

**LEGISLATIVE ADVOCACY  
FOR WASHINGTON STATE**



**Northwest Community  
Land Trust Coalition**

Washington State Members  
2025 Policy Background



**COMMUNITY LAND TRUSTS:  
Leaders in Permanent Affordability, Community-Centered Housing**

Permanently affordable homeownership is an innovative approach to addressing housing affordability challenges, ensuring that homes remain accessible to moderate- and low-income households across generations. Unlike traditional homeownership, where housing prices can rise and fall sharply over time, this model balances the benefits of private ownership with long-term affordability.

Permanently affordable homeownership involves a partnership between a homeowner and a nonprofit organization, community land trust, or similar entity. Typically, the organization retains ownership of the land, while the homeowner purchases the home itself. In return for a more affordable purchase price, the homeowner agrees to certain resale restrictions, ensuring that the home can be sold at an affordable price to another eligible buyer when the time comes. Condominium homes are made affordable through a deed restriction or covenant.

**Models of Permanently Affordable Homeownership**

Civil Rights Leaders of the 1960s and 1970s created the leasehold form of homeownership today that is the basis of several models including “shared equity” homeownership. Several types of homeownership all earn the label “permanently affordable” for their ability to make and keep homes affordable indefinitely.

COMMUNITY LAND TRUST	LEASEHOLD HOMEOWNERSHIP	LE COOPERATIVES
A model where a nonprofit membership or community-governed organization owns the land and leases it to the homeowner, who owns the home itself, ensuring long-term affordability through resale restrictions. Homeowners have a voice in governance of the nonprofit.	A model where the organization sells the home to the buyer at an affordable price while retaining ownership of the land. When used by Habitat for Humanity affiliates, homeowners contribute volunteer time (“sweat equity”) toward the value of the home.	A shared ownership model where residents collectively own a building or development through a cooperative, with restrictions on resale prices to keep units affordable over time.
RCW 59.20.030 Defines a Community Land Trust	RCW 84.14.021 Includes definition of permanently affordable homeownership	RCW 84.36.675 Includes a definition of limited equity cooperatives.

# KEY BENEFITS OF PERMANENTLY AFFORDABLE HOMEOWNERSHIP

## 1. Creating Stability for Households:

Permanently affordable homes offer families a chance to build wealth, enjoy stable housing costs, and invest in their futures without being displaced by rising housing prices.

## 2. Preserving Affordability Over Time:

The resale restrictions protect homes from speculative market pressures, maintaining affordability for future generations of homebuyers and creating a lasting solution to housing challenges.

## 3. Strengthening Communities:

By enabling long-term residency, this model fosters vibrant, connected neighborhoods where residents can thrive and invest in local relationships and economies.

## 4. Maximizing Public Investments:

Many affordable housing programs use public funds to make homeownership affordable to income-qualified households. Permanent affordability ensures that a single, one-time investment benefits not just one buyer but multiple buyers over time.

## 5. Promoting Equity and Opportunity:

This approach helps address historical inequities in homeownership, particularly for communities disproportionately affected by systemic barriers, including racially restrictive covenants and redlining.

## 6. Community Governance:

Models that include homeowner governance assure that marginalized people have a strong voice in what happens in their communities.

### *A Rose By Any Other Name:*

Other terms by which permanently affordable homeownership is known include: shared equity homeownership; shared appreciation homeownership; subsidy retention homeownership; leasehold homeownership; and community land trust homeownership.

## HOW IT WORKS – LEASEHOLD PERMANENT AFFORDABILITY

