

Phoenix Neighborhood Stabilization Program at work in South Mountain Village



Vacant foreclosed homes affect communities in many ways: increased opportunity for crime, neighborhood blight and decreased home values. The South Mountain Village was hit hard and accumulated more than 6,100 foreclosures since 2008 and is now benefiting from NSP investment.

The Neighborhood Stabilization Program (NSP) was designed by the U.S. Department of Housing and Urban Development (HUD) to help cities like Phoenix address the effects of the foreclosure crisis in the hardest hit areas. The city of Phoenix received \$115 million through three rounds of funding and is expected to turn approximately 2,200 vacant, foreclosed houses back into homes through renovating single- and multi-family properties and offering homeownership incentives and affordable housing rental opportunities.

To date, \$5.6 million in federal investment has been made in South Mountain Village improving 94 homes. Forty-six buyers purchased newly renovated homes through NSP's Move-In Ready Program and invested \$4.1 million in primary mortgages. Renovations address health and safety issues, improve energy efficiency and enhance curb appeal. Eligible buyers receive \$15,000 in down payment assistance, housing counseling and homebuyer education.

"This program has been a tremendous success for the residents of South Mountain Village, pumping millions of dollars into the area," said Vice Mayor Michael Johnson. "Every foreclosed home that gets fixed-up and sold positively impacts the other homeowners on the street and the entire neighborhood - it's a win for everyone, it's a win for Phoenix!"

Marialena Martinez and her fiancé, Anthony Sacco, purchased their first home using the city's NSP after Marialena's mother heard about the program and encouraged them to apply. "We were looking and everything was out of our price range, we knew we would have to do something drastic and save our money," said Marialena. Anthony and Marialena made a resolution to tighten their belts by moving in with Marialena's parents so that they could save for a large down payment. "We had to show a lot of discipline to save that kind of money, I never thought that we would be able to do it—we worked hard to get here," said Marialena. "It was a little hard in the beginning because we had to make the differentiation between 'want' and 'need'. There were times when we felt like giving up, but we really wanted to own our own home."

The couple chose a newly renovated home through the city's Move-In Ready Program in South Mountain Village, close to Marialena's parents and Anthony's job at Eli's Barber Shop. "The home was perfect for us,

it fit all of our criteria and we are happy to stay in the South Mountain area instead of being further out, like when we were renting,” said Anthony. Anthony and Marialena worked closely with Claudia Schulz of Mandalay Homes, the NSP developer that renovated their home. “When this foreclosed home was added to the NSP inventory they were very excited because it was in the neighborhood they wanted,” said Claudia.

The couple’s steadfast determination and hard work elevated them to their American dream, and according to Anthony, they will be forever grateful to NSP. “We feel we now have a solid foundation with our new home,” he said. “We don’t have to worry about living in someone else’s property or paying money to someone else. This is the best investment we have made.” Marialena added, “Our new home is a dream come true...It was well worth it, we are excited and very thankful.”

