

# Realtors Help Poor Buy Homes

This is Realtor Week and the Realtors of America, celebrating their 62nd anniversary, have built an inspiring extension to their Code of Ethics, a plan that is helping low income people to become home owners.

That is not the only goal of the Make America Better Program, now a little more than two years old. The program has six major objectives and 43 proposals for action, all designed to help solve the major problems of America's cities and towns.

It is a broad program because realtors believe that the problems are inter-related.

**JOB, EDUCATION,**

vocational training, transportation, vandalism, crime, disease, hunger, juvenile delinquency -- all of this must be considered if the desired transformation of our cities and towns is to take place. In all these fields one tends to think in generalities and statistics. Last year, for example, candidates for federal offices were lamenting the lack of jobs for the poor. Yet, in midyear, there were 461,200 jobs unfilled in Employment Service Offices alone.

This means, when you boil it down, that it is not a matter of numbers, or statistics, or even "solving the major problems of our cities and towns." Realtors are confronting a human

problem. Help the man get education and training and employment, and you help the city or town. Above all, help him to achieve self-respect.

It is not an easy program. In New Haven, Philadelphia, New York, Boston, San Francisco and other centers it was found that pre-training sessions were necessary to get welfare-oriented men and women accustomed to such things as showing up on time, and other responsibilities of work.

In Indianapolis, prominent business and professional people work person-to-person with jobless, untrained people. It is sometimes frustrating. It takes time and patience. But what

a world of difference it makes in the lives of some of our citizens!

In one project alone in that city, nearly 400 families became home-owners through a self-help, bootstrap operation.

What has that done for these families? It has given them:

1. Stability.
2. Independence.
3. Security
4. Self-respect.

**THE EXPERIENCE** of just one of these families is enough to show how home ownership has been the path to independence. One of the men involved trained himself into increasingly better jobs. Meantime, his family

grew until it grew right out of the original home.

With the equity he was able to build up over a period of several years, plus the increase in value of his home, he was able to buy a much larger home in a choice area--with an unusually big down payment. Remember, he got into the original home without a dime of down payment in money. This was accomplished by part-time work on this house and others in the project. Sometimes it is referred to as "sweat equity."

This is only one method through which home ownership has increased in the past 30 years. In 1940 the percentage of families in the nation owning their own home was 44 per cent. By 1967 this had increased to 61 per cent.

Much of the credit for this gain must be attributed to two landmark federal programs, one of which NAREB leaders had a major role in framing -- the insurance of mortgages by the Federal Housing Administration, thus establishing a system of small down payments and amortization over a long period of time. The other program, of course, was a similar venture--the guarantee of mortgages by the Veterans Administration of home loans made to veterans.

Starting last year, through the Housing and Urban Development Act passed in 1968, the federal government has adopted new housing programs which not only should stimulate more construction, but will help lower income families to become owners.

These, too, are genuine landmarks in housing. Like the leased housing and rent supplement programs, they

call for a loose partnership between private industry and the government. Unlike public housing, under which government owns and operates dwellings and which has a record of accomplishment, the private concept--with an assist from the government where necessary--works well.

**ASSISTANCE** from the government under the new Section 235 of the National Housing Act comes in the form of monthly payments by the Department of Housing and Urban Development. The mortgagee receives payments reducing his interest rate to as low as one per cent if he cannot afford the mortgage payment with 20 per cent of his income. As his income rises, his payments will rise.

Some taxpayers may say, with apparent justification, "But why should I pay taxes so another person can get his mortgage for one per cent interest? I'm paying more for mine."

This can be answered without even considering the moral or ethical questions.

The point is, the poor family already is being subsidized, perhaps by welfare, perhaps by public housing. The genius of the home ownership plan is that families that heretofore have been without hope suddenly are given hope. They have a real stake in their communities. They will gain social stability and personal responsibility as they enter the mainstream of the American economy.

Other people's exercise will not improve your muscles. This truism should be applied in the manner in which we assist our more unfortunate citizens. We should help them to help themselves.

## Home-Buyer Guide For 50 Cents

House-hunting families who do their homework first are far more likely to get the house they want for what they can afford to pay.

This is one of the basic tips offered in a new 24-page "House-Hunter's Guide" available from the American Wood Council.

The Guide was prepared after the Wood Council interviewed more than 600 families who bought new homes in the past year. The interviews showed that home buyers who knew what they wanted, and told the builder of their preferences, very often got the preferred materials and features.

BASED partly on infor-

mation from the survey and partly on the advice of experts in the home building field, the Wood Council designed the "House-Hunter's Guide" to help house-hunting families get more for their money.

The booklet contains several fill-in charts which will help potential buyers compare the value of one home against another.

Also included in the Guide are several key points which house-hunters should keep in mind.

Copies of "The House-Hunter's Guide" are available for 50 cents from The American Wood Council, Suite 1625, 5454 Wisconsin Ave., Chevy Chase, Md. 20015.

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## Realtors Real Pros

A Realtor is a professional in real estate who subscribes to a strict code of ethics as a member of the local and state boards and of the National Association of Real Estate Boards.

The term Realtor is not a synonym for "real estate agent." It is the distinctive and exclusive designation for individuals who are members of NAREB.

The term Realtor should always be capitalized to indicate the fact that it is a service mark (trademark) registered in the U.S. Patent Office and not a word of generic meaning.

The term Realtor should never be abbreviated.

No descriptive words or phrases, such as "progressive" or "leading," should be used in connection with the term Realtor.