
³¹ See *Options & Issues in Creating a Community Land Trust* (p. 9) identifying the following examples of CLTs with government sponsorship: **The Burlington Community Land Trust** (Burlington, Vermont), **The Time of Jubilee Land Trust** (Syracuse, New York), **Washtenaw Community Land Trust** (Ann Arbor, Michigan), **Community Land Trust in Orange County** (Chapel Hill, Carrboro, and Hillsborough, North Carolina), **Portland Community Land Trust** (Portland, Oregon), **Cannon River Community Land Trust** (Northfield, Minnesota), and **State College Community Land Trust** (State College, Pennsylvania).

³² *Homeownership Options Under the HOME Program: A Model for Publicly Held Properties and Land Trust* (U.S. Dept. of Housing and Urban Development: 1999), p. 43.

³³ *Ibid.* Phone interview with City of Chicago, Department of Housing Special Finance, Marti Wiles on May 6, 2005.

³⁴ See *Property Taxes* (Institute for Community Economics/Burlington Associates in Community Development, 2002).

³⁵ See Local Government Code Chapter 373A, as amended.

³⁶ See Sec. 373A.101.

³⁷ See Sec. 373A.102.

³⁸ See Sec. 373A.104.

³⁹ See Sec. 373A.105.

⁴⁰ See Sec. 373.106.

⁴¹ See Sec. 373.107.

⁴² See Sec. 373A.108.

⁴³ See Sec. 373A.109.

⁴⁴ See Memorandum *Austin Ground Lease Decision* from Michael Brown of Burlington Associations in Community Development to the CLT Steering Committee (3/9/05).

⁴⁵ See *Community Land Trust Legal Manual: A Handbook for Community Land Trusts and Their Attorneys*, (Institute for Community Economics: Springfield 2002). Chapter 12, "The CLT Ground Lease."

⁴⁶ See HUD Handbook 4150.1 REV-1, pp. 6-24 to 6-25. See 24CFR Section 203.41 interpreted in Mortgagee Letter 94-2.

⁴⁷ *Community Land Trust Legal Manual*, p. 8-1.

⁴⁸ *Ibid.*, p. 8-3.

⁴⁹ *Ibid.*, p. 8-3 – 8-4.

⁵⁰ *Ibid.*, p. 8-5.

⁵¹ *Ibid.*, p. 8-7.

⁵² *Community Land Trust Legal Manual*, p. 8-12 – 8-13.

⁵³ *Ibid.*, p. 8-15.

⁵⁴ *Ibid.*

⁵⁵ *Ibid.*, p. 8-7.

⁵⁶ *Ibid.*, p. 8-11.

⁵⁷ *Ibid.*, p. 8-18.

⁵⁸ *Ibid.*, p. 8-20.

⁵⁹ *Ibid.*, p. 8-20.

⁶⁰ *Ibid.*

⁶¹ *Ibid.*

⁶² *Ibid.*, p. 8-21.

⁶³ See Tex. Att'y Gen. No. JM-805 (1987).

⁶⁴ See <http://www.iceclt.org/loanfund/index.html>.

⁶⁵ *Community Land Trust Legal Manual*, p. 10-1.

⁶⁶ *Ibid.*, p. 10-2.

⁶⁷ See http://www.efanniemae.com/hcd/single_family/mortgage_products/low_downpayment.html.

DRAFT
Attachment "1"

CLT Model (Resale) v. Conventional Mortgage Subsidy (Recapture)

Initial and Long-Term Affordability	CLT Model	Mortgage Subsidy	Notes
Acquisition/Development Cost			
Land	\$40,000	\$40,000	
Improvements	\$80,000	\$80,000	
Total Development Costs	\$120,000	\$120,000	Assumption: Appraised value = development cost
Subsidy Provided			
Subsidized Land Costs	\$40,000	\$0	Land cost is permanently removed from CLT transaction
Gap Financing Loan (Mortgage Subsidy)	\$0	\$40,000	Cost of soft second loan
SALE PRICE TO QUALIFIED HOMEBUYER (BUYER #1)	\$80,000	\$120,000	
Market Value in 10 Years			Assumption: 6% increase in land & improvement value
Value of Improvements Only	\$151,864		Appraised Value after 10 years = improvements only
Value of Land and Improvements		\$214,902	Appraised Value after 10 years = land and improvements
Increase in Property Value (Appreciation)	\$71,864	\$94,902	
Percentage of Appreciation Allowed BUYER #1 ("fair return")	25%	100%	Every CLT develops its own resale formula. As an example, a "fair return" of 25% of the house's appreciation is provided to the CLT homeowner.
Amount of Appreciation Taken by BUYER #1	\$17,966	\$94,902	
Amount of Subsidy Payback	\$0	\$40,000	
BUYER #1 Share of Increased Value	\$17,966	\$54,902	
SALE PRICE TO BUYER #2	\$97,966	\$214,902	CLT sells to Buyer #2 for the original sales price plus the appreciation taken by Buyer #1. The CLT does not include the cost of land in the sales price.

COMMUNITY LAND TRUST MODEL

