



Portal Estates HOA  
October 21, 2021

**Dear Beverly,** Members of the Portal Estates HOA, and Management;

The community land trust (CLT) model of permanently affordable homeownership is over fifty years old in the United States and has its roots in the Civil Rights movement of the sixties. Currently most states have at least one of the 277 CLTs around the U.S.. Many CLTs have been developed abroad in England, Scotland, Australia, and many other countries. Fannie Mae has been underwriting mortgage loans for qualified CLT buyers for decades and devotes an entire section of its Selling Guide to guidelines for appraising CLT properties (please note that CLT homes are never allowed as appraisal comparables for market-rate homes) and underwriting CLT loans. Grounded Solutions Network ([www.groundedolutionsnetwork.org](http://www.groundedolutionsnetwork.org)) (and its predecessor, the National Community Land Trust Network) is the national organization supporting and providing educational and other resources for CLTs and other Shared Equity models of homeownership.

Like most CLTs, Elevation Community Land Trust (ECLT) ([www.elevationclt.org](http://www.elevationclt.org)) is a non-profit organization. ECLT was founded to work throughout the state of Colorado, and its municipality and county partners share in providing the funds necessary to lower the initial purchase prices to levels affordable to those earning up to 80% of Area Median Income who can qualify for conventional mortgages. These lowered prices often allow teachers, hospital workers, fire fighters, construction employees and others - representing the backbone of our communities - to enter the wealth-building opportunity that homeownership represents, often for the first time. Thus far, ECLT has partnered with the City of Denver, the City of Aurora, Boulder County, the City of Longmont, and the City of Fort Collins. Since ECLT's first home sale in December 2019, it has sold 106 new construction and renovated homes, including single-family homes, duplexes, townhomes, and condominiums.

ECLT purchases existing homes, renovates them, and sets an affordable sale price. At sale, ECLT retains ownership of the underlying land, and sells the improvements to an ECLT-qualified homebuyer. At their purchase, the homebuyer signs a 99-year renewable Land Lease with ECLT. A resale formula within the Land Lease limits the maximum resale price for which the homeowner can sell their home when and if they sell. New homebuyers must always be ECLT-qualified prior to purchase. ECLT keeps a waitlist of qualified buyers. The resale formula balances return on investment with the need to keep the home's purchase price affordable, owner after owner.

In 2019, our team was excited at the chance to purchase a group of duplex homes at Portal Estates and Portal Village. Tenants of the purchased units were alerted to the opportunity to apply for qualification with ECLT's program, and, if qualified, to purchase the homes once renovated. Elevation's staff has worked with the Boulder County Tax Assessor's office and has followed its recommendations regarding what surveys of homes and lots should include to ensure that legal descriptions clearly define 1) what is being purchased, and 2) the land that is being leased. The team is eager to work with the PEHOA and the Twin Lakes HOA as the individual unit deeds and Land Leases are recorded with the Boulder County Clerk and Recorder, and to work to expedite any potential administrative adjustments if needed.



ECLT does remain the owner of the land underlying homes. Its intention is for each individual homeowner household to enter HOA membership, and to have the voting right that accompanies membership.

We welcome any questions or discussion items the HOAs may have and look forward to meeting and talking with you soon.

Sincerely,

~~Barbara Navin~~  
Vice President of Stewardship