



AFFORDABLE HOMES NOW AND FOREVER

The Virginia Statewide Community Land Trust is a nonprofit organization that maintains permanently affordable homes for households that earn low to moderate incomes.



Homeowner owns the home



**VSCLT owns the land and
leases it to the homeowner**

HOW DOES A COMMUNITY LAND TRUST (CLT) WORK?

CLTs create permanently affordable homes by retaining ownership of the land and selling only the house to an income qualified buyer. At closing, the homebuyer signs the Ground Lease which leases the land and governs the relationship between the homebuyer and VSCLT.

VSCLT supports homeowners at every step along the CLT journey to ensure happiness, safety, and success in their home.

WHY CLTS MATTER: GUARANTEED AFFORDABILITY

Because the homebuyer is only buying their home and not the land, the purchase price is more affordable. This also results in a smaller down payment and lower monthly mortgage expenses.

The CLT model allows families to build wealth through their monthly mortgage payments. In exchange for buying the house at a lower price, a CLT homeowner agrees to pass on the gift, and sell the home at a price that is affordable to someone in a similar financial situation.



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HOMEBUYER'S CHECKLIST

- 1 Work with Havenmore to declare your interest and begin the application process.
- 2 Complete application with West Piedmont Planning District Commission.
- 3 Obtain a mortgage pre-approval letter from an approved CLT mortgage lender.
- 4 Complete Homebuyer Education class and VSCLT Homebuyer Orientation session.
- 5 Sign a sales contract, finalize mortgage, and complete other necessary steps to purchase a CLT home!

APPROVED MORTGAGE LENDERS

- Freedom First
- C&F Mortgage
- Virginia Credit Union
- TowneBank Mortgage

Household Size	Max Yearly Income
1 person	\$57,288
2 people	\$65,472
3 people	\$73,656
4 people	\$81,840
5 people	\$88,387
6 people +	\$94,934





GROUND LEASE

- The VSCLT Ground Lease gives homeowners a 99-year renewable contract to use the land underneath a VSCLT home. The Ground Lease governs the relationship between VSCLT and homeowners and includes program requirements and resale restrictions.

RESALE FORMULA

- The resale formula, included in the Ground Lease, determines the future resale price of your home should you choose to sell.
- The Villa Heights development will use VSCLT's 25% appraisal-based resale formula. The future resale price will equal the original purchase price of the home PLUS 25% of the increase in the appraised market value of the home.



HOME MAINTENANCE & IMPROVEMENTS

- By signing the Ground Lease, homeowners can make use of the land as if they own it. This also means homeowners have full responsibility for maintenance and upkeep of the home and the land.
- However, if the homeowner wishes to significantly upgrade the home or the land, a capital improvement request would need to be approved by VSCLT.





BECOMING A VSCLT HOMEOWNER

BENEFITS OF OWNING A VSCLT HOME

VSCLT provides homeownership opportunities for buyers who earn low to moderate incomes. Benefits of becoming a VSCLT homeowner include:

- Villa Heights homes are built to an extremely high quality
- Build wealth through paying down a mortgage and modest home appreciation
- Qualifying for a mortgage may be easier because a smaller down payment is required
- Property taxes are reduced to reflect the affordable price of the home
- Homes can be passed down to designated heirs
- Ongoing relationship with VSCLT for support and input into VSCLT governance

RESPONSIBILITIES OF BEING A VSCLT HOMEOWNER

In exchange for the benefits of affordability, VSCLT homeowners agree to several responsibilities, including:

- Qualify for a mortgage and complete pre-purchase homeownership education
- Live in the home as their primary residence
- Pay an annual \$100 Ground Lease fee to VSCLT
- Pay property taxes for both the home and land at a reduced assessment value
- Maintain the home and property in good condition
- Obtain approval from VSCLT for major home improvements
- Sell to another income-qualified buyer at an affordable price in the future



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