

# America's 'Dream Adrift'

## Thrift Industry Fears Current Slump Could Persist Through the 80's

By ALAN S. OSER

**A**CROSS the country, the housing market is struggling, with interest rates persisting in the 16 to 17 percent range. Sales activity has subsided and so has new construction.

The nation is accustomed to housing cycles. Time and again a new burst of sales and construction, along with a rise in prices, has followed periods of malaise. In the upturn of the late 1970's, market values generally rose at a rate greater than the inflation rate itself.

But in a report made public in Washington last Monday, the United States League of Savings Associations, the trade association of the industry that does the most home-mortgage lending across the country, documented the problems of buyers and sellers last year and raised the question of whether the rest of the decade would be any better.

The answer, as the league sees it, is no — unless interest rates fall substantially and United States tax policy creates "greater incentives for savers."

The main problem is the scarcity and cost of capital for housing, as the thrift industry sees it. There is a shortage of investment capital in the nation for all things, the league's economists say, and housing is a less

## Perspectives: Housing's Outlook

urgent priority for what there is than government and industry. Meanwhile, the gap between the number of new housing units the nation needs and the number it is getting continues to widen.

Dismal as it was for housing, the economists contend, the year 1981 may be the pattern for the decade rather than a mere aberration. The league wants a drop in interest rates and deregulation in the development process as means to correct matters. But it seems to doubt that housing's needs will be served even then. Houses historically have

been built by local contractors and financed by local institutions using local savings.

But these days, because people save in many different ways, local borrowers are competing for credit with other regions of the country, with major corporations, with the United States Government and even with foreign governments.

To reflect its somber appraisal, the league chose as the title of its report "Homeownership: The American Dream Adrift." The study is done every two years, and this one is the third. The authors are James W. Christian, chief economist of the league, and Thomas J. Parliament.

Aside from the policy implications, the data presented in the league's report have a fascination in their own right. They show a sharp rise in housing costs across the country, mainly because of the huge rise in the cost of carrying a loan. This has meant that more and more people have been priced out of home ownership and that more people who do acquire housing are paying a higher proportion of their income to maintain it.

Hardest hit of all is the young person or family — the first-time home buyer. That household has become a sharply shrinking factor in the home-buying market, even though condominium sales have risen sharply. The condominium, often a town house or garden apartment not much different from a rental unit, is in theory less costly to produce

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A Profile of the Nation's Home Buyers			
DEMOGRAPHIC	1981	1979	1977
Median Age	34 yrs.	33 yrs.	32 yrs.
Unmarried	29.6%	22.4%	17.0%
One-and-two-person households	57.4%	51.9%	45.8%
ECONOMIC			
Median household income	\$39,196	\$28,110	\$22,700
Median household net worth	\$70,519	\$52,277	\$31,800
First-time Buyers	13.5%	17.8%	36.3%
WHAT THEY PURCHASED			
New Condominiums	21.5%	11.0%	not available
New houses	26.1%	30.8%	25.4%
Homes 25 or more years old	29.5%	27.5%	23.7%
WHAT IT COST			
Median purchase price	\$72,000	\$58,000	\$44,000
Median down payment	\$16,100	\$12,282	\$9,000
Median total monthly housing expense	\$816	\$550	\$400
Mortgage payment	\$624	\$401	\$273
Real estate taxes	\$72	\$58	\$54
Utilities	\$100	\$75	\$60
Hazard insurance	\$20	\$16	\$13

Source: U.S. League of Savings Association

# The Guardian of New York's Living Heritage

## Panel Oversees Historic Districts With a Loving Eye

By GEORGE W. GOODMAN

**W**HEN Gerald and Beatrice Banu sought approval for refurbishing the cast-iron balustrades that grace the front of their 114-year-old Greenwich Village brownstone, the New York City Landmarks Preservation Commission quickly gave its approval.

Had the Banus wanted to replace the old railings with those of modern design, however, they would have been discouraged by commission staff members even before formal submission of an application.

"It's our feeling," said Frank Sanchis, field director for the commission, "that the character of the historic district is the character derived from details such as railings, pavement, the choice of paint, stoops and even the lintels on the windows."

The commission oversees 42 historic districts covering roughly 2 percent of the city's 850,000 tax lots, as well as individually designated landmarks such as Grand Central Terminal and the interior of Radio City Music Hall.

Its 11-member board makes monthly decisions on from 60 to 80 permit applications. Permits are needed for exterior changes but generally not for interior renovations.

According to Alan Haber, a spokesman for the commission, many applications for minor changes are informally ruled upon by staff members, so there is no accurate tally of how many permits are denied.

An owner of property in a historic district who wishes to install an air-conditioning unit in the window of his home is free to do so — even if the unit protrudes over the sill — because such equipment is considered temporary. But commission approval is necessary when the unit is large, or heavy enough to require supports attached to the walls or a sleeve cut through the skin of the building.

Michael Frudakis, an architect, recently received approval for restoration work in a

night club and restaurant at 418 Avenue of the Americas, the southeast corner at West Ninth Street. The establishment was formerly Trude Heller's.

Mr. Frudakis said such projects required extensive research into the history of a designated building.

"We began last March," he said of the job now under way. "I submitted a list of things I wanted to do and the commission pretty much went along, with certain stipulations." The commission specified requirements for clear glass in all the windows, wood and glass doors with pilasters and decorative friezes for the doorways, and even for a final coat of old silver paint.

"Without the proof of something's prior existence, you help create your own delays," said Michael Geyer, another architect, who is now working on a major renovation project involving a Greek Revival brownstone on West 11th Street. "You need photographs or drawings, whatever information you can obtain concerning a building's past."

Mr. Geyer's favorite resources include the Avery Library at Columbia University, the Bettman Archives at 136 East 57th Street and local historical societies such as the Greenwich Village Trust for Historic Preservation, at 47 Fifth Avenue.

Commission members acknowledge receiving assistance from voluntary groups, such as the landmark committees that have been set up in most historic districts. Members of such groups are usually zealous watchdogs.

"If a storeowner decides to put up a garish sign or flashing lights, my phone starts ringing off the hook, even before the sign is hung," said Ruth Wittenberg, chairman of the Landmarks Committee for Community Board 2 and an activist in preservationist causes since the late 1930's.

She said she recently received complaints after the owner of Whole Wheat and Wild Berrys, a restaurant at 10th Street and the Avenue of the Americas, installed such a sign over her doorway. Mrs. Wittenberg said community board members felt the sign clashed with the subdued ambience of brownstone facades along West 10th Street.

Virginia Bell, the restaurant owner, said she agreed. "I didn't like that sign myself," she said, "and had it taken down right away before the commission became involved. Sometimes community people can try your patience, but mostly they perform an impor-

tant job by helping to maintain standards."

Owners of commercial establishments in historic districts are required by law to seek commission approval before hanging signs. Frequently, however, they do so without it.

When the commission decides an offense is serious enough, violations punishable by fine or imprisonment may be imposed. But Dorothy Miner, legal counsel for the commission said other sanctions were available, including a request to the Department of Buildings to withhold a certificate of occupancy or, in more serious instances, the filing of criminal or civil charges.

Stephen Jacobs, the architect for a Greenwich Village cooperative apartment building now under construction, said he felt that the commission was at times too rigid in its interpretation of its preservationist role. The commission, he said, "severely limited" his designs before granting approval.

**"W**E were turned down on our proposal to widen windows not easily visible from the street," Mr. Jacobs said. "It would clearly have been an improvement on the design. Certification finally came, but it cost us a year in delays and the result was a building of lesser quality."

One controversial matter now under consideration by the commission involves a proposal by the Loews Corporation to build a three-theater movie complex with retail stores on a site fronting on the Avenue of the Americas, between Waverly Place and Washington Place.

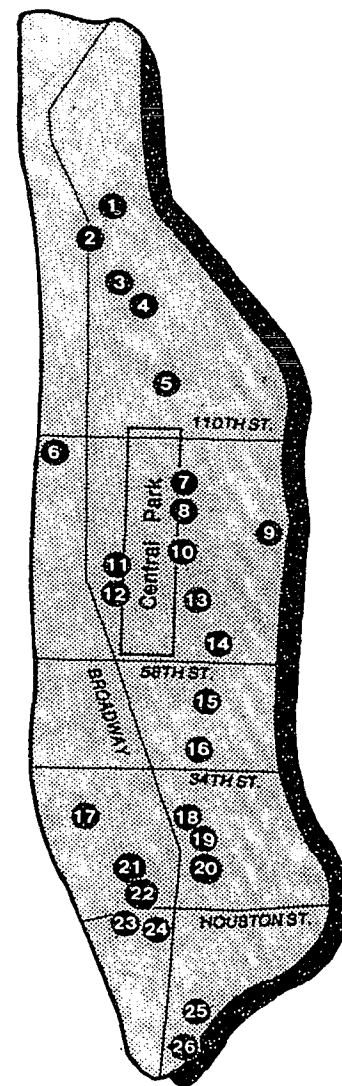
As in the case of all applications seeking a certification of appropriateness, public hearings were held. The issue is currently awaiting action by the commission's board. The process was slowed, Mr. Haber said, largely because of obstacles that arose during the hearing process.

"Even though there were questions raised dealing with appropriateness at our hearings," he said, "there were some persons who raised questions dealing with the issue of use — issues that usually fall outside our jurisdiction."

Because of the impasse that arose at the hearings, Loews Corporation lawyers withdrew plans for fear that they would stir wider controversy. If the commission approves the application, the matter will be passed to the city's Board of Standards and Appeals for a hearing on a variance dealing with use.

## Historic Districts In Manhattan

- Jumel Terrace**—55 buildings in Queen Anne, Romanesque Revival and neo-Renaissance styles.
- Audubon Terrace**—8 buildings, including four small museums and the National Institute of Arts and Letters (1890-1920).
- Hamilton Heights**—Originally part of Alexander Hamilton Estate. 206 mansions, row houses and low-rise apartment houses (1866-1905).
- St. Nicholas**—149 19th century residences, also known as Striver's Row.
- Mount Morris**—268 town and row houses and notable ecclesiastical buildings.
- Riverside-West 105th Street**—30 buildings, French Beaux-Arts townhouses, 1889-1902.
- Central Park**—840 acres, the pleasure ground of the chief city in a great republic (1869 description).
- Carnegie Hill**—95 buildings in two separate areas, one reflecting northward expansion of middle-class neighborhood in 1880's, the other developed after construction of the Carnegie mansion at the turn of the century.
- Henderson Place**—24 Queen Anne-style houses with steep roofs, dormers and gables, built in 1881.
- Metropolitan Museum**—128 buildings, Brownstone rows, turn-of-the-century mansions and four individual landmarks.
- Central Park West-West 76th Street**—29 residential and public buildings including the Museum of Natural History and the New York Historical Society (1887-1907).
- Central Park West-West 73d-74th Streets**—46 buildings, largely the creation of Edward Clark, president of the Singer Sewing Machine Company, who built the Dakota apartments (1890-84). Residences include 28-house brick row along W. 73d St. and Clark Estate Houses on W. 74th St.
- Upper East Side**—1 089 Beaux-Arts neo-Georgian and neo-Federal buildings, brownstones, apartment and shops.
- Treadwell Farm**—Four mid-block rows of 77 brownstones in French Second Empire style built between 1868-76, formerly the Adam Treadwell farm.
- Turtle Bay Gardens**—20 1860's brownstones renovated by Mrs. Walton Martin in the 1920's.
- Sniffen Court**—Ten Romanesque Revival houses (1850-60) named for John Sniffen, builder.
- Chelsea**—Row houses considered among the best examples of Greek, Gothic Revival and Italianate styles. Principal development by Clement Clarke Stone (1835-60) and named for London suburb. 265 buildings.
- Gramercy Park**—Early example of planning for private use based on English example, founded by Samuel B. Ruggles in 1831. 71 structures.
- Suyvesant Square**—60 buildings. Site of three important landmarks on land given the city by Peter Gerard Suyvesant in 1846 — St. George's Church, the First St. Ignace and Meeting House.
- St. Mark's**—36 buildings. Once part of Peter Suyvesant's "Bouwerie" (farm). Sixteen Anglo-Italianate brick row houses erected in 1861.
- Greenwich Village**—Largest district — 2,035 buildings — with greatest variety of architecture. Federal, Greek Revival, Italianate and Anglo-Italianate. Notable for churches and restored Withers & Vaux's Victorian Gothic Jefferson Market Courthouse.
- MacDougal-Sullivan Gardens**—120 5-style urban renewal of 22 existing row houses for middle-income families by William Sloan Coffin.
- Charlton-King-Vandam**—City's largest concentration — 72 buildings — of Federal-style architecture. Former site of Richmond Hill, Washington's headquarters and later the home of Vice President John Adams.
- SoHo-Cast Iron**—World's largest collection of 466 buildings, including 19th century, architecturally distinct structures in which cast iron was used for structural and ornamental purposes.
- South Street Seaport**—112 structures, many rare examples of early 19th century Georgian-Federal and Greek Revival style mercantile buildings.
- Frances Tavern Block**—One square block of 16 buildings, including the tavern, that comprises the first landfill area on the eastern shore of Manhattan.



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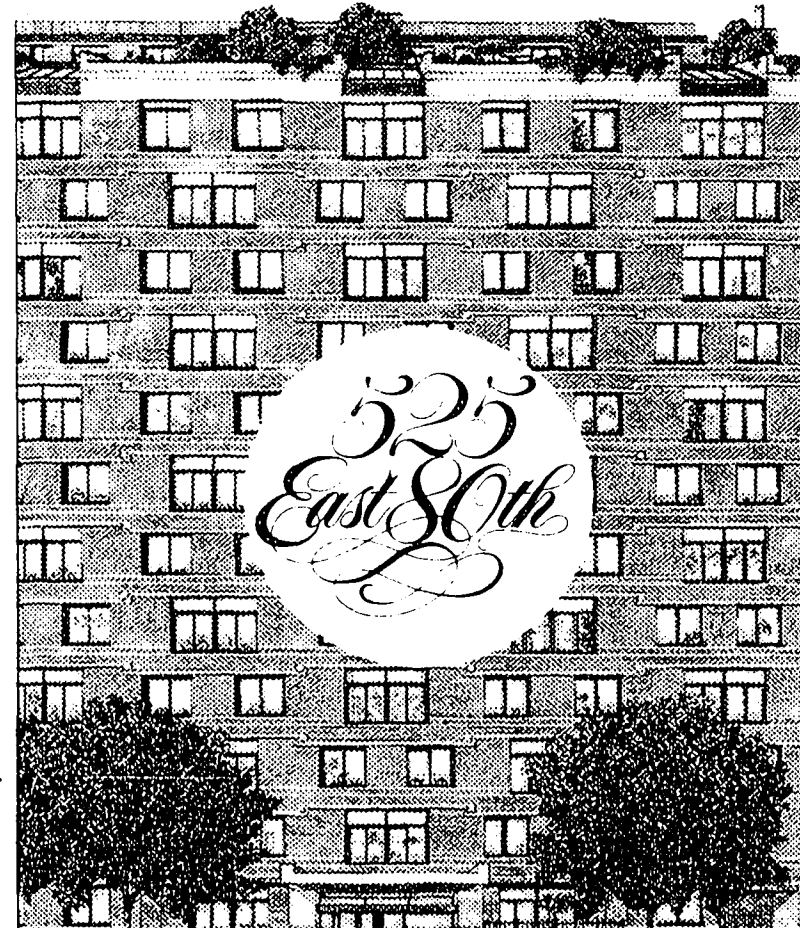
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