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FORECLOSURES



RONNA GRADUS/MIAMI HERALD STAFF

PROCESS SERVER: Seth Gissen has to serve notice at this house on Northwest 75th Street in Miami-Dade.

Knock on front door could bring bad news

■ **Process servers deliver the news to homeowners in person when lenders have filed foreclosure. In the housing downturn, their business is booming.**

BY MONICA HATCHER
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Whether it's on the gritty streets of Bunche Park or in the marbled lobbies of condos on Brickell Avenue, everyone seems to know Seth Gissen — or at least his kind.

Grim and focused, he is known by the stack of papers under his arm, the way he

peers in windows, jots down tag numbers, and queries neighbors or the concierge. When he knocks on the door, it is loud, brisk and authoritative.

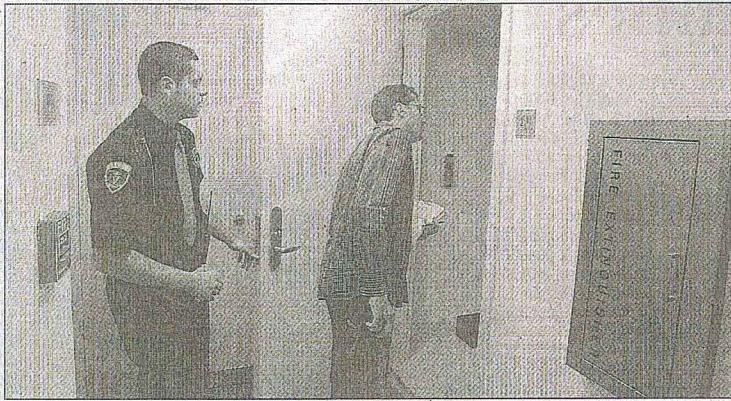
He is a process server, a sworn court officer called upon to deliver official notices to homeowners that their lenders have filed foreclosure. As the mortgage meltdown hits a critical mass in South Florida, it seems that

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FROM THE FRONT PAGE

Homes get an uninvited visitor



NOBODY HOME: Process server Seth Gissen, escorted by security guard Yoel Estrada, looks for the owner of a \$1.4 million Brickell condo to serve foreclosure papers.

***FORECLOSURES, FROM 1A**

his presence in neighborhoods throughout the region is becoming almost as common as that of the mailman or meter reader.

"Foreclosure?" asks a young man, watching from the street as Gissen knocks on the door of a duplex in Liberty City one recent evening. In the neighborhood surrounding the property in the 700 block of 75th Street, more than 28 homes are either owned by the bank or in the foreclosure process.

"Yeah," Gissen responds curtly. He says it is best to tell the neighbors what he's doing. That way, he says, they are less likely to blurt out to homeowners that a process server came around, since that would mean delivering the embarrassing news themselves. Also, Gissen needs their help in tracing the owner's whereabouts.

Does the young man know if owner Gamalyah Israelion lives in the duplex? At that moment, the tenant from the upstairs unit emerges on the lawn. Michael Ruffin is also served, as the law dictates. He has a cellphone number for Israelion, too, which puts Gissen a step closer to finding his man.

Attempts to reach Israelion by phone are unsuccessful.

As Gissen jumps into his car en route to his next stop, a \$1.4 million condo in the Jade building near Brickell Avenue, the young spectator asks about his neighbor's home: "Is there a sale date on it?"

BUSINESS GROWS

Gissen, 40, has been a process server since he opened his own company 17 years ago. A decade ago, he partnered with a college friend, Sean Zawyer, to open Gissen & Zawyer. The firm has steadily become one of the largest process-service firms among several hundred in

Florida, delivering notices in civil cases, including divorce and personal injury.

About a year ago, business from foreclosures started to pick up. In the last two or three months, it has become a deluge.

Last month, 7,499 foreclosure actions were filed in Miami-Dade and Broward counties alone.

Last June, Gissen and his partner added a new division dedicated to serving foreclosure papers — to about 5,000 people a month, including tenants, spouses, and homeowner and condo associations, in addition to property owners. All of them, by law, must be notified when a home is headed for the auction block.

While county sheriff's offices have their own staff of servers, law firms hire private companies, such as Gissen & Zawyer, for the same reasons that people go with FedEx or UPS over the U.S. Postal Service — it's faster.

In Miami-Dade County, 122 people were newly certified as process servers in January, up from an average of 30 or 40 in entire years previously, said Walter Cordle, coordinator for the county's certified civil process server program. He attributes the bigger number to the glut of foreclosure cases.

As the workload grows, the Gissen & Zawyer firm must hire. Since last year, it has doubled the number of employees to 25 in the office and 30 process servers who work throughout Florida. Most of them are private contractors. That makes the firm huge, according to a competitor. Most private firms have one or two employees.

Revenue at the firm has doubled in the last year, Zawyer

said, without giving figures. "It's a dream... Unfortunately, it comes at the expense of people being foreclosed on, which is not the greatest," Zawyer said.

Still, the firm is glad to be in a position to hire. Many recent employees have come from the real-estate industry — agents, mortgage brokers, appraisers and support-staff members driven out of work by the slowdown.

"We have people that were without jobs for six, seven months," Zawyer said. "They were dying. I feel like a few of them almost cried when we offered them a job. They were so happy."

A day at the firm starts with a staff member making the rounds to pick up new cases from local law firms that file foreclosure actions on behalf of lenders. The staff member takes the cases to the clerk of courts, waiting for hours, often the whole day, to ensure that they get filed.

"We have people scanning cases all day long," Zawyer said. "People finding people all day long. People putting papers into the system all day long."

A large map hangs on the office wall, with the names of servers scrawled over their respective areas. More cases are dropped into the mail for servers covering other parts of the state.

TIME-SENSITIVE CASES

Time is of the essence, Zawyer said. Working quickly and diligently to find property owners is key because clients want cases turned around in a day or two — although nowadays, less than 10 days is considered excellent.

"The longer the individual is not found and not served, the longer the bank that is holding that mortgage is not getting paid," Zawyer said.

Gissen and Zawyer often serve notices themselves, on their way home or some-



PHOTOS BY RONNA GRADUS/MIAMI HERALD STAFF

PERSONAL APPROACH: Seth Gissen, hoping to serve an owner with a foreclosure notice, knocks on a door on Northwest 52nd Street in Miami-Dade County.

times together. They share stories, like the time a businessman who was being served at his office sprayed them with Lysol.

"Most of them aren't surprised," Zawyer said. "Most of the time, they've already been sent letters or been contacted by the banks and I guess they know it's coming, or know it's inevitable."

That's when the firm actually serves a homeowner, which has become increasingly hard to do in recent months.

In eight addresses that Gissen visited Thursday night, three tenants were served, but not a single homeowner. A few of the properties seemed vacant.

Tenants, Gissen says, "are the innocent victims of foreclosure."

Census figures show that Miami-Dade County had among the highest home vacancy rates of major U.S.

metropolitan areas at the end of last year — about 4.4 percent, up from 1.6 percent in 2001. The national average is 2.8 percent.

A lot of that is perhaps due to new construction.

"Some of the people are walking away from their houses — they're upside down," Zawyer says, referring to homeowners who owe more on their property than it can be sold for on the market. "A lot of them were investors."

BEING PERSISTENT

When he steps into the lobby of Jade, a luxury condo building at 1331 Brickell Bay Dr., Gissen says he is not optimistic about serving Raul Reina, who owes \$1 million on a unit.

Reina's listed phone number in New Jersey was disconnected.

"This is about the eighth time we come here," Gissen

says. "The people in this building, they're never here. Everyone we've done here has been an investor."

The concierge knows the routine; he answers no questions. The security guard, Yoel Estrada, also knows the routine. He escorts process servers through the building about twice a week. The man who works the 7 a.m. to 3 p.m. shift does, too. He takes Gissen to the 45th floor. Gissen knocks. Nothing.

"It sounds empty. It sounds hollow," Gissen says.

Estrada nods. "These people think they can live a lavish lifestyle, but they can't even pay the maintenance fees," Estrada says.

Gissen glances at the service papers. The party behind the foreclosure: Bear Stearns, a giant investment bank itself badly wounded by the national mortgage crisis and rescued by a federal bailout this month.