



# Deed Restriction Purchase Program

## PROJECT SPECIFIC INFORMATION

AMI/population targets	Target any AMI level, program design can serve households at various AMI levels or limited AMI levels
Unit Creation Potential	Medium unit creation or secured deeded units
Type of Housing	This program could be for all housing types, rental or ownership opportunities or tailored to a specific type of housing objective

## PARTNERSHIP OPPORTUNITIES

Private partnerships	Homeowners/developers who are willing to deed restrict their homes
Community partnerships	This program may require a partnership with the local Housing Authority, a financial institution or similar local organization to run the application process or program.

## CONSIDERATIONS FOR IMPLEMENTATION

Program Readiness timeline	1 to 3 years depending on the funding source
Additional Staff Required	Low, if managed by a third party
Magnitude of initial investment	\$2-5 million
Risks	Low, with effective implementation and monitoring.
Proven track record in Oregon	No



<b>Notes</b>	This program is contingent on generating revenue or using an existing funding source
<b>Anticipated Award per Project</b>	~\$100k-700k per project (~15% Fair Market Value)

# Deed Restricted Purchase Program

## DESCRIPTION OF PROGRAM:

This program enables local municipalities to fund the purchase of deed restrictions on homes rather than buying or managing properties for affordable housing. Because a deed restriction costs only a fraction of a full property purchase, communities can preserve more housing for local workers and year-round community members. Under this model, homeowners or developers are compensated to record permanent covenants that limit occupancy, sales or rentals to the affordability terms defined in the restriction. This approach could help protect local housing stock in areas where second home purchases and vacation rentals have significantly reduced availability for a community's workforce. A third-party partner would be identified to verify eligibility of buyers and implement the program.

Unlike traditional affordable housing incentives, this program model does not have to rely on income-qualifications. Designing the program in a way that encourages more homeowners to participate can help support the broader effort to preserve the community's character and sustain its local businesses. If implemented in the way described in the Vail, CO Case Study below, housing affordability stabilizes by creating limits on the pool of potential buyers, ideally to those who are locally employed. Other policy provisions could restrict resale prices, include equity considerations, etc.

## BENEFITS TO THE COMMUNITY:

A deed-restricted purchase program is intended to strengthen the local housing landscape by permanently securing homes for workers and year-round households or limiting resale prices, expanding both ownership and rental opportunities in existing one- and two-family homes, small infill projects, and condominium developments. Because the restriction on eligible buyers is assumed to help keep prices more attainable over time, the area gains long-term housing stability without the expense of acquiring or constructing entire properties. This approach also offers a meaningful opportunity for current property owners to not only realize equity in their properties now but to commit to selling their property only to a targeted pool of buyers.

## RISKS:

A deed-restricted purchase program carries a few potential risks. It requires up-front capital or a dedicated revenue stream to continue purchasing restrictions. Even with this investment, if an equity or resale limit approach is not included, the housing market may still outpace the impact of restricting the pool of buyers, potentially limiting the program's ability to secure units at a sustainable cost over time. Any affordability benefits may not be realized until the dwelling unit transfers to the next

occupant, which could be several years after establishment of the deed restriction. Together, these factors require consistent funding and careful monitoring of market conditions.

Additionally, a program that restricts potential purchasers to only those with jobs or job offers would need to be monitored to ensure the program is not inadvertently preventing people of protected classes (ie: race or national origin) from purchasing or renting homes subject to the deed restrictions.

## **UTILIZATION OF THIS TOOL IN OREGON OR SIMILAR COMMUNITY:**

A comparable example is the Town of Vail, Colorado, a destination mountain community that has applied this approach to secure both large rental developments and traditional single-family homes in perpetuity. Vail's program avoids income-based qualifications altogether. Affordability is preserved by limiting sales to households with individuals currently employed in Eagle County or retired with at least five years of prior work history there. This approach narrows the pool of eligible buyers, reducing competition for the homes and helping to temper upward pressure on prices. The program is designed to limit the buyer market creating more predictable property values and sale price stabilization. The primary goal is to bring market rate owners and developers to the effort, expanding housing options and prioritizing occupancy of existing housing to households that live and work in the area. Vail's program also includes a limitation on resale value (limited to an escalation of 1.5%-3% per year, plus escalation for improvements to the property).

## **KEY TAKEAWAYS:**

A deed-restricted purchase program typically requires either a new revenue source or a significant share of an existing one, but it offers flexibility to target specific housing types or policy goals. By creating a clear incentive for market-rate owners and developers to participate, the approach helps stabilize the local housing market and expand access to homes that remain attainable over time.

## **CASE STUDY:**

The Town of Vail, Colorado, is using this model to advance its long-term housing goals. Through its Vail InDEED program, the town uses general fund dollars and other revenue sources to fund the purchase of deed restrictions, with the local housing authority administering the program under Vail Town Council direction and available funding.

The U.S. Department of Housing and Urban Development (HUD) conducted the primary case study available on the Town of Vail's Vail InDEED program.

[Vail, Colorado: The Vail InDEED Program Provides Deed-Restricted Workforce Housing in a Resort Market | HUD USER](#)

The Urban Land Institute also reported on the Vail InDEED program.

[Robert C. Larson Awards 2020 Winner: Town of Vail CO's Housing Department's Vail InDEED Program | ULI Americas](#)

Economic & Planning Systems, Inc. (EPS) also produced an analysis of the Vail InDEED program.

### **Economic Value & Community Benefits of Resident Housing Investment**

## **KEY CONTACT(S):**

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## **ADDITIONAL RESOURCES:**

[Vail InDEED program earns national recognition for innovation | VailDaily.com](#)

[FAQ | Vail, CO](#)

[Town of Vail | Discover Vail Housing Opportunities — The Valley Home Store](#)

<https://snowbrains.com/investigating-the-ski-town-housing-shortage/>

**Breckenridge, CO's recently implemented Housing Helps program**

**Summit County's Deed Restricted Housing Program**

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