

Ownership in Affordable Housing: A Conversation on San Antonio Community Land Trusts

May 1, 2024 | 8:30-10:30 am (CT)



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San Antonio Asset Funders Network

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Federal Reserve Bank of Dallas	Methodist Healthcare Ministries of South Texas
Frost Bank	River City Federal Credit Union
H.E. Butt Foundation	San Antonio Area Foundation
Jefferson Bank	Texas Capital
JPMorgan Chase & Co.	United Way of San Antonio and Bexar County
Mckenna Foundation	Wells Fargo

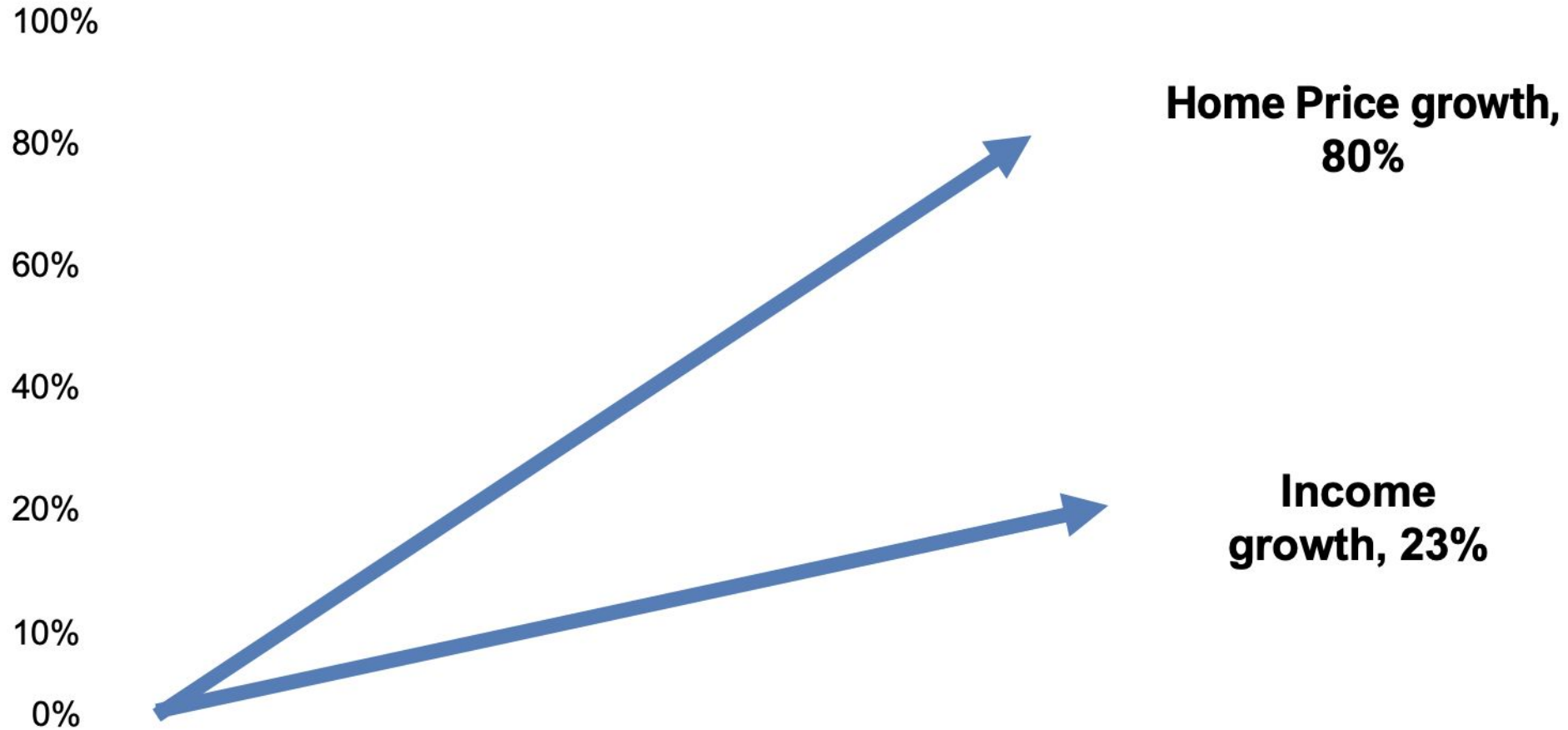
Chapter Purpose Statement

San Antonio Area AFN is a regional chapter of grantmakers who advance equitable wealth building and economic mobility. With a shared commitment to improving the financial wellbeing of people in our region, San Antonio Area AFN members collaborate within the nonprofit, public, and private sectors to share knowledge, put that knowledge to work through innovative practices and collaborative initiatives, and work to leverage and increase collective systemic investments in asset building.

<https://assetfunders.org/regional-chapter/san-antonio/>

The Issue – San Antonio

Home price growth vs. Income Growth 2020 -2024



The Issue – Nationally

“When you think about Maslow’s hierarchy of needs, and housing is right at that foundational level of security, the implications on consumer psyche when things feel so unaffordable is something that will impact everyone,” said Libby Rodney, chief strategy officer at Harris Poll. The American dream of owning a home “is looking more like a daydream for renters”.





With home ownership still one of the most reliable paths for low-to-moderate income (LMI) families to build intergenerational wealth, it is time for our community to collectively explore ownership options that are not restricted to those who can make homeownership work under market conditions.

Community Land Trust

Jason Webb, Community & Technical Assistance Principal



Presenter Information



Jason Webb, Community & Technical Assistance Principal

- Close to 40 Years of experience in Community Development, Community Organizing, Affordable Housing and Community Land Trust
- Grew up in Boston, MA
- Lead Dudley Street Neighborhood Initiative/Dudley Neighbors Inc for 15 years as Director of Operations & Served 10 years on the CLT board of Directors
- Started young in my own community of Dudley St.
- Manages all Technical Assistance engagements at Grounded Solutions





**GROUND
ED
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NETWORK**

strong communities
from the ground up

We work nationally, connecting local experts with the networks,
knowledge and support they need.

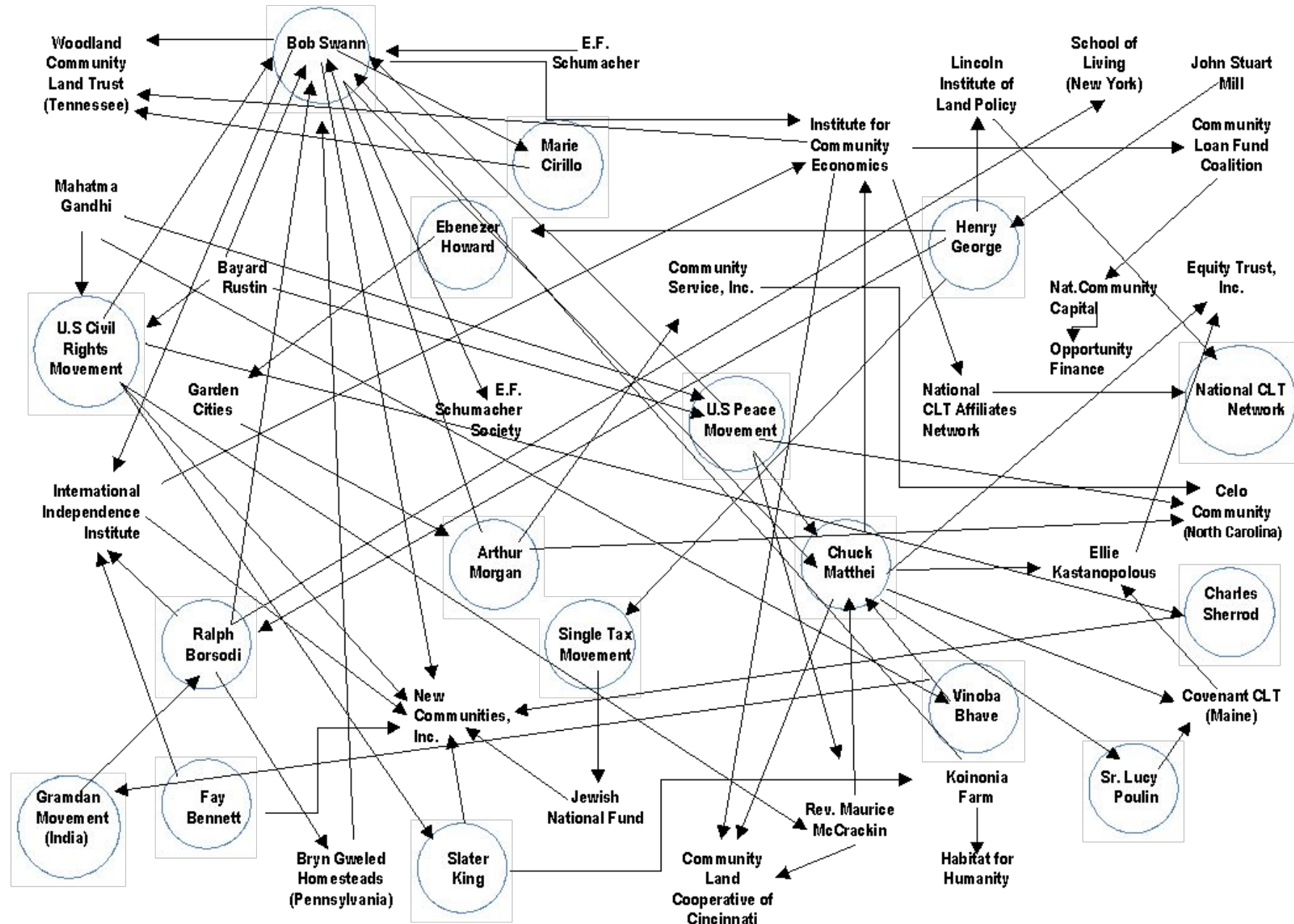
We promote housing solutions that will stay affordable for generations
so communities can stabilize and strengthen their foundation, for
good.



Roots of CLT

(Short version)

Roots of the Community Land Trust





1968
Exposer to a
new land
ownership
model



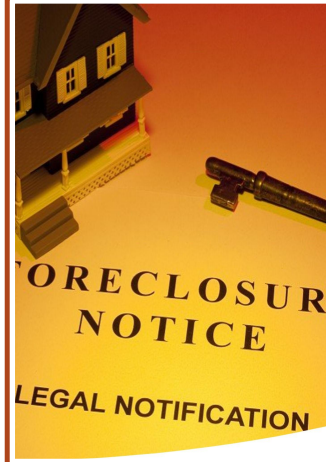
1969
The first CLT
established
New
Communities
Inc



1970's
The first
urban CLT was
established in
Cincinnati



1980's
First CLTs
established
with
government
assistance



1985
New
Communities
Inc had its
land
foreclosed



Present
New
Communities
rebirth

- Over 300 CLTs in the US
- Thousands of units built

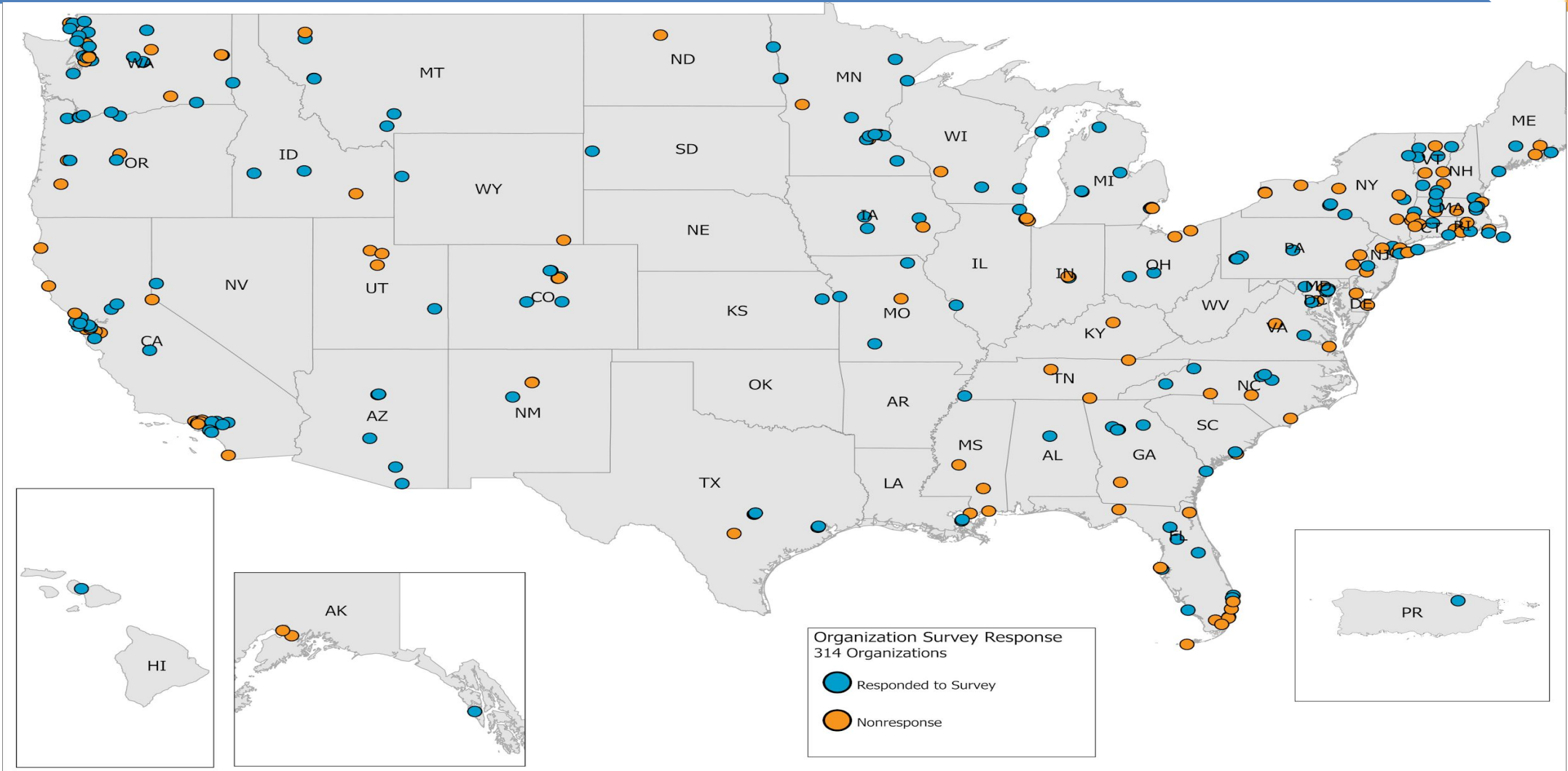
History of the CLT Model in the US!

What the Founders Defined as a CLT



A Community Land Trust is a democratically structured **non-profit** with an open **membership** and a board elected by the membership.

Community Land Trust



325+ CLTs nationwide
46 states plus the District of Columbia and Puerto Rico



Community Land Trust Basics

Community Land Trusts

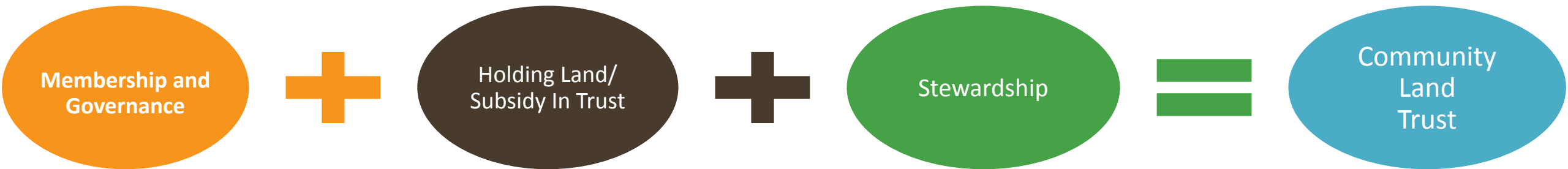


Acquire, own and steward land **permanently** for the common good by providing:

- Affordable housing
- Commercial spaces
- Community spaces
- Farming or open land



Core Elements of a Community Land Trust



The Classic CLT

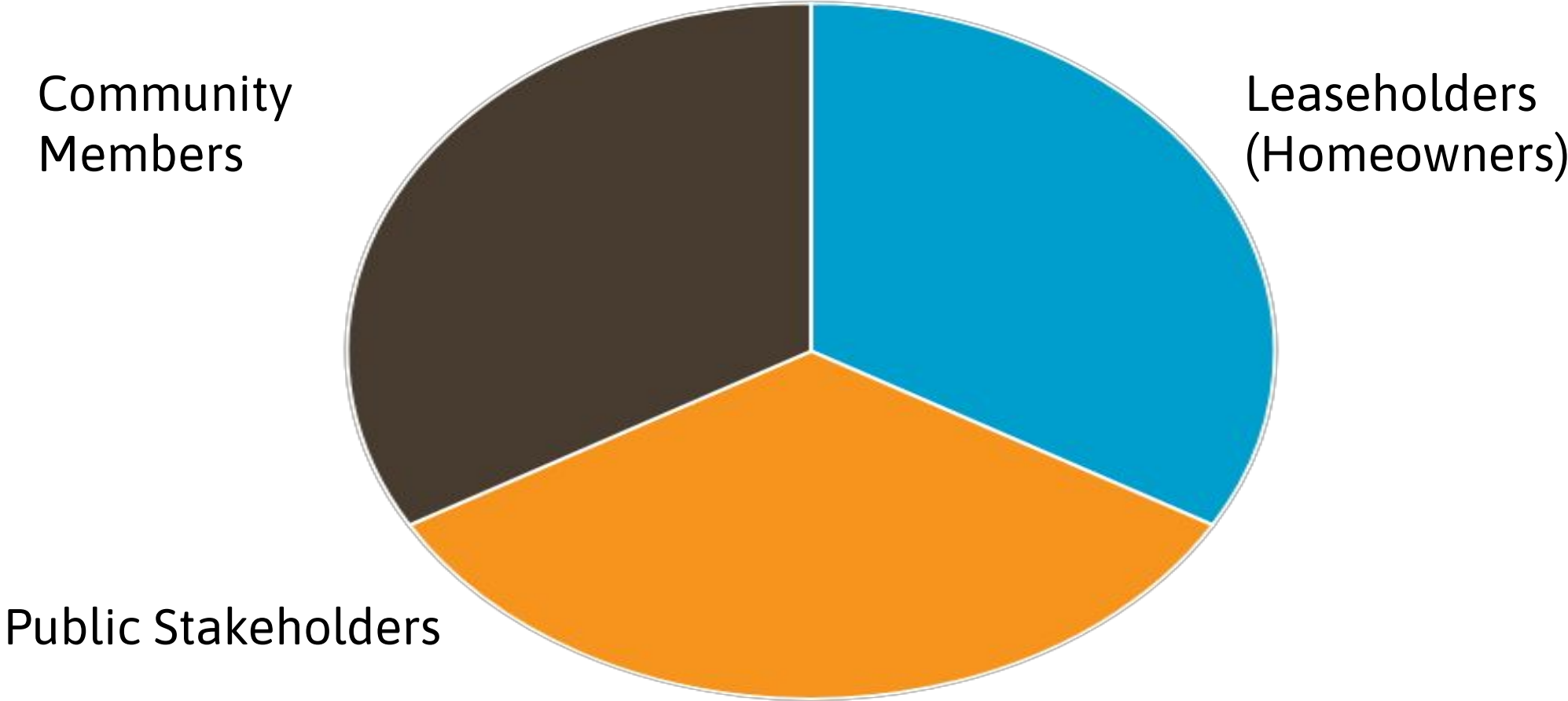


Generally, a non-profit organization with:

- Defined service area
- Corporate membership
- Tri-partite board



Tri-Partite Board



Dual Ownership



Individual owns improvements (home)



Community land trust owns land

Dual Ownership

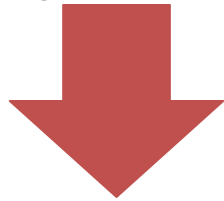


Ground lease ties improvements and land together ...

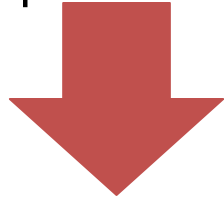
Perpetual Affordability



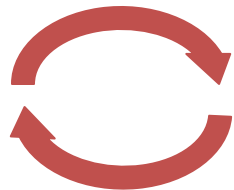
Lower price initially



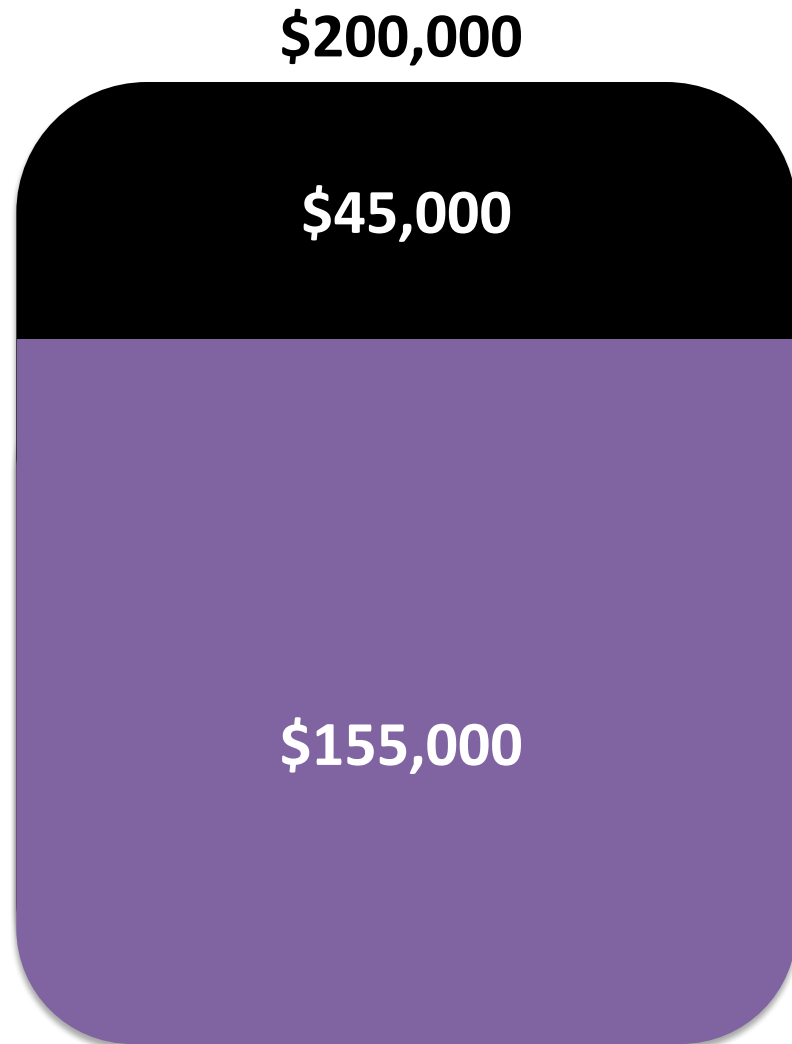
Lower price at resale



Again, again and again



The Affordability Gap

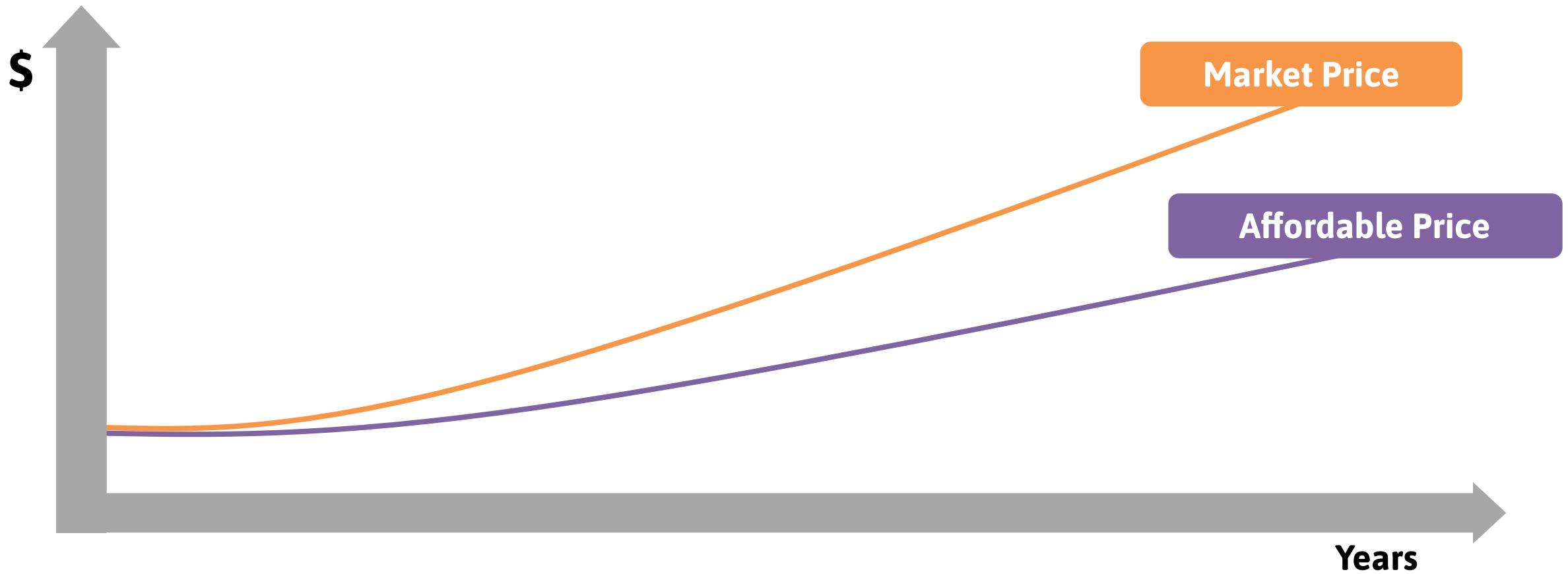


Market Price

Affordability Gap

What Family can Afford to Buy

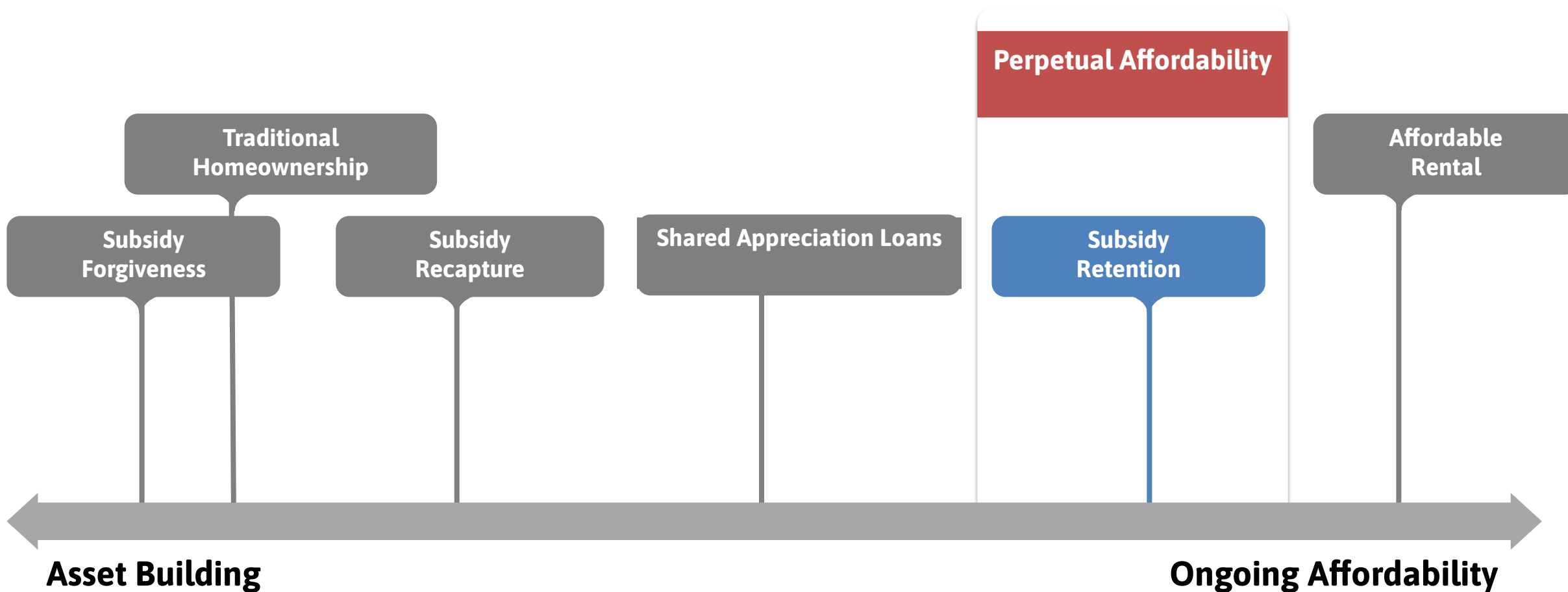
The Growing Affordability Gap



Asset Building/ Affordability



A Continuum of Strategies



Example: Traditional Model



	Traditional Model
Market Price of Home	\$200,000
What Buyer can Afford	\$155,000
Subsidy Needed	\$45,000
Sale Price to Homebuyer	\$200,000
10 Years Later...	
Market Value After 10 Years	\$240,000
Sales Price	\$240,000
Program Portion	\$0
Seller Portion (grant + appreciation)	\$85,000

Example: Traditional Model



	Traditional Model
NEW Sales Price of home	\$240,000
NEW Buyer Affordability	\$185,000
NEW Buyer Subsidy Needed	\$55,000
Program Portion from Sale	\$0
NEW Resources Needed	\$55,000

Example: CLT Model



	Traditional Model	CLT Model
Market Price of Home	\$200,000	\$200,000
What Buyer can Afford	\$155,000	\$155,000
Subsidy Needed	\$45,000	\$45,000
Sale Price to Homebuyer	\$200,000	\$155,000
10 Years Later...		
Market Value After 10 Years	\$240,000	\$240,000
Sales Price	\$240,000	\$185,000
Program Portion	\$0	\$55,000
Seller Portion (appreciation)	\$85,000	\$30,000

Example: CLT Model



	Traditional Model	CLT Model
NEW Sales Price of home	\$240,000	\$185,000
NEW Buyer Affordability	\$185,000	\$185,000
NEW Buyer Subsidy Needed	\$55,000	\$0
Program Portion from Sale	\$0	\$55,000
NEW Resources Needed	\$55,000	\$0



OPAL Real Life Example:



1998

- Buyer earning \$13K
- \$1,155 cash down
- Rent = \$475/month
- Fair Market Rent = \$700



OPAL House

- 2BR + 1BA
- \$95,375
- \$1,155 cash to close
- PITI+ = \$450



OPAL Real Life Example:



2021

- Decides to sell
- Resale price = \$147,000
- Mortgage payoff = \$90,000
- Closing costs = \$5,800
- Repairs = \$11,000
- Cash at closing = \$40,200



Wealth Creation

- Beautiful home!
- \$1,155 investment
- \$450 monthly payments!
- **\$51,100 est. rent savings**
- **\$40,200 Cash at resale**
- **=\$91,300 Financial benefit**



OPAL Real Life Example:



2021

- Buyer earning \$37K
- Fair Market Rent = \$ 2,099



OPAL House

- 2BR + 1BA
- \$155,000
- Est PITI+ = \$1,040
- Monthly savings = \$1,059
- Annual savings = \$12,708



Stewardship of structures
(homes)

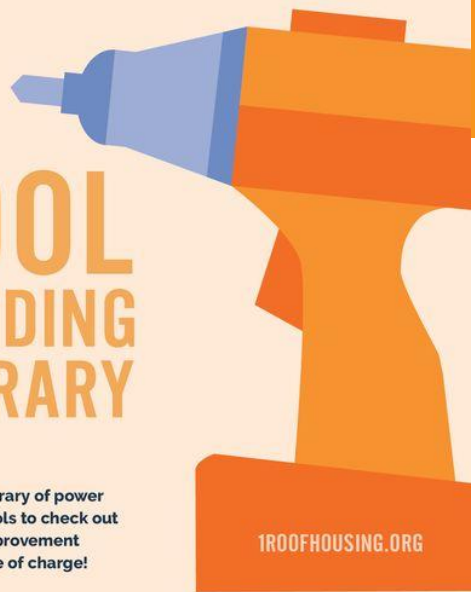
Stewardship of leaseholders
(homeowners)

Stewardship of subsidy (public
funds)



Ideas of Stewardship

1ROOF
COMMUNITY HOUSING



TOOL LENDING LIBRARY

Extensive library of power and hand tools to check out for home improvement projects, free of charge!

1ROOFHOUSING.ORG



NOT SURE HOW TO PROPERLY MAINTAIN YOUR A/C?



HOUSTON COMMUNITY LAND TRUST
RESIDENTIAL CONTRACTOR WORKSHOP
WEDNESDAY, JULY 27, 2022
6:30PM CENTRAL



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April 1-6, 2024



HOMEOWNER UNIVERSITY



Wrap Up & Questions/Answers

Questions





**GROUND
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strong communities
from the ground up

Thank you!

Jason Webb, Community & Technical Assistance Principal

jwebb@groundedsolutions.org

503-493-1000 x7 Office | 617-792-6881 Cell

Panelists



**Barbara Ankahmah
Burford (Moderator)**
Wells Fargo



Leilah Powell
LISC San Antonio



Jason Webb
Grounded Solutions
Network



Pedro Alanis
San Antonio Housing
Trust



Ian Benavides
City of San Antonio,
Neighborhood and
Housing Services

Panelists



Crystal Requejo
MAUC



Graciela Sanchez
*Esperanza Peace and
Justice Center*



Andrea Figueroa
(Moderator)
San Antonio Area
Foundation



Nadia Mavrakis
Culturingua



Richard Davidson
Family Service



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