

WFG Underwriting Bulletin



To: All District of Columbia Policy Issuing Agents of WFG National Title Insurance Company

From: WFG Underwriting Department

Date: March 30, 2020

Bulletin No.: DC 2020-01

Subject: Rental Housing Conversion and Sale Act of 1980 and TOPA

WFG agents insuring the sale or transfer of rental housing in the District of Columbia should be aware that tenants may have the following rights in the property:

- A right of first refusal;
- The opportunity to invoke their right to purchase;
- The requirement to obtain offer or sale notices;
- The requirement to receive notices of transfer, and the conversion of property to cooperatives or condominiums.

Due to the complexity of the Rental Housing Conversion and Sale Act of 1980 ("RHCSA") and Tenant Opportunity to Purchase Act ("TOPA"), all WFG agents are required to submit potential RHCSA and TOPA transactions to underwriting as an extra-hazardous transaction, and to get prior, written approval before insuring title.

Please be prepared to indicate how many livable units are involved with each transaction, and whether residential tenants have occupied any of the units within the past 6 months. Since the term "tenant" is ill-defined under the statute, this could include anyone other than the owners of the property or their immediate relatives. Additional information may be required by underwriting, depending upon the facts of each case.

There is an active plaintiffs' bar in the District of Columbia that monitors compliance under ("RHCSA") and ("TOPA"). Failure to account for the interests of tenants may lead to a **complete failure of title**.

Please contact Ned Livornese, D.C. Underwriter, at nlivornese@wfgnationaltitle.com, or at 443-286-5964, for additional information.

NOTE: The information contained in this Bulletin is intended solely for the use of employees of WFG National Title Insurance Company, its title insurance agents and approved attorneys. Disclosure to any other person is expressly prohibited unless approved in writing by the WFG National Title Insurance Company's Underwriting Department.

The Agent may be held responsible for any loss sustained as a result of the failure to follow the standards set forth above.