

## **Fifty Homeowners in Highlands, NJ Facing Homelessness Due to Closure of Their Community**

*After a prolonged legal battle, the residents of Paradise Trailer Park may lose their homes because of an inability to obtain financing for the purchase of their community.*

METUCHEN AND HIGHLANDS BOROUGH, NJ (February 13, 2012). The residents of Paradise Trailer Park may soon be facing eviction. After years of fighting an uphill legal battle to ensure their legal right to purchase their three acre mobile home park, the challenge to secure sufficient financing may not only prevent residents from buying their community but also push more than 50 individuals and families onto the streets.

In 2006, the homeowners in Paradise Trailer Park received word that their community and homes were being demolished to make way for high-end luxury condominiums. The residents of this community, who are largely low-income, banded together, raised what funds they could spare and challenged the developer and the courts to protect their right to purchase the community under New Jersey law. In October 2011, the courts agreed that the rights of those living in Paradise Trailer Park were denied and required the developer to give the homeowners the right to purchase. Since that time, however, residents have struggled to find a bank or government entity willing to loan them the funds. “It’s not that we can’t repay the loan because we can. Our rents are more than sufficient, and the property is excellent collateral,” said Lori Dibble, President of the Paradise Park Homeowners Association. “Maybe it’s because our homes are trailers? If so, that is discrimination. Not everyone can afford a McMansion.”

In December 2010, Build with Purpose, a nonprofit real estate development company with experience in securing financing for resident ownership of mobile home parks, was engaged to assist with securing the \$3 million necessary to purchase the community. Brian Keenan, Director and President of Build with Purpose, said that there is interest from one lender to provide half the necessary funds, but they are struggling to secure the remainder. “They need to buy the community by April 6<sup>th</sup>. If we miss that date, it is all over. These people are not asking for a ‘ball-out’ or a grant. They just want a loan, a market rate loan at that.” Keenan has spoken with various state agencies about the issue, including the NJ Department of Community Affairs, the NJ Housing Mortgage Finance Agency and the NJ Economic Development Authority with no success. “We have been told that while they feel great sympathy for the homeowners, they just don’t have the authority or procedures to help these folks”. This is where Keenan disagrees. “Resident ownership, like the type we are discussing, is common in other states and very successful. We as a state could save these people, their homes, and their community if we wanted to.” Keenan struggles to understand the lack of assistance saying that. “The State has granted hundreds of thousands of dollars to build one unit of affordable housing but will not lend sixty thousand to save one unit at Paradise Trailer Park? I can’t understand it particularly in light of the social and financial liability the state incurs housing homeless families.”

Despite the fact that time seems to be running out for the homeowners of Paradise Trailer Park, Keenan’s organization continues to work to find the needed funds. “I know if our state senators, local government officials, the governor and others knew about this, they would help to find the loan dollars needed. It is hard to believe that in the wealthiest state in the wealthiest country in the world, we don’t have the ability

to loan these people the money they need to save their homes. Billions are being spent to bail-out homeowners, but there is no money to help these residents? The homeowners at Paradise Trailer Park are good people. Like the rest of us, they work, they pay their taxes. If we as a community and as a state let this happen to them, who will be next?"

As a nonprofit, Build with Purpose is committed to building strong organizations and communities through real estate development. Since 2003 the organization has secured over \$120 million dollars to build homes and schools. For more information about Build with Purpose please go to [www.bwpurpose.org](http://www.bwpurpose.org) or contact Brian Keenan at (732) 635-1000 extension 153.