

# Shared Ownership Models



REAL ESTATE INVESTMENT,  
SHARED SERVICES, & OTHER  
FORMS OF EMPLOYEE  
OWNERSHIP



WORKER COOPERATIVES &  
OTHER FORMS OF  
COOPERATIVE STRUCTURES



COMMERCIAL  
LAND TRUSTS

Shared ownership models, including employee ownership, cooperatives, and commercial land trusts, are proven methods for economic recovery and growth. They retain and grow businesses and jobs, revitalize distressed areas, prevent displacement, and expand ownership opportunities for BIPOC and other underrepresented groups.

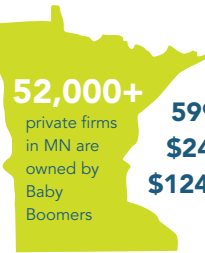
## DID YOU KNOW?

If 30% of US businesses were worker-owned, the median wealth of Black households would increase from \$24,000 to \$106,000. The average wealth of the bottom 20% would quadruple.

"Employee Ownership and Wealth Inequality, A Path to Reducing Wealth Concentration" Thomas Dudley, Etan Rouen Sept 2021

### Baby Boomer Opportunity

Baby boomer-owned businesses in 2012 employed 24.7 million people, generating \$5.14 trillion in sales.



599,000 employees  
\$24 billion in payroll  
\$124 million in revenue

### Opportunity

This is an opportunity to transfer wealth/ownership to BIPOC, women, low wealth and other underrepresented groups through a transition to employee ownership.

6 in 10 of these businesses will be listed for sale

Only 2 in 10 listed business will actually sell

85% of owners have no succession plan.  
Only 15% of businesses will pass to family members.

Data above developed by Project Equity using US Census and SBA data

## Employee Ownership Structures

In an employee-owned company, the workers—not outside shareholders—own all or at least a significant percentage of their workplace.

National Center for Employee Ownership

Why



92% Increase in household wealth



53% Longer job tenure



33% Increase in wages

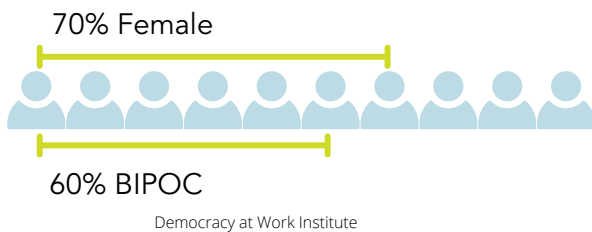
# Worker Cooperatives

Worker cooperatives are values-driven businesses that center worker and community benefit at the core of their purpose. Worker cooperatives use democratic practices to determine profits, oversight, and often the management of the enterprise. This proven model is an effective tool for creating and maintaining sustainable, dignified jobs; generating wealth; improving workers' quality of life; and promoting community and local economic development, particularly for people who lack access to business ownership or sustainable work options.

US Federation of Worker Cooperatives

## Demographics in Worker Cooperatives

Worker ownership continues to be a movement led by women and BIPOC workers.



## Minnesota Glance



U of Wisconsin Center for Cooperatives

## Commercial Land Trust

Similar to a housing land trust, a Commercial Land Trust (CLT) is a community-based initiative that works to provide permanently affordable commercial ownership opportunities by acquiring land and holding it "in trust" indefinitely for the benefit of the community, ensuring that the properties will always remain affordable for local business owners.



Affordable commercial spaces helps to prevent BIPOC-owned business closures and strengthen economic outcomes.

To Narrow the Racial Wealth Gap, Help Entrepreneurs of Color Own Property, Bloomberg News

## Opportunity

There are hardly any public funding sources available for affordable commercial land acquisition and development

