

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Community Planning and Development

Self-Help Homeownership Opportunity Program

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	60,000	121,446	(5,446)	176,000	110,000	49,554
2025 Appropriation	60,000	66,000	-	126,000	66,000	66,780
2026 President's Budget	16,000	60,000	-	76,000	60,000	69,401
Change from 2025	(44,000)	(6,000)	-	(50,000)	(6,000)	2,621

a/ Section 236 of P.L. 118-47 rescinded unobligated balances under the Veteran Home Rehab and Modification Pilot program. Rescission totaled \$3 million of funds appropriated in FY 2022, \$1 million of funds appropriated in FY 2023, and \$1.4 million of no-year funds.

PROGRAM PURPOSE

The Self-Help and Assisted Homeownership Opportunity Program account funds grants for the purchase of home sites and development or improvement of infrastructure to set the stage for “sweat equity” and volunteer-based homeownership programs for low-income individuals and families. It also funds awards that deliver capacity-building support to local organizations.

BUDGET OVERVIEW

The 2026 President’s Budget requests \$16 million for Habitat for Humanity (Habitat) under the Section 4 Capacity Building program to support sweat equity homeownership and capacity building activities. The request does not include funding for the Self-Help Homeownership Opportunity Program or for the Rural Capacity Building Program. In total, the President’s Budget reflects an overall savings of \$44 million compared to the 2025 Enacted level.

JUSTIFICATION

The 2026 President’s Budget requests funding for a grant to Habitat to fund sweat equity homeownership projects and to strengthen the capacity of its affiliates.

Eligible activities include activities which 1) support land acquisition and infrastructure improvements to create homeownership opportunities for families, and 2) enhance Habitat’s capacity and ability to carry out community development and affordable housing activities that benefit low-income persons, as authorized under section 11 of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 9816 note) and section 4 of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note), respectively.

Homeownership activities under Section 11 include eligible expenses to develop decent, safe, and sanitary dwellings. Specifically, the grant funds land acquisition and infrastructure improvements. Traditionally, 50 percent of beneficiaries live in rural communities. Homebuyers must be low-income and must contribute a significant amount of sweat equity toward the development of the unit. Volunteer labor is also required.

SELF-HELP HOMEOWNERSHIP OPPORTUNITY PROGRAM

Capacity building support under Section 4 provides the knowledge and resources to initiate, improve or expand implementation of community development, housing, and economic development activities. It leads to affordable housing production and rehabilitation and enhances economic opportunities for low-income communities.

Performance

Habitat is a prime example of the strong, long running partnerships HUD has with faith-based organizations. In implementing Section 4 grant award funding received from 2017 to 2023, the Habitat achieved the following outputs:

- Served a total of 4,220 eligible organizations (2,751 being CDCs and CHDOs);
- Offered 100 trainings;
- Awarded 139 grants totaling \$19,660,082;
- Created 12,698 new housing units;
- Rehabbed, preserved, and/or repaired 6,826 housing units;
- Placed 6,883 housing units into the development process;
- Created 158 new jobs while retaining 64 jobs; and
- Awarded a total of \$1,001,620 in sub-grants to 1,454 subgrantees.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	Adjustments	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Self Help Housing Opportunity Program	12,000	26,000	-	38,000	26,000	12,000	12,000	24,000	-
Section 4 Capacity Building	42,000	83,000	-	125,000	83,000	42,000	42,000	84,000	16,000
Set-Aside for Rural Capacity Building Activities [Non-Add]	5,000	5,000	-	10,000	-	5,000	5,000	10,000	-
Set-Aside for Tribal Communities [Non-Add]	1,000	1,000	-	2,000	-	1,000	1,000	2,000	-
Rural Capacity Building	6,000	6,000	-	12,000	-	6,000	12,000	18,000	-
Veteran Home Rehab and Mod Pilot	-	6,446	(5,446)	1,000	1,000	-	-	-	-
Total	60,000	121,446	(5,446)	176,000	110,000	60,000	66,000	126,000	16,000

a/ Section 236 of P.L. 118-47 rescinded unobligated balances under the Veteran Home Rehab and Modification Pilot program. Rescission totaled \$3 million of funds appropriated in FY 2022, \$1 million of funds appropriated in FY 2023, and \$1.4 million of no-year funds.

APPROPRIATIONS LANGUAGE

The 2026 President's Budget includes the appropriations language listed below.

For a grant to the fourth capacity building entity specified in section 4(a) of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note), \$16,000,000, to remain available until September 30, 2028, for activities authorized under that section 4, under section 11 of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 12805 note), and for related assistance.

SELF-HELP HOMEOWNERSHIP OPPORTUNITY PROGRAM

Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119–4).