

Building a Better Future Together: Celebrating National Homeownership Month

By Rural Housing Service Administrator Tony Hernandez and California Single Family Housing Program Director Ron Tackett, USDA Rural Development

As National Homeownership Month begins, we think of the many rural families who have built their homes with their own hands – and have, quite literally, worked up a sweat as they toiled to build a better future through homeownership.

To help them succeed, USDA and its partners provided the financial tool: an affordable mortgage. This year we are celebrating 50 years of the [Mutual Self-Help Housing Program](#), which has assisted rural families in gaining a foothold into the middle class by stepping on that first rung of what President Obama calls a ladder of opportunity. In California, we make more self-help and direct home loans than any other state in the nation, helping those in need fix leaky roofs, install new water wells and even build and buy their own homes.

The self-help program provides very low- and low-income families the opportunity to achieve the American dream of homeownership. Nationwide, USDA Rural Development has partnered with more than 100 [non-profit self-help housing organizations](#) and helped 50,000 rural families realize that dream.

The Mutual Self-Help Housing Program started right here in the Golden State. In 1964, a small group of community leaders pioneered a program that would help low-income families build their own homes by trading sweat equity for mortgage assistance. From three families in 1965, this small group in Goshen, California, grew to become Self-Help Enterprises, a nationally recognized housing organization operating in eight counties in the San Joaquin Valley. It's a place you may have heard of — the fields of the San Joaquin Valley grow much of America and the world's food, but the people who work the fields too often suffer from high rates of poverty, limited education, and the ups and downs of climate conditions and market prices.

The self-help program provides grants to qualified organizations to help them carry out neighborhood-based self-help housing construction projects. Participants do their part by contributing their own labor to their houses. This program rewards that special kind of people who are willing to roll up their sleeves, pick up a hammer and do whatever it takes to build a better life for themselves and their family.

This is not easy work. Families spend many long hours working on their homes — typically contributing 30 to 40 hours of work per week to their houses — and often building more than 70 percent of each house. But these families' hard work reduces construction costs. Additionally,

they collectively share in the joy of becoming homeowners, since no one moves into their home until all the homes are ready.

Fifty years after the creation of the self-help program, California continues to serve as a leader in making rural communities safer, more affordable and enriching places to live, work and raise families. Over the past 50 years, Self-Help Enterprises alone has helped over 6,000 families build their own homes. In 1981, Rural Development in California began a partnership with the Community Housing Improvement Program (CHIP) that continues today — over that time, CHIP has helped 1,348 people across seven northern California counties build their own homes, too. Along the Central Coast, our longtime partner Peoples' Self-Help Housing has leveraged the self-help program to help build nearly 1,200 homes since 1970. In Riverside and Imperial counties, home of Death Valley and the Mojave Desert, the Coachella Valley Housing Coalition has helped more than 1,600 families build their own homes over the past 33 years.

USDA Rural Development will be celebrating with all of these partners over the course of National Homeownership Month, attending ceremonies, meeting homeowners and recognizing the achievements of so many hardworking families, non-profit staff members and community leaders. But when this month is over, our work won't change — we'll continue our mission to improve the economy and quality of life in rural America, in rural California.

Since 2009, USDA invested more than \$117 billion to support rural homeownership nationwide. In California, we've given out over \$5.1 billion to further that cause in our own communities. In 2014 alone, USDA invested more than \$19.9 billion to help nearly 140,430 rural families buy and maintain homes, helping about 1,000 families realize approximately \$25,000 in equity in their new homes through self-help. Here in California, we made a total of \$25.2 million in self-help loans in 2014 to build 166 new houses.

More than any other public program we've seen, self-help increases minority homeownership in rural communities. Consistently, more than 50 percent of the homes have been built by Hispanic, Latino, African-American and other minority groups. Single mothers who are the head of their households also participate successfully in this program — gaining skills, strength, and confidence and achieving stability for themselves and their children. Since 2008, 41 percent of self-help homes have been built and bought by women-led households.

Rural America faces a unique set of challenges when it comes to combating poverty. Too often, rural people and places are hard to reach or otherwise underserved — but USDA Rural Development makes sure they are not forgotten.