

# COMMUNITY LAND TRUSTS

an analysis of CLTs in three housing markets

May 2011

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## A guide for local governments

This report hopes to assist local government officials and housing advocates assess the strengths and weaknesses of utilizing CLTs within their specific housing market environments. Since the recent housing crisis, local governments will face an increasingly difficult task in securing permanent affordable housing in their communities. CLTs may prove useful as a stabilizing strategy in both gentrifying and declining areas.

### *Hot Markets & Low Foreclosures*



### *Hot Markets & High Foreclosures*



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Report prepared as part of Professor Mildred Warner’s graduate course in the Department of City and Regional Planning, Cornell University: *Devolution, Privatization, and the New Public Management*.

## CASE STUDY

*How CLTs are a preemptive affordable housing strategy in Atlanta, GA.*

While Atlanta has begun plans to build a large transit-oriented-development, the surrounding neighborhood has been hit hard by a speculative housing boom. As early as 2003, housing prices had jumped [150% in just three years](#). While this development promises to bring significant benefits for the community, lower-income families will likely be displaced. To combat against this pending gentrification, the [Atlanta Beltline Partnership](#), the Atlanta Housing Association of Neighborhood-Based Developers, faith-based organizations, local government agencies, housing advocates, real estate agents, among others, convened to form the Atlanta Land Trust Collaborative. The group will:

- “Provide access to land and housing to low- and moderate-income residents
- Increase long-term community control of neighborhood resources
- Empower residents through involvement and participation in the organization; and
- Preserve the affordability of housing permanently.” (See: [Atlanta Land Trust Collaborative](#))

The partnerships created by this initiative have built broad-based support for CLTs, within the political arena—and even generating university-community linkages. Through education and outreach, this partnership will enable Atlanta Community Development Corporations to take on the sizeable task of housing trust development in order to save low-income communities from future displacement.

Source: [Schenegeburger, Andy. “Bringing CLTs to Scale in Atlanta,” Shelterforce, February 2011.](#)

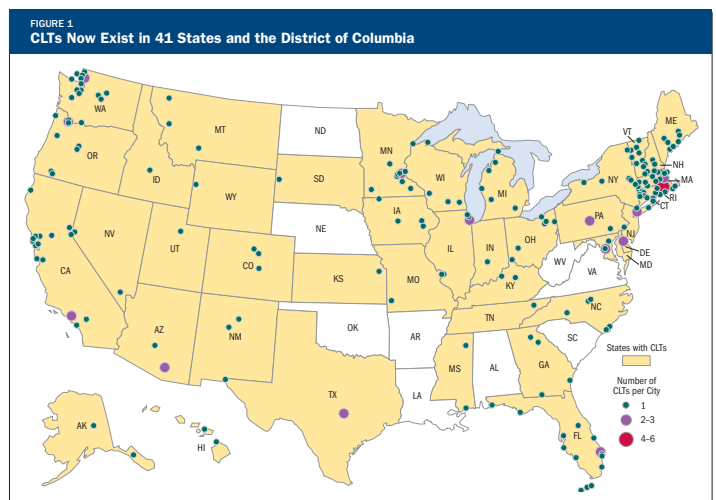
# SUMMARY

Nearly a century after the publication of [Henry George's](#) treatise *Progress and Poverty* (1879), the first modern Community Land Trust (CLT), [New Communities](#) (1969) in southwest Georgia set the stage for what was to become a movement in preserving home affordability in perpetuity. In the last ten years, the movement has grown by orders of magnitude; what started with a handful of groups has developed into a **nationwide network of 246 Community Land Trusts** (see figure 1). As an increasingly popular model to preserve home affordability, **CLTs separate the value of the home from the value of the land**—thus stabilizing home values at affordable levels for families on the lower-end of the income bracket. In doing so, while the community CLT owns the land, the home is preserved at affordable rates, protected from both housing market decline and booms.

As CLTs have grown in popularity, there has been a wide array of scholarship regarding the benefits of shared equity homeownership.<sup>1</sup> The [Institute for Community Economics, Burlington Associates in Community Development](#), and the [National Community Land Trust Network](#) have been highly influential in advancing the CLT model through policy advocacy and technical assistance. Brought into dramatic focus since the recent foreclosure crisis are the ways in which CLTs may safeguard against volatile market fluctuations by limiting the degree to which land prices impact the price of the home, and by providing assistive foreclosure prevention services to low-income families (see page 6 of this report). Our aim is to propose CLTs as a public-private partnership that not only promotes inclusivity of lower income families (in an otherwise exclusive homeownership market), but does so in a diverse array of housing market conditions. Furthermore, there are significant incentives for local governments to adopt or support these projects as they protect public investment in affordable housing in perpetuity.

## CLTs: A tool for city government

City governments have taken greater notice as the cost of providing affordable housing has shifted from federal to local governments. Confronting the growing need for affordable homes, housing planners and government officials developed inclusionary zoning tools and density bonuses to help supplement housing need. Increasingly cities are also recognizing the power of CLTs to ensure that money spent on affordable housing has a lasting effect. In a report entitled "[The City-CLT Partnership](#)," authors [John Davis](#) and [Rick Jacobus](#) detail the vast array of CLTs throughout the country that are linking with city governments to enact



## NATIONAL CLT MAP

Image Source: Davis and Jacobus 2008

<sup>1</sup> See works by John Davis listed in References section, page 18 of this report.

meaningful change in the provision of permanently affordable housing. As they note, **CLTs promote the long-term preservation of subsidies, and the long-term stewardship of housing.**

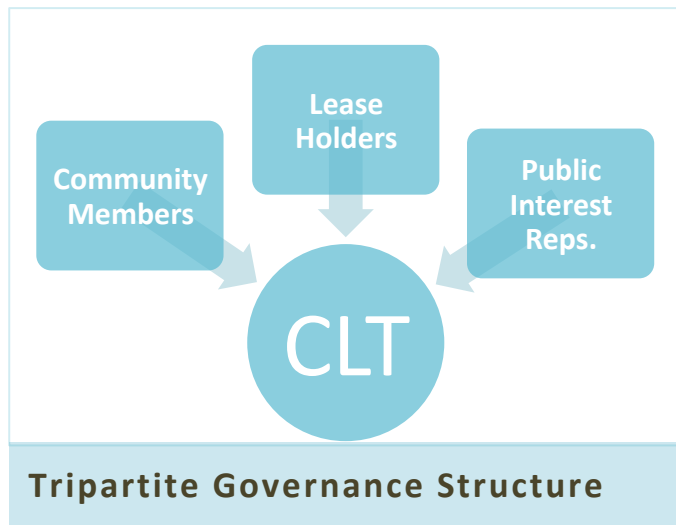
In this guide, we use two criteria to classify types of housing markets: the relative rate of foreclosures and the strength of the housing market. The first main section discusses CLTs in hot-market low-foreclosure areas such as San Francisco, CA and New York, NY. The second section discusses CLTs in hot-market high-foreclosure areas such as Tucson, Phoenix, AZ and Palm Beach, FL. The third section discusses CLTs in cold-market high-foreclosure areas such as Cleveland, OH and Syracuse, NY. Every housing market is unique and, like fee-simple homeownership and renting, CLTs are flexible enough to respond to the realities of almost every local housing market. Before discussing potential opportunities and challenges for CLTs in each of these three types of housing market, we first turn to a brief overview of the classic CLT model. We also provide a number of practical references in an annotated resource list at the end of this report.

## What is a Community Land Trust?

### *The classic model*

While there is a variety of shared equity ownership models, the Community Land Trust is a non-profit that acquires and manages stewardship of land for the long-term for the purposes of preserving home affordability. The CLT will typically purchase or build homes using subsidies, and sell the homes to low-income purchasers at the subsidized rate, while leasing the land under long-term ground leases. While the proliferation of CLTs around the country has led to a wider variety of organizational forms, most classic CLTs possess the following traits:

- Tax-exempt; 501(c)(3) non-profit
- Dual ownership (land vs. improvements)
- 99-year inheritable ground lease
- Perpetual affordability, perpetual stewardship
- Place-based membership
- Tripartite governance structure

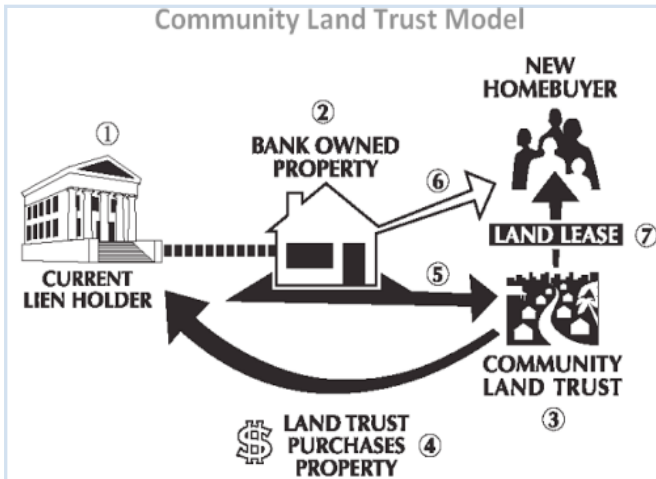


### What can CLTs do?

CLTs are instrumental in helping to protect the public investment in affordable housing. Most government subsidized affordable housing projects built with Low Income Housing Tax Credits are now reaching the end of their affordability life cycles (Mintz-Roth, 2008). Thus, the public subsidies once used to ensure affordable housing are captured by the private housing market once these affordable programs expire. Landlords often have no incentive to keep these units at

below-market rates once the rental restrictions end. As noted by several observers (David Abromowitz, 1991), the affordability index clearly demonstrates the greater crisis of affordable

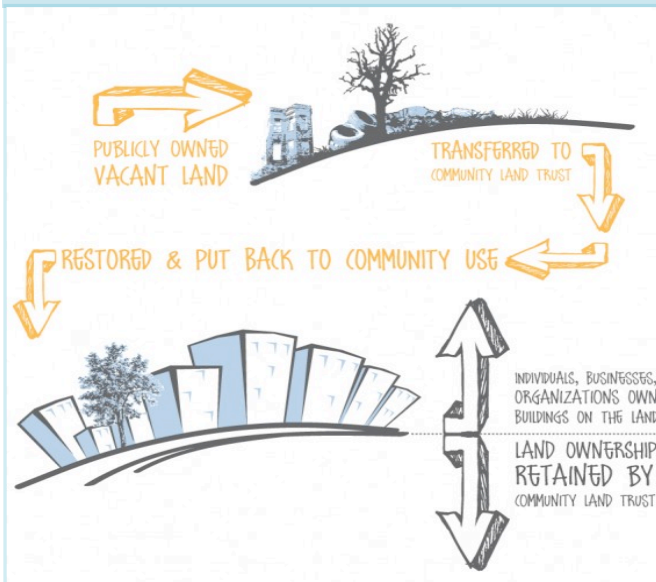
housing. Area median family income (AMFI) in many parts of the country is less than what's needed to purchase a median-priced home, and in some areas the AMFI is less than half of what is required to purchase a home (Abromowitz, 1991, pg 664). CLTs, however, can take an initial subsidy, grant or loan from the city, state or federal government and ensure its long-term retention through ground leases or deed restrictions. The retained equity can



### CLTs transform foreclosed homes

Image Source: [Oakland Community Land Trust](http://Oakland Community Land Trust)

either be used to ensure long-term affordability of the home, or be shared with government to assist



### CLTs transform vacant properties

Image Source: <http://interface-studio.com/>

future low-income homebuyers (Jacobus, 2007). Especially for cities coping with the "scarcity of present resources," the ability to lock subsidies in place is a significant asset of CLT models (Davis, 1994). Therefore, in a response to cutbacks in federal funding for affordable housing, cities promoting CLTs can maintain affordability in perpetuity, allowing neighborhoods to develop economically while safeguarding against future gentrification.

A CLT's strategy is based on the goals of its board, which may gradually shift over time. Some CLTs are primarily concerned with community development, some are focused on the preservation of affordable

housing; others are primarily means of neighborhood stabilization. Although CLTs need to be somewhat opportunistic with fundraising and property acquisition, they should be guided largely by a clear, overarching mission. Regardless of their operating principles, each CLT must have a sound source of initial capital, as well as funds to continue long-term operation.

Nascent CLTs must frequently be opportunistic in funding sources, seeking out capital wherever it can be found. Common initial sources include CDBG (discussed below), philanthropic sources and various state-level housing grant programs or housing trust funds.

CLTs are also a potential boon to realtors and expand homeownership. 75% of CLT homeowners (after living in a CLT home for on average seven years) enter market-rate homeownership (Brown Interview, 2011). For this reason, realtors could be significant benefactors of this added customer base. In this way, CLTs offer a means for realtors to expand their service delivery and establish ongoing relationships with clients typically neglected by the real estate market.

### **CLTs as a backstop against foreclosure**

CLTs also seem to be exceptionally well equipped to prevent against foreclosure. According to a study prepared by the National Community Land Trust Network, Emily Thaden and Greg Rosenberg determined that compared to foreclosure rates among Mortgage Banker's Association prime loans, CLTs are performing seven times better. National rates of foreclosure for prime mortgage loans were reported at 3.31% in 2009, whereas CLT homes report rates at 0.56% ([Thaden and Rosenberg 2010b](#)).

CLTs also have an ongoing interest in maintaining the quality of housing stock. For areas particularly hit by foreclosure, the added stewardship brought by the CLT has been a significant hindrance to future disinvestment. Stewardship activities can serve as a means to cure default, forestall foreclosure, or force repairs. Thaden (2010a) closely examined the low-rates of delinquencies among CLTs—finding that CLTs assisted 51 % of mortgages that were seriously delinquent in 2009, as compared to national cure rates of 6.6 %. She also finds that these low foreclosure rates are due in large part to the community services CLTs provide including pre-purchase education, stewardship, high-risk loan prevention, delinquency detection and intervention ([Thaden, 2010a](#), pg. 3). Through this holistic set of housing services, CLTs are also creating neighborhood stability and preventing cycles of city disinvestment and poverty that often result from foreclosure crises.

The benefits that CLTs provide and the problems they encounter differ based on local housing markets. This guide discusses the benefits and problems of CLTs by focusing on two housing market variables: the prevalence of foreclosed properties and the strength of the housing market. CLTs have proven to be very foreclosure-resistant and to help communities recover from high rates of foreclosure.

### **How are homes priced?**

The CLT and its partners will lower the cost of the home in order to meet the determined affordability levels (often 30% of household income). The difference between the original appraised value of the home, and what the homeowner can afford is called the **Affordability Gap**. This difference is what constitutes the subsidy to the homeowner, which can be achieved through assumable and forgivable loans or grants.

## FUNDING SOURCES / TOOLS FOR LOCAL GOVERNMENT

- [HOME](#): HOME is the largest block grant to state and local governments to work, often in partnership with non-profits, to build, repair or provide rental assistance for affordable housing.
- [CDBG](#): Community Development Block Grant funds a wide array of services and project including community development, housing, neighborhood stabilization, empowerment zones and renewal communities, among others.
- [USDA Rural Housing](#) Rural Housing (Housing and Community Facilities Assistance): USDA funds can be used to build, repair or rehabilitate low and very low-income housing. Very low-income households are below 50 percent AMI, while low-income is defined as between 50 and 80 percent AMI. Often USDA funds are used for repairing or securing housing for the elderly and disabled.
- [Housing Trust Funds](#): The Housing Trust Fund was established under the Economic Recovery Act and is meant to reinforce current policies that supply affordable housing for extremely low income and homeless families.
- [Inclusionary Zoning](#): A planning ordinance that requires all new construction to include a share of affordable units—often to create a mix of affordable and market rate housing. In exchange for affordable housing, developers also receive expedited permits or an allowance for a density bonus.
- [Community Reinvestment Act](#): CRA requires that banks and financial institutions to provide for lending and investment opportunities in the communities where these offices operate. CRA was enacted in 1977 to combat redlining which explicitly excluded low-income and minorities.

## METHODOLOGY

In this report we have chosen to examine CLTs in three different housing markets. To determine the general typologies, we evaluated market strength and foreclosure risk using indices from the Brookings MetroMonitor, U.S. Department of Housing and Urban Development's (HUD) foreclosure abandonment risk score, and an affordability rank from the Joint Center for Housing Study's *State of the Nation's Housing 2007*. They are detailed below.

**Foreclosure Risk:** This score is used by HUD to help NSP grantees properly target their projects. The score is calculated using several methods, and can be found online at [HUD's Neighborhood Stabilization Program Targeting](#) (enumerated below). A score of 10 suggests a very high risk.

- "Office of Federal Housing Enterprise Oversight (OFHEO) data on decline in home values as of June 2008 compared to peak home value since 2000 at the Metropolitan/Micropolitan/Non-Metropolitan level.
- Federal Reserve Home Mortgage Disclosure Act (HMDA) data on percent of all loans made between 2004 and 2006 that are high cost at the Census Tract Level.
- Labor Department data on unemployment rates in places and counties as of June 2008.
- USPS data on residential addresses identified as being vacant for 90 days or longer as of June 2008 at the Census Tract level."<sup>2</sup>

**Hot Market Affordability Rank:** This measure compares median house price to median household income (where scores above 4.6 are worse than the national average). The report from Harvard's Joint Center for Housing Studies can be found [online](#). A score of 10 is very unaffordable.

**Community Land Trusts:** To gather information on the CLTs in these three typologies, we reviewed news articles, reviews from [National Housing Institute](#), the National Community Land Trust Network, [Burlington Associates](#), [Cornerstone Partnership](#), among others. Also, many CLTs had their own website available. They are listed below.

[San Francisco Community Land Trust](#) (San Francisco, CA)  
[Oakland Community Land Trust](#) (Oakland, CA)  
[Northern California Community Land Trust](#) (Berkeley, CA)  
[Cooper Square Community Land Trust](#) (New York, NY)  
[Homestead Community Land Trust](#) (Seattle, WA)  
[Pima County Community Land Trust](#) (Tucson, AZ)  
[Newtown Community Land Trust](#) (Tempe, AZ)  
[Delray Beach Community Land Trust](#) (Delray Beach, FL)  
[Story County Community Housing Corporation](#) (Ames, IA)  
[Jubilee Homes](#) (Syracuse, NY)  
[Lehigh Valley Community Land Trust](#) (Bethlehem, PA)  
[Common Ground Community Land Trust](#) (Worcester, MA)  
[Northern Communities Land Trust](#) (Duluth, MN)

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<sup>2</sup> HUD website on Neighborhood Stabilization: [http://www.huduser.org/datasets/nsp\\_target.html](http://www.huduser.org/datasets/nsp_target.html)



We also (where possible) conducted interviews with representatives from CLT organizations. Interviewees included Mike Brown, a partner of Burlington Associates (a national consulting cooperative providing technical assistance to CLTs and local governments across the country); Andrea Bentzinger, Director of Story County Community Housing Corporation; Stephen Patton, Director of Common Ground; Jeff Corey, Director of Northern Communities Land Trust; Justin Collins, Director of Lehigh Valley CLT; and several representatives from Jubilee Homes.

Cities for Market Typologies	Foreclosure Risk	Hot Market Affordability Rank
San Francisco, CA MSA	2.33	9.8
Seattle, WA MSA	2.21	6.1
Chicago, IL MSA	7.77	4.9
New York, NY MSA	4.03	7.1
Washington DC MSA	4.80	5.7
Tucson, AZ MSA	7.23	5.3
Phoenix, AZ MSA	8.16	4.7
Miami, FL MSA	8.60	7.2
Las Vegas, NV MSA	8.93	5.9
Syracuse, NY MSA	6.96	2.4
Des Moines, IA MSA	7.47	2.7
Cleveland, OH MSA	9.11	2.7
Providence, RI MSA	8.55	5.3
Worcester, MA MSA	7.80	4.5



Dudley Village, Roxbury in Boston MA, source: [The Boston Globe](#)

Homestead CLT, Seattle WA, source: [Low Income Housing Institute](#)

# HOT MARKETS / LOW FORECLOSURE RATES

San Francisco, New York, Seattle

In our first section, we explore CLTs in cities with “hot” markets and relatively low foreclosure rates. What is the role of CLTs in these markets and how do they perform? San Francisco, New York and Seattle fit our hot / low foreclosure classification and CLTs may be found in each of these cities.

As home prices have risen in hot / low-foreclosure markets, home ownership has become inaccessible to low and even moderate-income residents. In addition, the process of gentrification displaces renters through building sales and evictions, steep rent increases and conversions to condominiums. Inclusionary zoning alone may be inadequate (it is rarely used for ownership-based housing schemes), and other types of housing subsidies don’t retain subsidies in perpetuity. CLT lessees typically are choosing between buying a CLT home, continuing renting, or living in an outlying area with more affordable housing but with high transportation costs and poor access to community services.

CLTs in these settings hold significant potential to provide access to the equity-building benefits of homeownership on an ongoing basis to people in middle-income ranges who would otherwise be priced out.

## Opportunities

First, as mentioned above, CLTs in these cities provide access to home ownership for folks in the middle, including public servants and long-time residents. In San Francisco, inclusionary-zoned condo units (which must be included in 15% of new condo developments) are priced to be accessible to people at 100% of HUD’s Area Median Income (AMFI). In many high cost of living cities, this is still not affordable. CLTs in this environment were primarily serving people between 50 and 80% of AMFI. It is worth noting again that compared to other housing subsidies (including inclusionary zoning which expires after a certain period, non-CLT down payment support programs, rent subsidies, etc.), CLT subsidies are retained. Thus CLT properties can help protect against growing disparities between incomes and housing costs over time (see figures 2 and 3 sidebar, page 11), which is critical in strong housing markets where low/moderate income housing is likely to continue to be a challenge.

## SUMMARY/TRENDS

- CLTs are converting rental properties to limited equity cooperatives with resale restrictions.
- Partnerships with foundations more accessible in large, dense cities such as NY and SF.
- Cost of construction are high compared to incomes, may need additional sources of subsidy.
- Initial property acquisition may be difficult in a hot market

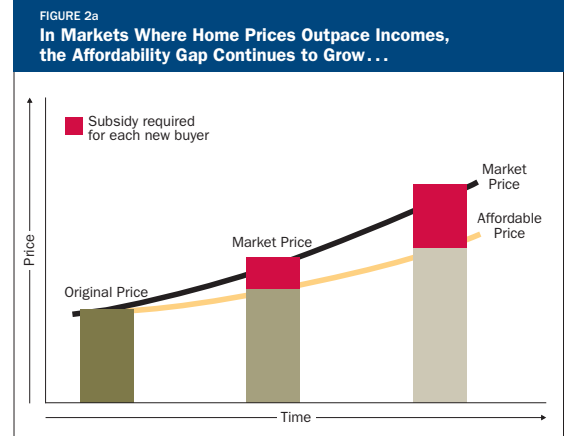
The typical model supports the shared-equity purchase of single-family homes under a 99-year land lease, but CLTs in hot/low-foreclosure markets have often chosen to convert apartment complexes. For instance, San Francisco Community Land Trust's primary strategy is to acquire rental housing and convert it to shared-equity cooperative housing. Their coop at 53 Columbus Street in Chinatown offers 17 families a very low buy-in, then responsibility for monthly coop fees for property taxes, maintenance and insurance. The Berkeley Community Land Trust and Northern California Community Land Trust have acquired a variety of property types besides just single-family homes including multi-family housing coops, and even CLT-owned rental properties. In Seattle, the Homestead CLT collaborates on projects with Habitat for Humanity, whereby new CLT homeowners sign on to volunteer to help build someone else's new CLT home in the future. The preeminent CLT in New York City, the Cooper Square Community Land Trust, operates on a rent system rather than a homeowner/shared equity system. The benefits of affordability in perpetuity are retained for residents, and the low cost of rents allows residents to build savings through other means besides equity. In hot / low-foreclosure markets, creativity is a must, and these CLTs seem to be finding a way to make the CLT model work to address their context-specific needs.

Another important opportunity is that CLTs in these cities develop institutional capacity in existing housing non-profits. This capacity can then be brought to bear to provide a host of other valuable housing and community development services to low-moderate income homeowners and renters.

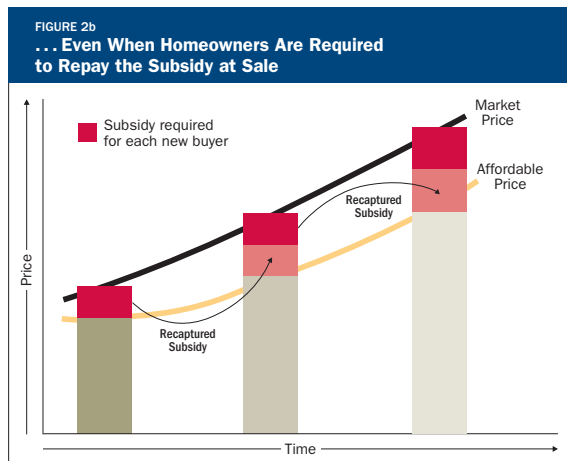
## Challenges

CLTs in hot-market/low-foreclosure cities may be subject to several unique challenges. First, since initial property acquisition and/or construction costs are still relatively

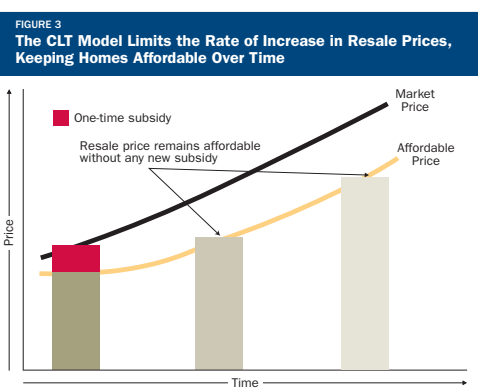
high compared to incomes, CLTs may need additional subsidies to make homes affordable. This is a high barrier to entry for CLTs without much capital.



If housing prices rise faster than household incomes, the affordability gap widens. As a result, it takes an ever-larger subsidy to keep a home affordable. Programs providing loans or grants to homebuyers must constantly increase the level of subsidy to keep pace with the growing gap between market and affordable prices.



Recapturing the original subsidy and reinvesting it in new loans to other lower-income households does not prevent the affordability gap from growing. An ever-larger subsidy is still needed to help subsequent generations of homebuyers if prices continue to rise faster than incomes.



A one-time subsidy in a CLT home lowers its initial sale price to an affordable level and then limits the rate at which the price can rise over time. This strategy helps to increase the stock of permanently affordable housing.

# THE AFFORDABILITY GAP

Image Source: Davis and Jacobus 2008

### ***Funding***

Even in cities like Seattle—where housing markets were less challenged by the foreclosure crisis, Neighborhood Stabilization Program<sup>3</sup> (NSP) funds proved useful in launching CLT activities. NSP funds were responsible for significant acquisition of homes in Seattle, and the Homestead CLT also benefits from Washington’s State housing trust fund, as well as a local affordable housing levy. In Washington, 10% of the funds must go to shared equity affordable housing arrangements such as those offered by CLTs. CLTs in markets with established local sources of funding may be better prepared to continue expanding in light of potential federal cuts.

### ***Property Selection & Acquisition***

CLTs in hot / low-foreclosure markets must be opportunistic and speedy in acquiring properties. Several CLTs are promoting the unique opportunity provided by the housing downturn to acquire houses at lower prices before they go back up. But in these markets, even with the downturn, there are few suitable properties available. How is this being addressed? One possible solution is to develop a CLT-managed acquisition loan fund, as recently launched by the campaigns and some of their properties have indeed come directly through philanthropic donations. CLTs may wish to develop a line of credit collateralized on owned land, but the relative maturity of the CLT is a critical factor in its ability to act with the requisite speed, as more mature CLTs may have more cash reserves, and stronger credit. Seattle’s Homestead Community Land Trust has followed a buyer-driven process<sup>4</sup> for property acquisition on several of their homes. A potential problem of buyer-driven schemes is that they may do a poorer job of incorporating community building, neighborhood stabilization criteria into the selection of homes. In this way, standards may be lowered.

Another example is the CLT in San Francisco—which has a history of assisting property conversions, from apartments to limited equity property with resale restrictions. Even while property acquisition in San Francisco is challenging, the SFCLT has begun work on a project to prevent gentrification in the South of Market neighborhood (SOMA), where development in the downtown finance sector has pushed out many of the low-income residents.

### ***Marketing***

Finally, as in all these markets, finding buyers for CLT homes may be difficult—even despite the relative resistance of the hot housing market in cities like San Francisco and New York. CLT homes in these markets serve a narrow group (typically 50-80% AMFI), and it may be hard to find buyers that are mortgage ready. Some CLTs partner with banks and lending institutions, and also provide financial counseling and homeowner education to mitigate this; their very low foreclosure rate compared with market rate housing helps. Still, this does not appear to have prevented rapid expansion of the CLTs in Seattle, the Bay Area and New York over the past several years.

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<sup>3</sup> HUD’s Neighborhood Stabilization Program provides funding and support for communities affected by abandonment and foreclosure. Authorized under the Housing and Economic Recovery Act, the American Recovery and Rehabilitation Act, and the Consumer Protection Act, NSP funds are a subset of Community Development Block Grant funds. More information can be found at:

<http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/>.

<sup>4</sup> In a buyer-initiated model, the future homeowner will search and select a property on his or her own—as opposed to where the home is already CLT housing stock before the purchaser enters into a relationship with the organization.

# HOT MARKETS / HIGH FORECLOSURE RATES

Tempe, Tucson, Phoenix, South Florida

In this section, we focus on locations with hot housing markets and high levels of foreclosure. In searching for CLTs under hot market and high foreclosure conditions, we turned to CLTs in regions of the country that have been hit hardest by speculative housing and foreclosure crises: South Florida, Tempe, and metropolitan Phoenix.

## Responding to the Foreclosure Crisis in Booming Housing Markets

Booming housing markets typically indicate a significant population increase brought by economic development and job growth. In most cases, these high-cost housing markets keep lower-income people from accessing homeownership, still a significant factor in wealth accumulation. As the lower-wage labor force is subjected to the instability of the rental market, they increasingly face the brunt of speculative land prices and are pushed out further from job centers. Cities must consider ways to balance this trade-off between rising land prices and securing a workforce for industry. For cities also facing high levels of foreclosure, CLTs may provide a unique opportunity to respond to these changing conditions and ensure stability, affordability and economic growth.

## Opportunities – Case study: Tucson’s Pima County Community Land Trust

In Tucson, the Pima County Community Land Trust (PCCLT) provides a useful example of city and county governments collaborating to access federal Neighborhood Stabilization Program funds for the provision of affordable homeownership. Starting in facing disinvestment. Through this federal grant, the City and County purchase homes that have been foreclosed, rehabilitate the properties, and convey these properties to the PCCLT. Once homeowners are identified, the PCCLT then sells the properties to low-income homebuyers at affordable rates (determined by HUD standards that shall not exceed 30 % of the family’s income). When these homes are sold, 99-year ground leases are used to restrict the resale value of the home while continuing to pass on a share of accumulated equity to the homeowner upon resale. With plans to sell 116 homes over the next several years, the PCCLT will promote a long-term affordable housing plan that can enable asset building for low-income families, stability for neighborhoods and generate new housing opportunities for other low-income families as homes are sold and subsidies recaptured.

## SUMMARY/TRENDS

- Cities and CLTs can collaborate using federal funds
- Homes acquired through tax foreclosure can be sold to CLTs at lower rates
- NSP funds can enable the rehabilitation of vacant properties, increasing surrounding property values
- CLTs can help people become mortgage-ready through housing counseling
- CLTs can help prevent against foreclosure
- The City can work with the assessor’s office to develop a plan for assessing resale-restricted homes

## Challenges

### ***Finding buyers***

One of the challenges facing CLTs more broadly is that often, low-income families may need assistance to become “mortgage ready” and reach the credit scores necessary for qualifying for private loans. The PCCLT offers a unique Rent-to-Own program which assist renters become homeowners within a period of 18 months. Through credit and debt counseling, and close work with housing counseling agencies, tenants can help stabilize their finances, and thus make a successful transition to homeownership that would otherwise be unachievable.

### ***Acquiring properties***

In booming housing markets, like Phoenix MSA and Las Vegas, another challenge for CLTs may be acquiring homes in higher income neighborhoods, where foreclosures are less prominent but enable mixed-income neighborhood development. In higher-income neighborhoods, as part of inclusionary housing policies, cities can also choose to dedicate municipally owned properties for CLT use. Among other areas, this has been realized in Syracuse, New York and Albuquerque, New Mexico (Davis and Jacobus, 2008, pg. 14). These properties can range from homes acquired through tax foreclosure, or city development projects that were never realized.

### ***Taxing and valuing resale-restricted property***

As city and county governments become more nimble and educated about the benefits of CLTs for creating neighborhood stability and economic growth, city officials can create enabling policies that support the particular (and somewhat unorthodox) tax and land value conditions CLTs require. Examples of these policies include durable affordability, subsidy retention, and equitable taxation (Davis and Jacobus, 2008, pg. 76). Such policy choices can significantly enable CLTs to preserve affordability across multiple transfers of ownership, and create models of housing tenure and taxation that safeguard public subsidies and are sensitive to the restrictions on CLT properties’ use and resale value. Delray Beach CLT in Florida, for instance, has worked closely with the city assessor’s office to successfully determine that land beneath the Delray Beach CLT has zero taxable value since it is leased to the owner indefinitely for a small, nominal fee. These property assessments only serve to limit the value of the land, not the home—and states are quickly adapting. California, Massachusetts, Vermont and New Jersey, among others, all recognize limiting land values as a result of resale-restricted homes (Robinson, 2008).

## CASE STUDY

### *CLT Works in Tempe, AZ.*

A proactive city government in the Phoenix suburb of Tempe anticipated [I need a start date here] the need for affordable housing just as the great Sunbelt migration began. The Newtown Community Development Corporation established a tripartite board and developed four homes with CDBG funding from the city. They now have 42 homes, and have laid out a fairly ambitious strategy beyond the political boundaries of Tempe for staunching the foreclosure crisis from the surrounding Phoenix suburbs. Through a combination of NSP and HOME funding, they are planning to add 27 more homes to the CLT in Glendale, Tempe, and Chandler.

Newtown completed its first resale in 2007. The original owners earned about \$30,000 in equity from an initial investment of \$3,000.

Source: [Corbett, Peter. 2010. “Land Trust program to help low-income buyers.” \*The Arizona Republic\*, August 20, 2010.](#)

### ***Lenders are timid***

Since the housing crisis, as banks have grown extremely hesitant to serve low-income borrowers, CLTs offer a significant backstop against foreclosure. For prime mortgages alone, CLTs have performed markedly better. As mentioned above, according to a survey conducted by national foreclosure rates for prime-mortgages are 3.31%, CLTs in comparison have rates at 0.5 % (Brown Interview, 2011). While banks may be hesitant to lend to potential low-income CLT homeowners, the CLT model has shown immense capacity to shield against housing collapse.

## **COLD MARKETS / HIGH FORECLOSURE RATES**

**Duluth, Worcester, Providence, Syracuse**

Our final section examines the role that CLTs play in markets that have not seen explosive housing growth over the past few decades. These areas have been marked by lackluster demand, slow growth trends, and stagnant housing prices due in large part to struggling regional economies. Many of these areas have also been plagued by worsening problems of foreclosure and abandonment.

The origins of many weak market CLTs are diverse. Often, they arise from grassroots movements of local volunteer housing advocates fueled by charitable or religious donations. Alternatively, the CLT model can emerge as an offshoot from an existing local affordable housing corporation. They may be created by local government forces in the wake of an assessment of an emerging problem. The institutions that we have examined have much promise; however, much like the markets in which they operate, they face a host of challenges.

### **Strengths and Opportunities**

#### ***Funding/Capitalization***

The current economic environment has given many weak market CLTs access to unique sources of state and federal funding. Neighborhood Stabilization Program (NSP) Funds are presently providing a major – but fleeting - influx of capital in qualifying, weak-market census tracts. Likewise, HOME is the largest federal block grant to State and local governments for the exclusive provision of affordable housing. CLTs in weak economic markets can often tap into both programs for a large portion of their funding. Complementing these sources are a small but strong contingent of lending corporations that specifically target community development projects, such as the [Local Initiatives Support Corporation](#)<sup>5</sup> (LISC) and the [Reinvestment Fund](#).<sup>6</sup>

<sup>5</sup> The Local Initiatives Support Corporation helps communities and neighborhoods through loans, investment and technical assistance.

### **SUMMARY/TRENDS**

- CLTs can't compete on price, so compete on quality—added services and support can be marketed to attract homeowners
- Target areas most likely to “rebound” – preserving access to key job centers and transportation sites
- More assistance to help repair and replacement of houses—may need more funding to help neighborhoods rebound.

Based on the very nature of these capital sources, many of these CLTs are focused on a mission of stabilizing struggling neighborhoods. This strategy has much potential in cold-market/high-foreclosure areas because these markets have lower land prices (as a percent of total home values) and typically have access to a constant stream of available land. As such, capital will go farther than markets with high housing values.

### ***Property rehabilitation to stabilize neighborhoods***

The high prevalence of recent foreclosures has allowed CLTs to purchase REOs (Real Estate Owned properties) and substantially renovate them. In some markets this marks a distinct shift in housing provision, as rehabilitation was excessively expensive previous to the crash and many relied on new construction. In these cases, the structure is often as crucial as location. Many CLTs look for buildings with good “bones,” preferring brick buildings to stick-built, for example. This shift in housing provision has brought unforeseen community benefits. The rehab model turns blighted properties around – often times to become the nicest properties on the block – thus providing strong positive externalities to the neighborhood. CLTs generally have rigorous maintenance standards and repair funds available for CLT homeowners, so the effect of neighborhood stabilization will be long lasting.

### ***Acquire properties in key areas***

Though funding sources will limit the range of properties CLTs can acquire, CLTs can improve their effectiveness by establishing clear criteria for acquisition. NSP, for example requires that the funding be spent within specific qualified census tracts. A CLT in the Lehigh Valley, PA (LVCLT) used NSP funds on properties that were clearly blights on their neighborhoods, and in prominent locations, such as corner properties. A CLT in Providence, RI pursued a similar strategy, acquiring properties across from schools. In these cases, it is especially useful for the CLT organization to have excellent market knowledge and/or community contacts. For example, in Massachusetts, Worcester Common Ground CLT works with a local neighborhood group to identify specific strategic properties to rehabilitate.

CLTs in this market can include proximity to job centers and transit in their criteria for property acquisition. Many of these weak market cities are older, rust-belt metros that were established with more compact grids, making local mass transit an effective alternative. Because low-income families spend proportionally high levels of their income on transportation, locating CLT properties near jobs or transit has the potential to help families both with housing costs and with transportation costs. Also, even in weak market areas transit- and job-accessible areas have the potential to gentrify, and, as has previously been mentioned, CLTs prevent displacement as property levels rise.

## **Challenges**

### ***Cheap properties abound***

Many cold-market/high-foreclosure CLTs have had difficulty finding qualified buyers at the level of income targeted by the board. From the perspective of a homebuyer, why buy a limited equity property when you can buy a fee simple property for the same price? In these situations,

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<sup>6</sup> The Reinvestment Fund grew out of a community development corporation, now providing financial support and investment in homes, businesses and other ventures.



CLTs can compete on quality. CLTs can also reduce the acquisition price by offering to buy homes for significantly under the appraised value and allowing the seller to deduct the difference between the appraised price and the sales price on their income taxes. This benefits homeowners who want to sell but also want to help stabilize their neighborhood.

### ***Tight credit markets***

Individual CLT homeowners also need access to mortgage finance. The recent foreclosure crisis has led to a tightening of underwriting standards by local lending institutions, which makes it difficult for even families with high credit scores to obtain mortgages. Making matters more difficult, CLT loans are often non-traditional mortgages (subject to resale restrictions and/or land lease components) to first-time homebuyers, many of whom are in weak financial positions.

Further, lease-purchase arrangements can help potential CLT homeowners repair their credit as they prepare to buy their CLT home. ‘Silent seconds’<sup>7</sup> can also be used to reduce or eliminate the need for costly down payments. CLTs can emphasize that their homeowners are at a far lower risk of foreclosure than low-income fee-simple homeowners. Finally, despite their soft housing prices, many weak market CLTs employ some form of resale formula to allow homeowners the ability to enjoy some form of capital appreciation upon the sale of their house. Many times, sellers can recoup the amount that they paid for the structure plus 30% of the structure’s appreciation. Sliding scales are also common, with homeowners retaining 15% of equity appreciation from expensive homes and 50% of equity appreciation from less expensive homes. More information on equity accumulation in resale-restricted housing can be found online at Burlington Associates [“Interactive Resale Formula Comparison Tool.”](#)

To overcome these hurdles, CLTs have emerged as advocates between homebuyers and local lending institutions. CLTs have educated local or regional bank managers on the shared equity model. It helps to have a market that is experienced with leasehold mortgages. For example, the land trust in Duluth, MN had a lending industry that had been providing mortgages to leasehold lake-front vacation homes for decades. As such, local banks were familiar with the legal structure and the underwriting standards for leasehold residential property. In addition to working as advocates, CLTs act as backstops for homeowners; they are often a strong partner with a vested interest in preventing the loan from going into default.

### ***Competition with housing speculators***

Even in weak markets, CLTs often compete for homes with speculators. Competition can make acquisition of these multifamily units (including duplexes and triplexes) difficult, as they have greater investment value. The First Look Program (administered under a partnership between the National Community Stabilization Trust, Fannie Mae, and HUD) can help CLTs that use NSP funds to acquire properties before private investors have a chance to bid on them. However, participants have a very short window in which to purchase and must have sufficient capital and expertise to act quickly. Further, some CLTs have complained that the appraised value of homes under the First Look program is excessively high and have chosen instead to keep track of sheriff’s sales to beat investors.

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<sup>7</sup> A “silent second” is when a second mortgage is placed on a house (asset) without the knowledge of the first lender.

## Conclusion

Our hope is that for local city governments or housing advocates seeking to prioritize affordable homeownership, reflections on how the housing market conditions affect CLT success may prove instructive. Within the CLT model, there are numerous advantages shared by all three market environments. Regardless of the housing market context, **CLTs have shown immense potential to preserve housing affordability, protect the public subsidy and build equity for low-income families.** While CLTs have been utilized to combat the scarcity of affordable housing within these three markets, CLT programs have been implemented for contrasting reasons, and using differing approaches.

For **hot market and low foreclosure areas**, the CLT model has been crafted to protect against gentrification while meeting the needs of lower-income residents between 50 % and 80 % AMI.

- Tight housing markets makes targeting properties difficult. Most CLTs have to buy property where they can.
- Many CLTs start with converting rental properties/condos into limited equity homes.
- CLTs in this market have the greatest opportunity to prevent gentrification, though large capital investments may be necessary to buy property.

For **hot markets and high foreclosure areas**, CLTs are seeking to help cities rebound from the housing collapse.

- Properties easier to acquire, with episodic vacancy and foreclosure in both low and higher-income neighborhoods.
- As communities will likely rebound, cities can be fairly confident in securing properties to promote mixed-income neighborhoods.
- Rent-to-own strategies have aided in bringing families to “mortgage-ready” status.
- As in other high-foreclosure markets, lenders are still wary—thus education and outreach can help to reinforce how CLTs prevent against foreclosure, default and help to maintain properties.

While CLTs in **cold markets with high foreclosures** also intend to stabilize neighborhoods, they face a much different set of housing conditions. Unlike areas such as Phoenix or South Florida, CLTs in Cleveland or Buffalo are addressing decades of declining housing demand.

- Housing prices much lower—CLTs must compete on quality, not price.
- Housing services like maintenance/repair funds, and foreclosure prevention assistance can help promote the benefits of CLTs.
- CLTs must be strategic with property acquisition since not all parts of the city may rebound. CLTs should target housing stock in stabilizing areas expected to grow.
- Rehabilitating properties will also stabilize neighborhoods hard hit with vacancy and foreclosure—has positive effects for all residents.
- As mentioned above, banks and financial institutions may still be hesitant to lend. Outreach and education regarding the stabilizing benefits of CLTs could prove helpful.

Thus, within the three markets CLTs have demonstrated significant flexibility to adapt to housing conditions and organizational need. As we have attempted to illustrate, an overarching challenge of CLTs is the long-term strength of the regional housing market. CLTs can be effectively deployed in stable and booming markets, markets weakened by temporary shocks, and to a more limited extent, traditionally weak markets where there may still be potential for gentrification.

## Annotated References

Abromowitz, David. 1991. "Housing Law Symposium: An Essay on Community Land Trusts: Towards Permanently Affordable Housing." [61 Miss. L.J. 663](#).

*Abromowitz reviews the Community Land Trust model, conceptions of property, lease restrictions, re-sale price limitations, among other mechanisms for limited equity housing. This paper also takes a comparative look at different methods for limiting equity and their legal implications. He writes "the CLT model...attempts to disconnect the typical rigid link between legal title property and claims on value." In this model, property is conceived in terms beyond merely private or public.*

Axel-Lute, Miriam. 2010. "Homeownership today and tomorrow: Building assets while preserving affordability." National Housing Institute for the Cornerstone Partnership, a program of NCB Capital Impact.

[http://www.nhi.org/research/2054/homeownership\\_today\\_and\\_tomorrow\\_building\\_assets\\_while\\_preserving\\_affordabi/](http://www.nhi.org/research/2054/homeownership_today_and_tomorrow_building_assets_while_preserving_affordabi/)

*In this report, Axel-Lute reviews recent research on the ability of CLTs to enable asset accumulation—despite the limited equity model. She also identifies the long-term affordability of CLTs, as compared to other federal or state low-income housing programs. She finds that CLTs can significantly assist with wealth creation.*

Boehm, Thomas and Alan Schlottmann. 2004. "Wealth Accumulation and Homeownership: Evidence for Low-Income Households." *Washington, DC: Office of Policy Development and Research, U.S. Department of Housing and Urban Development.*

<http://www.huduser.org/portal/publications/HOMEOWN/WAccuNHomeOwn.html>

*Boehm and Schlottmann find that asset opportunities (other than housing) are limited. Instead, housing-based wealth accumulation still plays a significant role for low-income families. Moreover, powerful social benefits generated through homeownership also reinforce these positive effects.*

Brown, Mike. 2011. Partner, Burlington Associates, interview conducted by Rebecca Baran-Rees.

Cohen, Helen. 1994. "Diminishing returns: A critical look at subsidy recapture." In *The affordable city: Toward a third sector housing policy*, J. E. Davis, ed. Philadelphia, PA: Temple University Press.

*This chapter focuses on the limited benefits of subsidy recapture (as opposed to subsidy retention). Cohen highlights that the general efficacy of subsidy recapture depends*

*largely on local housing market conditions. Recapture does not limit the appreciation of housing costs, expand the supply of affordable housing—but have been politically easier to sell to local government.*

[Corbett, Peter. 2010. "Land Trust program to help low-income buyers." \*The Arizona Republic\*, August 20, 2010.](#)

Article summarized, see page 13 of this report.

Davis, John E. 1994. *The Affordable City: Toward a Third Sector Housing Policy*. Philadelphia: Temple University Press.

*This book, through a collection of papers addresses the features and challenges of what Davis calls "third sector housing." In a comprehensive review, the book features case studies of affordable housing programs in cities across the U.S. as well as critical analysis on housing policy.*

Davis, John E. 2006. "Shared Equity Homeownership: The Changing Landscape of Resale-Restricted, Owner-Occupied Housing." National Housing Institute.  
[http://www.nhi.org/research/522/shared\\_equity\\_homeownership/](http://www.nhi.org/research/522/shared_equity_homeownership/)

*In this report, Davis has compiled a large share of his material on shared-equity housing models, discussing the design, enabling policies, and performance of various approaches. This paper also makes a strong case for the strength, flexibility and utility of shared-equity homeownership.*

Davis, John E. and Rick Jacobus. 2008. "The City–CLT Partnership Municipal Support for Community Land Trusts." Policy Focus Report, Lincoln Institute of Land Policy.  
[https://www.lincolinst.edu/pubs/dl/1395\\_712\\_City-CLT-Policy-Report.pdf](https://www.lincolinst.edu/pubs/dl/1395_712_City-CLT-Policy-Report.pdf).

*Jacobus and Davis wrote this report with City managers in mind. This report highlights efforts taken by city governments across the country that have implemented or assisted CLTs. The report also discusses the shifting nature of local government intervention in CLT activities, in many cases transitioning from solely a participant, to a catalyst for CLT development.*

Harvard Joint Center for Housing Studies' State of the Nation's Housing 2007.  
<http://www.jchs.harvard.edu/publications/markets/son2007/index.htm>

*As the title implies, this report reviews a broad array of indices for determining the quality and character of the housing market. The report addresses "softening housing prices" and sub-prime mortgage loans, among other challenges. This report also denotes the growing pressure of housing costs along an increasing number of income brackets.*

Heffter, Emily. 2010. "Deal to turn dead-end project into affordable housing," *Seattle Times*, November 17, 2010.  
[http://seattletimes.nwsourc.com/html/localnews/2013461139\\_housing18m.html](http://seattletimes.nwsourc.com/html/localnews/2013461139_housing18m.html)

*This article highlights a Seattle project to transform a subdivision into affordable housing. Homestead CLT will limit the land appreciation to 1.5 percent per year, transforming vacant 3 and 4-bedroom houses into permanently affordable housing stock.*

Homestead CLT. Organizational website. <http://www.homesteadclt.org/about-homestead>

Jacobus, Rick. 2007. "Shared equity, Transformative Wealth." Center for Housing Policy. [http://www.clnetwork.org/doc\\_library/p311-Rick%20chp\\_se\\_transwealth\\_0407%5B1%5D.pdf](http://www.clnetwork.org/doc_library/p311-Rick%20chp_se_transwealth_0407%5B1%5D.pdf).

*According to Jacobus, given the (traditionally) modest risk of homeownership, wealth accumulation still largely depends on home-based assets. This, he argues, has led to the growth of the middle class, and is particularly important in times of limited social spending by governments. Limited-equity homeownership can offer significant opportunity for wealth creation for those typically excluded from private-homeownership.*

Mintz-Roth, Jesse. 2008. "Long-Term Affordable Housing Strategies in Hot Housing Markets." Fellowship Program for Emerging Leaders in Community and Economic Development, Joint Center for Housing Studies of Harvard University. [http://www.jchs.harvard.edu/publications/homeownership/w08-3\\_mintz-roth.pdf](http://www.jchs.harvard.edu/publications/homeownership/w08-3_mintz-roth.pdf)

*This paper details the variety of methods for building or promoting affordable housing, particularly in strong housing markets like New York City. While local initiatives do not replace federal efforts to maintain affordable housing, local governments can do better to regulate housing trust funds and promote shared-equity models.*

Paul, Cory (2009). Chinatown land trust helps low-income housing. *San Francisco Chronicle*. June, 2009. <http://www.sfclt.org/news-a-info-mainmenu-70/news-about-sfclt-mainmenu-86/sf-chronicle-june-2009>

*This article highlights efforts by San Francisco Land Trust to preserve affordable housing and protect apartments from encroaching development. The SFCLT helped to convert an apartment complex in Chinatown into a limited-equity property.*

Robinson, Carla. 2008. "Valuation and Taxation of Resale-restricted, Owner-occupied Housing." *Lincoln Institute of Land Policy Working Paper*, 2008. [http://www.lincolninst.edu/pubs/1384\\_Valuation-and-Taxation-of-Resale-restricted--Owner-occupied-Housing](http://www.lincolninst.edu/pubs/1384_Valuation-and-Taxation-of-Resale-restricted--Owner-occupied-Housing)

*In this report, Robinson reviews the ways in which shared-equity housing has been addressed in five states: California, Massachusetts, New Jersey, New York and Vermont. She finds that there is great variation among states regarding the assessment and taxation of properties. She also notes that restrictions on owner-occupied resale-restricted housing can be incorporated into affordable housing policies.*

[Scheneggenburger, Andy. 2011. "Bringing CLTs to Scale in Atlanta," Shelterforce, February 2011.](#)

*Article summarized, see page 2 of this report.*

Thaden, Emily. 2010a. "Outperforming the Market: Making Sense of the Low Rates of Delinquencies and Foreclosures in Community Land Trusts." [http://www.cltnetwork.org/doc\\_library/p308-FINAL%20NCLTN%20Foreclosure%20&%20Delinquency%20survey%20report%206--10-10%20PDF.pdf](http://www.cltnetwork.org/doc_library/p308-FINAL%20NCLTN%20Foreclosure%20&%20Delinquency%20survey%20report%206--10-10%20PDF.pdf)

*In a sample of 42 CLTs from 22 states, Thaden reviews foreclosure cure rates among CLTs in 2009. She closely examines the low-rates of delinquencies among CLTs—finding that CLTs assisted 51 percent of mortgages that were seriously delinquent in 2009, as compared to national cure rates of 6.6 percent. She also finds that these low foreclosure rates are due in large part to the community services CLTs provide including pre-purchase education, stewardship, high-risk loan prevention, delinquency detection and intervention*

Thaden, Emily and Greg Rosenberg. 2010b. "Outperforming the Market: Delinquency Rates in Community Land Trusts." Land Lines, October 2010. [http://www.richmondfed.org/conferences\\_and\\_events/community\\_development/2011/pdf/landlines.pdf](http://www.richmondfed.org/conferences_and_events/community_development/2011/pdf/landlines.pdf)

*While largely a shortened version of her previous piece, she summarizes several interesting findings. Pre-purchase education, intervention with delinquent homeowners, high-risk loan prevention and property stewardship are among the many preventive measures CLTs promote.*

## Resources on CLTs and Shared Equity

1. National Community Land Trust Network:  
<http://www.cltnetwork.org/index.php?fuseaction=Main.News&page=3> National Community Land Trust website: <http://www.cltnetwork.org/index.php>
  - The CLT toolkit for practitioners:  
<http://www.cltnetwork.org/index.php?fuseaction=Blog.dspBlogPost&postID=111>
2. The National Housing Institute, which publishes a journal of affordable housing and community building, *Shelterforce* is also a good resource for CLT and shared equity news: <http://www.shelterforce.org>
  - A brief primer by John Davis on shared equity;  
<http://www.nhi.org/pdf/SharedEquityHome.pdf>
  - There's also this "Investing in Community Land Trusts" which highlights (from the funder point of view) why they love CLTs:

[http://www.nhi.org/research/2053/investing\\_in\\_community\\_land\\_trusts\\_a\\_conversation\\_with\\_clt\\_funders/](http://www.nhi.org/research/2053/investing_in_community_land_trusts_a_conversation_with_clt_funders/)

3. Housingpolicy.org has many resources available for practitioners looking to strengthen their housing programs or retool them to better suit their community's needs. Here's their discussion of shared equity in weak markets:  
[http://www.housingpolicy.org/toolbox/strategy/policies/shared\\_equity.html?tierid=219](http://www.housingpolicy.org/toolbox/strategy/policies/shared_equity.html?tierid=219)
4. The Lincoln Institute for Land Policy is one of the leading think tanks for shared-equity policy. This is one of their reports on CLTs and cities:  
[https://www.lincolninst.edu/pubs/dl/1395\\_712\\_City-CLT-Policy-Report.pdf](https://www.lincolninst.edu/pubs/dl/1395_712_City-CLT-Policy-Report.pdf)
5. Institute for Community Economics: <http://www.nhtinc.org/ice.php>, a Community Development Financial Institution that makes CLT loans.
6. Burlington Associates are widely considered to be the best shared-equity consulting firm in the US.
7. Community-Wealth.org offers several lists of CLT related research and news articles:  
<http://www.community-wealth.org/strategies/panel/clts/models.html>

#### **Foreclosure and CLTs:**

1. Outperforming the Market: Making Sense of the Low Rates of Delinquencies and Foreclosures in Community Land Trusts by Emily Thaden:  
[http://www.cltnetwork.org/doc\\_library/p308-FINAL%20NCLTN%20Foreclosure%20&%20Delinquency%20survey%20report%206--10-10%20PDF.pdf](http://www.cltnetwork.org/doc_library/p308-FINAL%20NCLTN%20Foreclosure%20&%20Delinquency%20survey%20report%206--10-10%20PDF.pdf)
  - An earlier (2008) CLT foreclosure survey: <http://www.community-wealth.org/pdfs/articles-publications/clts/article-misak-et-al.pdf>
  - National Community Land Trust Network also has a lot of information on shared equity, the foreclosure crisis, and NSP:  
<http://www.cltnetwork.org/index.php?fuseaction=Blog.dspBlogPost&postID=1531>
2. The Cornerstone Partnership has been very active recently providing resources and webinars for practitioners that deal with foreclosure and CLTs:  
<http://affordableownership.org/events/using-nsp/>
3. NeighborWorks America has created a site to help practitioners trying to stabilize their communities, many of their strategies include share-equity solutions:  
<http://www.stablecommunities.org/>
4. The Center for Housing Policy also has a user-friendly site to help practitioners trying to stabilize their communities, many of their strategies include share-equity solutions:  
<http://www.foreclosure-response.org>
5. Case study of two CLTs dealing with foreclosure in Providence, RI:  
[http://www.policylink.org/site/c.lkIXLbMNJrE/b.5287265/k.2349/15\\_Case\\_Study\\_Providence.htm](http://www.policylink.org/site/c.lkIXLbMNJrE/b.5287265/k.2349/15_Case_Study_Providence.htm)
6. Here's a list of more articles, bookers, papers, and reports that discuss CLTs and foreclosure: <http://www.community-wealth.org/strategies/panel/clts/articles.html>

### **Tools and forums for practitioners:**

1. The National Community Land Trust Network has established a listserv to keep practitioners updated on the latest news and innovations with CLTs:  
<http://www.cltnetwork.org/index.php?fuseaction=Blog.dspBlogPost&postID=1525>
2. The forum of housingpolicy.org and foreclosure-response.org:  
<http://forum.housingpolicy.org/group/neighborhoodstabilization/forum/topics/shared-equity-with-nsp-funds>
3. A quick means of studying the affordability of housing markets by metropolitan area:  
[http://www.ichs.harvard.edu/publications/homeownership/w08-3\\_mintz-roth.pdf](http://www.ichs.harvard.edu/publications/homeownership/w08-3_mintz-roth.pdf)
4. HUD provides a foreclosure risk tool designed for NSP, but available to everyone for free: [http://www.huduser.org/datasets/nsp\\_target.html](http://www.huduser.org/datasets/nsp_target.html)
5. The Brookings Institution provides a free tool called MetroMonitor that allows housing practitioners to assess characteristics of metro housing markets across the country:  
<http://www.brookings.edu/metro/MetroMonitor.aspx>
6. The National Community Stabilization Trust provides a number of programs and services for NSP grantees to help them acquire REO properties quickly and at reasonable prices:  
[http://www.stabilizationtrust.com/programs\\_services/property\\_acquisition/](http://www.stabilizationtrust.com/programs_services/property_acquisition/)
7. Burlington Associates, a national CLT consultancy, offers a detailed guide for how to start a CLT: <http://stores.lulu.com/burlingtonassociates>