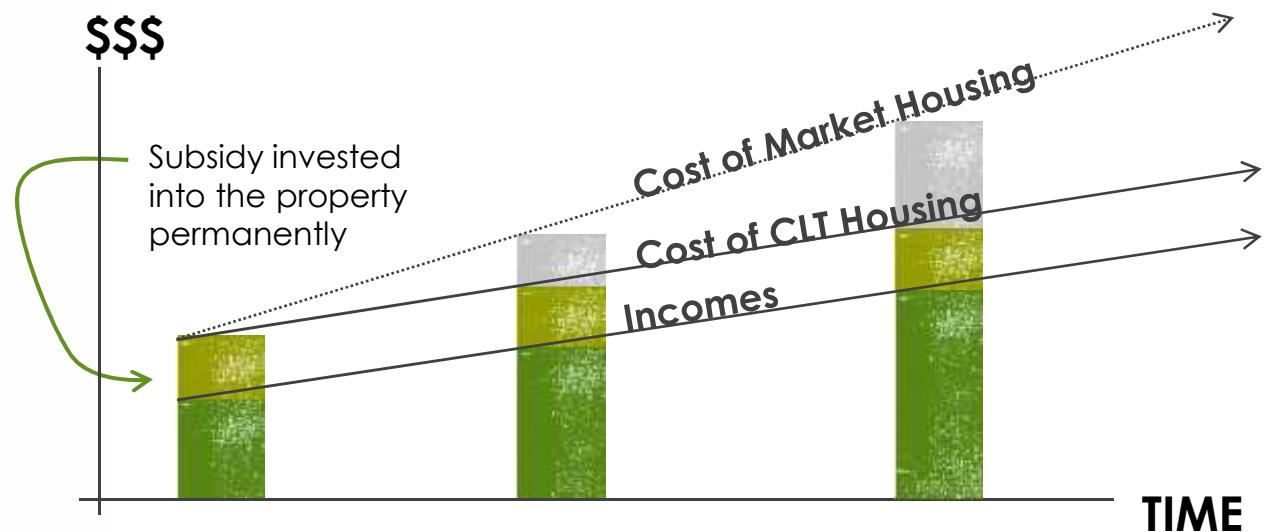
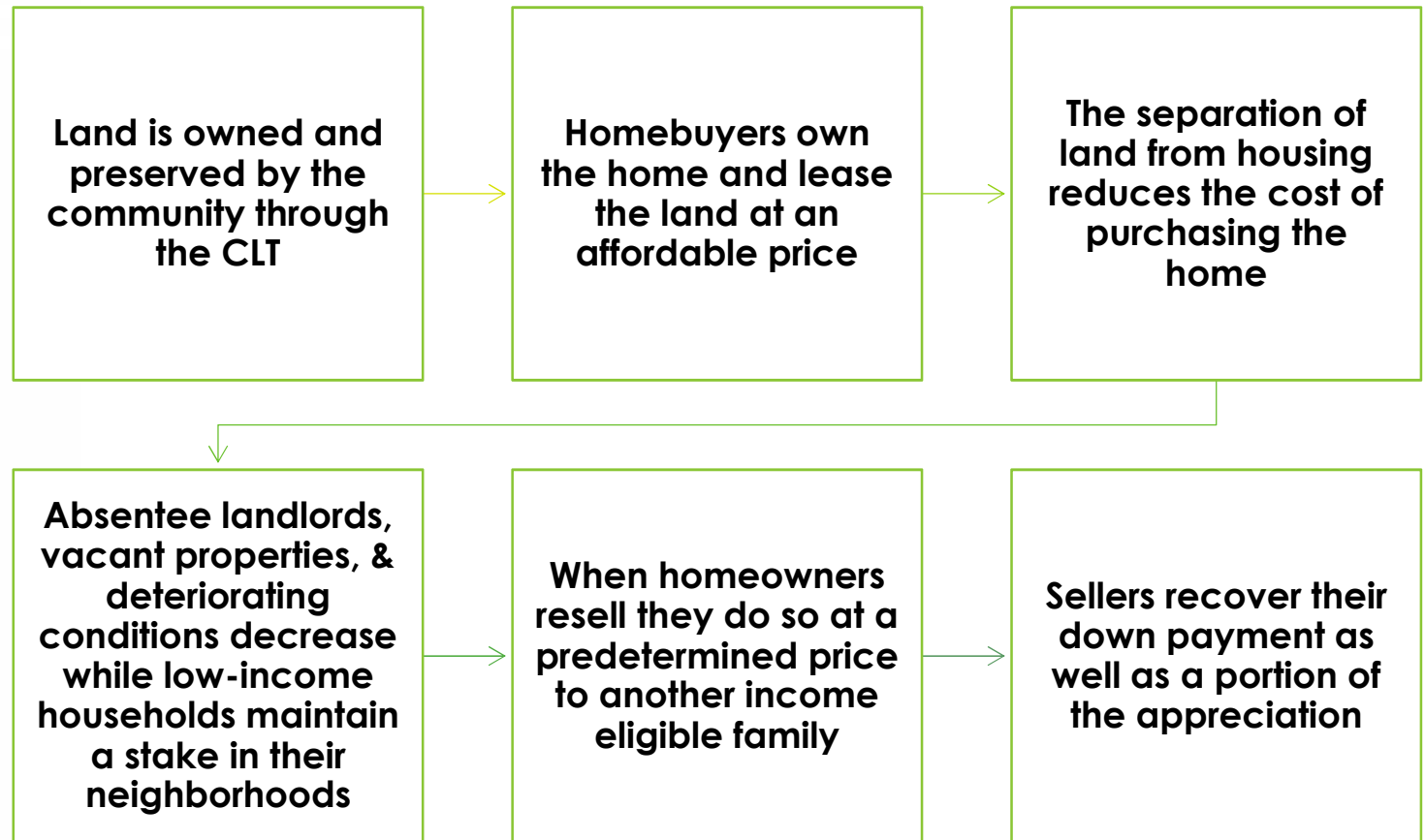


## CLT MODEL: SUBSIDY RETENTION

- Preserves affordability over time with a one-time subsidy
- When buyers resell, they do so at a pre-determined price to an income-qualified buyer



# HOW DOES IT WORK? THE CLT CYCLE



**HOUSING REMAINS AFFORDABLE  
FOREVER THROUGH ONE INITIAL  
PUBLIC SUBSIDY**

# APPRAISAL BASED RESALE FORMULA EXAMPLE

- Original Value (by appraisal) = \$170,000
- Original Purchase Price = \$140,000
- Owner's Share of Appreciation = 25%

## Resale

- Value at Resale (by appraisal) = \$210,000
- Increase in Value ( $\$210,000 - \$170,000$ ) = \$40,000
- Owner's share ( $\$40,000 \times 25\%$ ) = \$10,000
- Resale Price = \$150,000
- ( $\$140,000 + \$10,000$ )

**THE CLT MODEL  
IS FLEXIBLE &  
WORKS WITH  
MANY  
AFFORDABLE  
HOUSING  
STRATEGIES**

- Permanently Affordable:
  - Inclusionary Zoning (IZ)
    - CLT units developed with in-lieu fees
    - IZ produced units sold through a land trust
    - CLT manages resale of IZ unit
    - By design, CLT's well suited to administer IZ programs.
  - Rental Housing
    - Land leased to rental development to ensure permanent affordability vs expiring LURA
  - New Construction
    - Surplus land can be developed for affordable housing
    - Commercial or residential
  - Acquisition & Rehabilitation
    - Redeveloped units sold or rented through a CLT