

THE Neighborhood Minute

The Newsletter for NeighborWorks® Greater Manchester

Executive Director's Message:



Since announcing our name change last fall, great things have been happening at NeighborWorks® Greater Manchester. Along with our new name, you can now see our completely redesigned website at www.nwgm.org. For the first time, internet viewers can see what's going on with up to date information on our projects, activities and programs, as well as register for any one of our many homeownership programs as a full calendar of events is posted there. Our new name also enables us to broaden our work in some of the surrounding communities of Manchester. We are actively pursuing opportunities to educate people about the need for affordable housing in their respective communities as well as seek development opportunities in these areas.

While we work to increase our visibility through our work in Greater Manchester it is important to remind everyone that we aren't leaving behind our roots in the neighborhoods of Manchester. In fact, we are excited to share with you that we are working on revitalization efforts on the city's West Side beginning this spring with a neighborhood clean up project.

As you will read in this edition of the newsletter, the sub-prime lending industry is having a dramatic impact on the overall housing market. As more and more homeowners who have purchased their homes through these products succumb to rising interest rates, we are witnessing greater numbers of defaults and subsequent foreclosures. Just look at the number of foreclosure sales listed in the newspaper. It is through the work of NeighborWorks® Greater Manchester that helps people avoid entering these circumstances in the first place. A properly educated homebuyer is a smart consumer. Not only when it comes to choosing a home, but a mortgage product as well. While the number of these types of foreclosures continues to rise, we continue to help people better understand what their buying potential is and when they are actually ready to enter the homebuyer market.

With these continuing changes in the lending industry and the impact this has on the work we do, it is timely then that our Board of Directors embarks on a new strategic plan for the organization. Stay tuned for upcoming information on the successes and challenges encountered during the past four years followed by what we identify as the priorities for the future in addressing the housing and community development needs of this region.

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"My little palace."

That's how Rena Audy refers to her affordable one-bedroom apartment located in the former Uptown Motel building at NeighborWorks® Greater Manchester's Straw Mansion Apartments.

"It's perfect," said Audy. "The appliances are nice, it's just the right size and the people at Stewart Property Management (the third-party management company employed by NeighborWorks® Greater Manchester to oversee all of our 209 affordable apartments) are just wonderful - they really look out for me. I couldn't be happier."

But Audy's outlook wasn't always so rosy.

In 2000 she became totally disabled, her diagnoses including degenerative disk disease, severe nerve damage, osteoporosis, rheumatoid arthritis and heart problems, among others. Her problems were compounded as she lost her sources of income when her condition forced her to quit her nursing and hair styling jobs. To afford food and medicine in the 14-month interim before her federal disability insurance kicked in, she said she had to sell off 90 percent of her possessions.

At the time she was living in an apartment managed by Stewart Property Management (SPM) on Eastern Avenue in Manchester. By 2005, however, SPM, who had shown understanding with regard to her financial difficulties, was no longer managing her apartment complex.

With Audy struggling to make ends meet, insult was soon added to injury when her apartment was flooded. Now she had to move. But she had no money. Audy was referred to NeighborWorks® Greater Manchester, which provided her with an apartment at the recently opened Straw Mansion Apartments.

"Without them," she said, "I would have been homeless. There are no words..."

While still living with her many health problems, which often require frequent stays in the hospital, Audy remains upbeat, and grateful. "I'm not going to feel sorry for myself," she said. That's not who Rena is.



The financial support of our friends in the community allows NeighborWorks® Greater Manchester to continue to provide affordable housing and community development activities in the Greater Manchester region. Help us continue to do this important work. Please make a financial contribution today to NeighborWorks® Greater Manchester. Thank you!

NeighborWorks® Greater Manchester at Work to Clean Up West Side Neighborhoods

NeighborWorks® Greater Manchester has been hard at work advocating for the clean up of neighborhoods on Manchester's West Side that have fallen into disarray, specifically the blighted areas around Granite, Douglas, West and Barr Streets. Since December members of our Community Services Committee have spearheaded campaigns to lay greater focus on these neighborhoods in an effort to improve living conditions for residents. These volunteers have drafted and proposed four City Ordinance changes aimed at giving city officials more authority to pursue careless landlords and negligent property owners whose actions are contributing to the decay of this neighborhood and others across the city. On February 20th, the Board of Mayor and Aldermen adopted one of those proposals: doubling citation fines on a number of trash-related ordinance violations.

As part of the effort to clean up areas of the West Side, we have identified a number of specific "problem" properties in the West Granite neighborhood and have begun

offering clean-up assistance to property owners. We are also planning a neighborhood-wide clean-up and beautification effort in early June.

"Landlords, tenants and single-family homeowners understand not only that their neighborhood needs help, but that they all have a role to play in revitalizing this neighborhood that they all call home. By joining forces with NeighborWorks® Greater Manchester they've begun to see the fruit of that effort," said Community Services Specialist Will Stewart.

NeighborWorks® Greater Manchester is also planning other actions in these neighborhoods in the coming months to help reduce the blight, lessen crime, create green space, reduce density and increase owner occupancy. Stay tuned!

Vacant Center City Lot is Transformed

For the past three years, the empty lot at 128 Auburn Street was little more than a dumping ground for litter and a short cut between Auburn and Chestnut streets. That changed on September 30, 2006, when NeighborWorks® Greater Manchester transformed the barren, dilapidated Center City lot into lush green space for residents to enjoy.

Partnering with Boy Scout Alex Beecy of Troop 91, who is working toward his Eagle Scout Award, NeighborWorks® Greater Manchester staff and a crew of volunteers planted approximately 40 trees, shrubs and perennials on the lot. The resulting oasis is now known as the Auburn Street Park.

The Auburn Street Park abuts our apartment building on the corner of Chestnut and Cedar Streets. In addition to the aesthetic improvements this new park brings to the area, the park will also offer residents a place of calm and tranquility.

We thank the following businesses who contributed services or products to create the Auburn Street Park:

Blue Ribbon Fence & Landscape, City of Manchester Parks, Recreation & Cemetery Department, Collins Tree Service, Corriveau-Routhier, Demers Garden Center, Giant Landscaping, Hanover Street Citgo, Shady Hill Greenhouses, Stop & Shop Supermarket Companies, Troop 91, Tuckahoe Turf Farms, Mr. and Mrs. Don Beecy

We also thank Carolyn Hottle, Glenn Ouellette, Maria Silva and Mary Tebo for their involvement, and we recognize the financial support of the Ella Anderson Trust.



Bringing Happy Holidays to Our Families

Christmas came a couple of days early for over 100 families who call NeighborWorks® Greater Manchester properties home. The families were the beneficiaries of the Sixth Annual Holiday Bash hosted by friends Joseph Venturini and Jeff Moynihan, both of Manchester. The bash, which attracted some 200 of the pair's friends, was held at the Alpine Club on December 22nd. Admission to the party was a gift for a child.

The gifts made their way to NeighborWorks® Greater Manchester residents thanks to Ald. Mike Lopez, a member of our Board of Directors, who had heard Venturini and Moynihan were looking for a nonprofit organization with which to partner.

With rising energy costs, taxes and utilities, many families just don't have the money to spend during the holidays," Executive Director Robert Tourigny said. "The contributions from these folks helped to ease the burden on families and create a cheerful holiday for all."

Employees of NeighborWorks® Greater Manchester and Stewart Property Management volunteered their time on Saturday, December 23rd, to sort the presents and distribute them to tenants.



Photo (left to right) - Patrick Smith, Agency Field Consultant for State Farm Insurance and a member of the Board of Directors, presents a check for \$35,000 to Robert Tourigny and Beth Jellison, Chair of the Board of Directors, in support of NeighborWorks® Greater Manchester's home ownership and real estate development programs. This is the second major contribution from State Farm Insurance in support of our affordable housing initiatives.

Foreclosures Rising Among High-Risk US Mortgages

(Excerpted from a recent article in *The Christian Science Monitor*)

One of the great legacies of the housing boom of the past six years is that almost everyone—even people with questionable credit—has access to a mortgage. But now, some housing advocates contend, all that easy credit is on the verge of creating the worst mortgage crisis since the 1980s. The reason: A rising number of home owners are shouldering mortgages they can no longer afford.

Across the nation, foreclosures and defaults are rising as mortgages that were once affordable are now expensive albatrosses as the introductory “teaser rates” that made the loan possible end and higher interest rates kick in. Some housing specialists worry that the mortgage industry will raise its lending standards so high that would-be homeowners with less-than-perfect credit will be frozen out. There is even some concern that the pullback in lending will extend the slump in the nation's housing market. “It's the most serious threat to the economy,” says Mark Zandi of Moody's Economy.com. “It has the potential to set the housing market back another big notch since there could be a whole class of people who can't get credit.”

At issue is a class of mortgages that lenders call “subprime” because they do not qualify for the lowest

or prime interest rate. These are designed for high-risk borrowers, those with fixed incomes, or those who have had credit problems in the past. Since 1998, more than 6 million Americans have borrowed in this way, according to the Center for Responsible Lending. The majority of these loans are adjustable-rate mortgages (ARM) that are tied to changes in interest rates.

In 1995, subprime mortgages represented a niche market: less than 5% of mortgages originated. Today, Wall Street analysts estimate they make up from 18 to 24 percent. Investors profited from the high interest rates that consumers were paying. While the housing market was soaring, lenders shrugged off borrowers' problems because the value of the property was rising. But now that the housing market is in a tailspin in some areas, as many as 2.2 million people could end up losing their homes.

Last fall federal regulators started to step in, requiring lenders to disclose more clearly the benefits and risks of some subprime loans to borrowers. “Many families are going to lose their homes,” says Deborah Golstein, executive vice president of the Center for Responsible Lending. “There's a need for federal regulators to address the kinds of abusive mortgage practices that we're seeing.”

Citizens Bank to Partner with the New Hampshire Fisher Cats and NeighborWorks® Greater Manchester to “Bring You Home”

For the second season, Citizens Bank is teaming up with the New Hampshire Fisher Cats and NeighborWorks® Greater Manchester to support our efforts to help families purchase a home of their own. For every run scored at home by the Fisher Cats this season, Citizens Bank will donate \$100 to NeighborWorks® Greater Manchester as part of the “Bringing You Home” program. “We are very grateful to Citizens Bank for their outstanding leadership support in helping residents of the Greater Manchester region reach their goal of home ownership. This program is a fun way to bring together different entities of our community to benefit the greater good,” states Robert Tourigny. Last year the Fisher Cats scored over 300 runs at home and we are hoping for another winning season. Thank you Citizens Bank and the New Hampshire Fisher Cats!



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Neighborworks® Homeownership Center Upcoming Seminars

Sponsored by Bank of America

Home Buyer Orientation

June 6	5:45 p.m.	to	6:30 p.m.
July 11	5:45 p.m.	to	6:30 p.m.
August 1	5:45 p.m.	to	6:30 p.m.

Home Buyer Seminar

June 23	8:30 a.m.	to	4:00 p.m.
August 4	8:30 a.m.	to	4:00 p.m.

Home Buyer Financial Fitness Club

August 7, 13, 9 & 16	6:00 p.m.	to	8:00 p.m.
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Home Keeper Workshop

September 8	8:30 a.m.	to	2:30 p.m.
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Predatory Lending Awareness Workshop

Sponsored by Banknorth

June 5	6:00 p.m.	to	8:00 p.m.
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To learn more about these seminars or to register for a seminar, please call 626-4663 or visit us at: www.nwgm.org

