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PEACHTREE HILLS NEIGHBORHOOD FRAUGHT WITH FORECLOSURES

An idea to help residents 'hang on'

Nonprofit wants to buy homes, offer them as lease-purchases

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A nonprofit group wants to buy as many as 25 vacant houses to help build homeownership in Peachtree Hills, a Charlotte neighborhood that is one of the worst-hit by the foreclosure crisis.

Self-Help, a nationally recognized, Durham-based community development organization, hopes to use the neighborhood as a pilot program that, if successful, could be replicated in other states. The goal: to stabilize a community where foreclosures have left scores of homes empty -- either boarded-up, for sale or abandoned to vandals and thieves.



YALONDA M. JAMES / Staff Photographer

04/03/2008 - 31-year-old mother of two, Tamika Shears, had to pack her belongings from her home at 1337 Crandon Dr. on Thursday, April 3, 2008, after being forced out of the house.

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"Peachtree Hills is in desperate need of attention, no doubt about it," said Evan Covington Chavez, Self-Help's director of real estate development. But it also has a foundation to build on.

"You can see there are homeowners that are trying to hang on," she said. "And we'd like them to be able to stay."

Self-Help would buy the homes for a lease-purchase program, Covington Chavez said. The tenants would go through homeownership counseling while they prepare to take on mortgages. The organization is still working with city staff on details of the plan, including the city's possible role.

As cities across the country face similar foreclosure problems, governments and housing organizations are using a host of strategies to mitigate community damage, ranging from educating homeowners to partnering with nonprofit organizations that can bail out borrowers.

In Massachusetts, the governor has encouraged lenders to sell foreclosed properties, even at a loss. Wisconsin is promoting a foreclosure help hot line. Toledo, Ohio, has nonprofit organizations buying foreclosed homes and helping existing residents through lease-purchase.

But using a lease-purchase program to revitalize a single community could be a unique approach. It's new for Self-Help, which, over two decades, has provided about \$5 billion in assistance to N.C. homeowners, small-business owners and nonprofit organizations.

It is "a creative and fairly original idea," said Chris Estes, executive director of the N.C. Housing Coalition. And it's suited to Charlotte's specific brand of foreclosure, he said: the clustering of bank-owned homes in isolated communities with little interconnection to other neighborhoods or business districts.

"If you don't do something kind of dramatic," Estes said, "the overall effect is kind of dominating."

Peachtree Hills is part of a crescent-shaped area of new subdivisions in Charlotte's northwest that have been decimated by foreclosures in recent years. Forty of the community's 147 houses were vacant in January, according to city data. County property records show at least 42 properties have gone through a foreclosure or been owned by a bank since 2003.

It's a condition that police say has led to vandalism, rising violent crime and further exodus by residents. Last year, Charlotte-Mecklenburg police logged 360 calls for service. In July, a 14-year-old was shot to death there, to the astonishment of residents who thought they had moved to a quiet, suburban neighborhood.

The boarded-up homes in Peachtree Hills, like their neighbors, are neat, neutral-colored, vinyl-siding houses on postage-stamp lawns. On a sunny afternoon last week, children were biking and running along quiet streets.

But on one block, two next-door neighbors were preparing to move because a bank had foreclosed on their landlord. Tanika Davis, one tenant, said she was taken by surprise when a sheriff's deputy served the foreclosure papers.

Newly unemployed, she now must look for new work and a home that takes Section 8 vouchers, a government subsidy, for herself and four children. With gas prices high and day care to consider, she worries about finding schools and employment close to home.

"It's just the pick-up-and-move," she said. "The relocating the kids."

Around the corner, homeowner Maranda Summers has seen a lot of turnover in the neighborhood. When she arrived in 2003, many of the homes weren't yet built. Now kids knock out the streetlights at the park across from her, and people break into a nearby vacant house.

But she's proud of her grassy lawn among others showing red clay. She said her street is the quietest, and she loves her home.

"To me, it's what you put into it," she said.

Summers is the type of homeowner that Self-Help and city leaders hope to keep in Peachtree Hills. On a tour of the neighborhood and other similar subdivisions last week, Mayor Pat McCrory said the city should focus on helping the neighbors of foreclosed homes.

City leaders in general, from council members to police, were heartened to hear about the Self-Help proposal. Mayor Pro Tem Susan Burgess said she has been impressed by the organization's work in Grier Heights, where Self-Help is building homes for low-to-moderate-income homeowners.

"That's fabulous," Burgess said. "They're a wonderful organization."

From a crime perspective, the neighborhood is at a key threshold, said police Capt. Andy Leonard, whose district includes eight of the city's 13 high-foreclosure subdivisions, including Peachtree Hills. He believes the Self-Help program could save it.

"Homeownership in Peachtree Hills could turn that neighborhood around," he said.

Peachtree Hills neighborhood fraught with foreclosures

Library researcher Maria Wygand and staff writer Ted Mellnik contributed.