Graphic 2: How a CLT works

The CLT will:

- Acquire property in a focused area from various sources
- Facilitate rehab or new construction
 - Set sales price to ensure permanent affordability*
 - Find qualified buyer and provide supportive services

CLT Sells Structure to Buyer

CLT Still Owns Land

Provides 99-year Lease to Buyer



If owner wants to sell:

- S CLT sets new sales price to ensure affordability*
- Previous owner recoups original investment and gains some equity based on appreciated value
- New income-qualified owner is able to afford property

Land remains perpetually in CLT ownership

CLT Ownership

Income-Qualified Owner

Future Income-Qualified Owner(s)

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* CLTs subsidize the cost of new construction or rehabilitation primarily using philanthropic or governmental funding, which is how CLTs are able to offer homeownership at an affordable price. This subsidy stays with the property forever, underwriting the purchase price again and again for generations to come.