Virginia Statewide Community Land Trust

Affordable Homes, Now and Forever

A Community Land Trust...

...reduces the cost of homeownership and...

...keeps the home affordable for future buyers.

The Virginia Statewide Community Land Trust is an innovative new tool for Habitat for Humanity affiliates across the Commonwealth. Community Land Trusts modify the process of homebuying to make it affordable for households today and for generations to come.

Why CLTs Matter: Guaranteed Affordability

CLTs create a permanently affordable home by **retaining ownership of the land and selling the building only to an income qualified buyer.** This lowers the cost of the home to the buyer, resulting in a **smaller down payment and lower monthly mortgage expenses.** As an affordable alternative to renting, the CLT model allows families to **build wealth through their monthly mortgage payments.** In exchange for buying the house at a lower price, a CLT homeowner agrees to **pass on the gift**, and sell the home at a price that is affordable to someone in a similar financial situation.

The CLT Model:

The CLT sells **the structure** to a low-to-moderate income buyer. The buyer receives **a portion of the appreciation** when they sell.

The CLT retains ownership of **the land.** The land value is **removed from the purchase price.**

Split Ownership

The owner has **full rights of ownership.** The home can be **re-sold at any time,** to an income-qualified buyer at an affordable price.

The homeowner leases the land for 99 years from the CLT for a **nominal yearly fee.** The lease document **restricts the potential sales price.**

Why Buy? Renting vs. Owning

Every time you make a monthly mortgage payment, you **build wealth** by buying a little more of your home from the lender. Renting doesn't have the same effect; you don't own more of your apartment every month, you just pay to stay there.

Monthly Rent	After 2 years	After 5 years	After 10 years	After 15 years
$825	$19,800	$49,500	$99,000	$148,500
$1,000	$24,000	$60,000	$120,000	$180,000
$1,200	$28,800	$72,000	$144,000	$216,000

Now, imagine if all the money you paid in rent went into your mortgage instead. **The more you pay, the more you own, the more you walk away with when you sell your home.**

EQUAL HOUSING OPPORTUNITY