

Real Estate

Oakland leads new home building boom

Top Ten Communities

Based on Total Residential Units Authorized 1977, 1976, 1975

1977	1976	1975
Sterling Heights 2,070	Sterling Heights 1,886	Detroit 1,206
Canton Township 1,625	Troy 1,115	Sterling Heights 1,099
Southfield 1,602	Canton Township 1,051	Troy 897
Troy 1,227	Southfield 875	Canton Township 810
Farmington Hills 1,317	Waterford Twp. 748	Avon Township 661
Livonia 1,133	Clinton Township 592	Farmington Hills 482
Clinton Township 1,024	Detroit 588	Waterford Twp. 424
W. Bloomfield Twp. 949	Shelby Township 554	Clinton Township 400
Avon Township 826	Farmington Hills 536	Harrison Township 385
Westland 653	W. Bloomfield Twp. 515	W. Bloomfield Twp. 370
Total 12,419	Total 8,450	Total 6,714
Percent of Region 45.6%	Percent of Region 42.9%	Percent of Region 42.5%

There's good news from the residential housing construction front. And it's coming mostly from southwestern Oakland and northwestern Wayne counties.

Latest statistics from the Southeastern Michigan Council of Governments (SEMCOG) reveal that the number of residential building permits issued in 1977 rose 38.7 per cent from year ago totals.

During 1977, 27,252 permits were issued. That's an increase of more than 15,642 permits from 1976.

A builder or developer must first secure a building permit from a local governmental agency before starting construction on any new dwelling. Leading the list in the seven county southeastern Michigan region was Sterling Heights with 2,070 permits issued.

Canton Township, Southfield, Troy and Farmington Hills placed in the top five, while Livonia, Clinton, West Bloomfield and Avon townships, and Westland rounded out the top 10 growth communities in the SEMCOG region.

Oakland County headed the list with 10,861 permits, with Wayne trailing in

second with 5,863 issued. The 1977 totals are less than the 1971 record of 43,865 and more than the 1975 low of 15,799 permits issued.

"THIS INCREASED activity in 1977 is due to an increase in both multi-family and single family construction. This increase is most apparent in Oakland County, which shows nearly twice as many housing starts as Wayne County," says SEMCOG Chairman David Shepherd.

SEMCOG reports that all seven counties recorded an increase in residential construction last year.

SEMCOG is a voluntary association of governmental units in Oakland, Wayne, Livingston, Macomb, Monroe, St. Clair and Washtenaw counties.

Its principal function is development and coordination of area-wide plans for housing, transportation, land use, recreation and open space, criminal justice and water quality.

The housing report cited, Residential Construction in Southeast Michigan 1977, is available through James Thomas in the information services department of SEMCOG or by calling 961-4256.

COMPARISON OF AUTHORIZED NEW DWELLING UNITS

By County & Structure - 1977-1976

Summary 1977

County	1977		1976		Net Total	
	Single Family Units	Multi-Family Units	Single Family Units	Multi-Family Units		
Livingston	1,440	4	10	1,454	12	1,442
Macomb	4,858	12	854	5,522	152	5,370
Monroe	620	0	280	900	67	833
Oakland	6,926	38	3,837	10,861	512	10,349
St. Clair	702	20	156	888	70	818
Washtenaw	1,109	20	545	1,754	46	1,719
Wayne	3,920	20	1,917	5,837	6,539	676
(Detroit)	(19)	(0)	(377)	(396)	(5,951)	(5,555)
(Balance)	(3,801)	(26)	(1,540)	(4,547)	(588)	(4,939)
...TOTAL SEMCOG REGION	19,463	120	7,669	27,252	7,387	19,865

SEMCOG totals also reveal that Oakland County is the fastest growing area in southeastern Michigan with Wayne County in second with half the total of Oakland.

Realtors predict price increases to continue

Local realtors don't foresee any drop-off in the continued price increases for new and existing homes.

And potential buyers or sellers who believe that home prices are peaking and may soon level off appear to be unduly influenced by the easing of price increases in areas such as southern California, according to Conrad Jakubowski, president of the Western Wayne Oakland County Board of Realtors (WWOCBR).

"A study shows that prices in parts of these (California) areas became over-inflated as the result of extraordinary demand and panic buying. Locally, there is certainly no decrease in demand, with the dip in available listings making competition even sharper, so that the fair market asking prices are generally accepted."

Jakubowski says costs for new home construction are soaring, with builders hard-pressed to realize any further economies in building techniques.

Inflation and government regulations are still the main factors in rising home prices. "Inflation not only is demand all factors involved in home prices but keeps eating into the would-be

homeowner's disposable income, so that he or she finds it increasingly difficult to even raise the down payment needed to enter the market."

HE POINTS OUT that buying a home still rates as one of the best investments a person can make, despite increasing prices.

A New York investment firm recently found that owning an average home in 1977 produced a yield of eight per cent. The figures were reached by adding tax and rent savings, less expenses, to the estimated average growth rate of the annual return.

The study also noted that new home prices increased at an annual compound rate of 10.7 per cent from 1970 through 1977.

The National Association of Realtors recorded prices of existing one-family dwellings rising at an annual compound rate of 9.3 per cent in the same period.

"Buyers have recognized the investment advantage of home ownership," Jakubowski said "and this is one reason we see no slackening in demand for available homes in this area."

Relocation guide aids the uprooted

Are you moving into the metropolitan area and don't know where to set your roots?

Well, the Relocation Guide for Metropolitan Detroit answers those questions most commonly asked about a prospective area.

It's designed to ease a newcomer's move by describing in detail desirable living communities, and by listing, for each city, detailed information is presented about churches, government, housing, industry, libraries, location, median income, medical services, newspapers, organizations, police and fire protection, parks and recreation, schools, shopping, tax rates, transportation and utilities.

Each city has its own map keyed to the large fold-out map included in the 152-page book.

Also featured are stories on what makes each community distinctive, along with tips for packing and moving, and a checklist for home buyers.

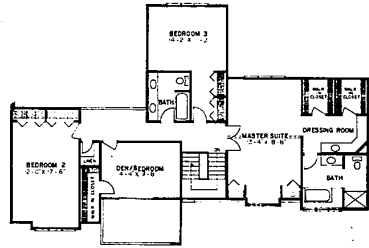
Articles on spectator and participation sports, dining out, guides, museums and entertainment, and educational facilities also will help the relocated home hunter.

THE RELOCATION GUIDE was produced by three area residents: Ron Brasch, Michael Lezell and David Zimmerman and is published by Exclusive Publications Ltd. of Southfield.

It cost \$2 and is available through local chamber of commerce offices, leading motels and hotels in Wayne, Oakland, Macomb and Washtenaw counties.

The guide also is distributed to Michigan corporations who provide them for their executive transferees.

For more information on the guide, contact Lezell at 336-7080.



The second floor plan of the Summit features four bedrooms. The master room has walk-in closets and Roman-type baths.

Round home offers variety

Ever consider a round house for vacation fun or family living? This one's a do-it-yourself model and all the components are manufactured and ready for you to assemble.

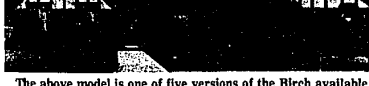
AKM Enterprises of Bloomfield Hills, the local representative for Rondesies Leisure Homes Corp., offers a round house with designs ranging from eight to 15 sides. Each side is eight foot square. A 12-sided Rondesies will provide 735 square feet. With three more sides, the interior area will jump to 1,165 square feet.

Insulated wall and floor panels are assembled at one of two manufacturing plants. All exterior wood is solid heart redwood and all materials are shipped directly to the site where a local contractor or owner erects the home.

The roof is supported by outside walls—therefore none of the inside walls are load-bearing and can be placed as needed. The foundation can be a slab, basement or crawl space with the house on pipe columns.

A model of the Rondesies Home is located 35 miles north of Traverse City along Highway 21.

For more details on a round home, contact Armen Megregian at 338-6509.



The above model is one of five versions of the Birch available in the ranch style. The Pines (below) comes in five styles of colonials, and custom plans are built upon request, in the Grosse Pines development in Rochester.



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Home Showcase

Custom designed elegance

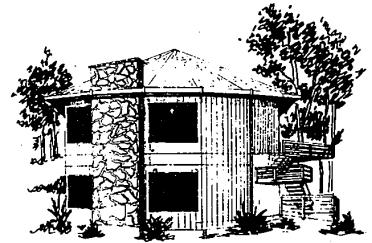
The Summit II, custom built by Abbey Homes of Michigan, is a contemporary home designed with an open atmosphere and spacious rooms.

The Summit model is located in the Hills of Bloomfield development in Bloomfield Hills, west of Woodward and north of Long Lake Road. Echo Ridge and Chestnut Hills are adjacent Abbey developments and the three offer homelike sizes ranging from three-quarters of an acre to 1/4 acre apiece.

The custom homes range in price from \$180,000 to \$600,000. The Summit II features 3,713 square feet of living space, four bedrooms with two full and two half-baths, a sunken family room with custom designed brick fireplace and wet bar, a studio ceiling and a full wall of glass doors/walls and sunken solarium with sliding glass doors/walls adjoining a roomy breakfast nook.

Other features include a private library with round bubble window, formal dining room, his and hers walk-in closets, a Roman tub and tiled stall showers in the master bedroom, three-car garage, and the fourth bedroom makes an ideal den and opens to an outdoor balcony.

Maple Associates are exclusive sales representatives for Abbey Homes. Their number is 855-8100 or 624-6500.



The 12-sided Rondesies leisure home is a two-story model that allows the owner flexibility to add as many room dividing walls inside the home as he wishes. This model provides 735 square feet per floor.

Grosse Pines models open

The first family recently moved into the Grosse Pines development in Rochester, but there still are 128 lots waiting for new owners.

The Pines, located north of Walton Boulevard between Brewster and Livernois roads, offer homes developed by four builders starting around \$18,000.

Styles offered in the development are quad-levels, colonials, ranches and capecoeds. Individual custom plans are built upon request.

Plans are for the Pines, built by Wolterine Land Co., with homes starting around \$138,000; the Spruce, built by Carson and Simon Homes, Inc., starting around \$123,000; the Maples, by Gilbert and Vennettilli, Inc., starting at \$123,000; and the Birch, by Fairfield Development Co., starting at \$115,300.

Developers for the Pines are Steve Stolaruk, Sami Harb and Carl Sams.

For more information concerning the development, contact the Grosse Pines at 632-6161.

If fire strikes, are you fully insured?

By SUZIE MARKS

"The biggest problem is that people keep renewing, not updating their policies," says Robert Levin, public adjuster for Globe Fire Adjusters in Southfield.

As a public adjuster, Levin represents the insured party and prepares their claim before they submit it to the insurance company.

"When your insurance claims adjuster comes to your home it is up to his discretion to decide how much your contents is worth," Levin said.

JOHN RYAN, agent for State Farm Insurance, advises homeowners and renters to insure their homes for at least 80 percent of its full replacement value. If that precaution is met, the full insured value probably would be granted when a claim is made, he said.

"For example, if you have a \$50,000 house and insure it for \$40,000 it would pay the full \$40,000 if the house was destroyed and not take out any depreciation costs," Ryan says.

He adds that most major insurance companies have an inflationary clause. As the insurer's policy comes up for renewal, the insurance company checks the construction cost index issued annually in Washington D.C. and increases the policy and contents coverage in accordance with the cost index.

However, Levin warns if more improvements are added then the general cost index covers, which this year was five percent, it is imperative that the insured update his policy beyond what is automatically given.

"Many people are unaware that they can increase their contents insurance without increasing their building coverage," Levin says.

Both Levin and Ryan agree that fine arts riders covering jewelry, furs, arts, crystal and other appreciating valuables should be added to the policy. For a slight added expense the homeowner can be protected against theft, breakage and any other damage.

Itemizing your possessions by written inventory lists and pictures is the best protection for homeowners, Levin says.

"AFTER A FIRE, there is no way a person can renege everything. We spend several sessions with a client going over the contents of his house," Levin adds. "If you keep your bills, that is fantastic. Pictures are terrific because you have to prove yourself against the insurance company."

"It's like the IRS, if you don't claim it, they won't pay," Levin explains.

When itemizing clothing, Levin advises categorizing your everyday clothing and your better clothing. For example, he says to list the number of dresses, number of gowns and number of suits each family member owns. And remember to keep your lists and pictures outside of your house.

Here's how to submit your ideas

If you are a builder, sales manager, real estate agent, banker or anyone else connected with real estate and want us to relay information to our readers, feel free to contact us with your idea.

Direct your calls to Ron Garbinski at our Birmingham office. His number is 644-1100, ext. 257. The office address is 1225 Bowers, Birmingham 48012.

The real estate page will appear regularly on Thursdays in all 12 Observer & Eclectic newspapers.