

# BOOK NOTES

The book review editor notes that with the current increase in population at or approaching the "first-home buying age," there are several books on that subject hitting the market. The following suggestions are provided for housing educators in reviewing these for use with academic classes, extension work, and as resource materials: The biggest challenge for authors is to provide specific (therefore more useable) information, yet avoid almost immediate obsolescence caused by facts which are facts today and not facts tomorrow, e.g. FHA/VA interest rates. More general coverage lasts longer, but does not answer the pointed questions that usually arise in the home buying process. Look for universal coverage or at least coverage for the state or region involved, e.g. knowing the usury ceiling for Ohio will not help the Arizona consumer. Is the specific information labelled as to date and location, with an obvious caution regarding use of the material at other times and in other locations? Question how or if changing cost factors and lifestyle profiles will affect the usefulness of the information. A book that lists additional resources available to provide up-to-date, localized answers will be useful even after its contents are obsolete. Check coverage and emphasis via chapter titles and subheadings, glossaries, or indexes. Weigh a list of specific questions or terms against the percentage of answers provided. Last, but not least, note the audience written for, level of readability, and rate its usefulness in terms of examples, reader involvement techniques, etc.

Recent books on home buying that you may wish to review (with brief comments regarding each are:

*The Home Buyers' Guide*, Hess, Nancy R. (Englewood Cliffs, New Jersey: Prentice-Hall, Inc.) 1976. 213 pages, \$9.95 cloth.

The purpose of this book is to provide basic, general information that will help the person who is planning to buy or build a home and present the fundamentals of acquiring a home in a manner understandable to the typical middle income adult.

Six parts with one to four chapters each cover: cost of homeownership; borrowing money; location; layout and design; housing choices; and related subjects. Not covered are interior and exterior design, landscaping, and characteristics of materials.

Using examples, monthly housing (occupancy) costs are presented from three angles: expenditure approach, all housing (including opportunity) costs, and investment method. A brief mention of the variable rate mortgage is given as a "likely candidate as a fourth mortgage type." In discussing the most commonly used mortgages, the author quotes a 8 1/2-9% FHA/VA interest rate, but footnotes the point that it may be raised or lowered by the Secretary of HUD and usually lags behind actual market rates. The downpayment formula and maximum FHA mortgage given are those determined by the 1974 Housing and Community Development Act.

Packaged mortgages, prepayment penalties, and open-ending are discussed as possible decision making factors in mortgage loan shopping. Three points only briefly mentioned, but costly to the consumer (therefore meriting more explanation) were discounting, (private) mortgage insurance, and loan origination fees. The discussion

on settlement costs quotes the now-invalid 12-day RESPA disclosure requirement and (wide) ranges for specific costs involved in closing. Comparisons of financing an example house with several lenders point up the importance of shopping not only for the best mortgage terms and features, but lowest settlement costs.

A point found under location and not often seen is that of stability of neighborhoods: predicting success of new subdivisions and assessing indicators of change in established neighborhoods. There is much in this section, but not where one would expect to find it, thus the index is helpful. Included in neighborhood location choices are core city, established and new (suburban) neighborhoods, PUD, semi-rural (estate-sized lots), and new towns. With current population trends, one might desire discussion of small town and rural non-farm locations. Hess divides the "practical, sometimes dull and often overlooked matters" of neighborhood and site selection into negative, neutral, and positive factors for rejection or acceptance.

It is interesting to note that transportation is singled out as a major factor in neighborhood choice, but with emphasis on commuting time rather than energy use and cost. Likewise, no mention is made of optimal use of natural resources in describing neighborhood layouts. Granted, the author presents the book as primarily descriptive; however, she does make some attempts at prescription, such as comments on economic mix vs. economic segregation.

Based on an architect's approach, the section on layout and design attempts to establish criteria for judging any house or plan: family preferences, traffic patterns, basic layouts, and design.

Housing choices presented are pre-owned and new houses, with a separate chapter on custom building. The inclusion under pre-owned homes of used condominium apartments is reflective of the author's Florida address. The home-building business is discussed and although the information regarding each type seems sound, one might question the emphasis on the small builder in view of

the citation of a 10-year-old source and the fact that since then, at least two tight money cycles have had a profound impact on the industry, particularly on under-financed small builders. One also wonders about the exact date or actual occurrence of "when the nation switched from a sellers' market to a buyers' market."

The home manufacturer/franchised builder dealer information could be confusing now that mobile homes are considered (at least by their manufacturers) "manufactured housing." There is no discussion of mobile homes. The author's professional orientation toward architecture is most obvious as she discusses builders; she particularly dislikes the spec house builders. She does *not*, however, recommend the use of an architect for a middle income, custom home, and in fact suggests an architect "only if...." She gives special pointers on custom building throughout the book, suggesting that custom homes will usually go 15-25% over the original estimate, explaining construction financing, stock plans, builder selection and supervision, and resale considerations.

"Related subjects" briefly covers the use of real estate brokers, legal aspects of the purchase, and risks in homeownership (surety bonds, mortgage redemption insurance, and property insurance).

Overall comments regarding the book and its use: Where used, the examples provide the best way to involve the reader and reinforce the point. Read the footnotes; often rather key information is found there. Dr. Hess does point up the facts that legal requirements are often contrasted by local practices; and that local, state and federal laws/ordinances regulating the purchase are constantly changing, but these may not be noticed in the footnotes. Regarding balance: about 2/3 of the volume covers the house and neighborhood selection; 1/3 involves the actual purchase process. The book is very readable, often in first person and first-person directive. It is short and tempting; and although it professes to give "everything you need to know about buying or building a home," the academic cannot feel that it offers any depth. However, the academic also realizes that in

reading it, the consumer is learning 100% more than most know when that first purchase is made.

*The Fannie Mae Guide to Buying, Financing, and Selling Your Home.* Mencher, Melvin, editor. (Garden City, New York: Dolphin Books, Doubleday & Co., Inc.) 1973. 315 pages, \$3.95 paper.

Written as separate news articles with separate authors noted; table of contents serves as index giving synopses of each article coverage. Beyond the usual coverage: home improvements, interior decorating and landscaping, home repairs, fair housing, housing counseling. Appendices: lists of organizations in housing and home financing, and HUD-approved homeownership counseling agencies. Glossary.

*Your Home: Building, Buying, Financing.* Meyers, L. Donald, and Demske, Richard. (Reston, Virginia: Reston Publishing Co., Inc.) 1975. 331 pages, \$12.95 cloth.

General, but extensive coverage; beyond the usual: mobile homes (written before new federal standards, however), dome homes, urban homesteading, condominium, second homes, mention of safety, environment and energy, HOW program (although not mentioned by name), moving, selling it yourself. Includes short checklists: house, lot and neighborhood; do-it-yourself; home repair. List of stock plan sources plus 60 pages of popular stock plans. Conversational tone, easily read with humor, cartoons, photographs, glossary, and index. Some errors noted in specifics (Federal Housing Authority, FmHA in towns of 2,500 or less, etc.), but generally correct.

*How To Buy Real Estate: Profits and Pitfalls.* Newman, Joseph, editor. (Washington, D.C.: U.S. News & World Report Books) Fourth Printing, Revised 1976. 225 pages, \$7.95 cloth.

Over half of book deals with real estate as an investment; remainder on buying real estate as a home. Beyond the usual: vacation homes for fun and investment. Also written as news articles, easily read, many tables, some photographs, human interest elements, index, and glossary.

*"Financing The Home,"* Small Homes Council/Building Research Council. Council Notes, Circular A1.3. (Urbana/Champaign: University of Illinois, SHC/BRC) Summer 1976. 12 pages, \$.25.

Update of earlier circular. Uses some examples to show financing details. Fairly timeless. Beyond the usual: condominium, cooperative, variable rate mortgages, FmHA, loan assumptions.

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*Contract Carpeting.* Lila Shoshkes. Whitney Library of Design, an imprint of Watson-Guption Publications. New York. 1974.

This book was written for the interior design professional who wants to know more about the "whys" of contract carpeting. It is well organized, easy to read and understand, and discusses the main aspects of the subject.

The author is a practicing interior designer who uses her knowledge and experience in explaining carpet construction and performance, and walks the reader through several installation evaluations. The discussion of components of a specification reinforces the importance of gauge, rows per inch, face weight, and pile height.

The illustrations of textures can help the reader see why some textures may wear better than others. Static-control, flammability, maintenance, and other factors relating to performance are explained and presented in layman's terms, and the glossary provided by the author defines many familiar and unfamiliar terms.