



Rural Development • Rural Housing Service • Mutual Self-Help Housing Technical Assistance Grant Program

## Mending a Home and Helping a Neighborhood Rebound

Jessica and Jason Smith used to watch home improvement shows in which old, deteriorating houses are renovated. They never thought they'd be the ones giving a neglected home new life—until now. And while building their dream of homeownership, they are literally helping to revitalize a neighborhood.

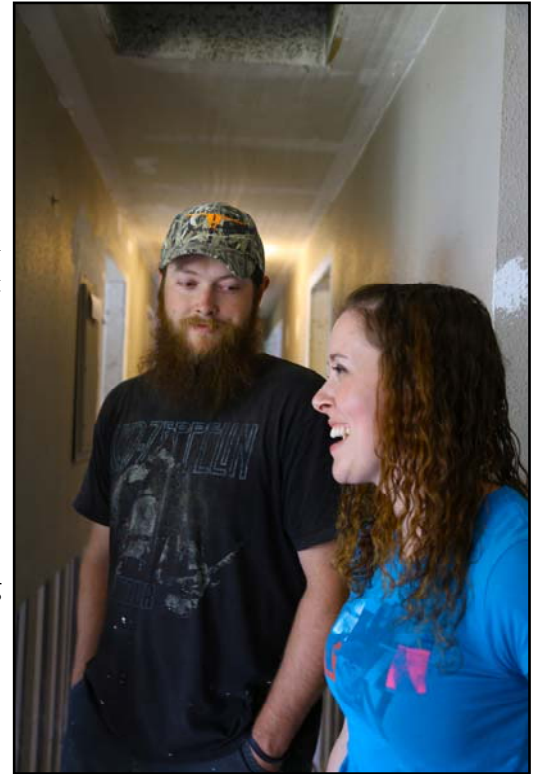
The Smiths were renting a 600-square-foot apartment in St. Helens, Oregon, but with the arrival of their second child, they were ready for more space, a yard, and a neighborhood setting. They signed up for a program offered by local nonprofit [Community Action Team](#) (CAT), which uses USDA [Mutual Self-Help Housing](#) grant funds to assist families in rehabilitating foreclosed homes using their own sweat equity to reduce the cost of the renovations. The nonprofit provides coordination and training and secures professional construction assistance. The families also receive an affordable USDA mortgage.

On top of their fulltime jobs—Jessica is a veterinary technician and Jason works at a service station—the Smiths spent 30 hours a week over seven months giving new life to a foreclosed home that had fallen into disrepair and was subject to vandalism. “Everyone in the neighborhood knows the house and thanks us for turning it,” Jessica said.

In St. Helens, like many rural small towns, the housing recovery is taking longer than in surrounding urban areas, with multiple vacant homes left to deteriorate, lowering everyone's property values. At the same time, rental housing is difficult to find with apartment vacancy rates at less than one percent and with multi-year waitlists for low-income rental housing, according to CAT Executive Director Jim Tierney.

By renovating a foreclosed homes, the Smiths are not only breathing new life into a neighborhood, but also freeing up scarce rental housing. At the same time, these first-time homebuyers are building equity and personal assets through homeownership and home improvements. The experience they have gained doing everything from roofing and siding to the ventilation system and plumbing has also prepared them to handle any maintenance the home may need themselves.

With the purchase of their first home, the Smiths are saving money. Their mortgage payment is projected to be \$200 less per month than their apartment rent even as the cozy home gives them more space with three bedrooms and a playroom for their children. For the first time, they will also have their own fenced yard. “Our son asks for a dog every year for Christmas—not a stuffed dog, but a real one,” Jessica said. “Now, we can get one!”



*Jessica and Jason Smith in the hallway of their St. Helens home midway through the renovation.*

**Obligation Amount:** \$399,188 grant

**Date of Obligation:** September 2007 (amended August 2013)

**Congressional District:** Representative Bonamici, District 1; Senators Wyden and Merkley

**Partners:** Community Action Team

**Demographics:** St. Helens, Oregon; population 13,060

**Impact:** A family achieves homeownership, building equity while reducing their housing costs. The renovated foreclosure helps the neighborhood recover from the housing crisis.