The TOPA Process: Legal and Financial Deadlines and Tenants’ Rights and Decisions
(Note: 4 to 6 blanket loans typically required for co-op tenant purchase)

Phase 1: Form and Register Tenant Assoc., Submit Letter of Interest to Purchase
- Tenants obtain technical assistance and elect board of directors and officers
- Days to Complete P1= 30 or 45 (if no existing TA)

Phase 2: Complete Preliminary Feasibility Study, Negotiate Purchase Contract
- Tenants obtain financial statements from landlord
- Tenants complete surveys to confirm goals and tenant’s incomes
- Tenants select desired form of ownership, attorney, and developer
- Close earnest money deposit loan (1st loan)
- Days to Complete P2 = 120 or 135 (if third-party purchase offer)

Phase 3: Complete Final Feasibility Study, Tenants Decide to Buy Building or Assign Rights
- Complete building assessment, appraisal, initial construction scope, etc.
- Tenants Association applies for purchase loan (may be short-term)
- Close pre-development loan (2nd loan) and short-term purchase loan (3rd loan)
- Days to Complete P3 = 120, 180 (if LEC), or 240 (with lender letter)

Phase 4: Construction
- Condo or coop conversion election
- Refinance purchase loan (4th loan)
- Close short-term construction loan (5th loan)
- Tenant relocation (if necessary)

Phase 5: Tenants Become Owners or Sign Leases
- Sell or lease vacant units
- Refinance construction loan (6th loan)

Phase 6: Operations
- Co-op Assoc. Supervises Property Management
- Condo Assoc. Supervises Property Management
- New Owner Supervises Property Management

- Tenants Purchase Coop Shares and Become Owners
- Tenants Purchase Condo Units and Become Owners
- Tenants Sign Rental Leases and Remain Renters

Assignment of TOPA Rights - Tenants Select a Developer to Purchase Property

Option 1: Tenants Do Not Do Nothing – Property Sold to New Owner

Option 2: Tenants Negotiate an Agreement with the Proposed Buyer That Protects Tenants

Option 3: Tenants Form Co-op Which Buys Property

Option 4: Developer Buys Property and Converts to Condo

Option 5: Developer Buys Property and Operates as Rental