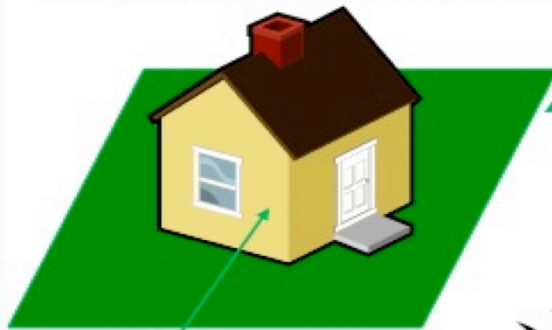


# Community Land trusts basics and history in Boston

## Community Land Trusts: *How do they work?*



Buildings (residential or commercial) are owned by individuals. Because they pay only for the structure, and not the underlying land, purchasing the building is more affordable.

Land is owned by the Community Land Trust, which is governed by a non-profit board.



A 99-year ground lease between CLT and owner ensures owner-occupancy and responsible use and outlines fees paid to the CLT.

A resale formula built in to the ground lease is designed to keep homes affordable for subsequent buyers.



## Homeownership on a CLT



### Family owns the home

- Home can be passed on to children
- 100% of improvements are added to the value of the home to increase homeowner's equity
- Homeowner can access equity loans and refinance while he/she lives in the house
- Homeowner makes decisions about upgrades, repairs, paint color, etc.
- Homeowner pays property taxes at residential exemption rate
- Homeowner receives federal tax deductions for mortgage interest and property taxes

### Community Land Trust owns the land

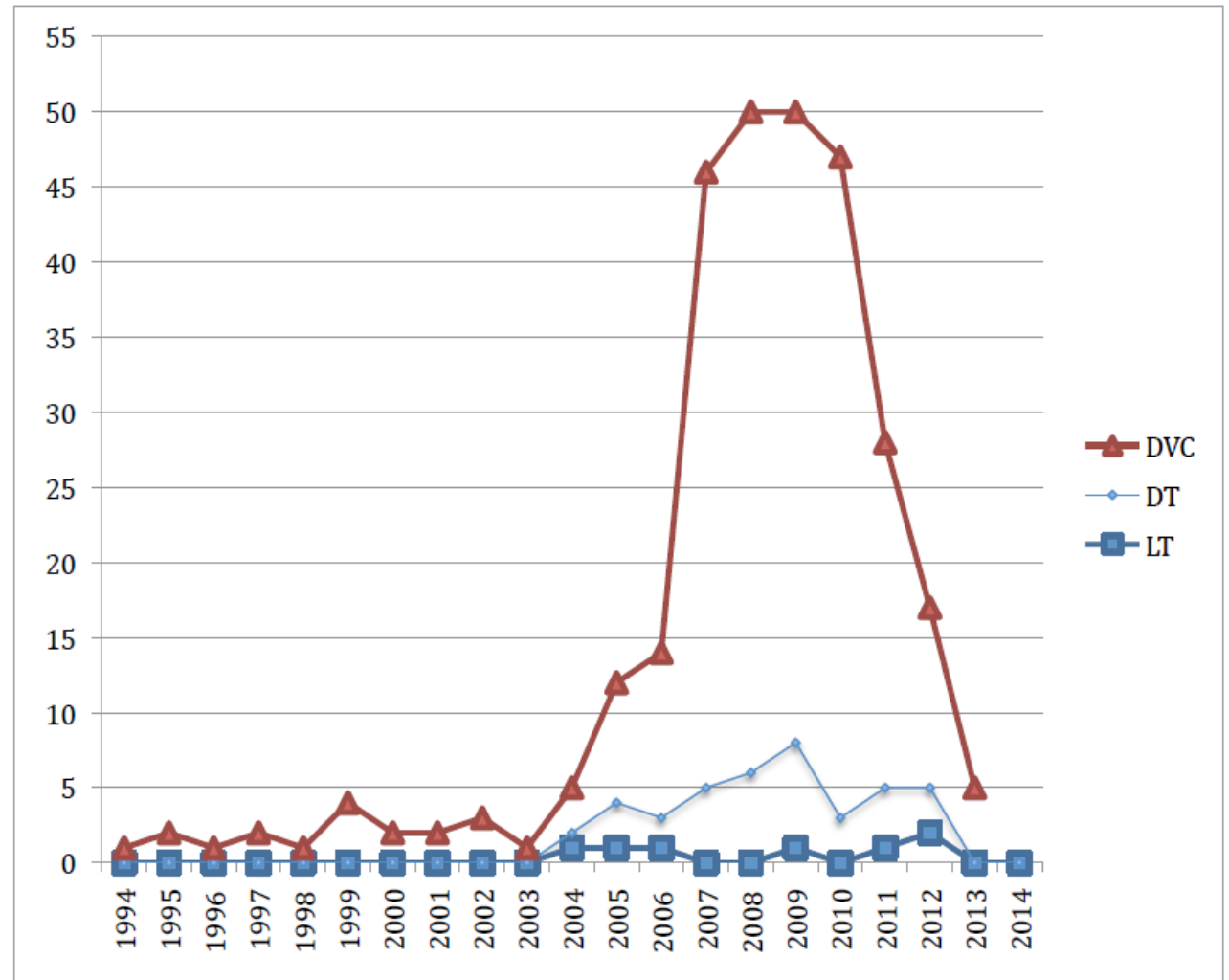
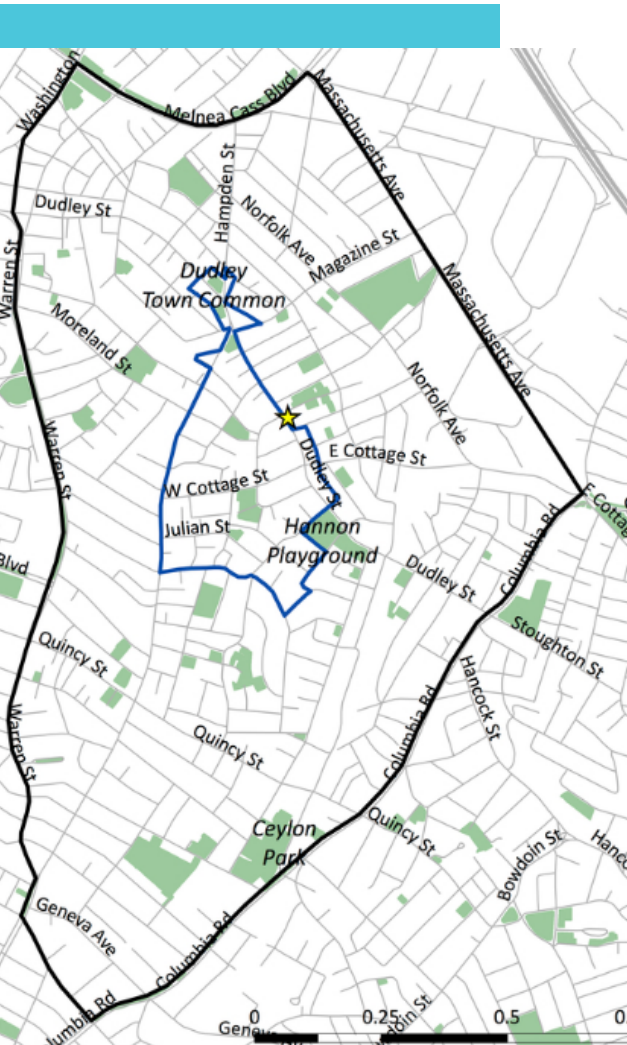
- Due to 99-year deed restriction, homeowner must sell to another income-qualified, first time homebuyer (or back to CLT who runs a lottery for the sale)
- CLT works with homeowner and bank to avoid foreclosure
- CLT and CLT community provide support and counseling around debt, home repair and other issues affecting family's stability

le formulas  
by land trust  
value always  
eases at a  
dy rate and  
ains under  
ket value.

Resell Date	Year after Purchase	Original Sales Price	Allowed Appreciation	Allowed sales price prior to addition of improvements	Added improvements	Allowed Resell Value
7/8/1995	1	\$90,000	100.500%	\$90,450		
7/8/1996	2	\$90,000	101.000%	\$90,900		
7/8/1997	3	\$90,000	101.500%	\$91,350		
7/8/1998	4	\$90,000	102.000%	\$91,800		
7/8/1999	5	\$90,000	102.500%	\$92,250		
7/8/2000	6	\$90,000	103.000%	\$92,700		
7/8/2001	7	\$90,000	103.500%	\$93,150		
7/8/2002	8	\$90,000	104.000%	\$93,600		
7/8/2003	9	\$90,000	104.500%	\$94,050		
7/8/2004	10	\$90,000	105.000%	\$94,500		
7/8/2005	11	\$90,000	105.000%	\$99,225		
7/8/2006	12	\$90,000	105.000%	\$104,186		
7/8/2007	13	\$90,000	105.000%	\$109,396	\$21,775	
7/8/2008	14	\$90,000	105.000%	\$114,865		
7/8/2009	15	\$90,000	105.000%	\$120,609		
7/8/2010	16	\$90,000	105.000%	\$126,639		
7/8/2011	17	\$90,000	105.000%	\$132,971		
7/8/2012	18	\$90,000	105.000%	\$139,620		
7/8/2013	19	\$90,000	105.000%	\$146,601		
7/8/2014	20	\$90,000	105.000%	\$153,931		\$175,706

As of January 22, 2015 Dudley Neighbors Inc. certifies that 122 Moreland Street is valued at \$175,706

Fig 1: Homes foreclosed by year (1994-2014)



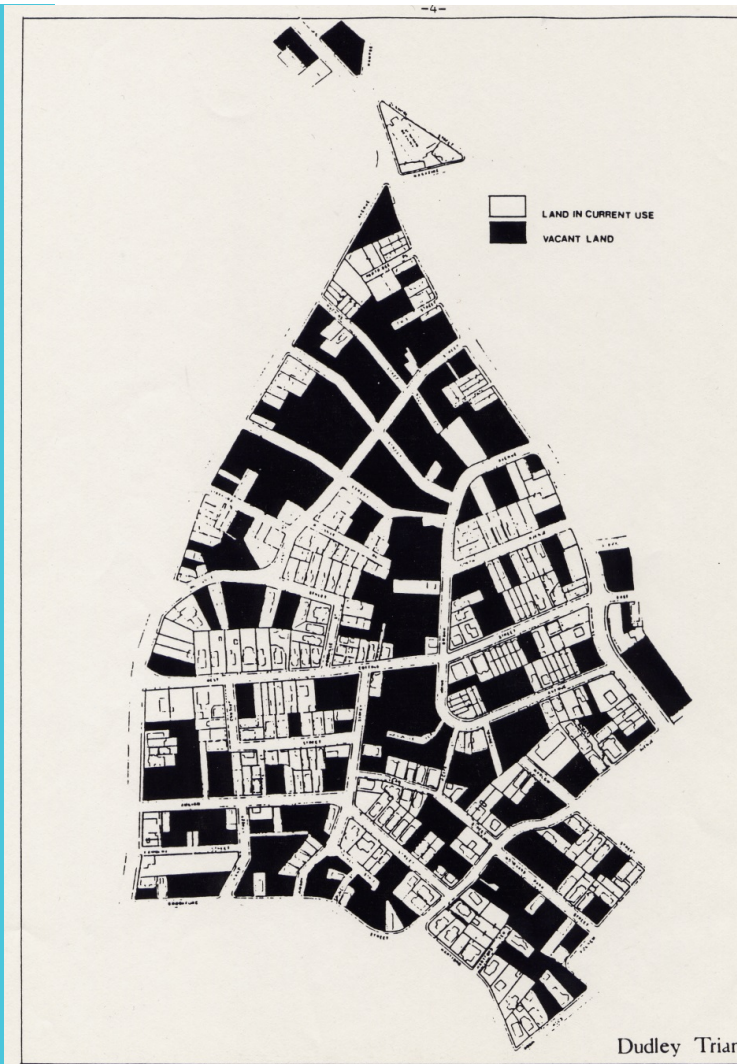
Between 1994-2014 the foreclosure rate in the neighborhood (DVC) was 6% versus 1.7% on the land trust.



and trust

first 36 homes

DNI owns and  
developed over 32  
of the 62 acres  
Dudley Triangle



DNI-Owned Parcels in the Dudley Triangle



DSNI, Roxbury, MA



BEFORE



AFTER







• Ribbon cutting at 16 North Ave,  
Youth Build and Madison Park  
financed by Boston Private

## What's currently on the Dudley Neighbors, Inc. land trust?

- 95 Units of Permanently Affordable Homeownership for low-income families
- 1 single family home for middle income family
- 77 Cooperative Housing Units
- 52 Rental Units (owned by Dorchester Bay EDC)
- Trina Persad Playground
- Mini-orchard & Garden
- 10,000 sq foot community Greenhouse
- Non-profit Office Space
- Commercial Space
- 2 acres of urban farm land (managed by The Food Project and Urban Farming Institute)



What is coming  
for DNI?



Staff and board team

- Up to 95 homeowners interested in refinancing or selling their homes to other income-qualified buyers
- 3-4 story commercial building (RFP closes July 2016)
- Expanding our community land trust outside of the Dudley Triangle including:
  - 10 new construction homeownership units in 2017
  - 10-15 new construction homeownership units in 2018

Supporting other land trusts around Greater Boston in their formation and development!

# ding ortunities n other land ts in ton

The Greater Boston Community Land Trust Network is made up of 11 organizations exploring and/or implementing the CLT model including:

- **COHIF (The Coalition of Occupied Homes in Foreclosure)**
- Goal of CLT: buy scattered site foreclosed and at-risk properties occupied by low and moderate income individuals and families and convert the properties into permanently affordable housing.
- Lending opportunity: acquisition financing (to purchase the properties) and then construction/perm financing to rehab and operate the properties long term. In the future hoping to include homeownership
- **The Urban Farming Institute**
- Goal of the CLT: hold developed farm sites or land ready to be developed as urban farms in Boston, protect the use as farms and lease them to individual farmers to grow for the market.
- Lending opportunity: Capital to purchase land or or to make capital improvements on leased (long term) land and start up funding for farming enterprises.
- **Chinatown Community Land Trust**
  - housing for very low-income tenants, preserving cultural spaces, rehabbing and preserving historic row houses as affordable housing

Organizations in Somerville, Chelsea, Allston, Hyde Park, Mattapan and along the Fairmont Corridor are also exploring land trusts for homeownership and rental housing, commercial space, community gardens and urban farms.

over 260 CLTs  
across the US  
growing

