

# BUSINESS

**STEWART AIRPORT** – Find out how plans are going to add service at [recordonline.com/business](http://recordonline.com/business)

TIMES HERALD-RECORD | RECORDONLINE.COM | EDITOR MICHAEL LEVENSOHN: 346-3204 | BUSINESS@TH-RECORD.COM

## Flexibility avoids foreclosure

### New developer for Ellenville condo project

BY CHRISTIAN LIVERMORE  
Times Herald-Record

**ELLENVILLE** – A deal between a bank and a new developer for a founding Ellenville town-house project has rescued the previous developer from foreclosure and the bank from a foreclosed property that might have languished on its books for months or years.

It's an example of the creative problem-solving some lenders are using to deal with the explosion of foreclosures they've seen because of the housing market collapse and recession.

The Ruby Group took over the Ellen Ridge condo project on New Year's Eve. The bank, Walden Federal, had begun foreclosure proceedings on the previous developer last year. He indicated he was willing to cooperate with the bank on a deal to transfer the project, the bank began looking for a new developer, approached Ruby Group CEO Pete Berman and struck a deal.

"We're a small community bank. We look for reasonable business decisions and we look for ways out," said Bruce Lott, senior vice president and chief lending officer of Walden Federal. "We still have a loan out there that Mr. Berman has assumed, but we also have a person that is capable of taking over this project, getting it done and getting the bank its money back."

#### Small bank gets creative

The solution Walden Federal hit upon is one that's not being used by large national banks, Lott said, largely because they're not that nimble.

"They can't even handle the (mortgage) modification process because of the sheer volume," he said.



MICHAEL D. BLOOM/For the Times Herald-Record

Pete Berman's firm, the Ruby Group, took over the Ellen Ridge condo project on New Year's Eve. Walden Federal Bank had begun foreclosure procedures on the previous developer, but he indicated he was willing to cooperate with the bank on a deal to transfer ownership to another developer.

#### FIRST-QUARTER HOME SALES

County	Sales			Median price		
	2010	2011	Change	2010	2011	Change
Orange	300	337	12.3%	\$255,000	\$244,500	-4.1%
Sullivan	72	72	0.0%	\$137,700	\$125,000	-9.2%
Ulster	201	180	-10.4%	\$215,000	\$202,500	-5.8%

Source: County boards of Realtors; figures reflect sales of detached, single-family homes reported to the boards.

Berman is now working to finish the 16 remaining condos in the 80-unit development and fix some complicated problems, including a slope that is sliding downhill into the finished condos. His company was better positioned to weather the recession than some construction companies, he said, because The Ruby Group is more diversified.

"A lot of people having a tough time were doing just commercial or just residential, and the bottom fell out so quickly that to have just one type of project to

keep you going was really difficult," he said. "We haven't been able to do a lot of houses (since the recession started), but we've kept busy with commercial and industrial projects."

#### Prices down, sales slow locally

The local housing market remains anemic. Sales were lackluster and prices fell across Orange, Sullivan and Ulster counties during the first quarter, according to local boards of Realtors.

In Orange County, for instance, the median sale price during the

first quarter was \$244,500, meaning that prices are basically back to 2003 levels, when the full-year median was \$245,000.

Berman expects to sell units at Ellen Ridge in the \$165,000 range. Before the recession, he said, town houses in the project were going for \$190,000 to \$210,000. They'll have to compete with lots of unsold inventory, including foreclosed homes and short sales that people are unloading at lower and lower prices.

Bonnie Gipson, broker/owner of Prudential Peters Realty in Monticello and president of the Sullivan County Multiple Listing Service, believes prices have bottomed out. At least she hopes so. But she also doesn't see them going back to the highs seen before the housing collapse.

"People were in this flipping mode," she said, "and the last one holding the bag lost their homes."

[clivermore@th-record.com](mailto:clivermore@th-record.com)

## BRIEFS



Photo provided by MTA

### MTA testing high-tech Help Points info system

**NEW YORK** – The Metropolitan Transportation Authority has begun testing a new subway communications system expected to replace low-tech intercoms and give riders better and faster access to routine information, as well as emergency services.

The new system, Help Points, is being deployed on the platform level at two busy stops on the Lexington Avenue line for fine-tuning before its rollout at 466 other stations. The units, which feature a green information button and a red emergency button and a digital sound system, are linked directly to the subway control center and station booth.

The units will flash when activated, pinpointing emergency situation locations.

Judy Rife

### Crude oil futures traded Friday at 30-month high

**NEW YORK** – Crude-oil futures advanced nearly 2 percent Friday, trading at a 30-month high and above \$112 a barrel as the dollar sank and investors worried about deadly Middle East protests and an oil field blaze in Libya.

Light crude for May delivery rose \$2.14, or 1.9 percent, to \$112.44 a barrel on the New York Mercantile Exchange. Oil rose more than 4 percent this week.

NewsCore