

Teddy L Gardner

President/Executive Director South Arkansas Community Development (SACD)

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Thank you Chairman Lincoln for this opportunity to talk about something so dear to my heart, assisting proud families that don't make enough money to have decent living conditions and that would otherwise never have the dream of homeownership in the greatest nation in the world. Without a doubt, in my opinion, the USDA Rural Development Mutual Self-Help Housing Program is the greatest program ever created by our national leaders such as you. I have had the privilege of serving as Chair for the National Rural Self-Help Housing Association during the years of 2004-6. This was quite a honor for me to work with so many non-profit organizations throughout the nation in trying to make a difference in families quality of life and the way they look at their future when they have a warm home they can call their own. I have also had the honor of serving on the Advisory Committee for the Housing Assistance Council (HAC) in Washington, DC; they offer funding to help non-profits with land acquisition. When SACD buys a lot for a family using HAC's program, only 10-20% of the monies have to be repaid. The 80-90% can either be granted to the family (if needed) or be put in a reserve account for buying other lots for other families. This is a critical piece to help make this program more affordable. I have also served for several years as Chair to the Arkansas Coalition of Housing and Neighborhood Growth for Empowerment (ACHANGE). SACD is a HUD counseling office, which means that we are HUD Certified for counseling families on issues such as credit, finances, budget, responsibilities of a homeowner, how to maintain your home, financial benefits of homeownership, and how to prevent foreclosure. I strongly recommend the need for counseling of the families. I will advise you that I am very passionate about what I do and I try very hard to look at both sides in every situation. In the future I would be glad to visit with you about possible new ideas that could help more families.

In our local Rural Development office (which is in Malvern, AR) out of the thousands of mortgages they do, they currently have 592 delinquent accounts, 7 of those are families that we have helped through the Self-Help Housing Program. We have helped 135 families through Self-Help over the last ten years, 109 in the Malvern office. We currently have a two year grant to help an additional 25 families which started in April 2009 and we have 5 homes under construction (3 of which are almost complete) and we have three others ready for closing. Mutual Self-Help is a sweat equity program where the family helps with the labor in the construction of their new home. This is generally a savings to the family of about \$10,000 - \$20,000. This means that a new home that appraises for \$115,000 has a mortgage of around \$98,000. The mortgage is locked in at a low interest rate (now 5.00%) for 33 years. For a household size of three and the total household income of \$33,950 at 5% interest the payments would be \$625 PITI. That same mortgage at 5% interest, now subsidized to 1% because the families household income is \$20,000, the mortgage payment is now \$410 PITI. If the family is on Section 8 their mortgage could be as low as \$200 and sometimes even lower. The new homes built are energy efficient with maximum electric bills of around \$100 for a 1400 square foot home. All the homes built currently are "Energy Star."

I would like to talk to you today about the difference you have helped us make in the families we serve. Our very first family was a single man that had his legs crushed in an accident and was living in a very old 14 foot camper on a small piece of property that was left to him by his grandparents. Both of his legs were in braces. We explained the program to him and he was willing to try but still not sure this was legitimate. Now ten years later, he is still a proud homeowner and treasures his new home.

We had the opportunity to serve a young single female and then in turn were able to help her mother and grandmother with new homes. Their homes are immaculate. We had a single mom come into the office who is deaf. She was on Section 8 and her living conditions were not good. She brought her son in with her so that he could help her understand the program. They both worked so hard for this new home. Her son, who was struggling in school turned around

his life and saw the positive in what his mother was trying to do for him and since has served in the Army and is now in college. His dreams are becoming reality for him. After the mom and son got into their new home, her mother and two aunts got new homes through this program. All but one had never owned a home before, but always dreamed of owning. We served an 84 year old man and his 83 year old wife. They were very proud and had worked hard all their lives. After he retired he got sick and was in the hospital for two months and lost or sold everything he owned. He had to cash in his retirement to pay the medical bills. Their credit scores were in the 800's. After all this tragedy they were able to have a new home. Their retired children helped with the labor; the respect the children had for their parents was incredible.

All the families that we serve are very dear to our hearts, but I would like to talk to you about one family that made my life change. The family consisted of a husband and wife with three children (2 boys and 1 girl). The husband worked at McDonald's. The wife was diagnosed with MS and in a wheelchair. Their medical bills were outrageous, but were able to keep them satisfied. They got no help through the MS Foundation. They lived in a two bedroom, 800 square foot apartment with one bath. The wife had to be in a hospital bed which would not fit in the bedroom so it had to be in the living room. They contacted me to see if I could help them, but they didn't really think I could with their situation being so bad. When I got to call them (4 days before Christmas) to let them know they were approved, I thought the husband was going to pass out. He was so excited. His wife had a new mission of selecting colors and planning the decorations of their new home. They were getting a 1500 square foot home with 4 bedrooms and 2 baths, with a fenced in yard for the kids to play in. Since then the wife has become gravely ill and at times they're not sure if she will live. After construction of their new home the husband left McDonald's to begin working at the Housing Authority to help other families in similar situations. This is a remarkable family. They think I helped them with a life changing experience when they actually helped me.

I am so very honored that USDA Rural Development has allowed me to continue helping more and more families with various programs. We have helped, through all of our programs over 3000 families with counseling, 330 with homeownership, and approximately \$26 million in loans. With this program we help to keep working approximately 25 sub-contractors, title companies, insurance companies, etc., which makes this program very valuable to each and every community that is served through USDA Rural Development. SACD is one organization in a county of 25,000 and we serve about an additional 35,000 outside of our county. If we could multiply this by how many organizations there are throughout the nation doing what we do, USDA Rural Development is making a tremendous difference in our great nation.

As with any program especially one of this size there are barriers that are encountered from time to time, and we can visit about those in the future if you would like. Again I would like to say that I believe that the Mutual Self-Help Housing Program is the best program ever created.

Chairman Lincoln, I appreciate the opportunity to tell you of my story and to say that I am very proud of you and the work you have done for this state and with this current position you hold, what you can do and will do for the entire nation. I would be glad to answer any questions you may have.