

"'At-risk' Students Get Home Ownership Class"

By Joe Catalano

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After lecturing on the importance of saving, having good credit and home-buying, Eileen Anderson opened the floor to questions.

"If I file for bankruptcy can I still purchase a home?" asked one of the 15 audience members. "How much money do I need to buy a house?" quizzed another.

Anderson, vice president of the Community Development Corporation of Long Island, a nonprofit housing group with offices in Centereach and Freeport, answered each query as the audience looked on intently.

The questions seemed surprisingly savvy to several observers -- mainly because the group was made up of "at-risk" high school students -- those considered likely to drop out of school.

"The kids asked questions as sophisticated as any adult on home ownership," said Anderson after the class.

The recent lecture was the orientation for an unusual seven-week course for youths on financial fitness, health and wealth. It combines the teaching of basic skills, such as the steps in opening a checking account, with competencies in areas such as setting long- and short-term financial goals, home maintenance and home purchasing -- including recognizing practices known as predatory lending, in which excessively high-interest, high-cost loans are made to people who often can't afford the payments.

The course is the brainchild of Ruth A. Redlener, director of the Hofstra University Liberty Partnerships Program. It is being offered jointly with the Community Development Corporation at the group's Freeport office. The Roslyn Savings Foundation is providing funding for buses to shuttle the students back and forth from Freeport and Uniondale high schools and provide a snack during each session.

The students have volunteered to participate in the after-school program. Still, getting them there can be difficult, Redlener said. Some work part-time; others baby-sit for siblings. They include students who come from single-parent homes and are doing poorly academically; all are from immigrant households where the parents may speak little or no English.

The Liberty Partnerships program, started in 1989, provides annual state Education Department grants, mainly to colleges and universities. There are now 57 Liberty Partnerships throughout the state. Hofstra's Liberty program, which includes the financial fitness/home ownership course, received a state grant of almost \$140,000 this year. The grant helps support several courses being taken by a total of 160 high school students enrolled from Freeport, Uniondale and Rockville Centre.

Liberty members can run any type of program they feel benefits a targeted group of students. Redlener came up with her idea after Sharon Grosser, executive director of the Roslyn Savings Foundation, told her of Community Development's Home Ownership Center in Freeport. The center offers a home maintenance workshop, also funded by Roslyn, which teaches skills in plumbing, electrical and construction work to homeowners.

Redlener then met with Grosser and Marianne Garvin, executive vice president of Community Development, and put together the seven-week course patterned after the nonprofit group's course for first-time home buyers. This is the first

time, however, the group has worked with high school students, which has excited the program's organizers. "These kids are our future," Anderson said.

Courses focusing on financial literacy have been taught for some time to local high school students. North Fork Bank, for example, started a financial literacy program five years ago to show students how math fits into everyday life, said J. Charles Allen, a vice president and North Fork's Uniondale branch manager. It runs programs in schools such as a stock market game in which students invest make-believe funds to see how well they can do.

Roslyn Savings also has gone into schools to teach banking skills, including managing savings and checking accounts, Grosser said. In addition, Grosser said she is in discussions with various Nassau County Girl Scout troops about participating in a home maintenance class at Community Development's Freeport office.

But Grosser and others said they were unaware of another course like Hofstra's Liberty Partnerships program that combined home-buying with home maintenance and financial fitness.

Over the years, the Long Island Housing Partnership, a Hauppauge-based, nonprofit housing organization, approached high schools about teaching home buying preparation courses with students, but nothing resulted, said Jim Morgo, president of the partnership.

"I think it's terrific," said Morgo, referring to Hofstra's program.

It's also very much needed, he said, noting that the partnership, which builds affordable housing and provides prepurchase counseling, has sold many homes to immigrant families. It's common, Morgo said, to see teenage children looking over the mortgage papers at a home-sale closing, translating the documents their parents are about to sign. And after the closing, these children continue to help their parents around the house, he said.

The participants in the Hofstra Liberty program are immigrants, from El Salvador, Cuba, Honduras, Haiti, Nicaragua and Guatemala. Twelve of the 15 students are girls.

"I know a little about mortgages because I pay my father's mortgage check for him each month," said Claudia Siquenza, 17, a student of Salvadoran descent attending Uniondale High School.

Omar Alvarado, 16, also from Uniondale High, was especially interested in the home maintenance lessons. He already lends a hand to his father, who was born in El Salvador, with projects around the house.

"I want to help my parents save money," he said.

Most of the program's participants, such as Cuban-born Osana Barrera, 16, from Freeport High, said they wanted to own a house one day.

Many of the financial steps these students take now will influence their ability to purchase a home when they are ready, said Yvette Pacheco, Community Development's financial fitness coordinator, who is teaching the program's financial segments.

Anderson said many of the adults who sign up for Community Development's first-time home buying programs have poor credit ratings, which either prevents them from buying a house or forces them to pay much higher interest rates on their loans. This program is "trying to correct that before it happens," Anderson said.

Credit-card companies, which routinely send out applications to college students, are targeting even younger people, Pacheco said.

Siquenza said banks have already sent her credit card applications -- "and I don't even have a job!"

Siquenza said her parents talked her out of applying.

But many high school students do apply and are already in debt, Pacheco and other experts say.

"About 90 percent of students who graduate [high school] don't have a clue about finances," said North Fork Bank's Allen, a participant in Hofstra's program. "They leave school without even knowing how to write a check."

The program's fall session, which started Nov. 6 and finished this week, held classes each Wednesday from 3:15 p.m. to 6:15 p.m. A spring session is also planned, but future sessions will depend on funding, Redlener said.

The program is divided into two parts. During the first half Pacheo teaches financial fitness. The first class, for example, covered the benefits of using a bank, which some immigrant families avoid, versus other services such as check-cashing shops, which charge customers a fee.

Subsequent classes covered the reasons for saving -- such as for the prom, a car or a house -- as well as smart shopping and budgeting. Also covered are the dangers of credit abuse, from falling prey to pawn shops to high-interest car loans and mortgages.

During the second half of the program, Joan LaFemina of the Community Development Corporation's home maintenance center teaches the youths hands-on skills such as how to spackle walls, hang pictures, lay tile and repair a toilet.

Occasionally, guest speakers are brought in.

During the first session, North Fork's Allen talked about the importance of savings accounts. He also explained junior accounts, which are for those under 18. He invited the students to open an account at his branch, with North Fork pitching in the first \$10.

At subsequent sessions, a plumber and electrician spoke about their professions as career choices as well as passing along home maintenance tips.

"The idea of the program is to prepare these kids for the future," Redlener said. Handouts are distributed and sent home with the students so information they learn also can be used to help their families.

Each of the participants had different reasons for volunteering for the class.

"It was my parents' idea," said David Dueno, 15, a Uniondale High student. "They forced me into it ... but I like it. At some point I want to own my own home." Dueno added that he wanted to learn about credit, saving and lending so that he doesn't run into trouble.

"I like the idea of learning how to fix things," said Iris Escobar, 16, from Freeport High.

As LaFemina kicked off the first home maintenance session, a student asked, "Which is more expensive: doing a project yourself or hiring someone?"

LaFemina quickly added up the costs of putting up wallboard in a typical room by oneself. "It could be done for about \$100," she said. But if someone were hired, the cost would run from \$300 to \$800, she said. The students were visibly surprised.

Hofstra's Redlener said she hopes not only that the students will learn how to repair and budget projects, but also that some may be motivated to pursue a career in building or home maintenance.

Added Roslyn Savings' Grosser: "You'd have to be crazy not to get excited by this program."

Joe Catalano is a frequent contributor to Newsday. He may be reached by e-mail at joecat5@juno.com.

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