

# IS A CLT HOME RIGHT FOR YOU?

## WHAT IS A CLT?

A Community Land Trust (CLT) is a type of shared equity home ownership program, which provides affordable homeownership opportunities to lower income households. Shared equity homeownership programs sell homes at below market rate prices to low and moderate income households.

In exchange for the discounts, they agree to sell the homes below market rate in the future so that the homes stay affordable for subsequent income qualified buyers.

Therefore, the homes remain permanently affordable, helping family after family access homeownership.

Community land trusts are nonprofit organizations governed by a board of CLT residents, community residents and public representatives that create homes that remain permanently affordable, providing homeownership opportunities for generations of lower income families.



## HOW DOES A CLT WORK?

A typical community land trust for affordable housing works like this:

- ▶ A family or individual purchases a house that sits on land owned by the community land trust.
- ▶ The purchase price is more affordable because the homeowner is only buying the house, not the land.
- ▶ The homeowners lease the land from the community land trust in a long-term (often 99-year), renewable lease.
- ▶ The homeowners agree to sell the home at a restricted price to keep it affordable after resale.
- ▶ In exchange for the opportunity to own and build wealth from a home purchased at a discounted price, the household agrees to restrictions on their financial returns at resale.



### CLT Data:

- ▶ Nationally, **7 out of 10** shared equity homeowners are first time homebuyers
- ▶ Over **99%** of CLT homeowners avoid foreclosure
- ▶ **6 out of 10** use their earned equity to eventually purchase a market rate home
- ▶ Since 2000, the share of minority owned CLT homeowners has increased 30%
- ▶ **95%** of shared equity program homes are priced at 30% of monthly income for 80% AMI households



## GRAND HAVEN AREA COMMUNITY LAND TRUST AT ROBINSON LANDING

The Grand Haven Area Community Land Trust will hold ownership of the land for **16 (of 30) homes** in the Robinson Landing development.

## ELIGIBILITY REQUIREMENTS

- 1 80% area median income (combined income for all household members), see chart:

2021 80% Area Median Income for Ottawa County								
Number of People in Household:	1	2	3	4	5	6	7	8
Total Income Must be Under:	\$48,800	\$55,760	\$62,720	\$69,680	\$75,280	\$80,880	\$86,480	\$92,000

**80% AMI**

- 2 The Home must be your principal residence.
- 3 CLT buyers must attend Homebuyer Education at Neighborhood Housing Services as well as 3 Pre-Purchase and 4 Post-Purchase appointments.

Grand Haven Area CLT homeowners enjoy a more affordable monthly payment for a new construction home.

## DETAILS

- ▶ Grand Haven Area CLT Ground Lease fee is **\$30 per month**.
- ▶ Grand Haven Area CLT homeowners will pay two separate property tax bills. One for the improvement (which is the house), and one for the land.
- ▶ CLT homeowners have full use of their leased land. You can put up a fence, do your own landscaping, plant a garden, put up a playset, etc.
- ▶ There is very limited impact on your day-to-day use of the land.
- ▶ You are responsible for maintaining the home and property per City of Grand Haven Code of Ordinances.
- ▶ You are responsible for all utilities.
- ▶ You will sign a 99-year ground lease when you purchase your home.
- ▶ CLT has a fixed rate resale formula. This fixed rate formula is detailed in the ground lease. It is easy to calculate your equity at any time. The fixed rate increases the longer you own the home. The actual dollars will vary for each homeowner and will be discussed with your housing counselor.
- ▶ Neighborhood Housing Services will provide permanent, supportive housing counseling services as long as you own your home.

Find more information about Robinson Landing at [robinsonlandingmi.com](http://robinsonlandingmi.com)

Community Land Trust Questions?



Rhonda Kleyn  
Neighborhood Housing Services  
City of Grand Haven  
(616) 935-3275

Home Buying Questions?



Meghan Heritage  
Broker, BlueWest Properties  
(616) 581-2241  
[info@robinsonlandingmi.com](mailto:info@robinsonlandingmi.com)