



Sonia Duran staples tar paper onto the plywood construction of a garage in Delavan Oct. 2. This house, along with seven others in Duran's group, are part of the U.S. Department of Agriculture Rural Development's "Mutual Self-Help Housing Program." The program, which caters to low- or very-low-income families, requires all participants to work 30 hours per week on their homes during construction, rather than paying a downpayment.

# Hispanic families work for homeownership

By Kevin G. Tuttle

**DELAVAN, Wisconsin** – With her back hurting from shoveling gravel 18-inches high around the entire exterior of her recently finished basement, Sonia Duran gushed with pride thinking of the finished product. Hopefully, by Christmas, she and her 8-month-old daughter, Lezebeth, will be home.

For a factory assembly line machine operator, owning a home had simply been a faint dream for Duran, 24, a single mother. With the housing market in its current state, no one would seriously consider giving her a mortgage. No one except for the U.S. Department of Agriculture Rural Development, which has the "Mutual Self-Help Housing Program."

"I'm very excited because I feel like I'm doing something," Duran said. "I'm by myself with a baby, so it means a lot. I feel proud of myself because it's a lot of work."

With her full-time factory job, Duran, originally from Mexico, works at least 40 hours per week. An additional 30 hours per week are required by the program to build the house. Using this "sweat equity," homeowners' labor becomes their downpayment. Working anywhere from four months to 10 months on construction, the workload can be quite daunting for many people. But not for Duran.

"My dad bought a house in the same program - he told me I could do it," she said.

Gratefully for the many other families involved in this and other USDA Rural Development programs, Duran is not alone in this endeavor.

"The Self-Help Program enables individuals and families to take their futures into their own hands and build a better quality of life," said USDA Rural Development

Wisconsin State Director Frank Frassetto. "That is one of the main goals of USDA Rural Development: to provide affordable homeownership opportunities and assist rural citizens to obtain their dream of homeownership."

Currently, five other families are building alongside Duran in the Self-Help Program, providing camaraderie, encouragement, and an empathetic ear during hard times.

Although building her home has been difficult for Duran because of the time she needs to spend away from her baby girl, "It'll all be worth it in the end," she said. "That's what I tell everybody, 'This is the hardest thing you're going to do in your life, but it's worth it,'" Art Gonzalez, Executive Director of Southeastern Wisconsin Housing Corporation of Racine County, said. His non-profit organization is a grantee contracted with USDA Rural Development to provide the technical assistance, procure the lots, recruit the families to participate in the program; determine the eligibility of the families; and oversee construction.

The Mutual Self-Help Housing Program has helped low- and very-low-income people to finance and build their homes. Participants in this program are unable to find other affordable housing, much less come up with a downpayment, therefore sweat-equity is necessary to facilitate lower costs. Most loans are for 33 years, at affordable rates with taxes escrowed into the mortgage, while the first payment is due 30 days after closing. In fiscal year 2008, USDA Rural Development made 19 loans in the program, 37 percent of which were to minorities.

USDA Rural Development has two programs aimed at providing homes to rural families without downpayments. Besides the direct-loan Self-Help Program, the Guaranteed Rural Housing (GRH) Program, which has been go-

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# USDA Rural Development program teaches, assists lower-income families

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ing strong for the past 30 years, assisted 1,383 families this past year in purchasing new homes.

“With the rise in foreclosure rates across the nation, it’s important to note that the first year delinquency rate with the GRH program has decreased over the past year to 2.82 percent, and is well below the national average, which increased to 4.2 percent,” Frassetto said. “Equally important is the fact that we nearly doubled our investment in this housing program over last year, going from \$82 million in fiscal year 2007 to over \$157 million this year and should our delinquency rates follow the trend that we’re currently seeing, the number of increased homeowners, like the Durants and Villegas families, will significantly help the economies of rural communities.”

The Villegas family completed their house in November 2007 after undergoing construction for approximately six months. Juan Villegas found out about the program when his father built his own house and Juan assisted.

“I heard about the program from my parents who built through it, too - so did my brother,” Villegas, who lives in the house with his wife, Rosa, and five-year-old son Juan Diego, said. “I liked the experience because I learned stuff and I can fix my own house now. I have a new house and I’m the only one who has ever lived

here.”

Villegas, 29, also from Mexico, has built seven houses in the program, because in order to move into one’s own house, the owner must help construct the other houses in the group of families who are building simultaneously. Groups can be from four to 12 families who complete at least 65 percent of the construction,

which begins and ends at the same time for everyone – no one gets to move into their home until every home is finished. Everyone closes on the same day and moves in together.

“I’ve seen guys shed a few tears on closing day,” Gonzalez said. “The women always cry.”

From never having used certain tools to constructing their own house in approximately six months – learning on the job is required.

“I didn’t know how to even hammer before I started,” Duran said. “I’m just learning so much.”

The confidence in their newfound abilities and the patient, helpful supervision from construction supervisors give the soon-to-be-homeowners a sense of pride and belonging, Gonzalez said.

“They’re scared when they come in here. They don’t know the terminology, the tools, but they learn along the way. It is a hardship, but they overcome it,” he said.

“I really, truly believe in this program. You want a home in this program? You have to work for it.”

Which is exactly what Duran continues to do.



Juan Villegas, left, plays with his son, Juan Diego in their newly constructed home Oct. 2 in Delavan. The Villegas’ home took approximately eight months to build, with Juan working over 1300 hours on it himself. This is the first home he and his wife have owned.



For more information on Self-Help Housing, call 920-907-2976 or 866-474-3600

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