

Affordable
Home Ownership
for Alaskans



#### How a Community Land Trust Works:

- Land is acquired and placed in a 99 year trust
- House is built and house deed separated from land deed
- Homebuyer buys only the house
- Land is leased for modest monthly fee \$50 @ SCLT

## **Initial Affordability**

- No Land Cost
- Small House
- Whatever subsidies can be brought to bear

### **Permanent Affordability**

- Profit taking is limited at resale
- The resale formula which SCLT adopted:
  - Owner keeps all equity purchased by downpayment and monthly payments
  - + 25% of increase in appraised value

# Resale Formula - Permanent Affordability

\$ 280,000 initial home purchase price

**\$ 330,000** initial appraisal in 2022

**\$430,000** appraisal in 2024

Seller gets 25% of increase in appraisal (\$25,000) plus their equity (\$12,000 in this case)

**\$305,000** resale price in 2024 (\$280,000 + \$25,000)





Community | Opportunity | Equity | Sustainability | Affordability