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## Battling the Decay of Foreclosures



Gordon M. Grant for The New York Times

**DERELICT HOME** An empty house on Meade Avenue in North Bellport, N.Y., where four tiny ranch-style houses sit boarded up and vacant in the space of a city block.

## Battling the Decay of Foreclosures

By [ROBIN FINN](#)

THE homes on either side of the decrepit structure at 716 Narragansett Avenue in East Patchogue, N.Y., are delineated by orderly chain-link fences. Their lawns are shorn, their flower beds painstakingly mulched. A parakeet twitters beneath twin sun umbrellas on the rear deck at one home, No. 722. With curtains fluttering in the windows and shiny S.U.V.'s hunkered in the driveways, the two residences are a model of working-class suburbia in repose.

But the decaying '60s colonial-style house sandwiched between those two prim residences is a dead zone, one of a hundred vacant houses in the Long Island town that are widely believed to have caught the subprime mortgage contagion.

Its front yard is a tangle of weeds and buckled concrete walkways, its backyard an illegal dumping ground for opportunistic contractors. In one of the broken second-floor bedroom windows, a child's Scooby-Doo sheet, an incongruous remnant of happier times, is substituting as a window shade. No one would want to call this place home; no one does.

"It's no good," said Yanira Amaya, the frazzled neighbor at tidy No. 722, about living next door to an abandoned eyesore. Hers is not an isolated problem. Travel a few streets east to Meade Avenue in North Bellport, and the desolation is magnified. In the space of a city block, four tiny ranch-style houses sit boarded up and vacant, all presumably victims of foreclosure or its frequent harbinger, the negligence of an owner or investor.

Foreclosure is an individual and family loss, and a host of groups are addressing that aspect of the problem. But in many Long Island towns, as well as other locations like Orange, N.J., New Haven, Yonkers and Bedford-Stuyvesant in New York City, homeowners and local groups are also battling the wider effect of foreclosures — the disarray and devaluation of their neighborhoods.

"Vacant houses are a menace to neighborhood stability," said Patrick Morrissy, the executive director of [Hands Inc.](#), a nonprofit housing group in Orange. This spring, for \$5.4 million, the group acquired the defaulted mortgages on 47 vacant houses in the greater Newark area, the opening act of a new neighborhood initiative.

Mr. Morrissy said a house-to-house survey he conducted in January 2008 revealed "the first uptick in vacant houses in 14 years" in Orange.

"I would say it's hurricane season for foreclosures and 150 Katrinas are pounding urban neighborhoods across the country," he said. "It's forcing us to reinvent the way we do community development."

Noting that 654 homes in New Jersey were repossessed in February, Mr. Morrissy added, "We have to grow the scale of our commitment — rescue troubled properties, organize citizens as neighborhood guardians, get new homeowners into the picture — or this thing is going to devour us and our neighborhoods."

On Long Island, John Rogers, chairman of the Greater Bellport Coalition and a lifelong Bellport resident, has surveyed derelict homes and grown similarly concerned.

“I knew the Town of Brookhaven was preparing to pay \$1 million for improvements at Robert Rowley Park, our four-acre community park, which is a great thing,” Mr. Rogers said. “But it suddenly struck me that when I stood at the park entrance and looked at the surrounding houses, half of them were boarded up.”

Mr. Rogers’s informal survey found 100 vacant houses in various stages of dilapidation, with 70 boarded up. “A lot of times the town comes in and does it,” he said. “Boarding them up is kind of a last step.”

Marianne Garvin, president of the [Community Development Corporation of Long Island](#), one of the 240 agencies eligible for \$120 million in national foreclosure intervention money through a Congressionally sponsored program, has committed to refurbishing 45 vacant properties. Several were on Mr. Rogers’s list of offenders.

Ms. Garvin’s group also plans to use its share of \$2 billion in federal and state [Neighborhood Stabilization Program](#) money — \$27 million is designated for Long Island — to buy and fix up 14 residential properties in at-risk neighborhoods in Freeport, Islip, Babylon and Brookhaven. Moreover, 72 foreclosed properties have been transferred by Suffolk County for refurbishment to a handful of nonprofits, and Ms. Garvin’s is among them.

“We’re trying to keep people in their homes via foreclosure prevention and counseling, but you can’t save everybody,” said Ms. Garvin, whose agency’s foreclosure counselors assisted 50 clients in 2007, 438 in 2008 and 300 new clients in the first five months of this year. Buying orphaned properties and fixing them for sale (in the foreclosure-ravaged village of Freeport in Nassau County) or for affordable rental (in Suffolk, where rental stock is scarce) is a novel and, she said, necessary strategy.

“The foreclosure trend is very complex, but the good news is that local government and community organizations are starting to attack it in all of its complexity,” Ms. Garvin said.

A few restorations are already completed. In May, Mr. Morrissy’s group finished refurbishing a two-family house on New Street in Orange. The house had a tenant in an unheated apartment upstairs and a deteriorated vacant apartment downstairs; now, the house has been repaired, the tenant upstairs has heat (and a lease), and the downstairs apartment is ready to rent.

On Long Island, the Community Development Corporation is buying and fixing up 15 bank-owned homes in Freeport. The house on Narragansett Avenue and two in nearby North Bellport are its first three Suffolk projects. The mission, Ms. Garvin said, is to “stabilize neighborhoods in clusters” — before the troubled properties drag down the value of adjacent homes.

The homes in peril are many — about 69.5 million houses nationally, according to [the Center for Responsible Lending](#), a consumer advocacy group based in Durham, N.C. To stop this domino effect early, residents in East Patchogue, Orange and New Haven are acting as community watchdogs, looking for any signs of decline on their streets on a door-to-door level.

“If we don’t step in now and address the problem, we could end up with entire streets that look like the house on Narragansett Avenue,” said Geoff Stone, the director of the [Bellport, Hagerman, East Patchogue Alliance](#), another housing advocacy group.

Ms. Amaya’s habit of averting her eyes from the squalor at 716 Narragansett Avenue will soon end. In May, the Community Development Corporation received the title to No. 716, and members of the Greater Bellport Coalition have removed the litter in the front yard as part of a townwide cleanup effort. Soon, the house will undergo a \$175,000 makeover and be ready to rent at \$1,200 a month.

When Ms. Amaya learned that, perhaps in time for the upcoming school year, there might be a habitable home next door instead of a festering junkyard, she smiled.