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## Squeaking by on \$300,000

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HARRISON, N.Y. -- The live-in nanny is the first downstairs. She packs the school lunches at a kitchen window, overlooking three acres of velvety grass and little streams that slope toward a gate with a sign that says "Birch Hill."

Upstairs, three children begin to stir.

In the midst of cheese omelets and Honey Bunches of Oats and vitamins placed next to folded napkins, the lady of the house descends.

"Morning," says Laura Steins, 47, wearing a dark Armani suit and take-charge heels. Her blue eyes are lustrous and her skin is golden, and even with wet hair and no makeup, she radiates confidence.

But she's months overdue for a visit to her colorist, a telltale sign of economic distress for a woman such as Steins. The smell in the basement could mean a crack in the septic line; unlike a \$200 hair appointment, a plumber will be in the thousands. And from the breakfast table comes one more urgent need from a 10-year-old.

"At my birthday party, every single girl had a phone," says Katie Steins, making the case that an enV2 phone with matching cover is just *standard* in her crowd.

Steins kneels down to face her daughter. "If you continue to tell the world how undesirable your phone is -- it's not a flip, it's not a swivel, it's not an LG -- you will not have a phone."

Steins takes a breath. Life in this \$2.5 million house was built on the premise of two incomes, not the income of a divorced mother of three in a tanked economy. Her property taxes are \$35,000 a year, the nanny is \$40,000 and the gardener is \$500 a month.

"I can ride this storm out," says Steins, which means having tiger-striped hair and getting her kid a generic cellphone and ignoring the stinking basement.

Birch Hill is a majestic property of tender grasses and low stone walls and a whimsical sculpture next to the swimming pool. To the untrained eye, the long economic downturn as viewed from here and beyond -- the hedges and country clubs of Westchester County that stretch to Long Island Sound -- has been hard to see or feel.

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In Detroit or Southern California, empty auto plants and foreclosure signs continue to give evidence of a terrible fall, but the moorings of affluence are firmly in place in Laura Steins's world. The sandwiches at Patisserie Salzburg are still wrapped in wax paper and tied in pink ribbon. The pool at the Apawamis Club is open for the season. At Fong's Hand Laundry, the pressed shirts are still folded into brown paper

and knotted with twine.

The decline is found in the fine print.

On the bulletin board at the YMCA in Rye, for example, where nannies and maids who've been let go look for new employment.

On the wait list at the \$7,000-a-year nursery school at Rye Presbyterian Church, where only 30 names hover instead of the usual 300.

On the sleepy crime blotter of the Rye Police Department, which shows an increase in neighbor and domestic tensions.

"You have a guy who was at the top of his game on Wall Street," explains Police Commissioner William Connors. "For the first time, he gets up in the morning and he has no place to go." He hears a neighbor using a loud leaf blower at 7 in the morning and calls the police to complain.

When Wall Street crashed, so did this community. A 44-minute train ride separates the financial kingdom from this emerald suburb; the ties are so close that most people here cite the collapse of Bear Stearns in March 2008 as the start of the recession, not long unemployment lines or GM's bailout. More than a year later, as the economy shows signs of recovery, the damage is still evident. The herds of beige trench coats on the train platforms in Harrison and Rye remain thin and culled. The billions of dollars lost in investments are still gone.

Yet for all of the lives shaken, few are willing to talk about it. More than three-dozen people interviewed for this article would not allow their names or identifying details to be used.

Laura Steins doesn't mind saying that she is barely squeaking by on \$300,000 a year. She lives in a place where the boom years of Wall Street pushed the standard of living to astonishing heights. Where fifth-graders shop at a store called Lester's that sells \$114 tween-size True Religion jeans. Where a cup of fresh spinach and carrot juice called the Iron Maiden costs \$7.95.

By local standards, Steins occupies the lower rung of affluence -- the rung where every dollar now matters.

As a vice president at MasterCard's corporate office in Purchase, N.Y., she earns a base pay of \$150,000 plus a bonus. This year she'll take home 10 percent less because of a smaller bonus. She receives \$75,000 a year in child support from her ex-husband. She figures she will pull an additional \$50,000 from a personal investment account to "pick up the slack."

The nanny and property taxes take \$75,000 right off the top, but Steins considers both non-negotiable facts of her life and not discretionary. When she bought out her husband's share of the house after their 2006 divorce, she assumed the costs of keeping it afloat -- \$8,000 to \$10,000 a month. There's a pool man, a gardener and someone to plow the snow from the quarter-mile-long driveway.

As tight as money is, she has decided that living in a 4,000-square-foot house on three acres is the practical thing to do. "A), I couldn't sell the house right now," she says, citing the slow real estate market. "B), this is where my kids go to school. And C), it's where my job is."

Steins grew up in the idyllic Queens suburb of Douglaston, specifically Douglas Manor, where mothers

played bridge on a dock in Little Neck Bay. Her father was a savings-and-loan president who owned a summer house in the Hamptons, but Steins was grounded in the middle class in many ways, attending public school and working at [McDonald's](#). She has lived in London and Johannesburg and has a closet full of fabulous clothes from jobs with Ralph Lauren and Anne Klein. Steins is still a black diamond skier, and she barrels down the mountain of life in much the same manner, tenacious and determined to stay upright. She is rarely wistful except for the topic of her marriage ending. "Because I grew up in divorce, I swore I would never put my kids through it," she says.

Now she sits at the head of the dining room table. Dinner is served at 6 by the nanny, but the same pandemonium and fatigue of any other house exists.

"Mom, did you know that if you are the billionth app loader on iTunes, you get a 32-gig iPod touch, a MacBook and a \$10,000 gift card for iTunes?" asks Harrison, who is 12 and the oldest. Christian is 8 and often comes to dinner in a cape. Katie, in a Little Miss Lucky T-shirt, tries to hold her own against the two boys.

Whatever fantasies the underclass may have of the good life -- of small dogs in purses and Dolce and Gabbana -- are not on display here. The rugs are worn. Milk is spilled. A Marmaduke of a beast named Tyson hovers at the table ready to snuffle up pork tenderloin from the plate of a distracted child. "Tyson!" says Steins.

Being a mother on her own in married suburbia requires courage. One night, Steins is invited to a cocktail party and as usual she stands alone on the doorstep of the magnificent house and rings the bell, suspended in that endless moment of waiting until the door opens and the host appears.

"Laura, hello!"

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The financial crisis stays oddly submerged. If money is a private matter, then the loss of it is doubly shrouded. Steins hears the stories only at the fringes of social events, when a wife quietly says that her husband is out of work or that the house is up for sale.

One of the few places that tries to publicly address the fallout is Steins's church.

Rye Presbyterian is a soaring Gothic fortress with an affluent congregation of 1,160. Sermons are sprinkled with mentions of Updike and the Yale Review. Many parishioners were hit hard by the crash, losing jobs and incomes. When church leaders noticed the strains on marriages and families, they offered comfort while also urging members to take stock of their lives.

Pastor Nancy De Vries preached that no husband should be defined by his income, nor should any wife be valued by her thinness or beauty. Hardly heretical, except sitting in the pews were husbands who'd lost their wealth and wives whose social order had been upended by it.

Week after week, Steins and others in a group called the Stephen Ministry wrestle with how to help members struggling through the crisis. They meet at church on Tuesday nights and bring in guest speakers.

A Manhattan psychologist at two elite private schools discusses how sudden financial insecurity affects children who are accustomed to having the best of everything. Don't *end* childhood, he says, but *shift* it

to the new reality.

The Rye police commissioner warns of the increased likelihood of domestic violence and how to look for signs. To make his point, he reads from "The Woman Who Walked Into Doors," a Roddy Doyle novel about a battered Irish wife who concocts excuses for her bruises.

Steins's group is ready to lend support to church members, but the problem is there aren't many takers. One member articulates the challenge.

"There's an image people are invested in that makes it hard for this to be talked about," says Bob Steed, sitting next to his wife, Nancy.

The Steeds are big community volunteers. They're also known for their zany parties. They come up with an idea to get people talking, and soon the invitations are in the mail:

*You are invited to a recession party.*

*Serving: Cheap Wine and Beer with Simple Fare (Costco Deluxe)*

*Wear: Old Clothes (hand-me down particularly welcome)*

*Entertainment: Any recession story, joke, poem, item, etc. guests might provide.*

*Warning: Anyone bringing a hostess gift other than canned goods (to be delivered to a food pantry) will be denied admission.*

On the night of the party, Bob greets guests in a T-shirt that says, "Eat Dessert First, Life is Uncertain," and he jokes that that's why we're in this mess in the first place.

One guest who arrives in khakis and a blue blazer says he wanted to wear jeans but his wife wouldn't let him.

"They were so vintage, I couldn't bear it," she says.

Cocktail chatter fills the crowded living room.

"What's the difference between a pigeon and an investment banker?" someone asks at one point, reading from a list of jokes. "A pigeon can still make a deposit on a BMW."

Pigs in blankets appetizers are served.

Another joke. "I went to buy a toaster, and it came with a bank."

One of Wall Street's top-ranked metal analysts who volunteers in prisons is putting together a program to teach inmates about finance. A woman whose son left [Goldman Sachs](#) to join a small boutique firm worries about the stress of his long workdays. "People say these guys aren't building anything or making anything, all they do is make money all day long," she says gently. "There's a lot of high blood pressure. They don't see their children. Panic attacks are common."

Nancy Steed invites everyone to gather around the room and share a story about the recession.

"We made a decision to cut back on our gardener," says one woman. "I said, 'I can do the weeding,' so I got the boys out to help me today."

Next is C.J. DeSantis, a former [Merrill Lynch](#) banker who now earns much less as a financial consultant. He talks about being trapped on the subway the morning of 9/11. "People were looking for answers after that, and it faded," DeSantis says. "We tied our self-worth and social stature on what we earned. I don't think a downdraft is good, but if it can focus us away from consumerism. . . ."

One by one, they talk. The room is quiet. An older woman sitting on an ottoman speaks. "They say we're in a depression," she says. "I look around the world -- Darfur, India -- and I don't feel that sad for us."

As the night comes to an end, a guest who doesn't work on Wall Street leans in and makes an observation. Not about the recession, but about the bigger engine of capitalism.

"What you didn't hear was all the toxic stuff from the 45- to 55-year-old guys," he says. "They think all this is bull -- . They're coming back."

\* \* \*

On a weekend when the kids are with their dad in Manhattan, Steins packs her overnight bag, ditches her Volvo SUV for her Pontiac Solstice convertible and heads for a party in the Hamptons. The invitation had been hanging on her refrigerator for weeks next to an invitation to the Shenorock Shore Club's "Nights in Bangkok" party, two defiant reminders that even in a recession, the show must go on.

Steins violated her no-shopping rule by buying a new black sweater at Ann Taylor with a 20 percent off coupon. She's now wearing it with a pink fitted blouse, pink earrings and black pants as she buzzes out the Long Island Expressway with John Legend on the stereo. Even if money were no object, Steins couldn't see herself hanging out midday at [Starbucks](#) with the Pilates moms, their BlackBerry's shining on the tabletops like silver guns. She has always worked. But when she passes a patio shop on Route 27 with rough-hewn wooden chairs, she looks longingly. "Not this year," she says.

A Sothebys realty office is advertising a summer rental in Sagaponack South for "695,000 MD-LD" which means \$695,000 to rent the seven-bedroom estate from Memorial Day to Labor Day. The day is drizzly, but Steins rolls down the window to smell the ocean. "My connections here aren't people who bought multimillion-dollar houses," she says. "It's beautiful. It relaxes me. Everyone has been very successful, but that doesn't mean everything is perfect."

Steins cuts off the highway in Southampton and detours down a road lined with tall hedges that leads to the ocean. When she gets to a three-story Cape Cod with a massive wraparound porch, she stops the car. "We never had an address," she says, looking at her childhood summer home. "We were just the fifth house down from the Meadow Club."

When her father died, he left Steins an oil painting of the house, and it hangs in one of her spare bedrooms. The real view is so much better. The lawn is like a putting green and the salty air whips up from the shoreline. But the painting is as close as she'll get for now. She turns the car around and heads for the borrowed house of a friend.

The party turns out to be spectacular. Champagne and oysters and shrimp followed by a seated luncheon for 70. Steins joins a small group back at the birthday girl's house for a casual supper of lobster bisque. No names, please, the host requests, as if codes for nuclear warheads were discussed and not youth

hockey and green grocers. But everyone is being sensitive these days. In the next morning's New York Times is a recession story on how dollar stores are stocking more food items in hard times.

Steins packs up for the drive home. Her children will be back from their dad's. He's getting remarried in a few weeks and on this weekend the kids and their dad and his fiancée are taking photos in Central Park.

On her way out of town, she window-shops and stops at a boutique to buy a birthday present for a friend. She admires a \$30 set of bone bangles on the counter. "So lovely," says the woman at the register. The boutique's tag line is "Life's a circus -- live it." Steins obliges. She takes the bangles.

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Birch Hill actually has two ladies of the house, but they exist at polar ends of the local economy. The road that led Kathy Shellogg to a spare bedroom on the second floor of Steins's home began almost two decades ago under eerily similar economic conditions.

"I hit my recession 15 years ago in the Catskills," the 55-year-old nanny says one morning after everyone is gone. Shellogg is tan and blond, though in a different way than Laura Steins, and her words tumble out with a loose honesty. Plugging a leak under the sink, she stands up and gestures toward the pipe and says, "I fix things, too. Being as how once I had a house."

In 1994, Shellogg was working at a cement plant in Upstate New York as a chemical analyst earning \$40,000 a year with a union card. "I had everything in that job," she says. When the plant shut down, she lost her position and then her home. A help-wanted ad for a nanny lured her to Rye, and now, three families later, she has the hang of Westchester County.

"Upstate, you give a kid a Hershey bar," she explains. "Here, you give two little squares of the Hershey bar and save the rest for later. Weight is the big thing here."

The forces have worked on Shellogg -- she has dropped several sizes since her arrival. She drinks pulverized vegetable juices and works out regularly at the YMCA in Rye, compliments of a Steins family membership. While she has privileges at the Y and receives three weeks of paid vacation, she has no medical insurance, so she takes her nagging toothache to the student dental clinic at New York University, where the flat rate for a molar extraction is \$80.

Riding into town with Shellogg for groceries is an anthropological tour through wealthy America. "You go by and dream," she says, pointing to a house with lush topiaries and a privacy wall. "This is old. This is old-new. That's a castle." She has worked for far wealthier families than Steins's. They belonged to the Manursing Island Club and Coveleigh Club and the American Yacht Club. Steins merely belongs to the Shenorock Shore Club, and without a cabana. Shellogg is discreet about all of her clients, and of Steins she allows, "She's a woman of many talents."

She arrives at the Stop & Shop and goes in with her list. "Katie likes Fuji apples," she says, wheeling the basket through produce. Shellogg prides herself on finding bargains. "They are big mayonnaise people," she says, stocking up on four jars. Sometimes her Catskills meal-stretching techniques conflict with the standards of Birch Hill. Steins has asked her to ease up on the pasta.

They make a portrait in class distinction -- Steins in her shimmering white trench coat and Shellogg in her comfy sweats -- yet they can also seem like two exhausted blondes trying to keep a house going.

One night, Steins eats quickly so she can sew a badge on her son's Cub Scout uniform for his meeting that night. Getting a whiff, she rears back. "God, this shirt stinks."

"Tell me about it!" Shellogg says from the other end of the table.

Steins bites her tongue. She wishes the shirt had been washed.

\* \* \*

Not far from Steins's house is a welcome sign that says, "Town of Harrison, 1696. It's great to live in Harrison."

Sometimes it's even perfect. Steins turns in at the wooden gate of Birch Hill. The dahlias and lilies of summer are in bloom. The house is fragrant with dinner. Shirts are clean and folded. The neighbors have a party to show off their rose garden while a samba trio plays on the deck. Ice cubes and canapés and plans for sailing. The good life, the great life. Maybe it's back.

Her friend from church, Paul Deen, has rallied. The father of three was a distressed-debt trader at Bear Stearns who lost his job and stocks worth millions when Bear collapsed, wiping him out of everything but his home, and now he's back on the 6:51 a.m. train to Manhattan for a new job at an investment banking firm, bounding up the stairs at Grand Central Terminal with an American flag pin in his lapel and hitting Starbucks for a double espresso, just like before.

But most days Steins knows that nothing is over. Too many storefronts in downtown Rye are empty. Close friends of hers have just put their house on the market. The bulletin board at the Y is still tacked with messages from maids and nannies looking for work.

At night when it's quiet, way up the quarter-mile driveway, Steins knows how fortunate she is. She has a job. She will gut out the remains of the recession, even if it's her version of paycheck to paycheck. She will keep it all afloat.

The children are asleep. The house is quiet. Her alarm is set for 6, when another morning of urgent needs and requests from the inhabitants of Birch Hill will begin again. She will go downstairs in her designer suit, brushing off dog hair and shuttling kids to the bus stop and asking the painter if she can delay paying him until next month.

"We might live in nice houses and drive nice cars, but we're just holding on," she says. Perfect looks perfect from a distance.

*Staff researcher Julie Tate contributed to this report.*

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