





- Homeowners, businesses, or
- The CLT owns the land in fee
- A ground lease for the use of the land outlines the rights and obligations of the CLT and maintenance and affordability.

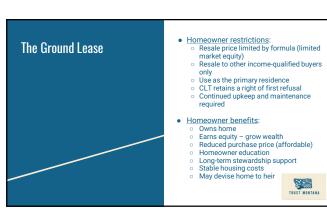
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4



- The CLT takes the cost of the land out of the home's purchase price.
- advantage of additional subsidy to lower the purchase price of the home, (down payment assistance, etc.).
- The terms of the ground lease ensure that the subsidy is not lost on resale. The homebuyer, who gets a great deal on a CLT home, agrees to pay it forward to the next qualified

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Is That Legal?

- It is legal to divide interests in real property horizontally separate the land from the improvements.
 - <u>Libby Placer Mining Co. v. Noranda</u> <u>Minerals Corp.</u> (Mont. 2008)
 MCA 70-1-106: both land and

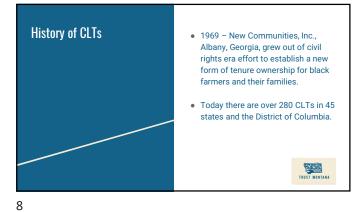
 - improvements constitute real property
- Resale restrictions on real property have been upheld in Montana if reasonable and necessary to arrangement. <u>Edgar v. Hunt</u> (Wont. 1985) <u>Baker v. Berger</u> (Mont. 1994)

7

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Montana State Law recognizes CLTs
 MCA 70-23-102(6)

Federal Law recognizes CLTs
 Cranston-Gonzalez National Affordable
 Housing Act, Title II



CLT Progress in Montana Inth Inth

Six (6) CLTs in Montana

- NMCDC • NWMTCLT
- HRDC Bozeman
- Big Sky CHT
- Headwaters CHT
- Trust Montana
- Over 250 CLT homes across the state

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Long-Term Potential



- Over a 50 year period, one CLT home can offer seven families a chance at homeownership.
 6 of 10 CLT homeowners use earned equity to purchase a traditional market rate home.
- Over 99% of CLT homeowners avoid foreclosure.
- 95% of CLT homes continue to be priced affordably (under 30% of monthly income).
- 7 of 10 CLT homeowners are first time homeowners.





11

