

# Homes 'selling like hotcakes,' say Realtors

By STEVE BARNABY

If you're a young married couple scouting a good buy on a house in this part of suburbia, you're looking at a hot time.

But if you're in the middle-by age and income—the market may be for you.

That's the word from area real estate dealers who say that interest rates are high, but homes are selling like hotcakes.

Whether it be in Garden City, where most houses sold are resales, or in new home growth areas such as Livonia and Farmington Hills, sales are at a fast pace. But there just aren't enough to go around.

"We just can't get enough houses to sell. They are being sold before they show up in the multi-listings," says

William Belcher, of Realty World. The multi-listings is the real estate agent's bible guide to what is on the market in the metropolitan Detroit area.

A survey of real estate dealers in northern regions reveals the same fact.

"It's safe to say that the average home is selling within two to three weeks," according to Roger Walker, of Farmington Realty.

A few years back, when the economy was suffering a recession, it took from five to six weeks to sell a home. Flipping through recent sales figures for the area, Walker revealed that some homes were selling as quickly as one day after being put on the market.

The migration from Detroit, combined with businessmen moving from

out-of-state, has made the market tight. Many homeowners are hanging on, confident that they can get a better deal the longer they wait, because of the high demand.

"It's definitely a seller's market," says Walker.

Present interest rates range from 9 1/4 to 9 3/4, depending on what percentage is put down by the seller. The most popular means of financing is through private lending firms, particularly savings and loans institutions, according to real estate dealers.

Mortgaging through FHA and VA in the suburban areas is slight.

The most popular buys, according to statistics from the United Northwestern Realty Association, are in the \$30,000-\$40,000 price range.

Figures show that since the beginning of the year, 419 homes western

Wayne and southwestern Oakland counties have been sold in that price bracket.

That contrasts to homes in the \$25,000 to \$30,000 bracket, of which 234 have been sold in the same time period.

Other sales figures are:

- Under \$20,000-198.

- \$20,000-\$25,000-219.

- \$25,000-\$30,000-252.

- \$30,000-\$35,000-257.

- \$35,000-\$40,000-117.

- \$40,000-\$50,000-124.

- Over \$50,000-54.

Despite the housing shortage, higher prices have kept the area's total dollar sales volume moving upward.

Statistics show that the average house in 1978 is selling for \$40,723. Last year it was \$34,573. Depending on whose figures you use, the average

house is increasing anywhere from 8 to 10 percent a year over the last three years.

Dollar volume in sales for the first quarter of this year was \$72.6 million as compared to \$58.5 million in the same period last year. But while the dollars are flowing, many real estate dealers feel that the high mortgage interest rates which have resulted could have a dampening effect. In short, lending institutions are getting tighter and buyers could start backing off, waiting for the rates to decrease.

"I'm starting to get the feeling that it's tightening up out there. That's what happened in 1974-75 when the economy was down and the interest rates were up to 10 percent," said Belcher.

And according to a recent study by the South Oakland Board of Realtors,

higher prices and interest rates are forcing young persons to seek rental homes.

The U.S. Census Bureau's department of economics and research discloses that for every two million renters there are one million persons who purchase their own home.

"It doesn't seem to be the elderly who are leaving ownership for a retirement not complicated by housing problems. A much younger segment of the population is involved," a recent report said.

Typically, new renters were 39-years-olds and more than three quarters were under 55. The median age of home buyers who owned previous residences was 40. Of the homeowner-renter households 13.4 percent were under 25 years-old and only 10 percent were 65 years or older.

## CETA is 'economic salvation' for some communities

By MIKE MATUSZEWSKI

"We've almost become CETA junkies," said Girard Miller, director of finance for Farmington Hills.

CETA, the federal Comprehensive Employment Training Act, has emerged out of a swirl of federal programs to step down to almost every local community in the country.

THE PURPOSE of CETA, according to the federal act establishing the program, is "to provide job training and employment opportunities for economically disadvantaged, unemployed and underemployed persons and to assure that training and services lead to maximum employment opportunities and enhance self-sufficiency."

Roughly translated it means more employment and less direct welfare payments.

For some communities, though, it means providing more services at the expense of the federal government. For others it is economic salvation.

Miller said about 30 percent of the Farmington Hills' entire payroll is financed by CETA money. "We're in a growth position where that's the only way we finance things," he said.

"We built a city with services with CETA employees. If we lose those bucks, we might be in real financial trouble," Miller said.

Farmington Hills, in fiscal 1977, received about \$450,000 in CETA dollars, Miller said. But that amount has ballooned to \$758,000 in fiscal 1978. All

that money pays for approximately 80 permanent employees and 20 workers hired for special projects.

Just to the south, though, the City of Farmington does not paint such a dire picture.

City Manager Robert Deadman said Farmington received only \$84,000 in CETA monies during fiscal 1977 and will get \$131,000 this year.

On the average he said, it will pay for eight full time employees each year.

SOUTH OF EIGHT Mile Road, Wayne County, excluding the cities of Detroit, Livonia and Dearborn, will receive more than \$25.5 million in fiscal 1978. It is a 46 percent more than the county received in fiscal 1977. Dur-

ing that year, Wayne County, excluding the three large population centers, received \$14.2 million.

Counties are responsible for allocating CETA to communities whose populations are less than 100,000.

Livonia, whose population tops the 100,000 mark, will receive more than \$2.28 million in fiscal 1978. In 1977, it received about 2.64 million CETA dollars.

THAT MONEY pays the wages and fringe benefits of workers hired by the local governments and some non-profit public service organizations.

"The programs vary from community to community," said Tom Fox, planning director for Wayne County's CETA office. "We allocate money

for a wide range of jobs," he said, "from secretarial clerks to assistant directors for some non-profit organizations."

More than 600 jobs will be funded by CETA money in Wayne County, excluding Livonia, Detroit and Dearborn, Fox said.

In Livonia, according to Jim Andrus, director of Livonia's CETA program, CETA will finance 130 positions.

Fox added that CETA positions act like revolving doors. "People come into CETA positions, receive some training and then move on to other jobs," he said.

In fiscal 1977, for example, nearly 4,000 persons in Westland, Redford, Garden City, the City of Plymouth,

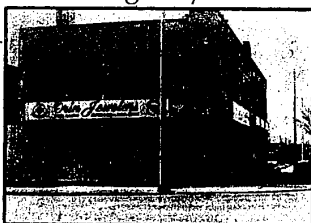
Plymouth Township and Canton were employed in CETA jobs, according to figures provided by the Wayne County Office of Manpower.

OF THE SIX communities, Redford led the way in CETA employment putting more than 240 people to work at one time or other during fiscal 1977.

Westland was not far behind. It put nearly 230 people to work with the federal dollars.

Rounding out the six western Wayne County communities, Garden City employed 173 persons through CETA, the city of Plymouth, 29, and Plymouth and Canton Township employed 25 apiece.

Standing on the  
Corner watching all the  
Years go by.



Orin Jewelers at Ford and Mid-diebell in neighboring Garden City, has been serving residents for more than 17 years. Since 1966, when Orin Mazzoni and his wife, Mary purchased the former City Hall, the business has grown and now employs virtually the entire family on a full-time basis. Mazzoni's first store was founded in Eastern Ohio some 25 years ago. Orin Jewelers became one of the area's first full-service jewelry stores. Original building resembled what most people might call a "huck"—but the Mazzonis built their business on the basis of quality work, fast service, integrity and honesty. Currently, Orin Mazzoni Sr. has cut back his own responsibilities and left much of the daily chores to his sons, Orin Jr. and Michael. They've been in the business "since they could walk." Orin Mazzoni Jr., recently earned the title of Certified Gemologist through the American Gem Society. Michael is a registered jeweler of the American Gem Society. Mrs. Joyce Pappas, Bird's Consultant and Mrs. Carol Bishop, daughters of the Mazzonis complete the family picture.

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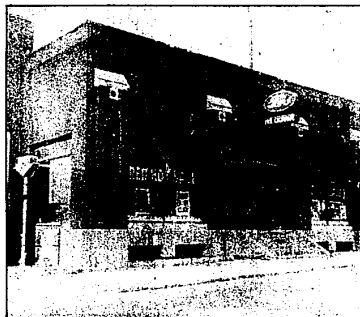
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