



## PCLT Homeownership Orientation

Piedmont Community Land Trust (PCLT) is a nonprofit, community-based organization whose goal is to create and secure affordable housing now and for future generations in the Charlottesville, VA area. The land trust is a model of affordable housing and community development that efficiently uses donated funding by ensuring the creation of homes that remain affordable into perpetuity. With PCLT, the land trust owns the land, and the homeowner owns the home. To do so, the trust acquires the land and maintains permanent ownership of it. The homeowner purchases the improvements on the land (the home) and pays a minimal fee to lease the land from the trust. This takes the price of the land out of the equation when determining a monthly mortgage or monthly rent, making the house significantly more affordable to a family of modest means. Removing the cost of the land often takes the purchase price down between 20-50% for the prospective homebuyer. In exchange, the homeowner agrees to sell the home at a resale-restricted affordable price to another low-income homebuyer in the future, while still collecting a portion of the increased market value on the home. This ensures successful homeownership for generations of low to moderate income families and makes the house a permanently affordable asset in the community.

### Key Terms:

- **Ground Lease:** PCLT homeowners lease the land under their home from the land trust through a 90-year ground lease. The ground lease is the legal agreement that protects your interests as a homeowner in privacy, security, and legacy and the community's interests in its investment in creating affordable homes.
- **Rights and Responsibilities:** PCLT homeowners are giving full rights and responsibilities for their home and the land underneath it. The lease provides you with a secure right to occupy the land if you meet the terms of the lease.
- **90-Year Renewable Term:** The 90-year renewable lease provides long-term security for the homeowner.
- **Owner Occupancy:** The PCLT homeowner or a direct family member must live in the home. You cannot rent the home to someone else and become an absentee owner.
- **Remodeling:** PCLT homeowners have the right to undertake most (but not all) home improvements without PCLT's consent. Any renovations that require a building permit or certificate of occupancy require Thomas Jefferson CLT's approval in advance of any work being performed. Any remodeling work on the home must be performed in compliance with building code and any other local requirements.

