

Home Prices Leveling; Sales Showing Decline

By W.W. EDGAR

The upward spiral of home prices, so drastic for the past several years, seems to have run its course and now is on a downward trend that shows decreases approximating 12 to 18 per cent throughout Observerland -- and the end is not yet in sight.

In a survey taken by the Observer Newspapers among several real estate firms and brokerage houses, the home prices are not only coming tumbling down, but there also is a marked decline in sales, ranging from 10 per cent to almost 50 per cent during the past few weeks.

In some cases, prices have been reduced as much as \$3,000 to \$4,000 and in others the homes have been withdrawn from the market entirely.

CARL DEREMO, head of one of the leading brokerage and appraising firms in the area, stated that to the best of his knowledge the downward trend in sales started last April and since that time has reached a decrease of 10 to 12 per cent.

"And this is just the start," he commented, "I look for it to get worse by Thanksgiving time."

"With institutions like First Federal and other lenders showing a tendency toward further increases in interest rates and the shortening of the availability of mortgage money, the trend could take a real dip."

Deremo said that conditions were fabulous until about 12 days ago when the trend took a real drop.

FRANK HUTTON, of Thompson-Brown Realtors, explained that there has been a noticeable softening

of the market, but that prices have remained flexible.

"Our sales have been reasonably stable," he said, "We had a good September but October thus far has been very slow. It is not unusual to see a drop-off at this time of year, but I think there will be a pickup in January and February."

"As a matter of fact," he continued, "unless the government raises the present prime interest rate of 8 1/2 per cent, I look forward to a good year in 1970."

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Regional Affairs



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He wants reorganization to allow younger House members to have full chance at chairmanships.

Another reason for this Congress being dubbed the "Ninety-Worst," he said, is that its majority party allegiance is to the Democratic Party rather than to the party of the Republican president.

Region's Schoolmen Wary Of 'Reforms'

By DENNIS PAJOT

Member school districts of SEMCOG are wary of Gov. William Milliken's educational reform plan but are taking no hard and fast stance at the level of that super committee -- yet. Delegates from 21 of the 45 local districts participating in the Southeastern Michigan Council of Governments (SEMCOG) signaled three concerns when Milliken first announced his plans. Their concerns are

parochialism, centralization and financing construction.

They have yet to see the detailed provisions and are withholding official pronouncements.

Although such pronouncements couldn't assert any binding power, they would indicate consensus of locally elected school officials gathered to all in this six-county region.

The three concerns, reported by SEMCOG Education Division Director Benton Yates, former Livonia superintendent, were voiced in a caucus last week. They are:

● PAROCHIALISM -- "All tend to be against parochialism," said Yates. "They all represent school districts that are hard pressed for funds and fear parochial school depletion of money that ordinarily would go to public schools."

● CENTRALIZATION -- "They were concerned that it was a little too centralized a setup. They argued that, whatever centralization occurs, it contain representatives of school boards in the area."

Yates said he thinks Milliken's subsequent messages indicate modification in the directions his members preferred.

● DEBT RETIREMENT -- "Our people were concerned that the package has no provisions for debt retirement funding. It's the greatest weakness."

Milliken's people have admitted they did not consider this too greatly. Our people are faced with large commitments for classroom construction, however.

● LIVONIA, FOR instance, may go to eight or nine mills;

Plymouth to 11 mills, and the Detroit people indicate they would need 2,500 classrooms to get down to a 25:1 pupil-teacher ratio (as called for in Milliken's proposals)."

Also, said Yates, members want to know distribution formulas for the state-collected operating funds before deciding.

SEMCOG doesn't have to wait for Milliken's specific legislation to come up with at least some criteria for such distribution, however.

Yates said the Superintendent's Association of District Nine of the Michigan Association of School Administrators is already surveying needs of its member districts.

To be conducted under the chairmanship of just-elected Wilfred Webb, Hazel Park superintendent, this survey should provide SEMCOG members with data to evaluate Milliken's distribution proposals.

YATES, HAVING covered the apparent stance of his committee, volunteered a personal opinion.

"I think, the same as some legislators have expressed, that the package needs refinement and a lot more detailed information."

On the portion calling for greater emphasis on state income tax support of schools with eventual property tax relief, Yates was optimistic but hesitant.

"We don't know how much money it'll produce. There's no question it's going to raise total taxes, but it should be more equitable."

WHAT ABOUT the proposal to eliminate the State Board of Education?

"We think there are alternatives; perhaps election of the board on a non-partisan basis and appointing a superintendent with a regular contract," said Yates.

At present the state board has a partisan body and retains its superintendent without contract.

"It is generally agreed that there is a great deal of confusion in the inability of the state board and the state superintendent to come to grips with

issues," said Yates, carefully refraining from criticism of personalities.

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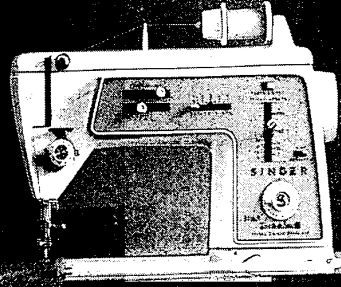
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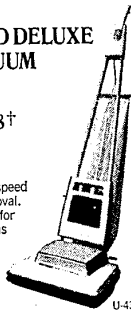
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School Leaders, Lawmakers Shy On Milliken Plan

None of Observerland's many school and legislative officials has gone out on the political limb all the way with Gov. William Milliken on education reform, but statements from a few generally favor his approach.

Only William C. Brown, Livonia Board of Education president, has openly blasted the proposals as thus far set forth by Milliken.

BROWN LABELED Milliken's approach "a large grab for power by the state."

It would "take a lot of responsibility away from the local school district," said Brown.

Garden City School Supt. Don R. Shader "likes 85 per cent" of the proposals, not predictably -- he served as chairman of a school administrator's committee that recommended many of the reforms.

Like most who have placed their views on record, Shader is dubious about state aid to parochial schools and reorganization of the state board of education.

He supports equalizing the tax base between school districts but wants to study Milliken's state property tax proposal further.

STATE SEN. William Faust (D-13th District), who represents Garden City and Westland, has also supported the thrust of Milliken's plan.

"I favor an increase in the state income tax for education purposes only if there is a substantial reduction in the property tax millage," he stressed, however.

With improving the public school system as his avowed "first and foremost" interest, he said he feels income tax use combined with property tax cuts "will stabilize the tax situation and strengthen our public school system."

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CLARENCEVILLE SCHOOL Supt. David McDowell came as close to blanket support as any interviewed.

The one reservation he makes is parochialism. "I am opposed to it on the philosophy that state taxes should not be spent on private schools," he said.

"The tax measures will put each child on a par with others and that is the way it should be," he said.

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