

# Building Scene

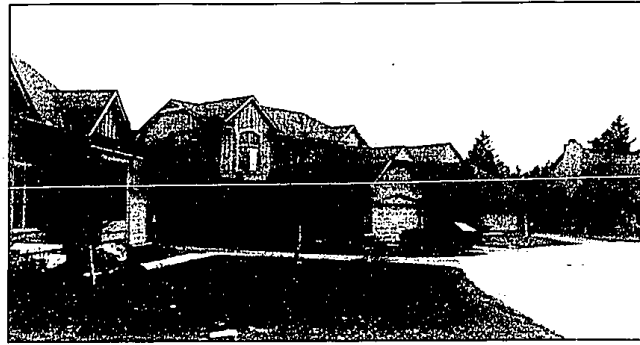
Marilyn Fitchett editor/591-2300

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Monday, April 9, 1990 O&E

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ART EMANUELE/staff photographer

Before someone commits to buying one of these (above), the first step is walking through a model (photograph at right) to determine

what is the best style. Builders often will sell models to buyers at a lower cost, with added options.



## Model homes: top amenities at a lower cost

By Doug Funke  
staff writer

Buyers of new houses or condominiums frequently can get more for their dollars by looking at models in residential subdivisions.

Models, although generally not cheaper in and of themselves, usually have upgraded features that would cost more if they were to be included in the same kind of unit built on another lot in the sub.

"They end up getting a package cheaper than they probably could do putting the stuff together," said Angelo Spagnoli, president of S&S Homes of Plymouth.

"You'll get some wallpaper, some drapery. Carpeting probably will be a better grade, appliances a better grade," he said.

Price discounts on models may be available, depending on market conditions, when a builder wraps up a project.

"A builder wants to sell," Spagnoli said. "He doesn't want to sit on it. He may be willing to bargain."

BUT DON'T expect a steal unless some unusual circumstances surround a buy.

"It's not a fire sale," Spagnoli said.

**'A builder wants to sell. He doesn't want to sit on it. He may be willing to bargain.'**

— Angelo Spagnoli  
S & S Homes president

Sheldon Rott, national sales and marketing manager for Lifestyle Homes of Farmington Hills, projected that a buyer probably could get a condo model for about \$205,000 that would cost \$220,000 if built from scratch.

"They get a lot of amenities they normally wouldn't buy or get them gradually over the years," Rott said. "I can't say we don't charge anything, but we don't charge what it costs us."

Landscaping, security systems and fireplaces generally are included as upgrades.

MODELS, MANY of which are furnished at the builder's expense, most often appeal to transferees, people searching for a specific decorative look and investors. They may prefer not bothering

with the piecemeal approach to buying and furnishing.

"It's someone who wants new but doesn't want to buy from scratch," said Ellen Whitefield, director of marketing for The Selective Group of Farmington Hills.

Then there are impulse buyers who just fell in love with models and feel compelled to buy, she said.

"You have wallpaper up, light fixtures up, some upgraded things like faucets, maybe appliances," Whitefield said. "It's done, you can see it, you can move into it. You're there."

Models almost invariably are clean and well cared for because they serve as signature pieces for a builder's work.

"Anyone would be crazy to let a model get out of hand," Rott said. Pulte Homes of Michigan in Royal Oak, like most area builders, doesn't necessarily discount models, but

does offer good value for the money, said Deen Hyde, marketing director.

"WE WILL normally put a model on the market three to six months before close-out," she said.

"We don't do a lot of extra built-ins because we want people to see what kind of house they're going to get delivered," Hyde said.

Buyers of Pulte models could expect to get wallpaper, drapes, a landscaped lot and a sprinkling system.

The big draw Hyde finds is "no hassle moving in."

Jo Vincenti, marketing and sales manager for Tri-Mount of Novi, speculated that condo buyers could get \$10,000 to \$15,000 in discounted extras buying a \$200,000 condo model than building and decorating on their own.

"They pay more than the base price but not as much as extras are worth," she said.

"We might tile the kitchen, which isn't standard. We may put marble on the fireplace, put up mirrors. Then we wallpaper, put in window treatments. They might like certain pieces of art."

"Instead of paying full value, they get extras for way below," Vincenti said.

BUT BUYERS should know that market conditions at a given time usually determine the value of a property.

"Models are strange," Vincenti said. "It depends on how fast you sell out, how quickly you turn over, how much prices go up."

"In some cases, a builder builds (and holds) a model and three years later, prices are up \$50,000," Spagnoli said. "If it's a buyer's market, you'll probably get a better deal."

## Condo associations can protest assessments as dwellers' proxy

With the recent increase in tax assessments across the board, is there anything a condominium association can do to help the individual owners with their assessments?

As you know, in most instances the condominium association does not normally own any of the real estate and the assessments from the local assessor are imposed on the individual co-owner.

On the other hand, I have seen situations where the association has been recognized as a representative body of certain co-owners who authorize it to go to the city or township assessor in an effort to make an adjustment for the condominium units in the project as a whole.

The association may be in the position, perhaps, to retain a consultant to assist it more economically in advancing the interests of the individual co-owners and by providing information which would be of benefit.

That approach can be taken only if there is no conflict between the individual co-owners vis-a-vis the individual assessments.

In any event, the condominium association can serve as a clearing house for information between the individual co-owners and can provide assistance by way of economic information to the individual co-owners regarding the tax assessment so long as that action is authorized by the members of the association.

In short, while the association can be of assistance in this regard, it should be undertaken only with the advice of the association's legal counsel so as to insure that the association is not stepping on anyone's legal toes in the association.

I understand you handle a number of construction defect lawsuits for associations. Can you brief me on the present status of the issue concerning fire retardant plywoods that can be treated to the point of becoming unsafe.

According to a report on fire retardant plywood published by the National Association of Home Builders, the problem was discovered when some townhouse owners began reporting excessive waviness in their roofing near the firewalls.

In some cases, further inspection showed that the sheathing had deteriorated to the point where the roof was unsafe to walk on. It appeared

that heat and moisture in and around the roof was contributing to a chemical reaction which caused the plywood to become extremely brittle and deteriorate.

Plywoods treated with ammonium phosphate formulas appear to show the greatest amount of deterioration. When exposed to wide variations of heat and humidity, the phosphates break down and in the process dissolve the middle lamella of the plywood. I am advised that drywood often has a charred brown appearance which is similar to a condition caused by a brown-rot fungi.

An industry task force on fire retardant plywoods is studying the extent of the problem, researching methods for repairing structures that have damaged fire retardant plywood and investigating options to fire retardant plywood.

Apparently even after the current test and study results are available, the long-term ramifications of using fire retardant plywood may not be known for years.

In the meantime, community associations which have responsibility for the maintenance, repair and/or



condo queries

Robert M. Meisner

replacement of this condition should be exploring the situation and determining whether there is any liability and who will bear responsibility for same.

Robert M. Meisner is a Birmingham attorney specializing in condominiums, real estate and corporate law. You are invited to submit topics which you would like to see discussed in this column, including questions about condominiums, by writing Robert M. Meisner, 30200 Telegraph Road, Suite 467, Birmingham 48010.

This column provides general information and should not be construed as legal opinion.

## Real estate firm expands its scope

Uniprop Inc., a Birmingham- and Denver-based real estate equity investment firm, is expanding to include medical/professional office development and management activities.

Uniprop president Paul Zioltoff called the progression from manufactured housing to hospital expansion and neighborhood "satellite" offices as "a natural progression."

Financial lenders and investor groups are increasingly interested in this type of investment vehicle because of the stability of the income properties, he said.

Uniprop currently owns and manages the Novi Professional Village in Novi; the Maple Park Office Center in West Bloomfield, which was co-developed with Nisan/Cohen Associates of West Bloomfield; and the Bloomfield Medical Village in Bloomfield Township.

Robert Morris Realtors has opened its office at 7071 Orchard Lake Road, Suite 300, in West Bloomfield, according to owner Robert M. Schuman.

The firm will handle residential and commercial properties. It is a member of the Birmingham/Bloomfield Board of Realtors' multi-list system.

Michael Bramson and Judith Westlund have joined The Selective Group, a Farmington Hills-based development and building firm.

Bramson is the new residential sales manager, responsible for coordination of all residential sales plus developing programs for corporate sales.

Westlund was hired as sales coordinator, responsible for all sales at St. Lawrence Estates, a condominium community in Northville.

The Michigan Association of Life Safety Equipment Contractors recently announced its campaign against proposed Michigan House Bill 5168, which would require technicians handling low-voltage equipment to become licensed journeyman electricians in order to work in a structure regulated under the state construction code.

The association is a newly formed group representing 4,800 Michigan residents employed by businesses that install and service low-voltage equipment.

This equipment includes intercoms for hospitals, burglar, fire and security alarm systems, closed-circuit television, data processing equipment, sound systems and, in some instances, telephones.

D & N Mortgage Co. in Plymouth is offering buyers terms to 40 years, loan amounts to \$500,000 and a choice of customizing features.

Don Mallitelli called the adjustable rate mortgage plan advantageous to home buyers.

"Our flexible underwriting guidelines and 10 percent minimum down payment make it easier for borrowers to qualify," he said.

"We loan amounts as long as 40 years, larger-than-average maximum loan amounts and initial interest rates currently as low as 7 1/2%, even first and second-time buyers can now afford more home for their money."

First-time home buyers continued to be a major economic force in the U.S. housing market in 1989, according to statistics compiled by Century 21 Real Estate Corp.

First-time buyers represented 38 percent of the more than 400,000 transactions recorded by the Century 21 system in 1989. There has been no significant change in that percentage for the last year.

Century 21 Real Estate Corp., a wholly owned subsidiary of Metropolitan Life Insurance Co., is headquartered in Irvine, Calif.

## Wood requires limited heat, humidity, sun

Fine wood furnishings need more than dusting and polishing: They need a healthful environment.

To avoid unnecessary weathering, aging or damage, Better Homes and Gardens magazine recommends placing precious pieces away from excessive exposure to these natural furniture foes:

• Humidity: Wood easily absorbs moisture, then dries out just as readily. A friendly atmosphere in the 30 to 40 percent relative humidity range will reduce drying and warping, splitting, or loosening of joints.

• Heat: Furniture experts say 68 to 70 degrees is the ideal indoor temperature for wood pieces. Keep the temperature consistent and that will help pieces avoid wood stress.

• Sunlight: Keeping wood furniture away from direct sunlight protects against the ultraviolet-light fading that the sun's rays cause. It also reduces the exposure to the rapid heat changes produced by the sun.

• Liquid: To avoid finish damage, wipe up liquids immediately after a spill. The worst offenders are sol-

vent-based fluids, such as alcohol, paint thinner and nail polish remover. Also, be careful of dripping candles.

Give special furnishings a vacation when taking one. When leaving home for a season or a couple of months, put favorite pieces under wraps. Otherwise, dust will build up, blow about and contribute to scratching and dulling finishes the next time furniture needs polishing.

— Better Homes and Gardens  
For AP Newsfeatures

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