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Orange County battles foreclosures

Kathy Kahn

Dan Martin, president of the Housing Partnership Development Corp., a New York City-based organization founded in 1983 by David Rockefeller, is working with several entities in Orange to turn foreclosures into affordable housing in Newburgh, Middletown and Port Jervis, putting homeowners in rehabbed homes and keeping neighborhoods intact.

Funding of \$6 million, including \$2.3 million from New York state, \$1.9 million from the federal Department of Housing and Urban Development and money from ARRA (American Reinvestment and Recovery Act) will help to restore and rescue abandoned properties in Orange's three cities.

Dan Martin, president of the not-for-profit Housing Partnership Development Corp., said his organization is working in conjunction with Orange County's Office of Community Development. "It took nine months to get all the entities in place before we could begin the program," said Martin. "We are working with the county's Office of Community Development as well as Habitat for Humanity of Greater Newburgh, RECAP in Middletown and Orange County Rural Development Advisory Corp. in Pine Bush to find and evaluate the foreclosures."

Since foreclosures tend to become eyesores, with grass growing waist-high, said Martin, and also a potential target for vandalism, "the faster we are able to ascertain the asking price and then look at the home to see if it is worth rehabilitating, we can match it with a family on the participating nonprofits' waiting lists."



Orange County is still the fastest-growing county in New York, but it's taken on another distinction: the county with the highest foreclosure rate in the state, something it would like turn around.

And there are dozens of families who are waiting, added Julie Gonzalez, the project manager. “The difficulty for us is inventory. The way the subsidy program is set up, we are working with very specific zip codes. We have to work within geographic areas and neighborhood stabilization guidelines set up through the Department of Housing and Urban Development.”

According to Martin, one home has already been rehabbed and sold, five homes have been financed in the city of Newburgh and another 10 are in the talking stages.

“We work on the finance side, obtaining subsidies, lines of credit, providing ‘gap financing’ and the community-based nonprofits find the people,” said Martin. “They do the site work and prepare the budget, figure out what the construction costs will be to rehab the property and get the qualified buyers into the homes.”

Orange County Trust, Provident Bank and M&T Bank have formed a consortium, said Martin, to provide the financing, which will eventually become SONYMAE mortgages. “Yes, we have asked the community-based banks to step up to the plate and they have responded,” said Martin.

“Everyone recognizes a good opportunity to support the community by taking foreclosed homes off the market. It’s a positive opportunity for the community, for the lenders and for us,” said Martin. “We are hoping, by the end of the day, we will have at least 50-75 homes rehabilitated and ready for families.”

For further information on the program, contact Julie Gonzalez, NSP project manager at (646) 217-3386.