:

*Second Middlesex*

SENATE . . . . . No.

[Pin Slip]

[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE SENATE, NO. 880 OF 2023-2024.]

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Fourth General Court  
(2025-2026)

An Act to guarantee a tenant’s first right of refusal.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Chapter 184 of the General Laws as appearing in the 2020 Official Edition  
2 is hereby amended by adding after section 21, the following new section:

3 Section 21A: Municipal Local Option for a Tenant’s Opportunity to Purchase

4 (a) For the purposes of this section, the following words shall, notwithstanding any  
5 general or special law to the contrary, or unless the context clearly requires otherwise, have the  
6 following meanings:

7 "Affiliate" an entity owned or controlled by an Owner or under common control with the  
8 Owner.

9 “Auction” or "Public Auction", the sale of a Housing Accommodation, under power of  
10 sale in a Mortgage Loan, by public bidding.

11 "Borrower", a mortgagor of a Mortgage Loan.

12 "Deed in Lieu," a deed for the collateral property, that the Mortgagee accepts from the  
13 Borrower in exchange for the release of the Borrower's obligation under the Mortgage Loan.

14 "Executive Office", Executive Office of Housing and Livable Communities, or its  
15 successor agency.

16 "Designee", a nonprofit or for-profit entity, a public housing authority, or a controlled  
17 nonprofit or for-profit Affiliate of such entity; provided that the parent organization has requisite  
18 experience in developing, owning and/or operating residential real estate and with the financial  
19 capacity to secure the financing of the purchase transaction; provided that any purchase by a  
20 Designee under this section shall be for the purpose of the use of the property as Long-Term  
21 Affordable Housing set out in a recorded restriction.

22 "Foreclosure," a proceeding to terminate a Borrower's interest in property instituted by  
23 the Mortgagee.

24 "Housing Accommodation," a building or buildings, structure or structures, or part  
25 thereof, rented or offered for rent for living or dwelling purposes, including, without limitation,  
26 houses, apartments, condominium units, cooperative units and other multi-family residential  
27 dwellings; provided, however, that a Housing Accommodation shall not include a group  
28 residence, homeless shelter, lodging house, orphanage, temporary dwelling structure or  
29 transitional housing; and provided, further that a Housing Accommodation shall not include 1-4  
30 unit Borrower-occupied Housing Accommodation if the Borrower is domiciled in the Housing  
31 Accommodation at the initiation of the Short-sale, Deed in Lieu, or Foreclosure process.

32           “Immediate Family Member”, the parent, offspring, sibling, or spouse of the Owner, or a  
33 trust in which the beneficiaries immediately after the creation are the Owner and the parent,  
34 child, sibling and/or spouse of the Owner.

35           “Long-Term Affordable Housing”, for rental housing: housing where forty percent of the  
36 housing units are affordable to households with incomes at or below sixty percent of the Area  
37 Median Income as established by the U.S. Department of Housing and Urban Development  
38 (AMI), and where these restrictions shall be in effect for at least thirty years and recorded in a  
39 deed restriction; for homeownership housing: housing where all units are both (a) set at prices  
40 affordable to, and (b) limited to purchase by, buyers whose incomes are at or below 100 percent  
41 of the AMI, and at least fifty percent of the units are both (a) set at prices affordable to, and (b)  
42 limited to purchase by, buyers with incomes at or below eighty percent of the AMI, and where  
43 these restrictions shall be in effect for at least thirty years and recorded in a deed restriction.

44           "Member", a natural person who is a member of a Tenant Association.

45           "Minimum Tenant Participation”, the minimum percentage of Tenant-occupied housing  
46 units that must participate as Members of the Tenant Association, which shall be 51 per cent of  
47 the Tenant-occupied housing units. The Minimum Tenant Participation percentage shall be  
48 calculated (rounded up) based on the number of Tenant-occupied housing units in a property,  
49 rather than the number of individual Tenants. If there is more than 1 Tenant residing in a unit,  
50 any of the Tenants in the unit may participate as Members of the Tenant Association for the unit  
51 to be counted towards the participating percentage of units. The Minimum Tenant Participation  
52 will be presumed to have been achieved for a period of 1 year after it is initially established.

53 "Mortgage Loan," a loan secured wholly or partially by a mortgage on a Housing  
54 Accommodation.

55 "Mortgagee," an entity to whom property is mortgaged, the mortgage creditor or lender  
56 including, but not limited to, mortgage servicers, lenders in a mortgage agreement and any agent,  
57 servant or employee of the Mortgagee or any successor in interest or assignee of the Mortgagee's  
58 rights, interests or obligations under the mortgage agreement.

59 "Owner", a person, firm, partnership, corporation, trust, organization, limited liability  
60 company or other entity, or its successors or assigns, that holds title to real property.

61 "Purchaser", a party who has entered into a purchase contract with an Owner and who  
62 will, upon performance of the purchase contract, become the new Owner of the property.

63 "Purchase Contract", a binding written agreement whereby an Owner agrees to sell  
64 property including, without limitation, a purchase and sale agreement, contract of sale, purchase  
65 option or other similar instrument.

66 "Sale", an act by which an Owner conveys, transfers or disposes of property by deed or  
67 otherwise, whether through a single transaction or a series of transactions, within a 3 year period;  
68 provided, that a disposition of housing by an Owner to an Affiliate of such Owner shall not  
69 constitute a Sale.

70 "Short-Sale," a Sale approved by the Mortgagee to a bona fide Purchaser at a price that is  
71 less than the Borrower's existing debt on the Housing Accommodation.

72 "Successor", the entity through which a Tenant Association may take title to the  
73 residential property, including any of the following: (i) a non-profit or for-profit entity

74 controlled by the Tenant Association; or (ii) a limited equity cooperative organized under  
75 Chapter 157B or non-profit corporation organized under Chapter 180, in either case controlled  
76 by the Tenants of the property; or (iii) a joint venture between any of the entities in (i) or (ii) and  
77 another party (including non-profit and for-profit entities) with: (a) the requisite experience in  
78 acquiring, developing and owning residential property, and (b) the financial capacity to secure  
79 financing of the purchase transaction; any such joint venture shall be for the purpose of the use  
80 of the property as Long-Term Affordable Housing set out in a recorded restriction.

81 "Tenant", a person entitled to possession or occupancy of a rental unit within residential  
82 housing, including a subtenant, lessee and sublessee.

83 "Tenant Association", an organization with a membership limited to present Tenants of a  
84 property that: (i) is registered with, or if no registry exists has provided a letter stating its  
85 formation to, the municipality that has adopted an ordinance consistent with this section; or (ii) is  
86 a non-profit organization incorporated under chapter 180; provided that an organization shall not  
87 be a Tenant Association if there is evidence that it was organized by the Owner.

88 "Third-Party Offer", an offer to purchase the mortgaged property for valuable  
89 consideration by an arm's length Purchaser; provided, that a Third-Party Offer shall not include  
90 an offer by the Borrower or the Tenants.

91 "Third-party Purchaser", a Purchaser that is not the Tenant Association at the property, or  
92 its Designee, Successor, or an Affiliate.

93 (b) A city or town may adopt this section in the manner provided in section 4 of chapter  
94 4. The acceptance of this local option by a municipality shall take effect no later than 180 days  
95 after such adoption. A city or town may at any time revoke the acceptance of this section in the

96 manner provided in section 4 of chapter 4. The revocation shall not affect agreements relative to  
97 Tenants' rights to purchase that have already been asserted, that is, when a Tenant Association,  
98 its Successor, Designee or Assignee, have submitted an offer to the Owner, or executed the  
99 proposed purchase contract or other agreement acceptable to both parties, prior to the revocation.

100 (c) A city or town's ordinance or bylaw accepting this Section may contain provisions  
101 that establish:

102 (1) additional tenancy protections for Tenant households that do not participate in the  
103 Tenant Association;

104 (2) additional penalties, municipal enforcement authority, and enforcement  
105 mechanisms, in addition to recorded restrictions, for enforcing the ordinance and provisions of  
106 this section, and/or rules and regulations implementing this section;

107 (3) mandated use of a standard purchase contract, prepared or approved by the  
108 municipality and consistent with this Section, for Owners to provide to the Tenant Association,  
109 its Designee or Successor, under paragraph (d)(4);

110 (4) for housing transferred under this section, additional affordability restrictions on  
111 the total percentage of affordable units, the level of affordability, and/or the length of time such  
112 restrictions shall be in place; and/or

113 (5) creating confidentiality agreement forms for Owners to use to protect against the  
114 public disclosure of information provided pursuant to subsection (d)(5)(ii).

115 (d) In any city or town that adopts the provisions of this section:

116           (1)     (i) an Owner of a residential building shall notify the municipality and each  
117 Tenant household, in writing by hand delivery and United States' mail, of the Owner's intention  
118 to sell the property, with copy of the municipality's prepared summary of the ordinance adopted  
119 hereunder, which shall include a reference to the lists in (ii).

120           (ii) The municipality shall maintain a list of qualified affordable housing developers and  
121 of qualified technical assistance providers for residents and provide these lists to the residents.

122           (2)     A Tenant Association with the Minimum Tenant Participation may select a  
123 Successor entity or a Designee to act on its behalf as purchaser of the property and shall give the  
124 Owner and the municipality notice of its selection.

125           (3)     (i) An Owner of a residential building, unless the Owner is exempt from this  
126 Section and it is the Owner's burden to provide proof of qualification for an exemption, shall  
127 provide to the Tenant Association with Minimum Tenant Participation (if such association  
128 exists) or its Successor or Designee, an opportunity to purchase the property pursuant to the time  
129 periods contained in this Section, but no Owner shall be under any obligation under this  
130 subsection (d)(3) to enter into an agreement to sell such property to the Tenant Association, its  
131 Successor or Designee.

132           (ii) A Tenant Association with the Minimum Tenant Participation, or its Successor or  
133 Designee, may, within 30 days after receipt of the Owner's intention to sell, submit an offer to  
134 the Owner to purchase the property. Failure to submit an offer within thirty days shall constitute  
135 an irrevocable waiver of the Tenants' rights under this paragraph (3). An Owner also may accept  
136 an offer and execute a purchase contract with a third party during this thirty-day period, subject  
137 to paragraphs (4) to (7), inclusive.



138           (4)     Upon execution of any purchase contract with a third party, within 7 days, the  
139 Owner shall, unless the Owner can prove they are exempt from this Section, submit: a copy of  
140 the executed contract and proof that the deposit toward the purchase has been paid by the third  
141 party along with a proposed purchase contract for execution by Tenant Association or its  
142 Successor, or Designee (collectively, “the Purchase Documents”), and if no Tenant Association  
143 or Successor or Designee exists, the Owner shall provide, within 7 days of execution of the third  
144 party contract, the Purchase Documents to the municipality and provide a summary of the  
145 Purchase Documents (including purchase price, amount and schedule of deposits, length of due  
146 diligence/ deposit refundability period, and closing date) to each Tenant household, by hand  
147 delivery and United States' mail.

148           If (i) at least 30 days has passed from the Tenant households’ receipt of notice of the  
149 Owner’s intention to sell (provided for in (d)(1)) and their receipt of the summary of the  
150 Purchase Documents, and if a Tenant Association, with or without Minimum Tenant  
151 Participation, or its Successor or Designee does not exist, then the Owner may immediately  
152 proceed with the purchase contract with the third party;

153           if (ii) less than 30 days have passed and no Tenant Association with Minimum Tenant  
154 Participation has been formed, the Tenants shall have 45 days after the receipt of the summary of  
155 the Purchase Documents, to form a Tenant Association with Minimum Tenant Participation,  
156 select a Designee or Successor if they choose, and have the Tenant Association or its Successor  
157 or its Designee execute the proposed purchase contract or such other agreement as is acceptable  
158 to both parties; and

159 (iii) in all other cases, if the Tenant Association, or its Successor or, its Designee, elect to  
160 purchase the property, the Tenant Association, or its Successor, or its Designee, shall within 21  
161 days after the receipt of the third-party purchase contract and the proposed purchase contract,  
162 execute the proposed purchase contract or such other agreement as is acceptable to both parties.

163 The time periods set forth in this subsection may be extended by agreement between the  
164 Owner and the Tenant Association, its Successor or its Designee. Except as otherwise specified  
165 in subsection (5), the terms and conditions of the proposed purchase contract offered to the  
166 Tenant Association, Successor, or its Designee, shall be the same as those of the executed third-  
167 party purchase contract. The Tenant Association or its Successor or Designee must include  
168 reasonable evidence of Minimum Tenant Participation with its proposed purchase contract.

169 (5) Any purchase contract offered to, or proposed by, the Tenant Association, its  
170 Successor or its Designee shall provide at least the following terms:

171 (i) the earnest money deposit shall not exceed the lesser of:

172 (A) the deposit in the third-party purchase contract;

173 (B) 5 per cent of the Sale price; or

174 (C) \$250,000; provided, however, that the Owner and the Tenant Association, or its

175 Successor, or its Designee, may agree to modify the terms of the earnest money deposit;

176 provided, further, that the earnest money deposit shall be held under commercially-reasonable

177 terms by an escrow agent selected jointly by the Owner and the Tenant Association, its

178 Successor or its Designee;

179           (ii)     the Owner must provide the following information, documentation, and  
180 permissions, within 20 days of the date of the purchase contract of the Tenant Association, its  
181 Designee or Successor: the current rent roll by unit size without tenant names or other  
182 identifying information; the expiration date of every lease (if there is a lease); documentation of  
183 all operating expenses for the prior two years, including utilities, insurance premiums, bills for  
184 repairs, and capital improvements; permission to inspect all common and maintenance service  
185 areas of the property, including roof, boiler room, electrical and telecommunications rooms;  
186 permission to conduct inspections and tests for the presence of lead paint and asbestos; and  
187 permission to do tests for regulated environmental toxins on unbuilt areas of the property, if  
188 required by the lender of the Tenant Association, or its Designee or Successor;

189           (iii)    the contract will contain all reasonable contingencies, including financing,  
190 marketability of title, and appraisal contingencies;

191           (iv)    the earnest money deposit shall be refundable for not less than 60 days from the  
192 date of execution of the purchase contract or such greater period as provided for in the third-  
193 party purchase contract (due diligence period); provided, however, that if the Owner  
194 unreasonably delays the buyer's ability to conduct due diligence during the 60 day period, the  
195 earnest money deposit shall continue to be refundable for an additional period of one day for  
196 every day beyond the required 20 days that the Owner has not complied with the provisions of  
197 subsection (5) (ii) above. After the expiration of the specified time period, the earnest money  
198 deposit shall become non-refundable but shall continue to be a deposit toward the full purchase  
199 price.

200 (v) real estate broker commissions or fees that are associated with the third-party  
201 purchase transaction shall be payable upon the closing of the purchase.

202 (6) Closing date: The Tenant Association or its Successor, or Designee, shall have 60  
203 days for a property of 1 to 5 units, 75 days for a property of 6 to 20 units, and 120 days for a  
204 property of 21 or more units, from execution of the purchase contract to perform all due  
205 diligence, secure financing for and close on the purchase of the building; provided, however, that  
206 if the Owner unreasonably delays the buyer's ability to conduct due diligence, the closing date  
207 shall be extended for an additional period of one day for every day beyond the required 20 days  
208 that the Owner has not complied with the provisions of subsection (d) (5) (ii) above. Failure to  
209 exercise the purchase option by the closing date shall constitute a waiver of the purchase option  
210 by the Tenant Association, its Successor, or its Designee. The closing date may be extended by  
211 agreement of both parties.

212 (7) If the Tenant Association, its Designee or Successor, do not exercise their  
213 purchase option the Owner may proceed with the sale to the third-party. If the closing date in the  
214 third-party contract is extended, for each such extension, the Owner shall provide the  
215 municipality and the Tenant Association, Designee or Successor a notarized amendment to the  
216 purchase contract extending the date of the closing. Within 7 days of the termination of the third-  
217 party purchase contract the Owner shall notify the municipality and the Tenant Association, its  
218 Designee or its Successor of the termination. Said notice shall trigger the provisions of  
219 paragraphs (d)(1) through (d)(7) of this Section.

220 (8) In any instance where the Tenant Association, its Designee or Successor, is not a  
221 successful purchaser, an Owner shall provide evidence of compliance with this Section by filing

222 a affidavit of compliance signed under the penalty of perjury with the municipality, the  
223 Executive Office, and the official records of the county where the property is located within  
224 seven days of the Sale.

225 (9) The Tenant Association, Successor, or its Designee shall ensure that their  
226 purchase of the property will not result in the displacement of any Tenant households existing at  
227 the time of purchase based solely on their choice not to participate in the purchase of the  
228 property.

229 (10) Any property acquired under this subsection, that is not subject to a Long-Term  
230 Affordable Housing requirement, shall be for the purpose of use of the property as: (i) Long-  
231 Term Affordable Housing set out in a recorded restriction; (ii) cooperative housing subject to a  
232 covenant, satisfactory to the municipality in form and substance and having a term of not less  
233 than twenty years, that a majority of residential units be occupied by Tenant-stockholders as their  
234 primary residence; or (iii) condominium units subject to a covenant, satisfactory to the  
235 municipality in form and substance and having a term of not less than twenty years, that a  
236 majority of units be occupied by unit Owners as their primary residence. For purposes of (ii) and  
237 (iii) of this requirement, Owner-occupied or Tenant-stockholder occupied includes (i) a person in  
238 military service on active duty who intends to occupy the residential unit when not on active  
239 duty, and (ii) a disabled occupant where the Owner/Tenant-stockholder is their parent or legal  
240 guardian.

241 (11) This subsection (d) shall not apply to the following:

242 (i) property that is the subject of a government taking by eminent domain or a  
243 negotiated purchase in lieu of eminent domain;

244 (ii) a proposed below-market Sale to an organization organized under Section  
245 501(c)(3) of the Internal Revenue Code where the property shall be used or developed as Long-  
246 Term Affordable Housing;

247 (iii) any Sale of publicly-assisted housing, as defined in section 1 of chapter 40T;

248 (iv) rental units in any hospital, skilled nursing facility, or health facility;

249 (v) rental units in a nonprofit facility that has the primary purpose of providing short  
250 term treatment, assistance, or therapy for alcohol, drug, or other substance abuse; provided, that  
251 such housing is incident to the recovery program, and where the client has been informed in  
252 writing of the temporary or transitional nature of the housing;

253 (vi) rental units in a nonprofit facility that provides a structured living environment  
254 that has the primary purpose of helping homeless persons obtain the skills necessary for  
255 independent living in a permanent housing and where occupancy is restricted to a limited and  
256 specific period of time of not more than 24 months and where the client has been informed in  
257 writing of the temporary or transitional nature of the housing at its inception;

258 (vii) public housing units owned or managed by or with a ground lease from the local  
259 housing authority;

260 (viii) any residential property where: (a) the Owner can show that the Owner is a  
261 natural person(s) who, together and separately, own, either directly and/or as a member of a  
262 limited liability company (“LLC”) and/or a beneficiary of a trust, fewer than 10 residential rental  
263 units in the municipality; or (b) the Owner is an LLC or a trust and the Owner can show that each  
264 of the members of the LLC or beneficiaries of the trust are natural persons who, together and

265 separately, own, directly and/or as members of an LLC and/or as beneficiaries of a trust, fewer  
266 than 10 residential rental units in the municipality.

267 (ix) any unit that is held in trust on behalf of a disabled individual who permanently  
268 occupies the unit, or a unit that is permanently occupied by a disabled parent, sibling, child, or  
269 grandparent of the Owner of that unit;

270 (x) any property that is owned by a college or university that is occupied exclusively  
271 by students;

272 (xi) any Sale to an Immediate Family Member of the Owner for a total purchase price  
273 at or below the current assessed value of the property;

274 (xii) a transfer by devise, descent, or operation of law upon the death of a natural  
275 person;

276 (xiii) a Sale of a newly constructed property for which the initial certificate of  
277 occupancy was issued no earlier than three years prior to the date of the purchase contract  
278 between a buyer and the party to which the certificate of occupancy was issued;

279 (xiv) a property of one to four units, where the owner actually maintains and occupies  
280 one of the units as his/her residence;

281 (xv) any residential property where the Owner directly or indirectly through an  
282 Affiliate owns only one unit in the property; or

283 (xvi) any property with more than 50 residential units, where the median rent of the  
284 property is at least 150% of the median rent of the municipality as determined by the most recent  
285 American Community Survey of the Census Bureau.

286 (12) The Executive Office shall provide municipalities with sample purchase contracts  
287 incorporating the requirements of this Section that an Owner can provide to a Tenant  
288 Association, its Designee or Successor.

289 (e) Short-Sales. In any city or town that adopts the provisions of this Section:

290 (1) An Owner, other than the Owner of a 1- 4 unit Owner-occupied property, shall  
291 give notice to each Tenant household of a Housing Accommodation of the intention to sell the  
292 Housing Accommodation by way of Short-Sale to avoid Foreclosure. Such notice shall be mailed  
293 by regular and certified mail, with a simultaneous copy to the attorney general, and the  
294 municipality adopting this section within 2 business days of the Owner's submission of a request  
295 or application to the Mortgagee for permission to sell the Housing Accommodation by way of  
296 Short-Sale or to accept a Deed in Lieu. This notice shall also include a notice of the rights  
297 provided by this section.

298 (2) No Mortgagee may accept any Third-Party Offers or deem the Owner's  
299 application for Short-Sale submitted for review unless and until: the Mortgagee receives  
300 documentation in a form approved by the attorney general demonstrating that the Tenants of the  
301 Housing Accommodation have been informed of the Owner's intent to seek a Short-Sale or Deed  
302 in Lieu and the Tenants have had the opportunity to express their interest in exercising a right of  
303 first refusal within 60 days or the opportunity to assigned their right of first refusal, or the  
304 Tenants have waived those rights. If Tenants have not affirmatively expressed their interest in  
305 exercising a right of first refusal or in assigning that right within 60 days, or have not  
306 affirmatively waived that right within 60 days, the Tenants' rights are deemed waived.



307           (3)     Before a Housing Accommodation may be transferred by Short-Sale or Deed in  
308   Lieu, the Owner, other than the Owner of a 1-4 unit owner-occupied property shall notify each  
309   Tenant household, with a simultaneous copy to the attorney general and the municipality  
310   adopting this section, by regular and certified mail, of any bona fide offer that the Mortgagee  
311   intends to accept. Before any Short-Sale or transfer by Deed in Lieu, the Owner shall give each  
312   Tenant household such a notice of the offer only if households constituting at least 51 per cent of  
313   the households occupying the Housing Accommodation notify the Owner, in writing, that they  
314   collectively desire to receive information relating to the proposed Sale. Tenants may indicate this  
315   desire within the same notice described in paragraph (2). Any notice of the offer required to be  
316   given under this subsection shall include the price, calculated as a single lump sum amount and  
317   of any promissory notes offered in lieu of cash payment.

318           (4)     A Tenant Association representing at least 51 per cent of the households  
319   occupying the Housing Accommodation that are entitled to notice under the preceding paragraph  
320   (3) shall have the collective right to purchase, in the case of a Third-Party Offer that the  
321   Mortgagee intends to accept, provided that it:

322           (i)     submits to the Owner reasonable evidence that the Tenants of at least 51 per cent  
323   of the occupied units in the Housing Accommodation have approved the purchase of the Housing  
324   Accommodation,

325           (ii)    submits to the Owner a proposed purchase and sale agreement on substantially  
326   equivalent terms and conditions within 60 days of receipt of notice of the offer made under the  
327   preceding paragraph (3),

328 (iii) obtains a binding commitment for any necessary financing or guarantees within  
329 an additional 90 days after execution of the purchase and sale agreement, and

330 (iv) closes on such purchase within an additional 90 days after the end of the 90-day  
331 period described in clause (iii).

332 No Owner shall unreasonably refuse to enter into, or unreasonably delay the execution or  
333 closing on a purchase and sale with Tenants who have made a bona fide offer to meet the price  
334 and substantially equivalent terms and conditions of an offer for which notice is required to be  
335 given pursuant to paragraph (3). Failure of the Tenants to submit such a purchase and sale  
336 agreement within the first 60-day period, to obtain a binding commitment for financing within  
337 the additional 90-day period or to close on the purchase within the second 90-day period, shall  
338 serve to terminate the rights of such Tenants to purchase. The time periods herein provided may  
339 be extended by agreement. Nothing herein shall be construed to require an Owner to provide  
340 financing to such Tenants. A Tenant Association that has the right to purchase hereunder, at its  
341 election, may assign its purchase right hereunder to the city or town in which the Housing  
342 Accommodation is located, or the housing authority of the city or town in which the Housing  
343 Accommodation is located, or an agency of the commonwealth, nonprofit, community  
344 development corporation, affordable housing developer, or land trust. A right to purchase  
345 hereunder shall be for the purpose of maintaining the use of the Housing Accommodation as  
346 permanently affordable rental housing.

347 (5) The right of first refusal created herein shall inure to the Tenants for the time  
348 periods hereinbefore provided, beginning on the date of notice to the Tenants under paragraph  
349 (1). The effective period for such right of first refusal shall begin anew for each different offer to

350 purchase that the Mortgagee intends to accept. The right of first refusal shall not apply with  
351 respect to any offer received by the Owner for which a notice is not required pursuant to said  
352 paragraph (3).

353 (6) In any instance where the Tenants are not the successful purchaser of the Housing  
354 Accommodation, the Mortgagee shall provide evidence of compliance with this section by filing  
355 an affidavit of compliance signed under the penalty of perjury with the attorney general, and the  
356 registry of deeds for the county and district where the property is located within 7 days of the  
357 Sale.

358 (7) The attorney general shall enforce this subsection (e) and shall promulgate rules  
359 and regulations necessary for enforcement. The attorney general may seek injunctive,  
360 declaratory, and compensatory relief on behalf of Tenants and the Commonwealth in a court of  
361 competent jurisdiction. The attorney general shall post a sample intent to sell notice, sample  
362 proof of notice to Tenants, sample notice of offer, and other necessary documents.

363 (f) Foreclosures. In any city or town that adopts the provisions of this Section:

364 (1) When a Mortgagee seeks to foreclose, the Mortgagee shall provide copies of all  
365 Foreclosure notices required by Chapter 244, sections 14 and 35A, or any other applicable  
366 Foreclosure law, by regular and certified mail to the Tenants of the Housing Accommodation  
367 and to the municipality adopting this Section. The Mortgagee shall also provide Tenants and the  
368 municipality, by regular and certified mail, with a copy of any Complaint filed in Land Court and  
369 any Order of Notice issued by the Land Court, pursuant to the Service Members Civil Relief Act  
370 if applicable, within five (5) days of issuance.

371           (2)     The Mortgagee shall provide each Tenant household and the municipality  
372     adopting this Section, by regular and certified mail, a copy of any and all Notices of Sale  
373     published pursuant to Section 14 of chapter 244.

374           (3)     No later than 5 business days before the Foreclosure Auction of a Housing  
375     Accommodation, the Tenants shall inform the Mortgagee, in writing, if a Tenants Association  
376     representing at least fifty-one percent of the households occupying the Housing Accommodation  
377     or an entity to which they have assigned their right of first refusal intend to exercise their right of  
378     first refusal at Auction and desire to receive information relating to the proposed Auction.

379           (4)     A Tenants Association representing at least fifty-one percent of the households  
380     occupying the Housing Accommodation or their assignee may exercise their collective right to  
381     purchase the Housing Accommodation, in the event of a Third-Party Offer at Auction that the  
382     Mortgagee receives, provided that the Tenants Association

383           (i)     submits to the Mortgagee reasonable evidence that the Tenants of at least fifty-  
384     one percent of the occupied homes in the Housing Accommodation have approved the purchase  
385     of the Housing Accommodation,

386           (ii)    submits to the Mortgagee a proposed purchase and sale agreement on  
387     substantially equivalent terms and conditions to that received by the Mortgagee in the Third-  
388     Party Offer within sixty days of receipt of notice of the bid made under paragraph (3) of this  
389     section,

390           (iii)   obtains a binding commitment for any necessary financing or guarantees within  
391     an additional ninety days after execution of the purchase and sale agreement, and

392 (iv) closes on such purchase within an additional ninety days after the end of the  
393 ninety-day period under clause (iii).

394 No Mortgagee shall unreasonably refuse to enter into, or unreasonably delay the  
395 execution or closing on a purchase and sale with Tenants who have made a bona fide offer to  
396 meet the price and substantially equivalent terms and conditions of a bid received at Auction.  
397 Failure of the Tenants to submit such a purchase and sale agreement within the first sixty day  
398 period, to obtain a binding commitment for financing within the additional ninety day period or  
399 to close on the purchase within the second ninety-day period, shall serve to terminate the rights  
400 of such Tenants to purchase. The time periods herein provided may be extended by agreement.

401 Nothing herein shall be construed to require a Mortgagee to provide financing to such  
402 Tenants. A Tenant Association which has the right to purchase hereunder, at its election, may  
403 assign its purchase right hereunder to the city, town, housing authority, or agency of the  
404 commonwealth, nonprofit, community development corporation, affordable housing developer,  
405 or land trust; a right to purchase hereunder shall be for the purpose of maintaining the use of the  
406 Housing Accommodation as permanently affordable rental housing.

407 If there are no third-party bids at Auction for the Housing Accommodation, the Tenants  
408 shall have a right of first refusal whenever the Mortgagee seeks to sell the Housing  
409 Accommodation. The Tenants shall be notified of any offers the Mortgagee intends to accept and  
410 shall be given an opportunity to meet the price and substantially the terms of a Third-Party Offer  
411 based on the same time line described in paragraph (4).

412 (5) The right of first refusal created herein shall inure to the Tenants for the time  
413 periods herein before provided, beginning on the date of notice to the Tenants under paragraph  
414 (1).

415 (6) In any instance where the Tenants are not the successful purchaser, the seller of  
416 such unit shall provide evidence of compliance with this Section by filing an affidavit of  
417 compliance signed under the penalty of perjury with the attorney general, the Executive Office,  
418 and the official records of the county where the property is located within seven days of the Sale.

419 (7) The attorney general shall enforce this subsection (f) and shall promulgate rules  
420 and regulations necessary for enforcement. The attorney general may seek injunctive,  
421 declaratory, and compensatory relief on behalf of Tenants and the Commonwealth in a court of  
422 competent jurisdiction. The attorney general shall post a sample intent to sell notice, sample  
423 proof of notice to Tenants, sample notice of offer, and other necessary documents.

424 (g) Any notice required by this section, except notice provided by a Tenant Association  
425 to the municipality, shall be deemed to have been provided when delivered in person or mailed  
426 by certified or registered mail, return receipt requested, to the party to whom notice is required;  
427 except that with respect to providing notice to Tenants, notice shall be deemed to have been  
428 provided when either: (i) the notice is delivered in hand to the Tenant or an adult member of the  
429 Tenant's household; or (ii) the notice is sent by first class mail and a copy is left in or under the  
430 door of the Tenant's dwelling unit. A notice to the affected municipality shall be sent to the chief  
431 executive officer.

432 (h) It is illegal for an Owner or their agent to take any action to evict, threaten, coerce, or  
433 retaliate against a Tenant or Tenants in order to avoid application of this Section.

434 (i) A Tenant, Tenant Association, or Successor, Designee or assignee shall not solicit or  
435 accept payment or any other consideration for assigning or waiving any rights under this section.

436 (j) Aggrieved Tenants, Tenant Associations, Designees, Successors, assignees, and  
437 municipalities may seek damages under chapter 93A and may file a complaint with the attorney  
438 general, and may also file a court complaint for equitable and/or monetary relief, including but  
439 not limited to damages of a percentage of the sales price and/or injunctive relief in the form of  
440 specific performance. Nothing in this Section shall be construed to limit or constrain in any way  
441 the rights Tenants currently have under applicable laws, including but not limited to chapters 186  
442 and 186A. At all times, all parties must negotiate in good faith.

443 (k) The Executive Office shall promulgate rules and regulations to effectuate the  
444 purposes and implement this Section not later than 150 days after the effective date of this act.  
445 The attorney general shall promulgate rules and regulations necessary for enforcement and may  
446 seek injunctive, declaratory, and compensatory relief on behalf of tenants and the commonwealth  
447 in a court of competent jurisdiction.