

The Answer

SHELTERFORCE

Q: What Are the Three Major Types of Community- or Resident-Controlled Housing and How Do They Work?

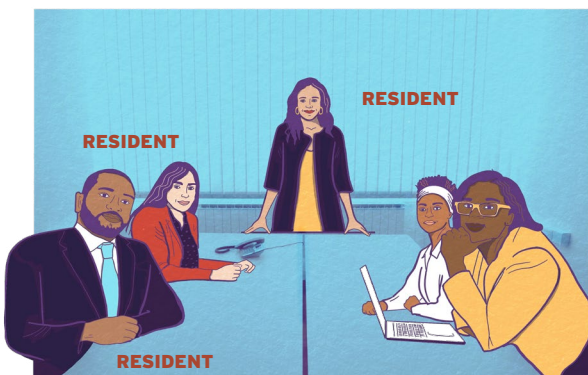


COOPERATIVE

In a **cooperative**, a resident is a shareholder of the organization or corporation that owns the building. Their ownership stake, plus a monthly payment that goes toward maintenance of the common areas and costs of running the building, entitles the shareholder to a living space. Larger units require a larger share purchase. A cooperative is run democratically by a board elected from the shareholders. In a **limited-equity cooperative**, there is an agreement to limit the resale value of the shares to keep the building affordable in perpetuity.

COMMUNITY LAND TRUST

In a community land trust, ownership of the land and of the buildings are separated. A nonprofit organization owns the land. An owner of a home on CLT land has most, but not all, the rights of a conventional homeowner, agrees to a resale formula to keep the home permanently affordable, and receives ongoing support from the CLT. Rental housing, community facilities, and businesses can also be located on a CLT. A traditional CLT board is composed of one-third residents, one-third residents of the community where the housing is located, and one-third other stakeholders such as community leaders or housing advocates. Not all CLTs follow this structure, but all have some opportunity for residents to participate on the board. [Read more about CLTs.](#)



MUTUAL HOUSING ASSOCIATION

In a **mutual housing association**, residents are traditional renters, but the board of the nonprofit organization that owns and rents the housing is controlled by the residents, who typically hold a majority of the seats.