

# Aid proposed for those faced with condo conversion

(Continued from page 1A)

for less than \$60,000 to \$70,000," Mastin said. "It's viable for developers to buy older apartments and convert them into condominium units they can market for \$40,000. But the problem is that tenants are displaced."

"Government may be able to provide incentives for developers and investors to construct new rental housing or buy existing units for moderate-income families. This could be accomplished with tax free bonds by Michigan State Housing Development Authority (MSHA) or Economic Development Corporations. Another option is for the legislature to allow tax deferments."

"YOU CAN'T declare a moratorium

on condominium conversions, but there must be ways the government could help developers beef up the rental market."

State Sen. Doug Ross, an Oak Park Democrat whose district also includes Southfield, Farmington Hills, Lathrup Village and Farmington, last month announced a statewide campaign which could spark proposed legislation on condominium conversions.

The first step was establishing the task force to gather more information and decide what needs to be done. Ross, chairman of the task force, is joined by Rep. William Ryan, a Detroit Democrat, former speaker of the House of Representatives, and Rep. Joseph Forbes, an Oak Park Democrat and House Majority Floor Leader whose

district includes Southfield and Lathrup Village.

"A growing number of renters, particularly senior citizens, are being driven from their apartments by condominium conversions," Ross said. "With vacancy rates at an all-time low, too often there are no available, affordable apartments for those who are pushed out."

"In Southfield, known as the apartment capital of Michigan, there is great concern, many rumors and at a dozen potential conversions. Three apartment complexes in the city have already been converted to condominiums."

ALAN GLASSER, an accountant who is involved in condominium develop-

ments, suggested Monday the state make loans to tenants who want to stay in converted complexes but can't afford the downpayment.

"I'm sure many of the persons who say they're being displaced would buy a condominium unit if they could," Glasser said. "It would be a better solution than renting. The benefits of condominium ownership are fixed payments, tax deductions, write-off costs and a hedge against inflation."

"But apartment units renting for \$400 a month would cost \$50,000 to \$60,000 to buy and people with limited savings can't afford the downpayment. With a loan program, the state would get its money back at fair interest rates."

"You can't prohibit apartment owners from selling their projects as condominiums. The inflationary economy makes it impossible to rent units and make a profit. Government loans would provide residents with temporary assistance without stepping on the toes of entrepreneurs."

Jason Horton, an attorney and real estate investor who's involved in construction, development, promotion and conversion of condominiums, says there's a growing housing crisis in the country.

Apartment rents in the Detroit metropolitan area are low compared to other cities, he maintained, but rental costs haven't kept pace with rising inflation. And the condominium market won't start thriving again, he main-

tained, until interest rates come down. "There isn't a drastic shortage of apartment units in the tri-county area," he maintained. "Owners can't raise rates to keep up with the cost of management and maintenance and the apartment market is competitive. Developers looking for a return on their investments don't take risks and depreciation disappears after a long string of tax write-offs."

"THE MARKET for condominiums didn't gain widespread acceptance until 1976. The new concept went through an education process, overspeculation and a recession. Then the single-family home market went through the roof. We have no national housing plan for middle-income families."

"The real tragedy is that the Vietnam War and the war against inflation came at the height of the housing market. High interest rates don't cause inflation, but interest costs are a factor."

Horton said MSHA is his pet peeve because it fails to assist moderate-income families and the suburbs aren't getting their fair share of housing development dollars. The money, he maintained, is put in the inner city and outstate.

Economics is the bottom line, Mastin said, and only luxury and government subsidized apartment projects are being developed. With prime interest rates as high as 15 percent, apartment owners are finding it difficult to afford

rising costs so they are willing to sell to developers.

"Some owners are forced to sell their apartments to get capital for other interests," he said. "Purchasers convert these apartments to condominiums and attract investors with the lure of big write-offs, appreciation, cash flow and ultimate profits."

THE DETROIT area housing market isn't apartment-oriented, according to Glasser. Those who can afford alternatives often buy single-family homes or condominiums. There is a demand for condominiums by young couples who buy the units for "starter homes," he said. "Empty nesters," whose children have left home, often buy condominiums for equity and a hedge against inflation. Their last choice is rental housing, he said.

Apartment owners who convert their buildings to condominiums sell 35-70 percent of the units to existing tenants, Horton said. The rental supply isn't being reduced, he said, but there is a reduction of tenants in the rental market.

A few women who came to the meeting said they moved from homes to apartments and fear they will be displaced if the projects are converted. They declined to give their names for fear of reprisal by landlords.

"I know the horror stories of tenants who have been displaced," Ryan said.

## obituaries

### OLGA MARIA FOX

Services for Olga Maria Fox, 84, of Farmington, were held last week in the Heene-Sundquist Funeral Home. The Rev. William Frayer officiated.

Burial was in White Chapel Cemetery.

Mrs. Fox, died Nov. 7 in the Lahser Hills Convalescent Home in Southfield. Survivors include a son, Harrison J.; and three daughters, Mrs. Norman Daniel, Thelma Cook and Mrs. Fred Radcliffe, 11 grandchildren; and 22 great-grandchildren.

### REV. WILLIAM IRA BURRY

Services for the Rev. William Ira Burry, 58, were held Saturday in St. Martin's Episcopal Church in Detroit. Burial was in White Chapel Cemetery.

Burry died Nov. 7 in Providence Hospital, Southfield. Burry became a reverend in 1968 and was the Perpetual Deacon of St. Martin's of Detroit. He was also a World War II veteran, having served for 6 1/2 years in the Navy.

Burry was also co-owner and partner of the Burry Millwork Co. in Farmington.

Survivors include his wife, Gloria; his mother, Mabel Burry; four sons, Bill, Larry, John and Craig; daughters, Susan, and Lisa and Susan Erickson; brothers and sisters, Edwin, John and Mrs. Robert Meise; and five grandchildren.

### RAYMOND ALBERT KNIGHT

Services for Raymond Albert Knight, 53, were held last week in the Harry J.

Will Funeral Home in Livonia. Burial was in Grand Lawn Cemetery.

Knight died Nov. 3 in Madison Community Hospital.

Survivors include his wife, Patricia; parents, Mr. and Mrs. Albert E. Knight; three daughters, Mrs. Rex Hamilton of Farmington Hills, Patti of Livonia and Julie, also of Livonia; two brothers, Douglas and Robert; and a grandchild.

## Farmington Observer

(USPS 187-840)

Published every Monday and Thursday by the Observer & Eccentric Newspapers, 36251 Schoolcraft Rd., Livonia, Michigan 48150. Second-class Postage paid at Livonia, Michigan 48151. Address all mail (subscriptions, change of address, Form 3579) to P.O. Box 2428, Livonia, Michigan 48151. Telephone 591-6500.

HOME DELIVERY SERVICE  
Newsstand.....per copy, 25¢  
Carrier.....monthly, \$125



**ENDS NOV. 21st**

**4 GREAT LOCATIONS**

**SKI SALE**

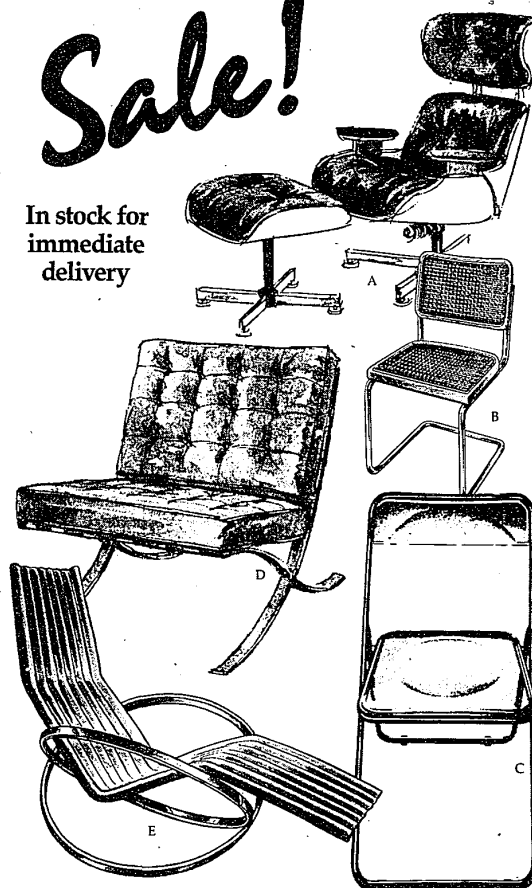
Save big on pre-season ski packages on sale now!!  
We package everything!

**FARMINGTON** 38507 TEN MILE 478-9434  
**GROSSE POINTE** 20348 MACK AVE. 884-5660  
**PORT HURON** 1002 LAPEER 984-3222  
**ROCHESTER** 215 S. MAIN 652-3210

## The best seats in the house just got better

# Sale!

In stock for immediate delivery



A. The Classic design of this chair was inspired by the original Eames design. Leather chair and ottoman is in body cradling contour design, and the chair tilts and swivels. The molded wood frame is upholstered in luxurious, top grain leather. reg. \$615 **Sale! \$499**

B. This top quality Breuer chair comes in natural cane seats and backs fastened to solid beech wood. The frames are chromed heavy gauge steel. reg. \$69.95 **Sale! \$49.95**

C. Crystal clear Plexiglas design chair accented by shiny chrome frame, folds flat for easy storage. reg. \$39.95 **Sale! \$29**

Sale ends Nov. 21

D. Barcelona chair in leather and chrome. The cushions are covered in fine, top grain leather, rich to the touch and the frame is gleaming steel. reg. \$600 **Sale! \$499**

E. The imported "jet" de condor folding rocker recliner. Pure architectural lines plus the correct angle and shape for complete relaxation. Your choice of Vinnelle or fabric. reg. \$199 **Sale! \$119**

Quantities are limited on some styles, come early.

**TOWNE AND COUNTRY INTERIORS**  
The Towne and Country Treatment. You'll find no salespeople at Towne and Country Interiors — only IDS and ASID interior designers to help you. Our pay-no-more policy and 3 year construction warranty ensure your satisfaction.

## Towne and Country Interiors

Dearborn 23600 Michigan Ave. east of Telegraph 565-3400  
Bloomfield Hills 4107 Telegraph at Long Lake Rd. 642-8822  
Rochester 1110 S. Rochester Rd. in Winchester Mall 652-3500

Open daily 10-9 Wed. & Sat 10-6 Use our convenient charge, Visa or Master Charge

## the branch



**Levi's workshirts**  
white & blue

**Fatigue & Painters pants**  
Denims - twills - Corduroys

**Overalls**

# LEVI STRAUSS & CO'S



Denim bells, big bells, boot jeans  
Straight legs, flare cords, boot cords...

## the branch

Levi's and other casual clothing for guys & gals

## COUPON

the branch	
2 <sup>nd</sup> off on \$10 <sup>00</sup> purchase	6 <sup>th</sup> off on \$30 <sup>00</sup> purchase
3 <sup>rd</sup> off on \$15 <sup>00</sup> purchase	7 <sup>th</sup> off on \$35 <sup>00</sup> purchase
4 <sup>th</sup> off on \$20 <sup>00</sup> purchase	8 <sup>th</sup> off on \$40 <sup>00</sup> purchase
5 <sup>th</sup> off on \$25 <sup>00</sup> purchase	9 <sup>th</sup> off on \$45 <sup>00</sup> purchase
10 <sup>th</sup> off on \$50 <sup>00</sup> purchase	
Offer Expires Nov. 24th	

DREAD cards honored here.

# the branch

In the Downtown Farmington Center  
Mon. - Sat. 10-9, Sun. 12-5