

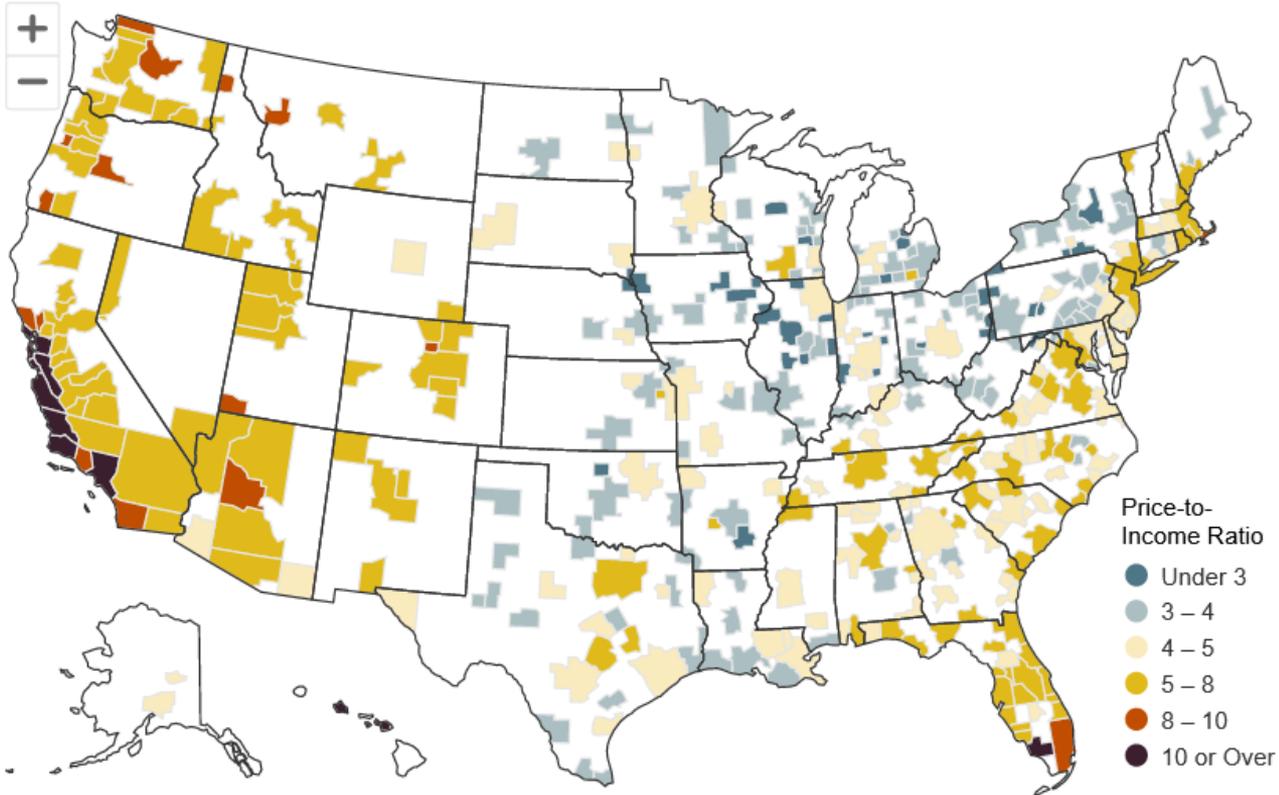


Housing Strategy Committee
Subcommittee on Homeownership
March 15, 2024



2022

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[Interactive map](#)

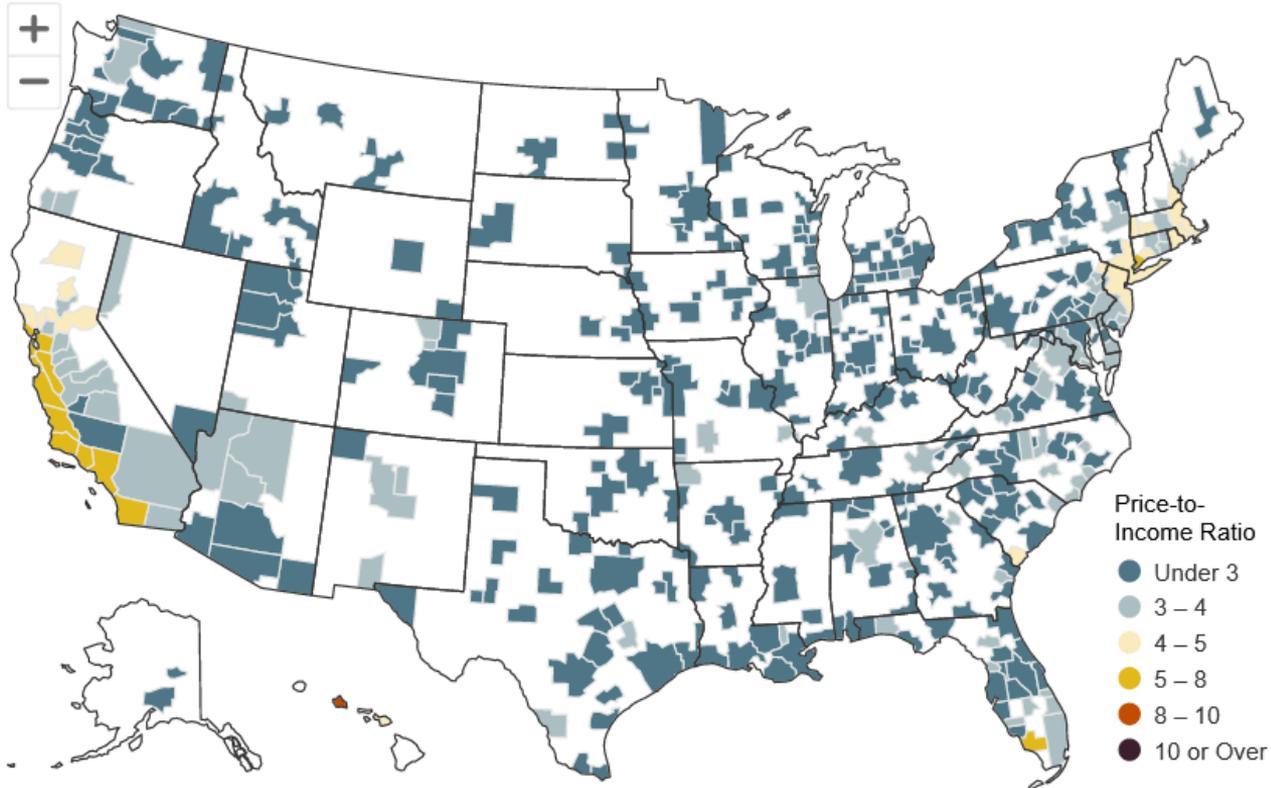
Note: Home prices are the median sale price of existing single family homes and incomes are the median household income within markets. Income data for 2022 are based on Moody's Analytics forecasts.

Source: JCHS tabulations of National Association of Realtors, Metropolitan Median Area Prices, and Moody's Analytics estimates.

1990

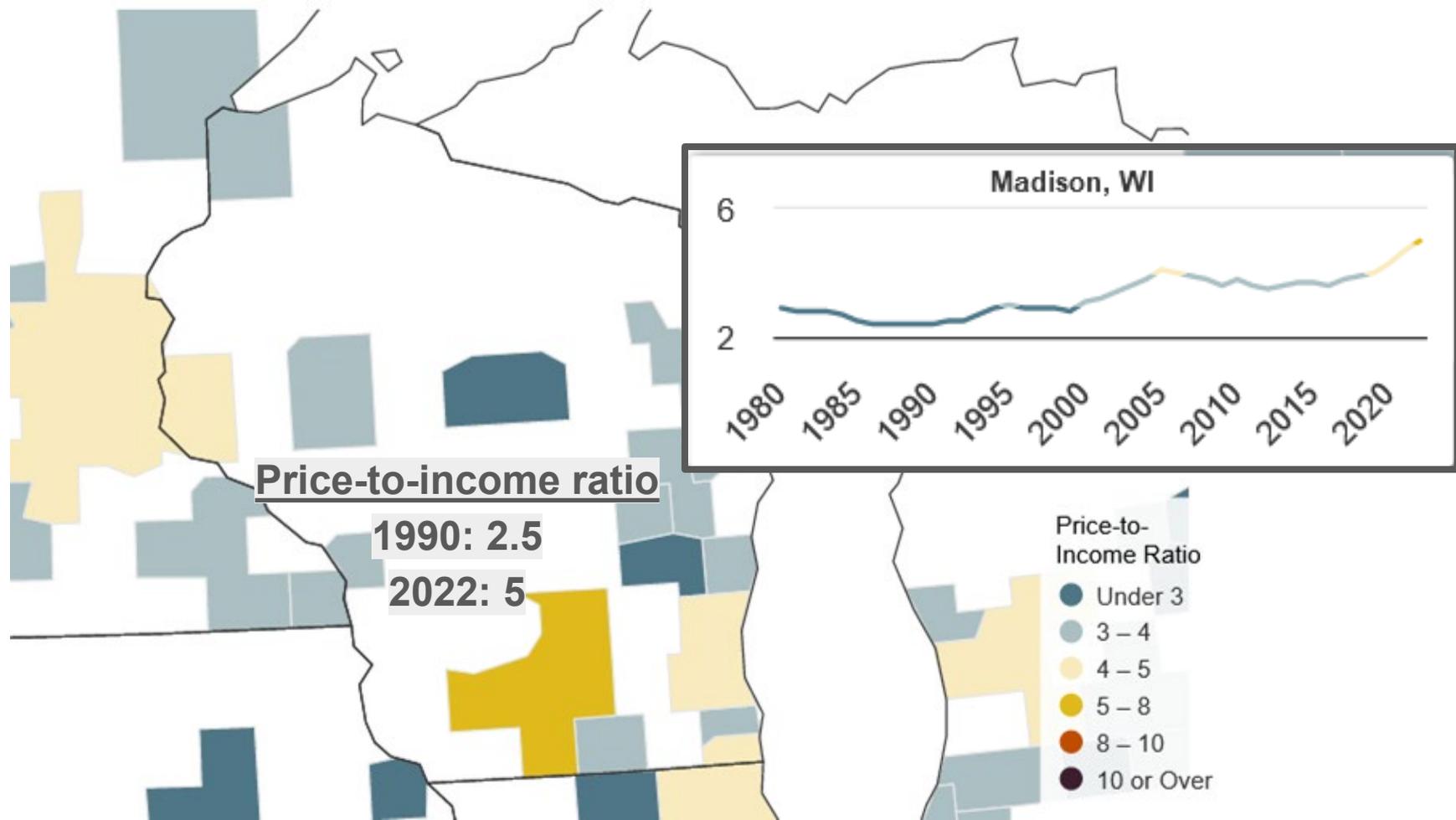
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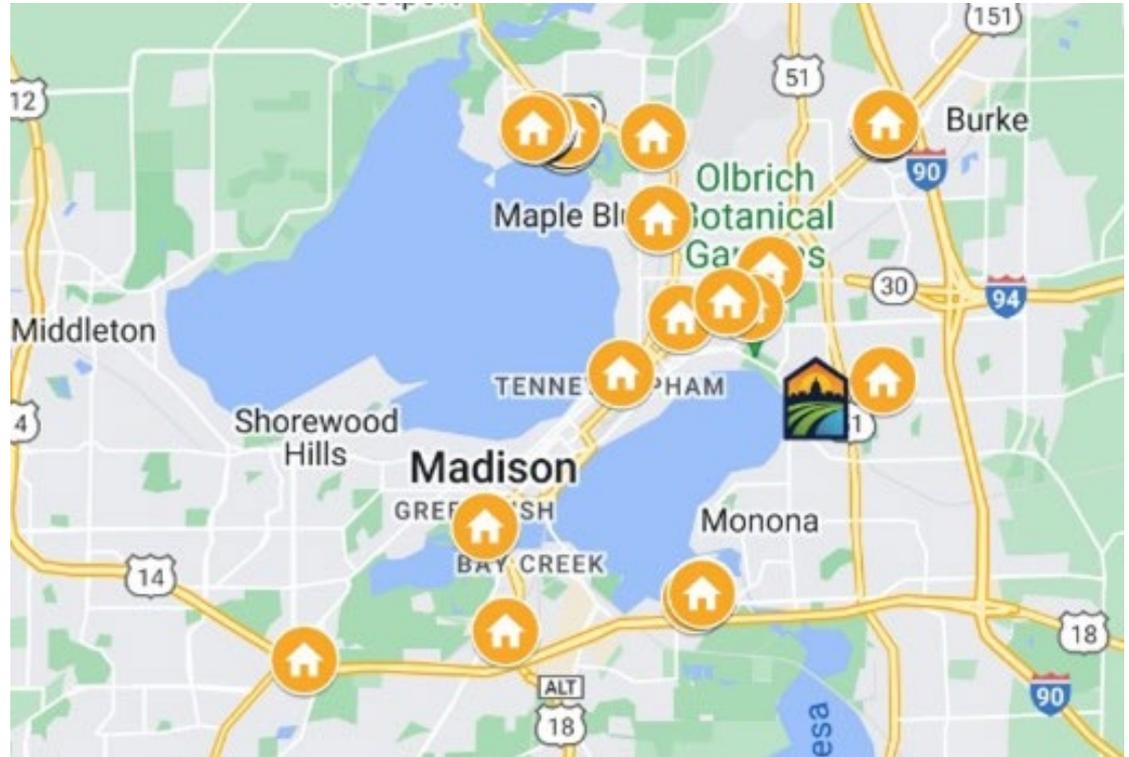
MACLT

Incorporated in
1990

62 permanently
affordable homes

123 families served

$\frac{1}{3}$ - $\frac{1}{2}$ of board is
always residents



Community Land Trust in Simple Terms

Initial
affordability
investment



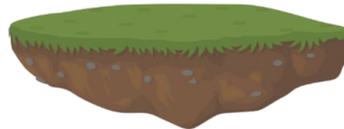
Low-income buyer gets a mortgage for the home only

Stays with
the land



Ground lease and resale formula keep the home affordable for ***all future buyers***

Multiplies in
impact over
time



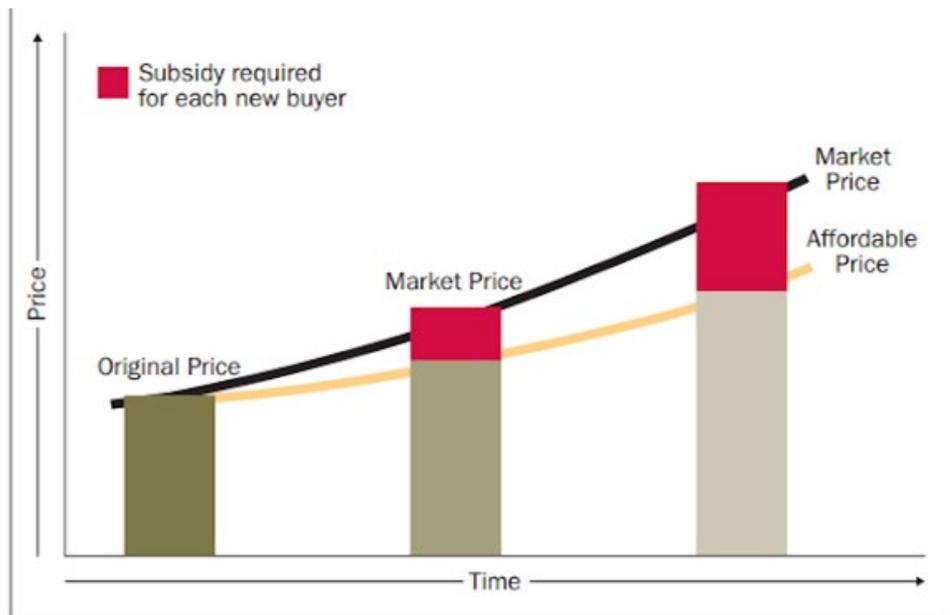
CLT owns the land and supports the homeowners long-term

Widening affordability gap

Greater subsidy needed over time to bring low-income people into homeownership

In 1993, affordability gap was \$16,000

Now, affordability gap \$150,000+



Acquisition-Rehabilitation Project Example

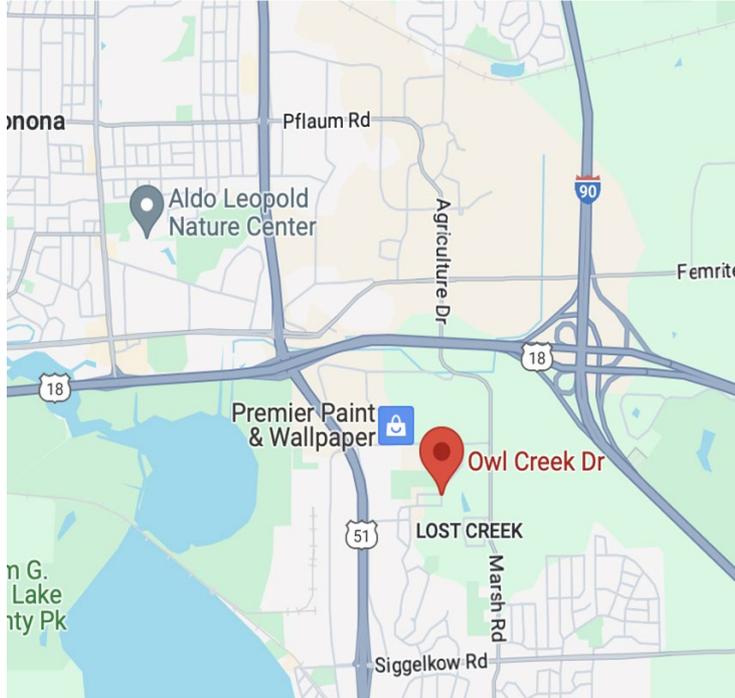
	\$240,000 Appraised Value (pre-rehab)
+	\$92,000 Home rehab
	\$332,000 Total Project Cost
-	\$116,000 City Affordable Housing Fund
-	\$30,000 in donated value from seller
=	\$186,000 Sale price
-	\$10,000 FHLBC Down Payment Plus
-	\$35,000 City of Madison HBAD
-	\$7,500 WHEDA Capital Access DPA
=	\$134,000 WHEDA 1st Mtge (@ 6.125%)



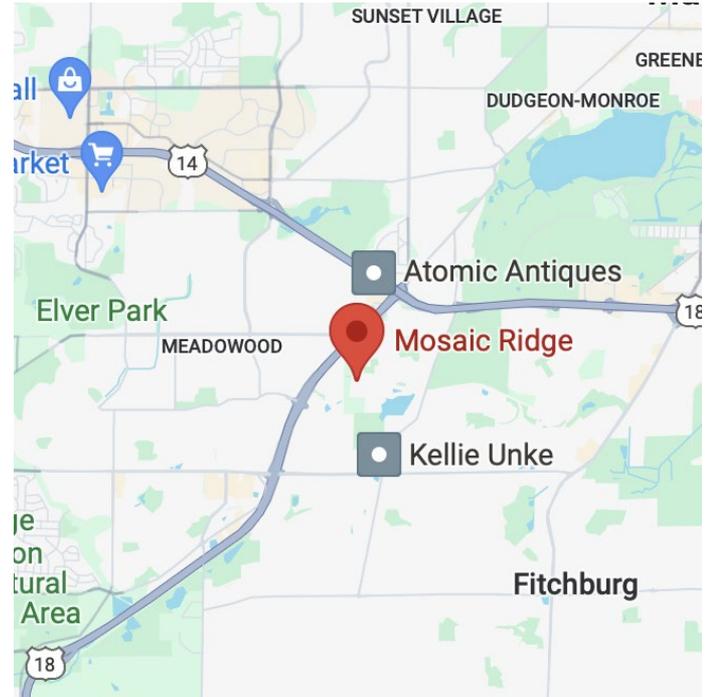
Sold to family of 5 at 32% AMI (\$43,000 income)

Year of future sale	2028	2033	2038	2043
Future sale price (1% APR)	\$ 195,300	\$ 204,600	\$ 213,900	\$ 223,200

2024 New construction of 6 units



Two twin homes (4 units) at a parcel we were awarded by the City of Madison in Owl Creek.



Two single-family homes on a parcel we were awarded by the City of Madison in Mosaic Ridge.

CLT Benefits

Benefits to Homeowners

- Stable monthly housing expenses
- Home equity \$\$ for starting a business, paying tuition, or buying a market-rate home
- Autonomy over their home
- Post-purchase support
- Opportunity to pass home to heirs
- 90% reduction in foreclosure rate

Public Benefit

- Efficient use of public funds: *investment stays with the land forever*
- Generations of place-based impact
- Provides homeownership pathways for marginalized
- Creates needed supply of workforce housing

Suggestions for increasing CLT units

- Land bank - CLT pipeline
 - City acquires properties on transit, locations of quickly rising prices
 - Direct transfer to CLT
 - See Albany, Columbus, Richmond, Houston
- Bridge financing for acquisition-rehab
 - Line of credit to CLT for small sites
 - Streamlined approvals prior to closing
 - See: San Francisco's Housing Accelerator Fund
- Increased priority/incentives for permanent affordability
 - Fully forgiving loans if secured with 99 year LURA
 - May increase desire for partnerships among other organizations