



Redesign CCI dummy text. For only about \$65, jolly housewives made

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The Charlotte Observer

SUNDAY, MARCH 18, 2007

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C D E F • • • Price varies by county | \$1.50

STORYLABEL TAG WITH

Hed 42
pts, hed
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Hedcontext two lines
with dummy

Redesign CCI dummy text. For only about \$65, jolly housewives made inexpensive meals using quick-frozen vegetables. Jaded zombies acted quaintly but kept driving their 31 oxen forward. At my grand prix, J. Blatz was equally vilified for his funky ways. My grandfather spent his day quickly carving wax buzzards, mostly from junk. When we go back to Juarez, Mexico, do we fly over picturesque Arizona? Murky haze enveloped a city as jarring quakes broke forty-six windows. Pack my box with five dozen liquor jugs. Will Major Douglas be expected to take this true false quiz very soon? A mad boxer shot another quick, gloved jab to the jaw of his dizzy opponent. Just work for improved basic techniques to maximize your typing skills. The jukebox music puzzled a gentle visitor from a quaint valley town. Nancy Bizal exchanged vows with Robert J. Kumpf at Quincy Temple. Jimmy & Zack, the police explained, were last seen diving into a field of buttered quahogs. The quick

Hed dummy
30 pts, hed
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with dummy

The man is back to buy the knife case. Robby Byrum hustles from behind the counter, across pine floors stained black with 117 years of boot-dirt.

He's ready to deal. "It's \$50 for the case," he says, palming a small white box from the back of the case.

The buyer, Darby Hallman, eyes the box. "You got something I need?"

"Just this little bone-handled thing for \$25. It's worth \$50. It ain't antique, but it's probably had a birthday or two."

Hallman gives the knife a look, does the numbers in his head. "Well, I'll take it then."

"If everything goes that quick," Byrum says, "we'll be out of here before too long."

Byrum's General Store has lived on this spot in southwest Mecklenburg County since 1890.

SEE TURNLINE | 22A

Online Extras

Refer text goes here and here and here at www.charlotte.com/xxx

The meltdown in the U.S. mortgage market tells an ugly truth about the expansion of home ownership over the last decade:

Too many lower-income families were sold homes they couldn't afford.

Sold a nightmare



CHRISTOPHER A. RECORD PHOTOS

Lea and Mark Tingley look over mortgage papers at their home in the Southern Chase subdivision. They bought their first home in early 2001 and hoped to make the payments. But they fell behind as their loan payments grew and their income didn't.

Online Extras The Tingleys lead a tour of their home that shows its construction problems. [WWW.CHARLOTTE.COM](http://www.charlotte.com)

Concord subdivision proves lucrative for builder, a headache for 1st-time owners

Part one of four

BY BINYAMIN APPELBAUM,
LISA HAMMERSLY MUNN
AND TED MELLNIK
Staff Writers

CONCORD — Mark and Lea Tingley bought a new home in 2001 in a subdivision called Southern Chase. Photos on the family computer show a smiling young couple holding a baby girl in a bare room.

They remember feeling surprised that they could afford a house. And thrilled. It was their first home, their largest investment, in the neighborhood where they planned to raise a family.

Beazer Homes USA built the Tingleys' home. Southern Chase was a new kind of subdivision for Beazer, an experiment in selling low-cost homes to low-income families.

The strategy was a financial success for Beazer.

But over the past six years, the neighborhood has fallen apart.

Seventy-seven buyers have lost homes to foreclosure in a subdivision of 406 homes. That's about one in five, more than six times the national rate.

Some homes sat empty. Others became rentals. Prices dropped.

Standing in his side yard last fall, Mark Tingley pointed to holes in his siding, garbage in neighboring yards, overgrown lawns, junked cars. He feels angry, cheated and trapped.

"We were just so happy," he said. "Now, no one is happy."

The buyers in Southern Chase share responsibility for the decisions they made.

But Beazer acted in ways that made a large number of foreclosures inevitable. Beazer not only built the homes in Southern Chase, it arranged mortgage loans for two-thirds of the buyers. The company used that control to arrange larger loans than some buyers could afford. That allowed it to sell homes for more than they were worth, an Observer investigation found.

Some of Beazer's actions may have violated N.C. lending laws, federal lending rules and federal law, the Observer found.

The Federal Housing Administration, which insured most of

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FINDINGS OF OUR 4-DAY SERIES

Beazer strategy led to problems

■ The company aggressively marketed to low-income buyers, sometimes crossing the line between selling to people who could barely afford homes and selling to people who couldn't.

Foreclosures multiply in Mecklenburg

■ About 40 starter-home clusters across the county have suffered foreclosure rates of 20 percent or more.

Other Beazer neighborhoods are ailing

■ The company built clusters of homes plagued by foreclosures in 10 Mecklenburg subdivisions.

Little done as foreclosures explode

■ Local, state and federal officials haven't tracked where foreclosures are piling up.

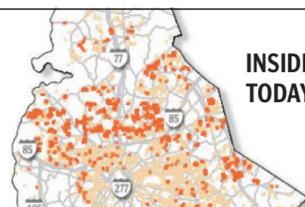


406 houses sold
in the Southern Chase
subdivision between 1997 and 2004.

77 foreclosures
among original home
buyers in that neighborhood.

HOW ABOUT YOUR NEIGHBORHOOD?

Online map allows you to scan Mecklenburg developments for foreclosures at www.charlotte.com



INSIDE TODAY

- 2A | Editor Rick Thames: This affects you.
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