

***Congratulations on becoming a homeowner and welcome to the Virginia Statewide Community Land Trust! This manual is meant to support and guide you through the unique journey of owning a Community Land Trust home!***

*Virginia Statewide CLT is an ongoing collaboration with homeowners. In this spirit, the VSCLT stands with homeowners, Habitat for Humanity affiliates, and homebuilders as “stewards” of the land your house is on. We are committed to preserving your affordable homeownership and supporting you in this journey.*

<a href="#">Rights and Responsibilities for a VSCLT Homeowner</a>	1
<a href="#">The 99-Year Renewable Ground Lease</a>	2
<a href="#">“Owner-Occupancy”</a>	2
<a href="#">Maintenance, Repairs, and Light Remodeling</a>	2
<a href="#">What CAN I do with my VSCLT home and yard?</a>	3
<a href="#">When Do I Reach Out to VSCLT?</a>	3
<a href="#">Ground Lease Fee</a>	4
<a href="#">Taxes and Local Assessments</a>	5
<a href="#">Homeowner’s Insurance</a>	5
<a href="#">Inheritance of a VSCLT Home</a>	5
<a href="#">Resale of a VSCLT Home</a>	6
<a href="#">Statement on Fair Housing</a>	6
<a href="#">Support for Homeowners</a>	7
<a href="#">Updating the Homeowner Manual</a>	7
<a href="#">VSCLT Contact Information</a>	7

## **Rights and Responsibilities for a VSCLT Homeowner**

Virginia Statewide Community Land Trust (VSCLT) homeowners are given the rights and responsibilities for their home and the land underneath it. The ground lease provides you with a secure right to live on the land beneath your house, and essentially treat it as your own, as long as you meet the terms of the ground lease.

In addition to your ground lease, this Homeowner’s Manual provides you additional guidance and reminders of the ground lease and other policies, and how to best enjoy your home. The full version of all policies referred to in this manual can be found through the homeowner portal on the VSCLT website.

For questions or to make a request of the Virginia Statewide CLT Board for any of the items requiring Board approval outlined below contact Michelle Winters, VSCLT Chief Executive Officer, at: [michelle.winters@vsclt.org](mailto:michelle.winters@vsclt.org) or Virginia Statewide CLT staff: [info@vsclt.org](mailto:info@vsclt.org).

## The 99-Year Renewable Ground Lease

Your ground lease is a 99-year renewable contract. This means the ground lease can start over or be re-signed to last even longer than 99 years. This provides long-term security and stability for you as you'll always know the home will remain affordable for you, your family, and future families who may live there.

### “Owner-Occupancy”

This means you own your CLT home and “occupy” it. VSCLT homeowners must live in their home as their primary residence. VSCLT has no limits on who may live with you in the home. However, you cannot rent the home to someone else and become an absentee owner. You cannot buy a vacation home in France and abandon us.

This policy is not meant to prevent you from living your dreams in France, at a lake, in another city, etc., but rather, to commit to VSCLT's mission to make homeownership always available to a low-income family. If you're ready to buy vacation property or turn your CLT home into an airbnb, it's no longer a good fit for you and would open up the spot for a future homeowner who could use it.

Exceptions to this policy may be made at the Board of Directors discretion, on a case-by-case basis. For example, if you're a military member and are planning for deployment, or have a long term illness that requires extended care - we are committed to working with you. This policy does not prevent any owner from having a roommate or renter living in the home with you. Primarily, this CLT home is your asset to live in, enjoy, and benefit from in peace. If that changes or is no longer the case and the home is no longer your primary home, please let us know!

## Maintenance, Repairs, and Light Remodeling

Since this is your home, you are responsible for all maintenance of the home and the land, just like any other homeowner! This can be the most exciting part about owning a home! This is also true for home repairs or regular maintenance and upkeep.

Over the years you may find that your tastes change, that the color on the kitchen walls may not still appeal to you – *it is your house*, paint those walls! Undertaking activities such as replacing appliances, changing lighting, and making necessary repairs to systems or features of the home, like the fridge or hot water heater, are completely within your homeowner's rights! Some of these maintenance and repairs may even be completely necessary! These kinds of activities can be done without any prior notification or approval from VSCLT.

For example, it's a great idea to clean out your gutters fairly regularly, and to change the filters for your HVAC system once a quarter. These items are the responsibility of the homeowner to plan accordingly for, as well as the fun stuff like planning ahead for gardening or putting in sprinklers for the kids to run through in the summer. When in doubt, VSCLT is here to clarify! Ask us at [info@vsclt.org](mailto:info@vsclt.org) if you're ever unsure.

## ***What CAN I do with my VSCLT home and yard?***

Virginia Statewide CLT homeowners can undertake many types of home improvements and remodeling activities if you want to. *Some projects may be more intensive and you should let VSCLT know for the Board to review, support, and approve in some cases.*

If you want to undertake a project like adding a needed ramp for mom, making a raised bed garden, or putting in an above ground pool – *it is your house and you should do it!* **Make sure you check with your local government to see if you meet their “setback” and other code requirements!**

If something is broken like a burst pipe, your water heater busts, your heating system isn't running right, or the toilet is running all the time, you'll need to replace them! Please prepare for emergencies AND any fun stuff at the same time. More on emergencies below!

### **Here's what you CAN do with your home (along with some helpful hints):**

- Painting - paint your rooms, paint the porch, paint the outside, paint the door if you want!
- Build a fence.
  - Does your town or city require a permit to build it?
- Roof repair.
  - Your homeowners' insurance should help you with this in the case of a tree falling on it or an accident!
- Sheds on skids.
  - This is where “setbacks” come in. Every zoning code is different - make sure you check with your local government before you buy one!
- Playground equipment, such as swings and trampolines. Remember to check with your homeowners insurance policy that these are allowed!
- Install ramps for better accessibility.
  - Check about permitting, but please do this as needed!

## ***When Do I Reach Out to VSCLT?***

Please reach out to us whenever you like - we like you and want to hear from you. We are here for you via email at [info@vsclt.org](mailto:info@vsclt.org) or 571-210-2323.

Do you want to hear from us? Do you prefer emails/phone calls/texts? Let us know your preferences.

Please contact your jurisdiction's planning department to ensure your alteration or idea is allowable first, all alterations to the home must meet the jurisdiction's building codes!

### **VSCLT's Capital Improvements Policy has three situations that always require notification and approval from the Board:**

1. Your home improvements meet the definition of capital improvements in the Policy

2. The improvements require a *building permit or other sign-off from the governing jurisdiction* (such as a construction permit, zoning waiver, inspection, etc.),
3. Any project, regardless of permit requirements, where the *total expected cost is \$2,500 or above*.

**If the improvement is an emergency and would normally trigger Board approval, notify VSCLT ASAP and we will work with you to accommodate your timeline. To initiate this approval process, please contact staff at [info@VSCLT.org](mailto:info@VSCLT.org). For emergencies, call 571-210-2323.**

**Some examples of non-emergency projects that DO require Board approval:**

- Deck addition
  - This often requires a permit, may need an engineer, or be costly!
- Wall demolition or constructing an addition
  - Again - will require a permit or be costly
- Kitchen or bath remodel
- Sheds with foundations
  - This is a common item that could be added to a home, but still requires a permit.
- In-ground pools
- Building systems replacement, such as electrical rewiring
- Expanding living space through additions or finishing basements

These are considered major alterations or what we would call “*capital improvements*.” *Items like this will require pre-approval from the VSCLT Board.* Each major request is reviewed on a case-by-case basis to ensure VSCLT’s goals for maintaining the affordability of the home and supporting you and your current needs can be honored appropriately. This does not mean that your needed repair, home alteration idea, or addition will be denied.

When in doubt about your idea or what you need to do with your major repair project, reach out to VSCLT early in the process at [info@vsclt.org](mailto:info@vsclt.org) and we can guide you on what to do next.

We developed the “Capital Improvements Policy” to help you see what the process for Board approval for a major project might look like here.

## Ground Lease Fee

VSCLT homeowners pay an annual “ground lease fee” of \$100 to the Virginia Statewide CLT. This is in exchange for the leased land so you have full, exclusive, and secure use of and access to the land. This is a legal thing for the contract so there’s a recognized exchanged payment, but the land is effectively yours.

The VSCLT Board can review costs and change the ground lease fee in 2025, 2030, 2035, etc. (any year that ends in a “0” or “5”). VSCLT is a non-profit and there are limitations to how much the fee can ever be raised - it’s capped at \$250 per year.

We are here to serve you, and it’s not in anyone’s best interest to jack up the price of the ground lease fee. Our goal is affordability. If this increase in the ground lease fee ever occurs, we will provide you with ample notice of the change.

Virginia Statewide CLT will invoice you for these lease payments and you may pay yearly or quarterly via check or paypal. Payments can be made via check to VSCLT:1104 W. Broad St. #1173, Falls Church, VA 22046.

## Taxes and Local Assessments

**Virginia Statewide CLT homeowners are responsible for the payment of all eligible taxes on both the house and the land.** This means you will likely receive two separate tax bills for your locality. Typically, your tax payments are included in your monthly mortgage payments to your lender, and the lender makes the payments on your behalf. When you pay off your mortgage, you will need to make plans to save this money throughout the year and pay the property taxes on your own.

If the bill arrives to you - send the bill to your mortgage provider ASAP to ensure the payments are made via your escrow account. It's important to monitor these payments as well. Your tax payments for both the land and the home should be greatly reduced compared to a "market rate" home.

CLT's are a unique model and can be confusing for anyone, including local tax offices. **VSCLT can help you if you feel like something is not right. Should a VSCLT homeowner have any issue or difficulty paying the taxes on the home and the land, please reach out to VSCLT staff at [info@vsclt.org](mailto:info@vsclt.org).**

## Homeowner's Insurance

Homeowners are responsible for maintaining homeowner's insurance on the whole property! **Please maintain full and comprehensive coverage for the full replacement value of the home. VSCLT needs to be named as an "additional insured" on the property.**

Virginia Statewide Community Land Trust needs to be listed as an "additional insured" on your homeowner's policy and you must maintain a current insurance certificate on file with Virginia Statewide CLT.

This occurred at closing and your policy was likely mailed to VSCLT. Our address is 1104 W. Broad St. #1173, Falls Church, VA 22046, and please email these documents to [info@vsclt.org](mailto:info@vsclt.org).

## Inheritance of a VSCLT Home

Homeowners can leave a legacy with their VSCLT homes, and your spouse, kids, or other living descendants can inherit your VSCLT home. **Please prepare a will and testament so that who can inherit the home and your wishes are VERY clear!** This is a bit more complicated because of the community land trust model.

An *income-eligible* heir (meaning your heir makes up to 115% of the current Area Median Income) can inherit the home and enter into a new 99-year ground lease when you pass the home to them. This means that if your heir makes an income below 115% of the Area Median Income, they can stay in the home - which you will likely have paid off - and enjoy the transfer of generational wealth and have stable housing. They will sign a new ground

lease and may stay as long as they desire.

A *non-income eligible* heir (meaning they make more than 115% of the current AMI) can complete the initial 99-year lease, after which the home would need to be sold to an income-eligible buyer. This heir will still gain the wealth from the sale of the home. They can sell the home for the price the resale formula allows.

And then the home will still always be permanently affordable to families in Virginia. You are not only leaving a legacy to your family but your entire community.

## Resale of a VSCLT Home

A central part of CLT homeownership is preserving the affordability and community investment in homeownership. The ground leases for VSCLT use a resale formula that allow the VSCLT homeowner to sell their home for a specific value.

Article 10 of your ground lease includes the resale purchase price formula with all of the math that applies to your property. It is important to be familiar with your specific ground lease's terms because these may vary among homes in the VSCLT.

As you know, a CLT home is different from a traditional market home, and the value of your home is determined from the resale formula of the ground lease. The resale price of the home is determined by the resale formula, and this new value of the home + the principal payments on your mortgage determine the equity you gain on your home sale. The formula gives homeowners a return on their investment while ensuring that the home retains long-term affordability for future buyers. **When and if you decide to sell or that it's time to move, you'll notify the Virginia Statewide CLT staff at [info@vsclt.org](mailto:info@vsclt.org).**

If your home is a Habitat for Humanity home, the Habitat Affiliate has the "right of first refusal" based on a VSCLT Board policy. VSCLT holds the second right of refusal in this case. If neither the Affiliate nor VSCLT offers to purchase the home directly from the homeowner, the homeowner will work with VSCLT to identify a qualified homebuyer.

If your home is not a Habitat for Humanity home, the VSCLT has a "right of first refusal" to buy the home from you. If VSCLT does not buy the home from you directly, VSCLT will help to identify an income qualified homebuyer to buy the home from you.

## Statement on Fair Housing



The Virginia Statewide Community Land Trust is an equal opportunity housing provider. VSCLT complies with the provisions of federal, state, and local law prohibiting discrimination in housing on the basis of race, color, religion, sex, disability, familial status, elderliness, national origin, source of funds, sexual orientation, gender identity, military status or other arbitrary basis.

# Homeowner Manual



## Support for Homeowners

The Virginia Statewide CLT makes a long-term commitment to our homeowners. Virginia Statewide CLT sees its relationship with homeowners as a partnership. We are here to be a resource on a variety of issues, including times when a homeowner may have difficulty making mortgage payments or paying other bills and understanding refinancing options.

The organization also provides information about home maintenance, referrals to other agencies, and community resources as needed. We love to be in communication with our homeowners, please do not hesitate to reach out with any questions or concerns! We are here for you.

## Updating the Homeowner Manual

The Virginia Statewide CLT should modify this manual, as needed to be as clear, helpful, and supportive as possible for homeowners. This can include additional, supplemental materials, as well as modifications to the current document. New versions of the Homeowner Manual will be distributed electronically to all current homeowners.

Know that your signed ground lease cannot be changed without your or the VSCLT Board's express permission. We will need to re-sign and review your ground lease if there is ever a need to change it.

## VSCLT Contact Information

You may contact VSCLT using any of the following methods. Please get in touch with us whenever you would like!

Michelle Winters, CEO  
Virginia Statewide Community Land Trust  
1104 W. Broad St. #1173  
Falls Church, VA 22046

(571) 210-2323

[info@vsclt.org](mailto:info@vsclt.org)

[www.vsclt.org](http://www.vsclt.org)