

A NEW WAY HOME **Sharing Equity to Build Wealth**

WHY IS SHARED EQUITY HOMEOWNERSHIP IMPORTANT?

- ⊕ Better for Homeowners. This new approach would make ownership possible for many more Americans in a sustainable way that does not require risky and complex mortgage loan products.
- ⊕ Better for Government and Housing Agencies. Agencies get greater value for what they spend on homeownership, leveraging today's funding into a renewable affordable housing resource.
- ⊕ Better for Communities. This approach would create a permanent stock of affordable housing for communities that would help to stabilize property values and the local property tax base instead of the devastating impacts of the rapid rise and falls of the private market.

WHAT IS SHARED EQUITY HOMEOWNERSHIP?

It is a strategy to build a bridge between the current options of rental housing and traditional ownership that will both:

- ⊕ Generate real wealth for families; and
 - ⊕ Preserve the affordability of ownership for generations of new homeowners.
- in a safe, sustainable fashion that does not require risky or complicated loan products such as interest-only or adjustable rate mortgages. Limited equity cooperatives, community land trusts and deed-restricted housing are all forms of Shared Equity Homeownership.

HOW DOES IT WORK?

A lower income family buys a home at a below-market price with the understanding that when the family is ready to sell, the resale price is set at a level that allows the original family to have a fair return on its investment, but the home remains affordable to the next family. The subsidy is permanently retained in the property. The agency that monitors the resale typically remains in contact with the homeowner, guarding against property deterioration and mortgage delinquency.

HOW DO I FIND OUT MORE ABOUT SHARED EQUITY HOMEOWNERSHIP?

Go to: WWW.NCBCAPITALIMPACT.ORG/SHARED-EQUITY

Because it takes more than money to spark lasting progress.

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