



CHATTANOOGANS IN ACTION FOR  
LOVE, EQUALITY & BENEVOLENCE

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# COMMUNITY LAND TRUST

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# WHAT IS A COMMUNITY LAND TRUST?

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A community-based organization established to serve as a **long-term steward of land (real estate)** in a given neighborhood, city, or region.



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## HOW DOES IT WORK?

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A CLT buys or receives donated land and either builds new housing or acquires existing homes.



It then makes these homes available for sale to limited-income homebuyers, writing down the purchase price to an affordable level through the use of public and/or private subsidies.

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## HOW DOES IT WORK?

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The CLT maintains ownership of the land through a long-term lease agreement.



Through limited equity resale agreements, the CLT protects long-term affordability of housing and other community land uses.



## **The Resident Owns the Home**

***Permanent Affordability***  
A 99-year ground lease  
between the CLT and owner  
ensures long-term  
affordability

**CLT retains permanent  
ownership of the land**



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## WHY THE CLT MODEL?

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1

### **Serves as a long-term shield against speculative investment**

- By keeping land under the stewardship of residents and other community members, there is greater assurance that land will be used for the benefit of the community.

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## WHY THE CLT MODEL?

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2

**Decreases the barrier to entry for first-time, limited-income homeowners**

- Through initial subsidy investment, limited-income homeowners are given an opportunity to purchase a first home at an affordable rate. This benefit is then passed along to all future homeowners through limited equity resale.

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## WHY THE CLT MODEL?

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3

### **Biggest “bang for the buck” for public & private subsidy investment**

- CLTs allow a single subsidy investment to impact many households through limited equity resale over many years.