Community Land Trusts:
Creating Permanently Affordable Housing

Community land trusts (CLTs), a type of shared-equity homeownership, are nonprofit organizations developed by communities or public entities to create and preserve long-term, affordable housing for low- to moderate-income residents. CLTs purchase or build homes and create a long-term ground lease under which families can become homeowners, paying an affordable monthly ground rent. The ground lease includes provisions that require the continued use of the property for low- to moderate-income households in the future.

GROUNDED SOLUTIONS NETWORK

Using one time public investments to build transformational wealth through homeownership.

How do Community Land Trusts Work?

A one-time investment makes a home affordable for purchase by a working family with modest means, and the home remains affordable for family after family into the future.

FOR SALE

In return for being able to buy a home below its market-rate value, the family agrees to limit their proceeds when they sell so another family with a modest income can afford to purchase the home.

The first family builds wealth and then "pays it forward." The affordable house is self-sustaining, and the use of public funds is prudent since that one-time public investment serves an endless number of families.

What are the Benefits of a Community Land Trust?

1. Provides greater likelihood of attaining and sustaining homeownership.
2. Builds wealth among lower income and families of color.
3. Ensures public investments go further and do more.
4. Builds stronger, safer and higher-quality neighborhoods.
5. Contributes to greater educational and job attainment.
6. Creates jobs through the construction and rehab of housing.

How Prevalent are these Models?

250,000 (approximate) families and individuals own shared equity homeownership units.

200,000 (approximate) rental units with lasting affordability in inclusionary housing programs and community land trusts.

What is Grounded Solutions Network?

Grounded Solutions Network is a national nonprofit membership organization, representing over 170 nonprofit and government programs (in 44 states, the District of Columbia and Puerto Rico) that provide shared equity homes and rentals with lasting affordability.

Shared equity models go by many names: *community land trusts, inclusionary zoning/housing programs, deed-restricted housing, below market-rate programs, limited equity housing cooperatives, and permanently affordable housing.*