



COMMUNITY LAND TRUST PROGRAM



Who We Are

One Roof Community Housing, formed by the merger of Northern Communities Land Trust and Neighborhood Housing Services, is a nonprofit organization that for over 25 years has helped over **500** low and moderate income households buy their own homes through the Community Land Trust program, which assists people in need of housing now, while permanently preserving affordable housing in the community for future generations.

WAYS TO BUY A LAND TRUST HOME

Acquisition-Rehab Program

The goals of Land Trust's acquisition-rehab program are to update the major systems of the home, to improve energy efficiency, to increase indoor comfort, health and safety, to use products that are durable and sustainable, to have a home that is affordable to purchase and to maintain, and to be an asset to the neighborhood.

Renovations can include new kitchen & bathrooms, new flooring, new windows & doors, new roof and siding, new furnace & water heater, new plumbing & electrical.

Once the renovations are complete, the homes are offered at \$40,000-\$60,000 below market value.

Resales

Any qualified buyer can purchase a Land Trust home when it comes up for resale. Current Land Trust homes available for resale are sold 20-30% below market value.

WHO QUALIFIES FOR A LAND TRUST HOME

- Anyone who meets the Income Guidelines.
- Anyone who can obtain a mortgage through one of our participating lenders.
- Anyone who completes all four steps under "How to Apply".
- Asset limits may apply.
- You do not need to be a first time buyer.

How We Help

Through our program, lower-income homebuyers receive significant down payment funds to purchase a home in Duluth and surrounding communities. In exchange for this assistance, One Roof maintains ownership of the land, which homeowners lease for a small fee. When homeowners are ready to move, they agree to pass on the benefits they received by selling their home below market price to another income-qualified buyer.



BEFORE



AFTER



Common Ground Construction is a nonprofit started by the Land Trust in 2004. They serve as the General Contractor for all of One Roof's acquisition-rehab homes and are available to the public for complete construction services. For more information about all of Common Ground's services, call 218-740-3666.

2023 Duluth Income Limits (per household size)

1	\$50,600
2	\$57,800
3	\$65,050
4	\$72,250
5	\$78,050
6	\$83,850
7	\$89,600
8	\$95,400

1ROOFHOUSING.ORG
12 E. 4TH ST.
DULUTH, MN 55805

218 **727-5372**

THE LEASE AGREEMENT

Since One Roof owns the land and the homeowner owns the home, One Roof and the homeowner sign a lease together providing the homeowner secure, long-term rights to use of the land.

The lease gives the homeowner use of the land for 99 years. It is renewable, can be transferred to the homeowners children or spouse and ensures full rights of privacy. The lease also addresses the resale of the home.

SELLING YOUR LAND TRUST HOME

When a Land Trust homeowner is ready to sell, the home can be sold directly to an income-qualified buyer, or it can be inherited by a homeowner's children or spouse.

To determine the sale price of the home, we use a resale formula which provides 100% of what the homeowner has paid off on their mortgage plus 25% of the increased value of the property. Homeowners also receive the full value of any qualified capital improvements that have been documented during the time of ownership.

Essentially, in exchange for buying a home at an affordable price, the homeowner agrees to sell the home at an affordable price. This preserves the affordability of the home for the next lower-income family or individual who buys it.

Conventional Homeownership

Land Trust Homeownership

VS.

Same

- The homeowner obtains a mortgage with a bank
- The homeowner accumulates equity
- The home can be inherited by the homeowner's children or heirs
- The homeowner pays property taxes
- The homeowner can make alterations and improvements to the home and land

Different

- The purchase price is lower—about 20-30% below the market rate
- The Land Trust owns the land and the homeowner leases the land from the Land Trust for a nominal fee (\$35/month)
- The Resale Formula ensures that the home will remain affordable

HOW TO APPLY

- Complete a Land Trust program application on-line by clicking the "Apply Today" link on our website: www.1roofhousing.org
- Complete the "Homestretch" curriculum, an 8 hour homebuyer education class offered by One Roof.
- Attend a Community Land Trust program orientation session. Please contact Yoana Sol to set up an individual appointment at 218-590-9128 or ysol@1roofhousing.org
- Obtain a mortgage pre-approval from one of our participating lenders:

North Shore Bank: (30-year fixed rate)
218-733-5549 mortgagemailbox@northshore.bank



US Bank: (30-year fixed rate)
Troy Deadrick, 218-723-2820 troy.deadrick@usbank.com
Tim Fischer, 218-723-2847 timothy.fischer@usbank.com

Minnesota Chippewa Tribe Finance Corporation
Cynthia Cwikla, 218-335-8582 x 150

Summit Mortgage: (30-year fixed rate)
Sarah Zahler, 763-370-6785
szahler@summit-mortgage.com

Sheri Johnson, 218-393-3576
sjohnson@summit-mortgage.com

We make home a better place.

