

SHARED EQUITY HOMEOWNERSHIP



Culver Meadows, a Vermont Housing and Conservation Board-funded rental and homeownership community in Dorset, VT.



2010

**Expanding Homeownership and
Preserving Affordability**

Shared Equity Homeownership

EXPANDING HOMEOWNERSHIP AND PRESERVING AFFORDABILITY

WHAT IS SHARED EQUITY HOMEOWNERSHIP?

Committed to expanding homeownership opportunities, but constrained by the high price of making homeownership a reality for low- and moderate-income households, many communities have instituted shared equity provisions accompanying their initiatives to help households achieve homeownership. Instituted by a variety of means, shared equity homeownership ensures that homes made affordable to low- and moderate-income households by public and private subsidies or policies like inclusionary housing remain affordable long-term by restricting future appreciation.

THE NEED FOR SHARED EQUITY HOMEOWNERSHIP

Homeownership Out of Reach

The early 2000s brought an impressive – and alarming – increase in home prices in Delaware. The state’s popularity as a resort, retirement, and in-migration destination from neighboring states led to a particular boom in the high-income market. Comparatively few new homes were developed affordable to what are termed Delaware’s “workforce households” – households with incomes below 120% of the median.

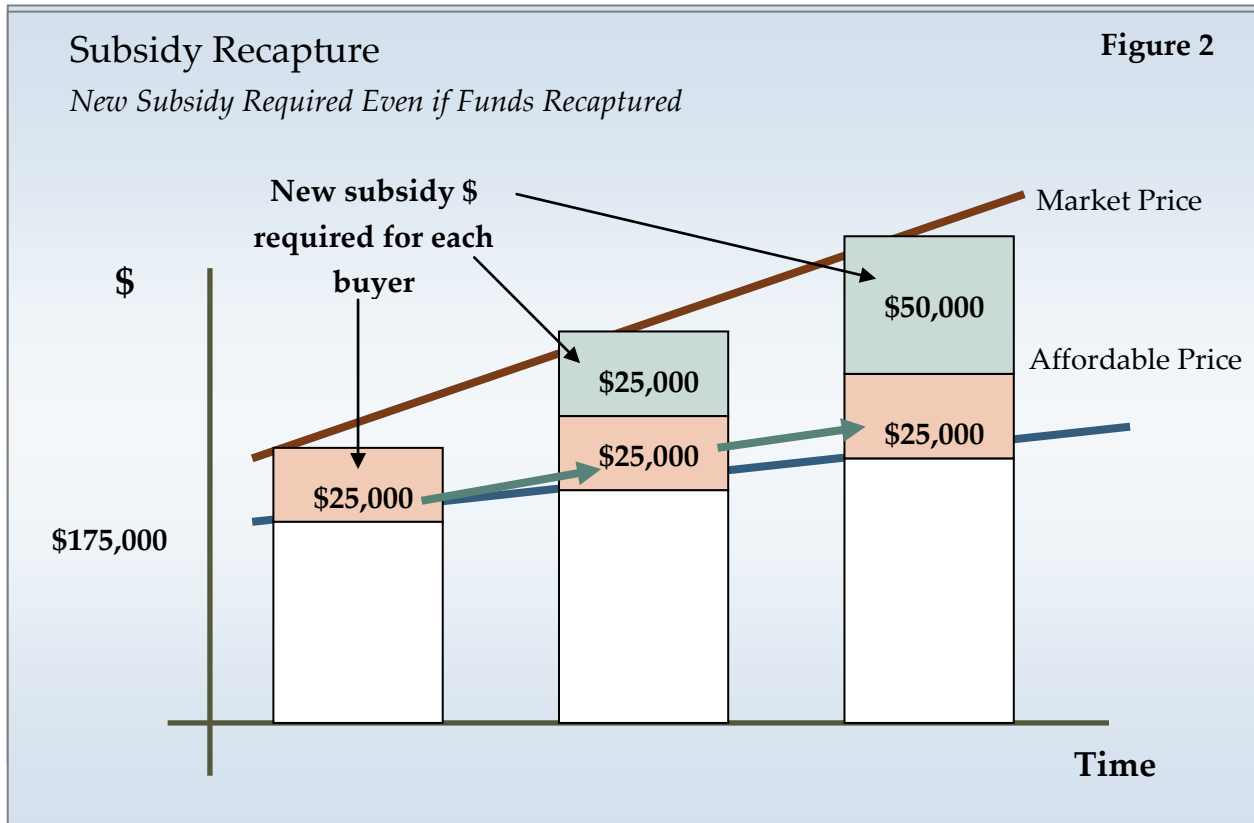
Achieving and sustaining homeownership has long been a challenge for low-income households. But in the 2000s as home prices in Delaware skyrocketed, homeownership opportunities for even more moderate-income households became scarce and expensive. And in the downturn since 2007, many moderate-income households have lost their homes as well. With the mindset that homeownership was a can’t-fail investment guaranteed to produce incredible returns, households stretched their budgets to and beyond their limits to purchase homes.

Even as the astronomical increases of the 2000s are no more and home prices in Delaware have declined and stabilized, they remain out of reach for many households. Homes are no longer grossly, wildly overpriced, and the development of high-priced homes has slowed – but this does not mean that homeownership is suddenly affordable for everyone.

The Growing Affordability Gap

Communities investing in affordable homeownership, either through new development or rehabilitation of existing units, know that making homeownership affordable to households with low incomes, while beneficial and rewarding, is a challenging and expensive task. In many areas of Delaware, the subsidy required to make a home affordable to a household with income below 80% of median is \$50,000 or more. Bringing homeownership within reach of low-income households – which is also often supporting broader neighborhood revitalization and community development goals - requires significant investment of public and private funds. In communities where home prices are appreciating rapidly, these investments must be made again and again

as homes initially made affordable are sold at market prices to the next family. New subsidy is now required; the home is no longer affordable to a low- or moderate-income family.



Some communities and funders have instituted subsidy recapture provisions. In these cases, when the homeowner sold their house at market price (Figure 1, \$225,000), they would be required to pay back the initial \$25,000 subsidy they received from the funder. The funder (city, state, county or otherwise) can then reinvest that \$25,000 to help another family purchase a home.

As seen in Figure 2, the problem arises that \$25,000 is no longer enough to make the home affordable to a low-income household. Now the affordability gap is \$50,000, and additional subsidy is needed again. Over time, as housing prices increase faster than incomes; more and more subsidies must still be invested to continue making the home affordable to a low-income household. Either ever-greater funds are required, or the community can assist fewer and fewer families.

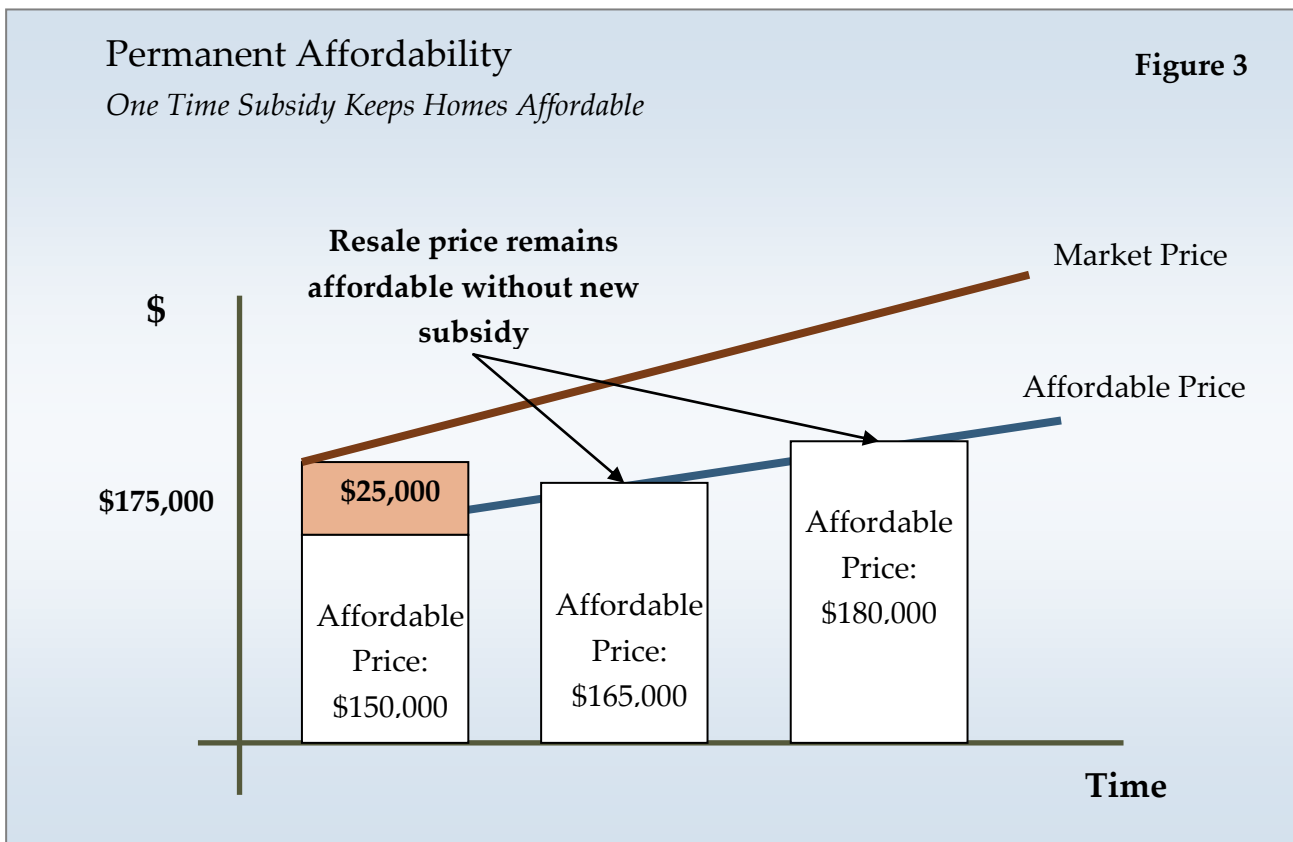
Preserving Investments in Homeownership: Shared Equity

Beyond subsidy loss and subsidy recapture, there is another option. Through shared equity homeownership, subsidies can be retained. By attaching contractual controls to the future price of a home, the initial subsidy that went into making the home affordable essentially remains with the home (Figure 3). The home is sold at an affordable price to the next low- or moderate-income buyer.

Traditional models of homeownership assistance – simply providing a subsidy to help make a home affordable that the buyer is not obligated to repay even a portion of upon resale – may be thought of as subsidizing the *buyer*; shared equity homeownership, especially if it provides for perpetual affordability, is subsidizing the *home*.

In response to the increasing costs of providing homeownership assistance, many cities, counties and states have implemented shared equity provisions in their homeownership programs. As Jacobus and Lubell (2007) note,

Cities, counties and states are accustomed to commitments of affordability for up to fifty years or longer when they invest in affordable rental homes. Many programs designed to assist first-time homebuyers, however, have no provisions preventing the assisted family from selling the unit and realizing a windfall the day after the home is purchased. What naturally happens is that as the amount of per-household subsidy rises, programs become more concerned about preserving the value of public subsidies and turn from grants to loans and then to shared equity approaches such as shared appreciation loans or resale price restrictions designed to preserve the buying power of the public investment. (p. 3)



There is a delicate balance between wealth building for individuals and families and preserving long-term affordability. Carefully crafted shared equity homeownership provisions will accomplish both goals. Families build assets by paying down their mortgage and by sharing the benefits of their home's appreciation with the jurisdiction providing the subsidy, which ensures that the home is again sold to another low- to moderate-income household.

Shared equity homes are typically initially made affordable by either 1) direct public subsidy, often supplemented with private funding as well; or 2) inclusionary housing programs that mandate or provide incentives for the creation of affordable and moderately-priced homes in new developments.

BENEFITS OF SHARED EQUITY HOMEOWNERSHIP

Benefits of shared equity homeownership initiatives encompass all of the benefits of any homeownership initiative. Some benefits specific to shared equity homeownership programs include:

- ❖ Preservation of subsidies, ensuring that the community is truly building a stock of affordable homes with scarce public and private subsidy dollars.
- ❖ Expanding homeownership opportunities to families who are otherwise priced out of the market and for whom homeownership in their community is otherwise impossible, adding a “rung” on the ladder of housing tenure between rental and traditional market-rate homeownership.

Shared equity homeownership programs do more than just place households in homes; they create support systems which can mitigate the risks of homeownership and be a lasting source of support, contact, and assistance for the owner.

COMPONENTS OF SHARED EQUITY HOMEOWNERSHIP

Models for Shared Equity Homeownership

Deed-restricted homes – Deed restrictions, also called covenants, are the most common method of enacting long-term affordability controls on shared equity homes. Depending on state laws, these deed restrictions may be perpetual or for a set number of years. National experts have suggested that for deed restricted homes to be considered shared equity homeownership, affordability controls should last at least 30 years.

Deed restrictions can be applied to most any type of home, including townhomes, single family homes, duplexes and condominiums. The city, county, town or entity sponsoring the program identifies what restrictions will be included. There are a few core features typically included in all deed restrictions:

- ❖ Obligation that the homeowner use the property as their primary residence;
- ❖ Requirement that the home be resold to an eligible buyer for a specified, formula determined price; and
- ❖ Preemptive option for some specified party (typically the program sponsor: the town, city or county sponsoring the program) to repurchase the home at the formula-determined price.

There are many areas for variation within these entire core features that jurisdictions can decide based on their market, goals, and circumstances.

The specific legal documents involved in restricting affordability via deed restrictions can vary. The core document is typically a covenant or agreement, recorded with the homeowner’s deed, which details the resale, occupancy and other restrictions on the property, including the sponsor’s right to repurchase. These are also accompanied by various disclosures. Developing the legal aspect of shared equity homeownership programs is an extremely important step and can have a serious impact on the program’s future success in enforcing its requirements.

As many programs have found, it is a mistake to assume that deed restrictions alone will be self-enforcing. Many assume that deed restrictions, appended to the homeowner’s deed, will be noticed if and when the owner tries to sell at market price (thus breaking the restrictions imposed on the property). Theoretically, this

should be caught by title research and the buyer's lender and lawyer would block the sale. This is, however, unfortunately not always the case. Examples of buyers and sellers finding ways to evade the deed restrictions abound, and in some cases they are simply missed.

For additional protection, most programs supplement the recorded covenant or agreement with a soft second or performance mortgage – a mortgage that, as long as the owner adheres to the resale, occupancy and other restrictions, does not need to be paid. A new mortgage is then issued to the new buyer every time the home is resold. Many programs make the mortgage amount the difference between the market price of the home and the affordable price paid by the buyer.

Further, while adding a mortgage to the constellation of legal documents protecting the affordability of the property offers greater assurance that resale restrictions will be maintained, the restrictions on the use of the property – particularly owner-occupancy – are likely to be ignored when enforcement relies entirely on an outside party intervening at the moment of sale, as Davis (2006) notes.

The programs most successful at enforcing long-term affordability and other restrictions have some administrative capacity. This can be either within the existing department of a sponsoring city, town or county, or many jurisdictions contract with local nonprofit organizations for administration: to manage sales and resales, maintain contact with homeowners, and enforce affordability and use restrictions.

Community Land Trusts – The Community Land Trust (CLT) model is a unique structure for preserving affordability. The CLT, a nonprofit organization, retains ownership of land once affordable homes have been developed, and sells the homes – the structures – to homebuyers at an affordable price. Subsidies are used to help offset the cost of the land and make the home affordable. The CLT and homeowner enter into a 99-year ground lease. Through a resale formula included in the ground lease, the future resale price of the home is restricted. As the ground lease is very long term, perpetually renewable and applies to all future owners of the home as well, CLTs aim to keep homes affordable in perpetuity. More detail about the CLT model and CLT activity in Delaware is included in the Tool: Community Land Trusts.

Features of Shared Equity Homeownership

Nearly all forms of shared equity homeownership include some basic features, listed below with brief discussion. An excellent resource for more extensive discussion of these features is included in *Shared Equity Homeownership: the Changing Landscape of Resale-Restricted, Owner-Occupied Housing* (Davis, 2006), from which this list was excerpted.

- Duration:** The most important feature of shared equity homeownership is its preservation of affordability. A central first question must be how long this will last? Deed restrictions can be for any length of time, generally up to 30 years or sometimes perpetual. The community land trust model is built on permanent affordability.
- Decontrol:** Whether due to the end of the control period or homeowner default, controls over the use and resale of shared equity homes can end. Documents should describe how and in what circumstances this can occur and, most importantly, strategies for avoiding loss of controls.

- Eligibility:** All programs generally have some restrictions on eligibility. As the future resale prices of shared equity homes are restricted, eligibility criteria are generally applied not only to initial buyers, but to subsequent buyers as well. Income is the most obvious criteria, but communities identify their own factors, often including things like currently living in or working in the community.
- Disclosure:** Ensuring that homebuyers fully understand the unique nature of the homeownership situation they are entering is critical to the legal and political foundation of the model. Beyond orientation, education and plain-language descriptions of legal documents, most programs also require that prospective buyers meet with an independent attorney before closing to review all legal documents.
- Occupancy:** Almost all programs require that homeowners occupy the home as their primary residence. Absentee ownership is not one of the goals of most homeownership programs, and subletting is typically regulated to various extents.
- Legacy:** Programs must also decide what will happen to homes upon the death of the homeowner. Will owners be able to leave the home to whoever they wish? Will eligibility requirements be applied to heirs? Many programs allow a spouse, child, or member of the homeowner's household who had occupied the home for at least a year prior to the homeowner's death to inherit and occupy a shared equity home without meeting eligibility criteria.
- Maintenance:** Controls on resale and occupancy are also often accompanied by provisions to ensure proper maintenance. This generally takes the form of requiring that the owner comply with municipal codes and enforcement and/or requiring maintenance sufficient to maintain insurance, although this can include further restrictions.
- Improvements:** As capital improvements can have a major effect on future affordability, improvements are another area communities must consider. Will major improvements require approval? Under what circumstances? And how will homeowners be compensated for improvements at resale?
- Financing:** The contractual controls on occupancy, eligibility and resale involved in shared equity homeownership typically require advance coordination with lenders. Programs must be sure that their documents are developed in such a way that buyers will still be able to access the mortgage financing they need. Some programs also impose restrictions requiring approval of mortgages and liens to ensure that homeowners are not drawn into predatory loans or overextend the equity in their home.
- Resale Formula:** To preserve the affordability of shared equity homes, a resale formula is used to establish the maximum – but not guaranteed – future resale price of the home. There are many ways to structure resale formulas, but most rely on 1) professional real estate appraisals of the home, and award the homeowner a percentage of appreciation; 2) changes in indexes like the Consumer Price Index; or 3) changes in the local median family income, as set by a national data source like the U.S. Census Bureau or U.S. Department of Housing and Urban Development.

Resale Process: As future purchasers of the home will be required to meet program eligibility criteria, provisions must be made for how the future resale of the home will be handled. Key questions include: 1) How will eligible buyers be identified?; 2) How will the property be passed from seller to buyer?; and 3) What will the program sponsor's role be in managing the resale process?

Enforcement: Enforcement of the long-term affordability and other restrictions is a critical part of program development. Key questions in this area include: 1) What contractual means will be used to impose and enforce controls? (deed restriction, performance mortgage, CLT model); 2) What organizational entity will be responsible for monitoring and enforcing compliance with the affordability and other controls?; and 3) How will the financial cost of this administration be covered, ensuring that administration will continue for the length of the control period?

COMMUNITY CONCERNS

While shared equity homeownership models are increasingly in use across the country, the concepts are still new in some areas and challenge traditional assumptions about how housing assistance programs “work.” Following are some common concerns and responses.

A home purchase is primarily an investment. Shared equity homeownership programs will have difficulty attracting buyers, since buyers will not be able to realize the full appreciation of their investment.

RESPONSE:

Thousands of homeowners own shared equity homes across the country. Another reason that people purchase homes is security. When you own your own home the monthly payments do not change on an annual basis at an unknown rate, and you control the tenure of your stay. In Delaware, there are many families who want to own a home, but because they are a single wage earner household, or because of the work that they do they have an income less than what is normal for the area, they are unable to buy a home. These families generally rent or live with family. Currently, options are limited for these families - shared equity homeownership offers them a way to realize the security of home ownership and gain some equity.

Homeowners in shared equity models do build equity. In most shared equity models, they receive a return keyed to the consumer price index or the increase in household incomes. While this is far less than some homeowners may gain in rapidly appreciating markets, it is a fallacy to assume that rapid house price appreciation is either normal or inevitable.

It has only been in the past decade that people have started to assume that appreciation well above increases in consumer prices in general could be counted on, an assumption wildly at odds with longer-term historic trends.

Preface to Shared Equity Homeownership: The Changing Landscape of Resale-Restricted Housing, Alan Mallach

As events of 2008 and 2009 have shown, it is a mistake to believe that a home is always, without fail, an investment that will return vast appreciation. Homes are, first and foremost, homes, not investments. The

upswing in home prices seen from 2000 – 2007 in many areas of the country was unprecedented and while many households may have made out well by investing in a home in that time period, many more have since been terribly affected by price declines. But in those times when prices do rise quickly, shared equity homeownership programs make sure that homes assisted with public and private funds remain affordable.

The comparison to other affordable housing initiatives is an important one, however. Cities, counties or states considering implementing shared equity homeownership programs should be uniform in their policies and funding – if a public goal is to preserve subsidies by investing in perpetually affordable homes, continuing to invest subsidies in homes that will not remain perpetually affordable can create a confusing and difficult situation.

It seems unfair to deny people with low-and-moderate incomes the full rights and privileges of homeownership (referring mostly to the ability to get the full value of the home's appreciation).

RESPONSE:

Shared equity homeownership is not intended to deny families the full benefit of homeownership – almost everyone will agree that traditional homeownership is the best option. But the key is – it's the best option *for folks who can afford it, and are ready for it*. The reality is that countless households can't afford it, and shared equity homeownership programs allow those households to move up from renting into homeownership – where they can take advantage of the mortgage interest deduction, have control over their housing, and build equity and assets. It is important to remember that shared equity homeownership restrictions almost always accompany significant investment of public and private subsidies – sometimes over \$50,000 or even close to \$100,000 per home in some areas.

Shared equity homeownership doesn't replace traditional homeownership for all families – it adds another rung in the ladder of housing options. For many households, shared equity homeownership is a step-up to traditional homeownership, as they build equity in their home, building assets (and excellent credit!) to better position them to purchase a fee-simple home.

It's interfering with the market.

RESPONSE:

The market is always open to new products that will increase the number of homeowners. Shared equity homeownership provides another housing option which should improve the operation of “the Market” by providing a product for families who want to buy homes, are qualified to buy homes, have steady, moderate incomes, and cannot afford decent homes with the current products offered by the market.

DELAWARE EXAMPLES OF SHARED EQUITY HOMEOWNERSHIP

As noted above, shared equity homeownership can take many forms. Various nonprofit developers and funding sources apply principles of shared equity homeownership to homes they develop or fund. Typically these restrictions are placed by funders on homes developed by nonprofit developers via a deed restriction and/or a mortgage. In Delaware, a variety of structures are used, although subsidy recapture is most popular – requiring a homeowner selling the home within the control period to repay all or a portion of the initial

subsidy back to the subsidy provider. Sometimes, this requirement is waived if the home is sold to another low-income homebuyer.

However, the control period – the length of time for which the home must stay affordable and be sold to another low-income buyer – is typically short, generally from 5-10 years. Also, as most require only subsidy recapture, the affordability of the home is often lost, even though the subsidy itself may be recaptured.

Community Land Trusts

Delaware is home to two CLTs. The West Rehoboth CLT, located in Sussex County, is a neighborhood-based CLT working on revitalizing the West Rehoboth neighborhood via affordable homeownership. The Diamond State CLT, a statewide CLT is working with partners in all three counties to create and preserve affordable homes. More detail about both organizations is included in the [Tool: Community Land Trusts](#).

Sussex County MPHU Program

The Sussex County Moderately-Priced Housing Unit (MPHU) program imposes a recurring 20-year affordability control period on homes created through its program. This voluntary program offers incentives to developers to include moderately-priced homes in new developments. Several hundred homes are currently in development through the program. A mortgage and deed restriction will be used to encumber the homes. If the home is sold within the first twenty years of ownership, the home must be sold to another moderate-income buyer at a formula price set annually by the County and a new 20-year control period begins with the new buyer. If the home is sold after the first twenty years of ownership, the affordability and other controls are dropped.

NATIONAL EXAMPLES OF SHARED EQUITY HOMEOWNERSHIP SUCCESSES

Boulder, Colorado - HomeWorks

Boulder, Colorado implemented strong controls on growth to protect rural land uses and sensitive environmental areas in its county in the early 1970s. Concerns about the possible impact of these controls on the availability and affordability of housing led the city to include a housing component requiring set-asides of units affordable to moderate- and low-income households in all new residential development on land annexed to the city. This program initially had short resale restrictions of ten years for homes affordable to moderate-income households and five years for homes affordable to low-income households. In 2000, this program was supplemented with the adoption of an inclusionary zoning ordinance requiring 20% of the units, whether homeownership or rental, in any newly constructed development to be initially and permanently affordable to households with incomes below 80% of the area median income.

From the year 2000 through February 2008, the City of Boulder added 1000 permanently affordable units, for a total of 2800 permanently affordable units. These 2800 units represent \$420 million in real estate preserved for housing for Boulders low- and moderate-income households.

*2008 City of Boulder Affordable Housing Report,
http://www.bouldercolorado.gov/files/HS/HS/2008_final_housing_report.pdf*

Every home in the HomeWorks program is encumbered with a “Permanently Affordable Housing Covenant” requiring owner-occupancy and restricting the future resale price of the home. The city also files a deed of trust, or mortgage, on the home to support this restriction. The covenant gives the City the first option to purchase every HomeWorks home for a formula-determined price or to assign that right to someone else. If this option is not exercised, the homeowner still must sell the property for the formula-determined price to another low-income buyer. The resale price is determined by adding 1) closing costs and costs of sale; 2) an inflationary factor applied to the original purchase price; and 3) credit for any approved capital improvements to the price initially paid by the homeowner.

Springfield, MA – Homes for Good, MA Nonprofit Housing Association

The Homes for Good program is a statewide initiative of nine regional organizations, which make up the Massachusetts Nonprofit Housing Association. The Association’s members monitor and enforce the deed restrictions on over 3,000 owner-occupied homes through a contract with the Massachusetts Department of Housing and Community Development (DHCD). The homes were developed and made affordable through several programs and a combination of grants, low-interest loans, case-by-case developers’ concessions, and statewide comprehensive permitting and inclusionary housing requirements.

A 99-year affordability covenant encumbers the homes. As in Boulder, DHCD holds the right to purchase the home at resale for a formula-determined price. The covenants also require that the owner use the home as their primary residence and that the home be sold to another low-income buyer. Originally, the resale price was based on a “discount rate” established at the time of initial sale as the ratio of the property’s purchase price over the property’s appraised value. As this was failing to maintain affordability in some of the state’s hottest real estate markets, a new formula was instituted, indexed to changes in area median income. The Association has a multi-year contract with DHCD for its services and also receives a fee for each resale (4% of the resale price, paid by DHCD).

Many more homes with shared equity restrictions have been and continue to be developed in Massachusetts. These restrictions on these homes are, however, monitored and enforced by a myriad of administrative bodies, including the state’s housing finance agency, local governments and nonprofit agencies. The performance of the Homes for Good program may lead to further centralization of these monitoring and enforcement tasks in the state.

Vermont - Vermont Housing and Conservation Board (VHCB), HOMELAND Program

The Vermont Housing and Conservation Board, established in 1987, manages and distributes the state’s Housing Trust Fund. The housing and conservation board consists of four officials from the state departments of housing, development, agriculture and natural resources and five public members, appointed by the governor, who are "experienced in creating affordable housing or conserving and protecting Vermont's agricultural land, historic properties, important natural areas or recreational lands." In a unique but highly successful combination, the VHCB funds both affordable housing and environmental conversation efforts.

In addition to its dual focus on affordable housing and environmental conservation, VHCB also took a leadership position in the area of shared equity housing. From its creation, the Vermont Housing Trust Fund and VHCB required that all housing funded remain affordable to lower-income households in perpetuity. In the case of for-sale homes, this has taken the form of shared equity, resale-restricted homeownership. Homes

receiving VHCB funds must remain affordable permanently, and this is implemented through either the CLT model, or deed restrictions.

The majority of funds for shared equity homeownership are through VHCB's HOMELAND program, which provides purchase subsidies and assistance with downpayment and closing costs to make homeownership more affordable. Applicants for HOMELAND funds are pre-qualified to purchase a home within a given price range based on their income. Depending on income level, need, and other factors, homeowners may receive grants (generally 20% of the purchase price, up to \$40,000) towards the purchase price of a home. In addition to the HOMELAND grant, buyers obtain mortgage loan financing and contribute their own cash resources (at least \$1,500) toward the purchase price of the home.

Homeland grant funds are administered by nonprofits to subsidize the cost of single- family homes, increasing affordability and guaranteeing perpetual affordability upon resale. Appreciation is limited by an agreement between the nonprofit and the homeowner. In return, the purchase price of the home is reduced by the amount of the grant.

IMPLEMENTATION OF SHARED EQUITY HOMEOWNERSHIP

Shared equity homeownership is often a feature of a community's other homeownership programs. Shared equity models offer the structure and method to preserve affordable homes – other means are required to create affordable homes in the first place. If your community already has affordable homeownership activities, a shared equity component could likely be added without significant challenges. Or, alternately, if your community is considering developing affordable homeownership programs, that is the perfect time to make sure that the homes to be created stay affordable by including shared equity provisions.

Your community may wish to begin with an analysis of its goals as related to homeownership and evaluate whether shared equity provisions might be a useful tool. Examples of goals with which shared equity homeownership can be particularly useful include:

- ❖ Developing a stock of affordable homes
- ❖ Maximizing investment of public subsidies
- ❖ Neighborhood revitalization but avoiding displacement and gentrification
- ❖ Increasing homeownership rates and owner-occupancy
- ❖ Ensuring that homeowners have long-term support and that the program sponsor has a means of formal, long-term contact with the homeowner

DSHA's Planning and Community Development Section staff can provide some assistance with research, identifying and evaluating options, education, and connecting your community with other resources for assistance. Beyond what is included in this Tool, you may also find some of the websites and papers listed under **Resources** and **References** helpful for additional information.

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RESOURCES

Shared Equity, Powerful Results: Helping One Generation of Homeowners After Another. A multi-media suite of resources on shared equity homeownership, including a tutorial, an overview of strategies and approaches, and an interactive spreadsheet. (<http://www.nhc.org/housing/sharedequity>).

Shared Equity Homeownership: the Changing Landscape of Resale-Restricted, Owner-Occupied Housing. National Housing Institute. The report examines the rationale for shared equity homeownership (Chapter One), the history and prevalence of the models that make up this sector (Chapter Two), the design of the use and resale controls that lie at the heart of these models (Chapter Three), the state and municipal policies that either support or impede the expansion of this sector (Chapter Four), and the performance of this sector in delivering – and balancing – a variety of benefits accruing to individual homeowners and the larger community (Chapter Five). Presented here as well are profiles of nine local organizations that have made shared equity homeownership a reality in their own communities, including three CLTs: the Sawmill CLT (Albuquerque, NM), Time of Jubilee (Syracuse, NY); and the Burlington CLT (Burlington, VT). Available online at <http://www.nhi.org/policy/SharedEquity.html> .

Ensuring Continued Affordability in Homeownership Programs. Institute for Local Government, 2006. This report gives a summary of major legal issues and documents encountered in the shared equity homeownership program. While the focus is on and many examples come from California, the main points are applicable nationwide. Available online at: http://www.cacities.org/resource_files/24714.Ensuring%20Continued%20Affordability.pdf