Community Home Trust

Homes you can afford.

Neighborhoods you desire.

The Community Land Trust in Orange County, NC

99-Year Ground Lease

Our Model

Ownership without separating title

We hold the deed

OWNERSHIP

99 year renewable ground lease

Cannot sell their home to anyone at any price

Must be their primary residence

INVESTORS

Why do we need a CLT?

Median Home Prices 2016

Chapel Hill ▶ $337,000

Community Home Trust ▶ $107,000

Average Housing Costs = $895/month

Why do we need a CLT?

To control the land

History of Community Home Trust

1990
Created by the local governments

2000
Converted to a Community Land Trust at the request of the local governments

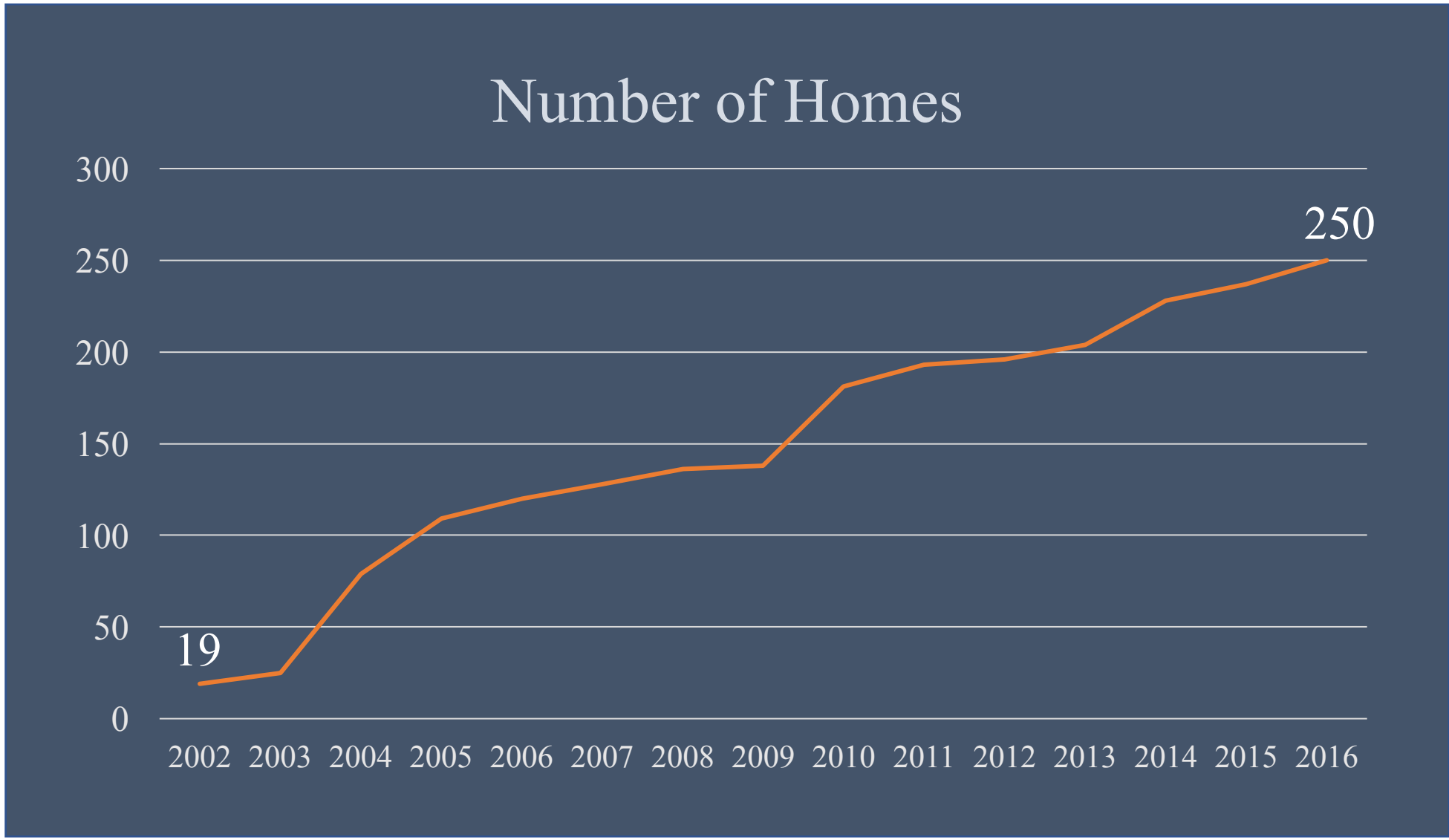
2001
Began implementing Chapel Hill's inclusionary housing policy

2016
250 Homes

2017-2021
Rental?

Growth of Affordable Housing Inventory

2002 - 2016



How it Works

Purchase Price

$125,000

(from developer)

How it Works

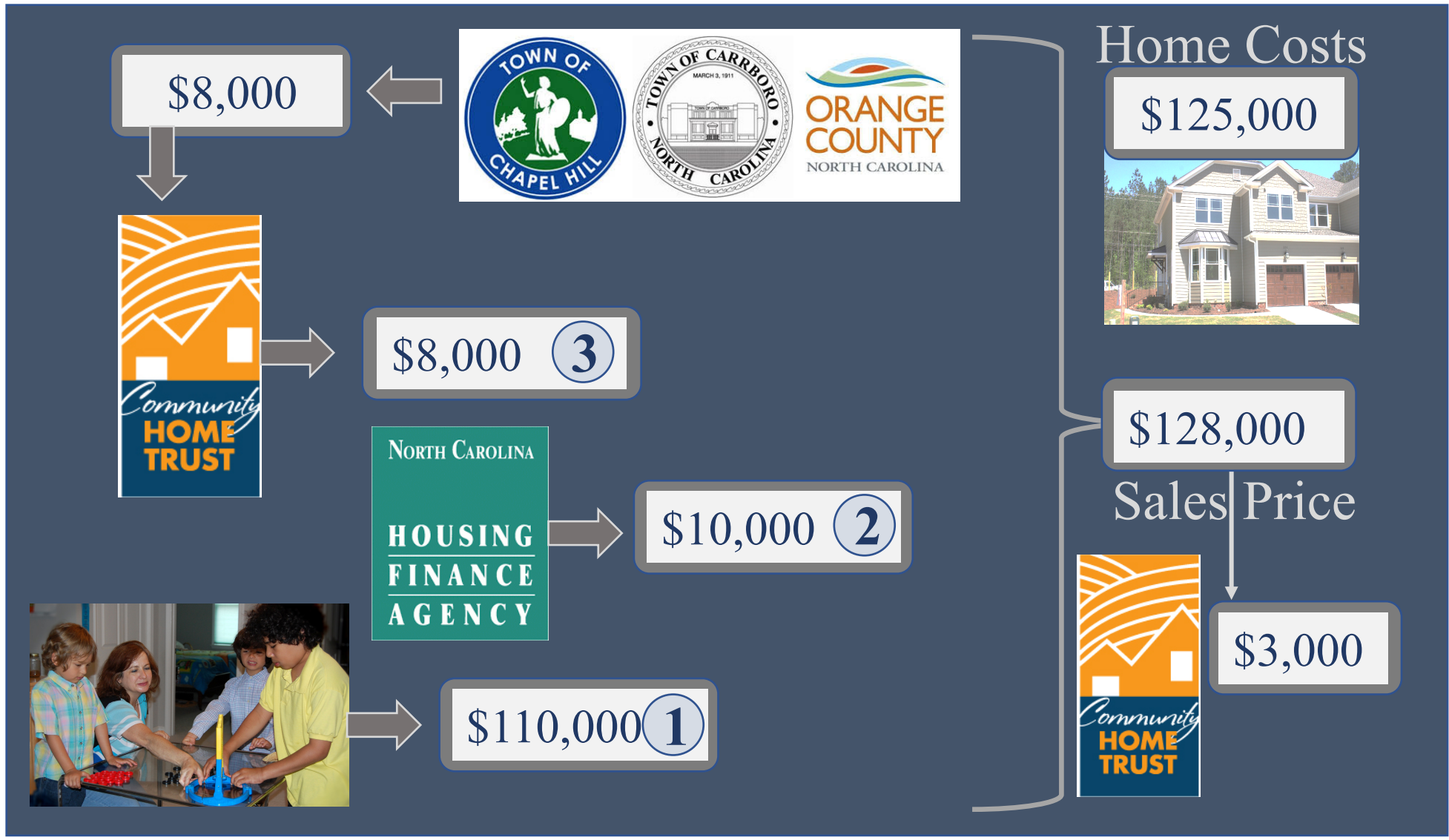
How it Works

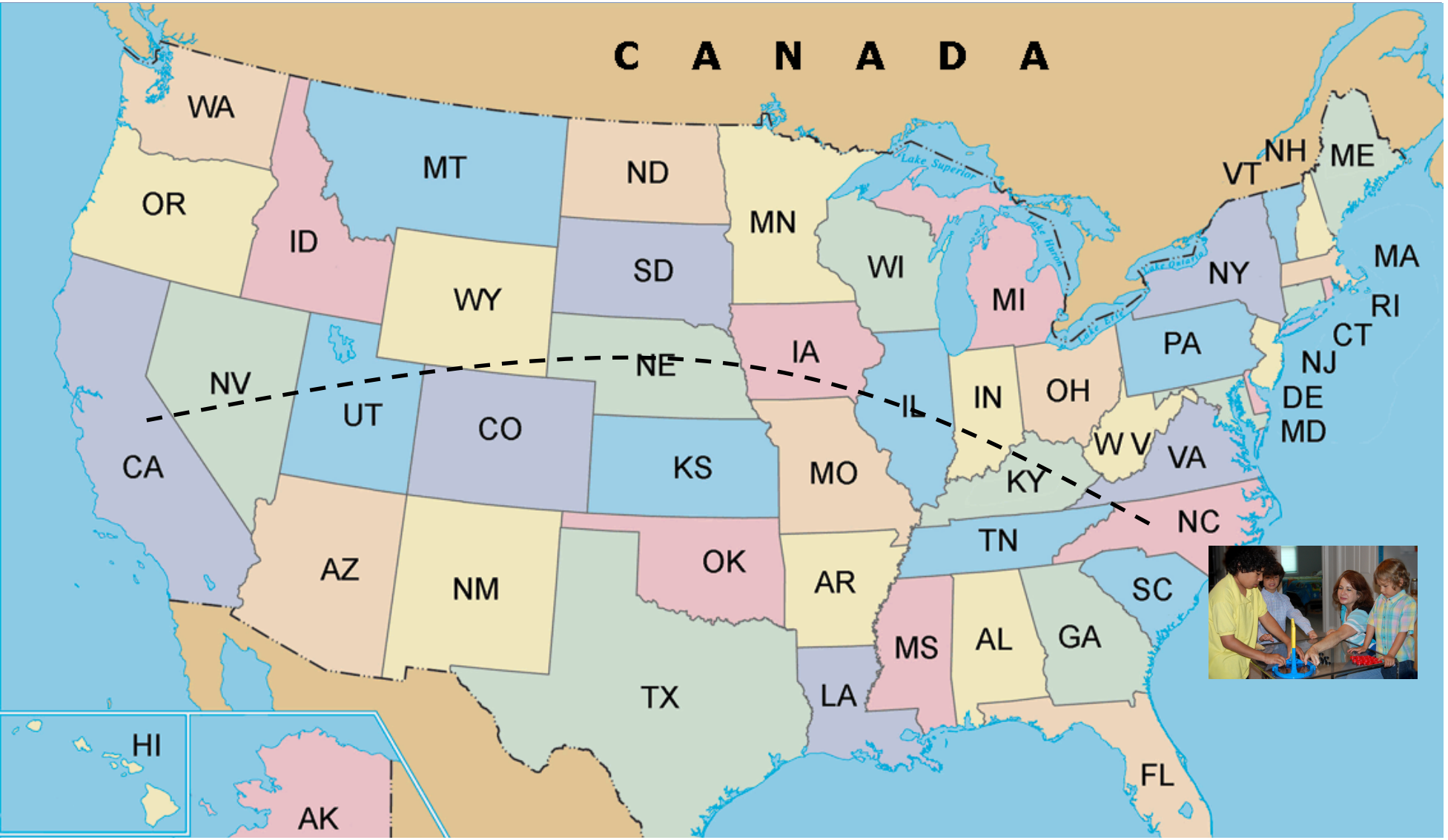
65% Area Median Income $46,000/year

$3,833/month x 28% = $1,073 max housing costs

$110,000 Mortgage

How it Works


$8,000
Town of Chapel Hill
Town of Carrboro
Orange County
North Carolina
Community Home Trust
$8,000 3
North Carolina Housing Finance Agency
$10,000 2
$110,000 1
Home Costs
$125,000
$128,000
Sales Price
$3,000
Community Home Trust



4- Years Later

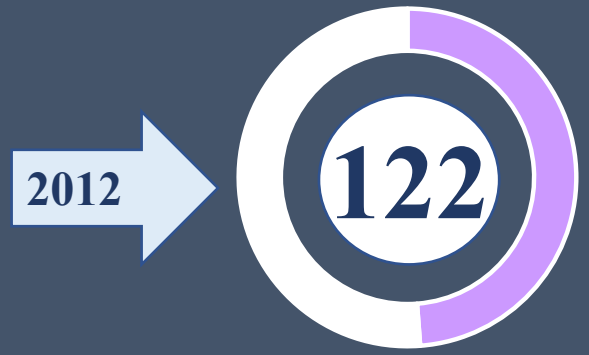
Limited Appreciation

Appraisal-Based (2001-2007)

Homeowners share a percentage of the actual increase (or decrease) in market value

1.5% Appreciation (2007-2012)

Homeowners earn 1.5% guaranteed appreciation compounded each year

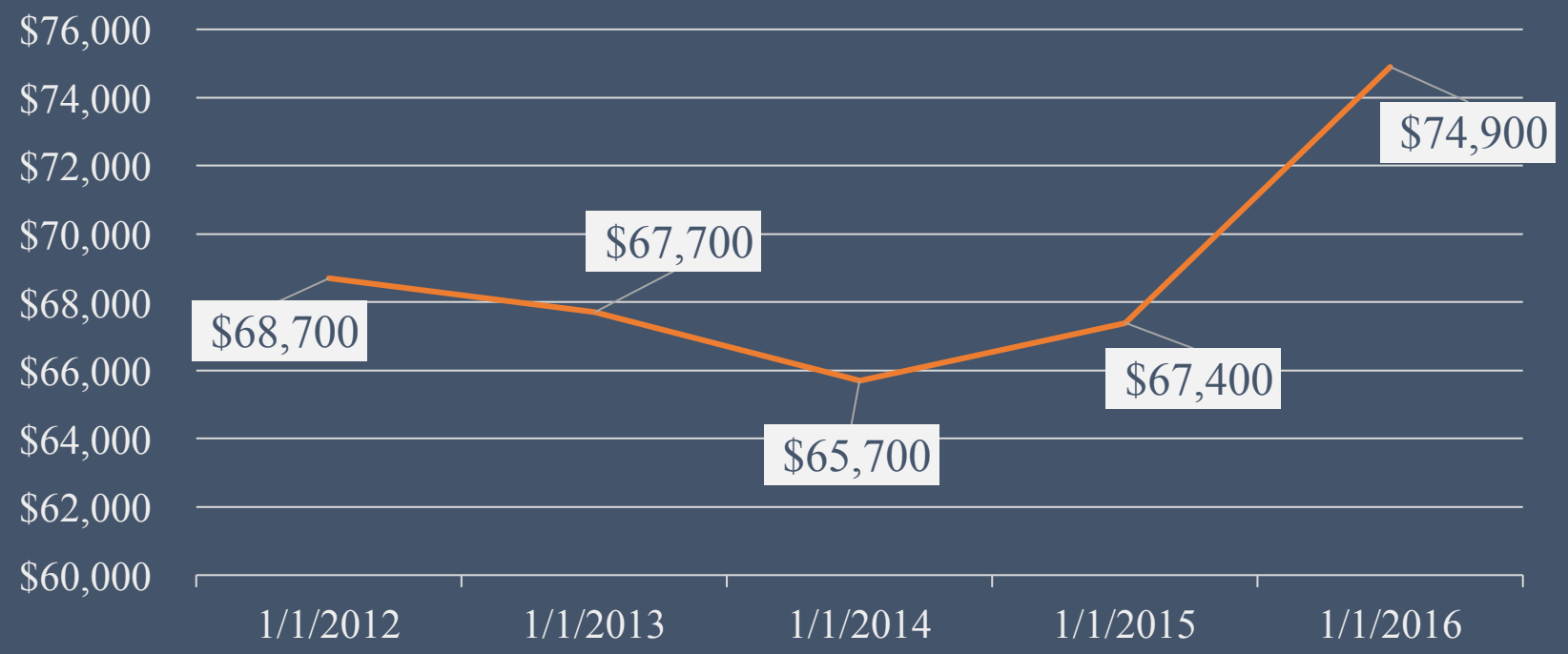


AMI Appreciation (2012-present)

Homeowners earn 0%-1% for each year of ownership. It is tied to the median family income published by HUD. Example: After 4 years of ownership 0%-4% of appreciation can be earned.

$6,200 = +9.02 % Max = 4% appreciation (4 years @ 1%/year)

Appreciation = $4,400



Example

$110,000

PROCEEDS FROM SALE

April 2012 – April 2016

Proceeds from Sale

Original Purchase Price	$128,000
Appreciation Earned	$4,400
CHT Purchase Price	$132,400
Less: Repayment of 1st Mortgage	($102,086)
Less: Repayment of NCHFA 2nd Mortgage	($10,000)
Less: Repayment of CHT 3rd Mortgage	($8,000)
Total Proceeds	**$12,314**

PROCEEDS FROM SALE

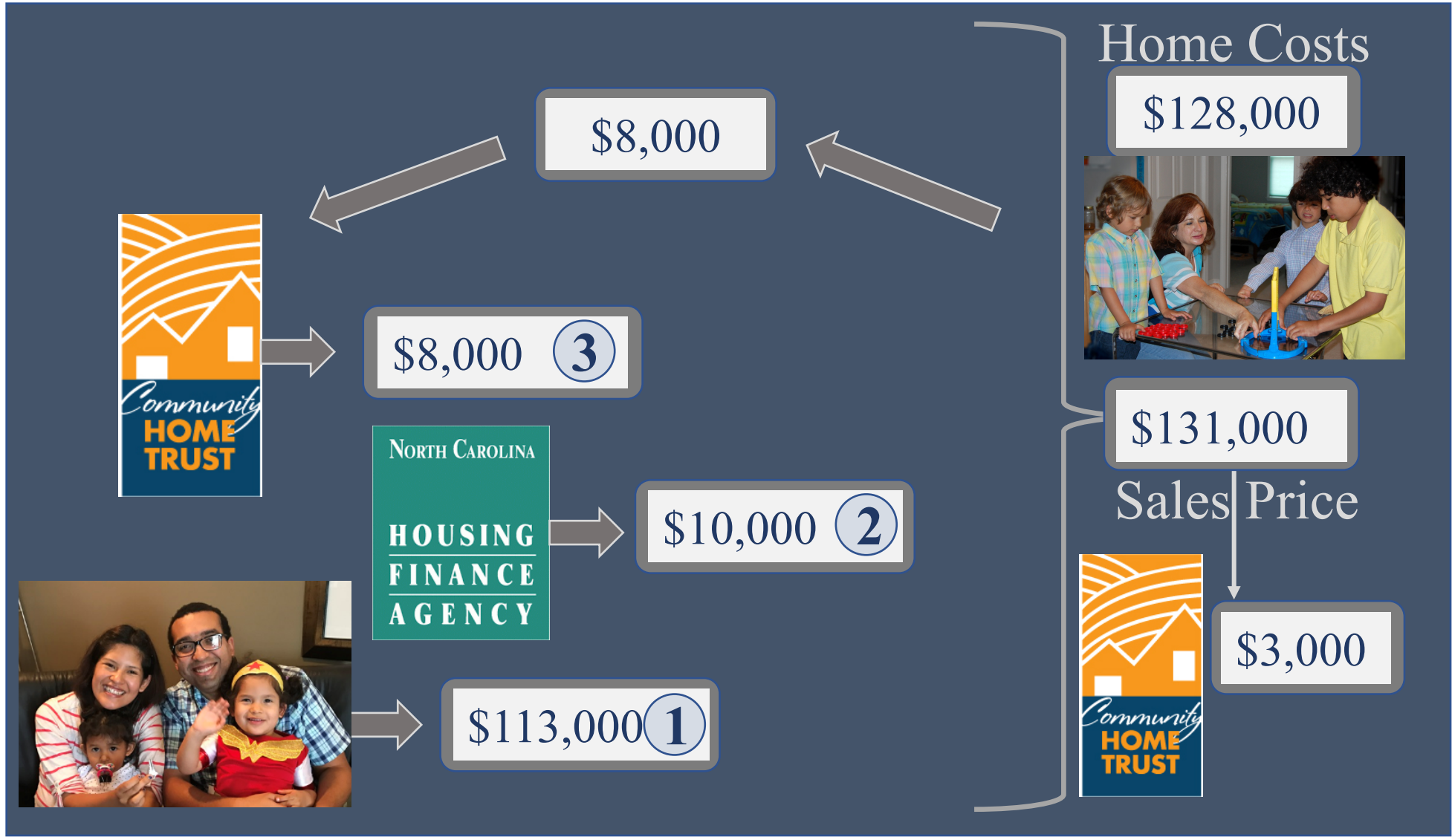
April 2012 – April 2016

Proceeds from Sale

Original Purchase Price	$128,000
Appreciation Earned	$0
CHT Purchase Price	$128,000
Less: Repayment of 1st Mortgage	($102,086)
Less: Repayment of NCHFA 2nd Mortgage	($10,000)
Less: Repayment of CHT 3rd Mortgage	($8,000)
Total Proceeds	**$7,914**

Incomes go down = $0 appreciation

How it Works

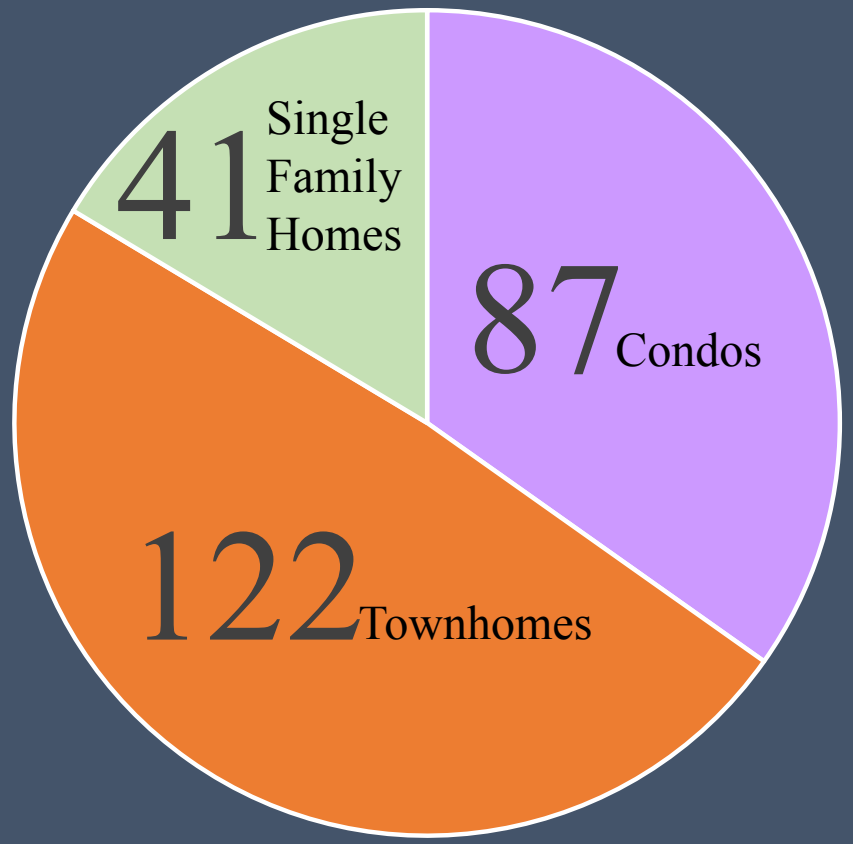

Home Costs
$128,000
$131,000
Sales Price
$3,000
$8,000
$8,000 3
Community HOME TRUST
North Carolina HOUSING FINANCE AGENCY
$10,000 2
$113,000 1

Community Home Trust

Robert Dowling
Executive Director
www.communityhometrust.org
rdowling@communityhometrust.org
919-967-1545

CHT Homes

By Type



Northside Initiative

The University of North Carolina at Chapel Hill

Self-Help Credit Union

Rebuilding Together Of the Triangle

EmPOWERment Inc

The Jackson Center for Saving and Making History

CASA

Habitat for Humanity Orange County, NC

Community Home Trust

How we get our homes

Affordable Housing Policy → Inclusionary Housing

Year 2000

TOWN OF CHAPEL HILL

Pacifica, Vineyard Square & Greenway

Claremont & Burch Kove

East 54 & Greenbridge

Before

After

Long-Term Maintenance

Stewardship Program

Begun
March 2007

$209,000 spent on
home repairs since 2008

As of January, 2017

>$1 Million

Saved for long-term maintenance

80% of homes
on stewardship

Property Management

Stewardship Program

Property Management

HOA Management

62 UNITS

- Ground lease restrictions
- Ensure affordability at purchase
- Stewardship & Property Management
- Education

Financial Counseling

- Budget Counseling
- Credit Counseling
- Foreclosure Prevention

Homebuyer Education

- First Time Homebuyer
- Section 8 Homeownership Program
- Habitat for Humanity Partnership

Home Maintenance

- New and Existing Homeowners

Education

75-100 counseling sessions per year

60 homebuyer education participants in Orange County

Quarterly maintenance classes held

305 CLTs IN THE U.S.

As of March 2017