

## How do CLT homes act as the first rung of the home ownership ladder?

In a Community Land Trust, the subsidy is locked in to the home, not given to the buyer directly. This creates *permanent* affordability, because instead of just increasing the first buyer's purchasing power, the subsidy is combined with the resale formula, which decreases the cost of the home forever. This allows future buyers to benefit from the same initial subsidy.

CLT homes are resold, on average, every 7 years. This means each home in Phase I of the Lawrenceville CLT can house 14 families over the next 99 years.



2017



2024-2116



Subsidy per home = \$25,000  
 Subsidy per buyer over 99 years (assuming homes resell every 7 years) = \$1,250  
 Average second debased mortgage = \$30,000 (and growing with inflation)

70% of CLT homebuyers go on to buy a market rate home, using the equity they gained by becoming a CLT homeowner.



goes on to access market rate home ownership



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