## **SENATE . . . . . . . . . . . . . . . No. 626**

## The Commonwealth of Massachusetts

PRESENTED BY:

Lydia Edwards

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 for a right of first refusal for foreclosed property (Foreclosure TOPA).

## PETITION OF:

NAME:	DISTRICT/ADDRESS:	
Lydia Edwards	Third Suffolk	
Steven Owens	29th Middlesex	2/5/2023
Joanne M. Comerford	Hampshire, Franklin and Worcester	2/9/2023
Sal N. DiDomenico	Middlesex and Suffolk	2/11/2023
James B. Eldridge	Middlesex and Worcester	2/11/2023
Michael O. Moore	Second Worcester	2/15/2023
Patricia D. Jehlen	Second Middlesex	3/2/2023

**SENATE . . . . . . . . . . . . . . . No. 626** 

By Ms. Edwards, a petition (accompanied by bill, Senate, No. 626) of Lydia Edwards, Steven Owens, Joanne M. Comerford, Sal N. DiDomenico and other members of the General Court for legislation for a right of first refusal for foreclosed property (Foreclosure TOPA). Financial Services.

## The Commonwealth of Alassachusetts

In the One Hundred and Ninety-Third General Court (2023-2024)

An Act for a right of first refusal for foreclosed property (Foreclosure TOPA).

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 inserting after section 21 the following section:-
- 3 Section 21A.community development corporation(a) For the purposes of this section, the
- 4 following words shall have the following meanings unless the context clearly requires
- 5 otherwise,:
- 6 "Affiliate", an entity owned or controlled by an owner or under common control with the
- 7 owner.
- 8 "Auction" or "public auction", the sale of a housing accommodation, under power of sale
- 9 in a mortgage loan, by public bidding.
- "Borrower", a mortgagor of a mortgage loan.

"Community development corporation", a nonprofit corporation, as defined in section 2 of chapter 40H.

"Deed in lieu", a deed for the collateral property that the mortgagee accepts from the borrower in exchange for the release of the borrower's obligation under the mortgage loan.

"Department", the department of housing and community development, or its successor agency.

"Eligible organization", a nonprofit corporation established pursuant to section 3 of chapter 180, a controlled nonprofit or for-profit affiliate of a community development corporation or housing authority, or such other entity or organization, including a tenant association, public agency, mixed-income neighborhood trust, and a limited equity cooperative housing corporation organized under or subject to chapter 157B, which the community development corporation serving the neighborhood, municipality, or region of the commonwealth where the housing accommodation is located determines to be engaged primarily in activities intended to contribute to the preservation of existing or the creation of affordable housing and has the requisite experience in developing, owning, and operating residential real estate and with the capacity to secure financing of the purchase transaction; provided, however, that any purchase by an eligible organization under this section shall be for the use of a housing accommodation as long-term affordable housing set out in a recorded restriction.

"Eligible organization list", a list maintained by a community development corporation of all of eligible organizations within the neighborhoods or municipalities, a region of the commonwealth or a constituency that is economically disadvantaged served by a community development corporation.

"Foreclosure", a proceeding to terminate a borrower's interest in property instituted by the mortgagee.

"Housing accommodation", a building or buildings, structure or structures, or part thereof, containing not less than 6 units rented or offered for rent for living or dwelling purposes, including, without limitation, houses, apartments, condominium units, cooperative units and other multi-family residential dwellings; provided, however, that a housing accommodation shall not include a group residence, homeless shelter, lodging house, orphanage, temporary dwelling structure or transitional housing, hospital, convent, monastery, skilled nursing facility, health facility, extended care facility, convalescent home, dormitories owned by educational institutions, properties licensed as hotels and motels, residential properties that an owner is refinancing in order to maintain ownership of such properties.

"Housing Authority", a housing authority created under sections 3 and 3A of chapter 121B.

"Immediate Family Member", the parent, offspring, sibling, or spouse of the owner, or a trust in which the beneficiaries immediately after the creation are the owner and the parent, child, sibling or spouse of the owner.

"Long-term affordable housing", (i) for rental housing: housing where forty percent of the housing units are affordable to households with incomes at or below 60 per cent of the Area Median Income (AMI) as established by the United States Department of Housing and Urban Development, and where these restrictions shall be in effect for at not less than 30 years and recorded in a deed restriction; (ii) for homeownership housing: housing where all units are both (A) set at prices affordable to, and (B) limited to purchase by, buyers whose incomes are at or

below 100 per cent of the AMI, and at not less than 50 per cent of the units are both (1) set at prices affordable to, and (2) limited to purchase by, buyers with incomes at or below 80 per cent of the AMI, and where these restrictions shall be in effect for at least thirty years and recorded in a deed restriction.

"Member", a natural person who is a member of a tenant association.

"Mortgage loan", a loan secured wholly or partially by a mortgage on a housing accommodation.

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

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

"Purchaser", a party who has entered into a purchase contract with an owner and who will, upon performance of the purchase contract, become the new owner of a housing accommodation.

"Purchase contract", a binding written agreement whereby an owner agrees to sell a housing accommodation including, without limitation, a purchase and sale agreement, contract of sale, purchase option or other similar instrument.

"Sale", an act by which an owner conveys, transfers or disposes of a housing accommodation by deed or otherwise, whether through a single transaction or a series of transactions, within 3 years; provided, however, that a disposition of housing by an owner to an affiliate of such owner shall not constitute a sale.

"Short-sale", a sale approved by the mortgagee to a bona fide purchaser at a price that is less than the borrower's existing debt on the housing accommodation.

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

"Tenant Association", an organization with a membership limited to present tenants of a housing accommodation that: (i) is registered with, or if no registry exists, has provided a letter stating its formation to the municipality that has adopted an ordinance consistent with this section; or (ii) is a non-profit organization incorporated under section 3 of chapter 180.

"Third-party offer", a bona fide offer to purchase the mortgaged housing accommodation for valuable consideration by a purchaser; provided, however, that a third-party offer shall not include an offer by the borrower or the tenants.

"Third-party purchaser", a purchaser that is not a municipality, housing authority, community development corporation, and eligible organization or their designees, successors, or an affiliate.

(b) A municipality may adopt this section in a city having a Plan D or a Plan E charter by majority vote of its city council and approved by the manager; in any other city by majority vote of the city council and approved by the mayor; or in a town by vote of the board of selectmen.

The acceptance of this local option by a municipality shall take effect no later than 180 days after such adoption. A municipality may at any time revoke the acceptance of this section in the manner provided in section 4 of chapter 4. The revocation shall not affect agreements relative to the right to purchase of a municipality, housing authority, community development corporation and eligible organization evidenced by the submission of an offer to the owner, an executed purchase contract or other agreement acceptable to both parties, prior to the revocation. A municipality that adopts this section shall establish an ordinance or by-law to enforce this section.

- (c) An ordinance or by-law of a municipality accepting this section may contain provisions that establish:
- (i) additional penalties, municipal enforcement authority and enforcement mechanisms, in addition to recorded restrictions, for enforcing the ordinance and provisions of this section, and rules and regulations implementing this section; and
- (ii) mandated use of a standard purchase contract, prepared or approved by the municipality and consistent with this section, for owners to provide to the municipality, housing authority, community development corporation and an eligible organization under clause (iv) of subsection (e); and
- (iii) additional affordability restrictions on the total percentage of affordable units, the level of affordability, and the length of time such restrictions shall be in place; provided, however, that affordability restrictions do not result in the displacement of current tenants.
  - (d) An ordinance or by-law of a municipality accepting this section shall:

(i) require an owner of a housing accommodation to file annually a written return requested by a board of the assessor under section 38D of chapter 59 to include a current rent roll with names of all tenants; a statement under oath attesting to all operating expenses for the prior 2 years, including utilities, insurance premiums and repairs, and to capital improvements; provided, however, that the written return shall be attached to the notice submitted by an owner in clauses (i) through (iii), inclusive, of paragraph (1) of subsection (e); and

- (ii) develop and post on the public website of the municipality a document that includes:

  (A) a summary of the ordinance adopted hereunder by the municipality; (B) a summary of the potential impact on tenants; and (C) resources for tenants who have questions.
- (e) (1) In any municipality that adopts this section where an owner intends to offer for sale a housing accommodation, solicits any offer to purchase from or accepts an unsolicited offer to purchase from, any third-party purchaser an owner of a housing accommodation shall: (i) notify the municipality and the housing authority for the municipality within 14 days, by electronic and United States mail, of receiving of an offer for sale of a housing accommodation that an owner intends to consider, of soliciting an offer to purchase from, or of accepting an unsolicited offer from a third-party purchaser to purchase the housing accommodation of the owner; (ii) notify each tenant within 14 days in writing by hand delivery and United States mail, of the intention of the owner to offer for sale a housing accommodation, to solicit an offer to purchase from, or to accept an unsolicited offer from a third-party purchaser to purchase the housing accommodation of the owner, with copy of the document developed by the municipality under clause (ii) of subsection (d); (iii) notify the community development corporation for the region in which a housing accommodation is located within 14 days, in writing by electronic delivery and United States mail, of receiving of an offer for sale of a housing accommodation

that an owner intends to consider, of soliciting an offer to purchase from, or of accepting an unsolicited offer from a third-party purchaser to purchase the housing accommodation of the owner; (iv) provide with the notices required in clauses (i) and (iii) the address of the housing accommodation and contact information for the owner of a housing accommodation; and, notwithstanding section 52B of chapter 59, permission for the municipality, housing authority for the municipality, and the community development corporation for the region to receive from the municipality the information filed in accordance with section 38D of chapter 59, and permission to inspect, conduct inspections and tests as provided under subsection (v); (v) allow the municipality, housing authority, community development corporation and eligible organizations to: (A) inspect all common and maintenance service areas of the housing accommodation, including roof, boiler room, electrical and telecommunications rooms, (B) conduct inspections and tests for the presence of lead paint and asbestos (C) conduct small amounts of demolition that will be restored after said inspections and tests are completed; and (d) run tests for regulated environmental toxins on unbuilt areas of a housing accommodation, if required by the municipality, housing authority, the community development corporation, and an eligible organization or their designees or successors; and (vi) provide the municipality, housing authority, community development corporation and eligible organizations an opportunity to purchase the property pursuant to the time periods contained in this section, prior to the owner entering into an agreement with a third-party purchaser; provided, however, that no owner shall be under any obligation to enter into an agreement to sell such property to the municipality, housing authority, community development corporation or eligible organization.

140

141

142

143

144

145

146

147

148

149

150

151

152

153

154

155

156

157

158

159

(2) A community development corporation, upon receiving notice under clause (iii) of paragraph (1), shall within 10 days notify the entities on the eligible organization list of receiving a notice and the information in clauses (iii) and (iv) of paragraph (1)

- (3) A municipality, housing authority, community development corporation or eligible organization may, within 40 days of receipt of the notices required in clauses (i) and (iii) of paragraph (1) submit an offer to the owner to purchase a housing accommodation. Failure to submit a timely offer shall constitute an irrevocable waiver of the rights of the municipality, housing authority, community development corporation and eligible organization under this paragraph and the owner may enter into a contract to sell a housing accommodation to a third-party, subject to paragraph (4). If the owner and a municipality, housing authority, community development corporation or eligible organization have not entered into an agreement within 40 days of receipt of the hand-delivered notices required in clauses(i) and (iii), the owner may enter into an agreement to sell a housing accommodation to a third-party, subject to subsection (4).
- (4) Any purchase contract offered to, or proposed by, a municipality, housing authority, community development corporation or eligible organization shall include at least the following terms: (i) the earnest money deposit shall not exceed the lesser of: (A) 5 per cent of the sale price; or (B) \$250,000; provided, however, that the owner and the municipality, housing authority, community development corporation and eligible organization, their successors or designee, may agree to modify the terms of the earnest money deposit; provided, further, that the earnest money deposit shall be held under commercially-reasonable terms by an escrow agent selected jointly by the owner and the municipality, housing authority, community development corporation or eligible organization, their successors or designees; (ii) all reasonable contingencies, including financing, marketability of title and appraisal contingencies; (iii) the

earnest money deposit shall be refundable for not less than 90 days from the date of execution of the purchase contract or such greater period as agreed upon by the owner and purchaser; provided, however, that if the owner unreasonably delays the ability of the purchaser to conduct due diligence during the 90 day period, the earnest money deposit shall continue to be refundable for an additional period of one day for every day beyond 30 days that the owner has not complied with the subsection (5) (ii) above. After the expiration of the specified time period, the earnest money deposit shall become non-refundable but shall continue to be a deposit toward the full purchase price; and (iv) real estate broker commissions or fees associated with the third-party purchase transaction shall be payable upon the closing of the purchase.

- (5) If an offer from a municipality, housing authority, community development corporation and eligible organization is accepted, a purchaser shall have 90 days from the execution of the purchase contract to perform all due diligence, secure financing for and close on the purchase of the housing accommodation. Failure to close on the purchase of a housing accommodation within 90 days shall constitute a default on the right to purchase by the purchaser; provided, however, if, within 30 days after the date of contracting, the purchaser presents the owner with the written decision of a lending institution or agency that states that the institution or agency estimates that a decision with respect to financing or financial assistance will be made within 120 days after the date of the purchase contract, the owner shall afford the tenant or qualified purchaser an extension of time consistent with the written estimate. The period by which the purchase of the housing accommodation shall close may be extended by agreement of owner and purchaser.
- (6) If a purchaser does not close on the purchase of a housing accommodation the owner may proceed with a sale to the third party. If the owner and third party fail to close on the

purchase of a housing accommodation, the owner shall provide notice to the municipality, housing authority, community development corporation, tenants and eligible organizations that the purchase of a housing accommodation did not close.

- (7) Any property acquired under this subsection, that is not subject to a long-term affordable housing requirement under this subsection, shall be used as: (i) long-term affordable housing set out in a recorded restriction; (ii) cooperative housing subject to a covenant, satisfactory to the municipality in form and substance and having a term of not less than twenty years, that a majority of residential units be occupied by tenant-stockholders as their primary residence; or (iii) condominium units subject to a covenant, satisfactory to the municipality in form and substance and having a term of not less than twenty years, that a majority of units be occupied by unit owners as their primary residence. For purposes of this paragraph, an owner of a condominium unit or a tenant-stockholder of a cooperative housing unit shall include: (1) a person in military service on active duty who intends to occupy the residential unit when not on active duty; and (2) a parent or child of an occupant who is a disabled Immediate Family Member.
- (8) The department shall enforce this subsection and shall promulgate rules and regulations necessary for enforcement. Upon request, the department shall provide municipalities with sample purchase contracts incorporating the requirements of this section that an owner can provide to a municipality, housing authority, community development corporation or eligible organization, their designees or successors.
- (f) (1) In any municipality that adopts this section where an owner intends to offer for sale a housing accommodation by short-sale or to accept a deed in lieu an owner of a housing

accommodation shall: (i) notify the municipality and the housing authority for the municipality, by electronic and United States mail, with a copy to the attorney general, of the intention of the owner to offer for sale a housing accommodation by short-sale or to accept a deed in lieu; (ii) notify each tenant, in writing by hand delivery and United States mail, of the intention of the owner to offer for sale a housing accommodation by short-sale or to accept a deed in lieu, with copy of the prepared summary of the ordinance adopted hereunder by the municipality; (iii) notify the community development corporation for the region in which a housing accommodation is located, in writing by electronic and United States mail, of the intention of the owner to offer for sale a housing accommodation by short-sale or to accept a deed in lieu; (iv) provide the notices under (i), (ii), and (iii) within 2 business days of the owner's submission of a request or application to the mortgagee for permission to sell the housing accommodation by way of short-sale or to accept a deed in lieu; (v) provide with the notices required in (i) and (iii), the address of the housing accommodation and contact information for the owner of a housing accommodation; and, notwithstanding section 52B of chapter 59, permission for the municipality, housing authority for the municipality, and the community development corporation for the region to receive from the municipality the information filed in accordance with Section 38D of Chapter 59, and permission to inspect, conduct inspections and tests as provided under subsection (v); and (vi) allow the municipality, housing authority, community development corporation and eligible organizations to inspect all common and maintenance service areas of the a housing accommodation, including roof, boiler room, electrical and telecommunications rooms; conduct inspections and tests for the presence of lead paint and asbestos, and to do small amounts of demolition that will be restored after said inspections and tests are completed; and do tests for regulated environmental toxins on unbuilt areas of a housing

229

230

231

232

233

234

235

236

237

238

239

240

241

242

243

244

245

246

247

248

249

250

accommodation, if required by the municipality, housing authority, the community development corporation and an eligible organization, or their designees or successors.

- (2) A mortgagee may not accept any third-party offers or deem an owner's application for short-sale submitted for review unless and until the mortgagee receives documentation in a form approved by the attorney general demonstrating that the tenants of the housing accommodation have been informed of the intent of the owner to seek a short-sale or deed in lieu and that the municipality, housing authority, community development corporation and eligible organization have had the opportunity to express their interest in exercising a right of first refusal within 60 days of the owner providing them notice. If a municipality, housing authority, community development corporation or eligible organization has not affirmatively expressed their interest in exercising a right of first refusal or in assigning that right within 60 days or have not affirmatively waived that right within 60 days, the rights of the municipality, housing authority, community development corporation and eligible organization are deemed waived.
- (3) Before a housing accommodation may be transferred by short-sale or deed-in-lieu, the owner shall notify the municipality, housing authority, community development corporation and eligible organization with a simultaneous copy to the attorney, by regular and certified mail, of any bona fide offer that the mortgagee intends to accept. Any notice of the offer required to be given under this subsection shall include the price, calculated as a single lump sum amount and of any promissory notes offered in lieu of cash payment.
- (4) If a mortgagee has received an offer to purchase the housing accommodation that it indents to accept, a municipality, housing authority, community development corporation and eligible organization entitled to notice under paragraph (3) shall have the right to purchase the

housing accommodation and have priority over the third party; provided, however, that it: (i) submits to the owner a proposed purchase contract on substantially equivalent terms and conditions within 60 days of receipt of notice of the offer made under paragraph (3); (ii) obtains a binding commitment for any necessary financing or guarantees within an additional 90 days after execution of the purchase and sale agreement; and (iii) closes on such purchase within an additional 90 days after the end of the 90-day period described in clause (ii).

- (5) No owner shall unreasonably refuse to enter into, or unreasonably delay the execution or closing on a purchase contract with a municipality, housing authority, community development corporation or eligible organization that has made a bona fide offer to meet the price and substantially equivalent terms and conditions of an offer for which notice is required to be given pursuant to paragraph (3) of subsection (e). Failure of the municipality, housing authority, community development corporation and eligible organization to submit such a purchase contract within the first 60 days, to obtain a binding commitment for financing within the additional 90 days or to close on the purchase within the second 90 days, shall serve to terminate the rights of the municipality, housing authority, community development corporation and eligible organization to purchase. The time periods herein provided may be extended by agreement. A right to purchase hereunder shall be for the purpose of maintaining the use of the housing accommodation as permanently affordable rental housing.
- (6) The right of first refusal under this section shall inure to the municipality, housing authority, community development corporation and eligible organization for the time periods provided in this act, beginning on the date of notice under paragraph(1) of subsection (e). The effective period for such right of first refusal shall begin anew for each different offer to purchase that the mortgagee intends to accept.

(7) In any instance where the municipality, housing authority, community development corporation and eligible organization is not the successful purchaser of the housing accommodation, the mortgagee shall provide evidence of compliance with this section by filing an affidavit of compliance with the attorney general and the registry of deeds for the county and district where a housing accommodation is located within 7 days of the sale.

- (8) The attorney general shall enforce this subsection (e) and shall promulgate rules and regulations necessary for enforcement. The attorney general may seek injunctive, declaratory, and compensatory relief on behalf of tenants and the commonwealth in a court of competent jurisdiction. The attorney general shall post a sample intent to sell notice, sample proof of notice to tenants, sample notice of offer, and other necessary documents.
- (g)(1) In any municipality that adopts this section where a mortgagee seeks to foreclose on a housing accommodation a mortgagee shall: (i) provide copies of all foreclosure notices required by sections 14 and 35A of chapter 244 or any other applicable foreclosure law by regular and certified mail to the tenants of the housing accommodation, the municipality, housing authority and community development corporation; provided, however, that the mortgagee shall also provide tenants of the housing accommodation, the municipality, housing authority and community development corporation by regular and certified mail, with a copy of any complaint filed in land court and any order of notice issued by the land court, pursuant to the Servicemembers Civil Relief Act if applicable, within 5 days of issuance; and (ii) provide the tenants of the housing accommodation, the municipality, housing authority and community development corporation by regular and certified mail, a copy of any and all notices of sale published pursuant to section 14 of chapter 244.

(2) Not later than 5 business days before the foreclosure auction of a housing accommodation, the municipality, housing authority, community development corporation and eligible organization shall inform the mortgagee, in writing, by electronic and United States mail, if they intend to exercise their right of first refusal at auction and desire to receive information relating to the proposed auction.

- (3) A municipality, housing authority, community development corporation and eligible organization may exercise their right to purchase the housing accommodation, if the mortgagee receives an offer from a third party at the auction; provided, however, that the municipality, housing authority, community development corporation or eligible organization: (i) submits to the mortgagee a proposed purchase contract on substantially equivalent terms and conditions to that received by the mortgagee in the third-party offer within 60 days of receipt of notice of the bid made under (f)(3) of this section; (ii) obtains a binding commitment for any necessary financing or guarantees within an additional 90 days after execution of the purchase and sale agreement; and (iii) closes on such purchase within an additional 90 days after the end of the 90 days under clause (ii).
- (4) No mortgagee shall unreasonably refuse to enter into, or unreasonably delay the execution or closing on a purchase contract with a municipality, housing authority, community development corporation and eligible organization who have made a bona fide offer to meet the price and substantially equivalent terms and conditions of a bid received at auction. Failure of the municipality, housing authority, community development corporation and eligible organization to submit a purchase contract within the first 60 days, to obtain a binding commitment for financing within the additional 90 days or to close on the purchase within the second 90 days, shall serve to terminate the rights of the municipality, housing authority, community

development corporation and eligible organization to purchase. The time periods herein provided may be extended by agreement. A right to purchase hereunder shall be for the purpose of maintaining the use of the housing accommodation as permanently affordable rental housing.

If there are no third-party bids at auction for the housing accommodation, the municipality, housing authority, community development corporation and eligible organization shall have a right of first refusal whenever the mortgagee seeks to sell the housing accommodation. The municipality, housing authority, community development corporation and eligible organization shall be notified of any offers the mortgagee intends to accept and shall be given an opportunity to meet the price and substantially equivalent terms of a third-party offer based on the same timeline described in paragraph (4) of subsection (f).

- (5) The right of first refusal created herein shall inure to the municipality, housing authority, community development corporation, and eligible organization for the time periods herein before provided, beginning on the date of notice to the tenants under paragraph (1) of subsection (f).
- (6) The attorney general shall enforce subsection (f) and shall promulgate rules and regulations necessary for enforcement. The attorney general may seek injunctive, declaratory, and compensatory relief on behalf of tenants and the commonwealth in a court of competent jurisdiction. The attorney general shall post a sample intent to sell notice, sample proof of notice to tenants, sample notice of offer, and other necessary documents.
- (7) In any instance where the municipality, housing authority, community development corporation and eligible organization is not the successful purchaser, the seller of such housing accommodation shall provide evidence of compliance with this section by filing an affidavit of

compliance with the attorney general, the department, and the official records of the county where a housing accommodation is located within 7 days of the sale.

- (h) Any notice required by this section shall be deemed to have been provided when delivered in person or mailed by certified or registered mail, return receipt requested, to the party to whom notice is required; except that with respect to providing notice to tenants, notice shall be deemed to have been provided when either: (i) the notice is delivered in hand to the tenant or an adult member of the tenant's household; or (ii) the notice is sent by first class mail and a copy is left in or under the door of the tenant's dwelling unit. A notice to the affected municipality shall be sent to the chief executive officer.
- (i) No tenant in a housing accommodation purchased by a municipality, housing authority, community development corporation and eligible organization shall be evicted, except for good cause .
  - (j) This section shall not apply to the following:

- (1) property that is the subject of a government taking by eminent domain or a negotiated purchase in lieu of eminent domain;
- (2) a proposed below-market sale to an organization organized under section 501(c)(3) of the Internal Revenue Code where a housing accommodation shall be used or developed as long-term affordable housing; sale to a purchaser pursuant to terms and conditions that preserve affordability;
  - (3) any sale of publicly-assisted housing, as defined in section 1 of chapter 40T;

(4) rental units in a nonprofit facility that has the primary purpose of providing short term treatment, assistance or therapy for alcohol, drug, or other substance use; provided, however, that such housing is incidental to the recovery program, and where the resident has been informed in writing of the temporary or transitional nature of the housing;

- (5) rental units in a nonprofit facility that provides a structured living environment that has the primary purpose of helping homeless persons obtain the skills necessary for independent living in a permanent housing and where occupancy is restricted to a limited and specific period of time of not more than 24 months and where the client has been informed in writing of the temporary or transitional nature of the housing at its inception;
- (6) public housing units owned or managed by or with a ground lease from the local housing authority;
- (7) any unit that is held in trust on behalf of a disabled individual who permanently occupies the unit, or a unit that is permanently occupied by a disabled parent, sibling, child, or grandparent of the owner of that unit;
- (8) any unit that is transferred to any beneficiary in a trust in which beneficial interests are retained by the owner of the housing accommodation or an immediate family member;
- (9) any sale to an immediate family member of the owner for a total purchase price below the current assessed value of a housing accommodation;
- (10) a transfer by devise, descent or operation of law upon the death of a natural person; and

(11) a sale of a newly constructed property for which the initial certificate of occupancy was issued no earlier than three years prior to the date of the purchase contract between a buyer and the party to which the certificate of occupancy was issued.

- (k) A municipality, housing authority, community development corporation and eligible organization shall not solicit or accept payment or any other consideration for assigning or waiving any rights under this section.
- (l) An aggrieved municipality, housing authority, community development corporation and eligible organization may seek damages under chapter 93A, may file a complaint with the attorney general and may file a court complaint for equitable or monetary relief, including, but not limited to, damages of a percentage of the sales price or injunctive relief in the form of specific performance. Nothing in this section shall be construed to limit or constrain in any way the rights tenants currently have under applicable laws, including, but not limited to, chapters 186 and 186A.