

ORER Letter

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Voluntary Association and the Life of the City

David T. Beito

ORER Letter generally publishes original articles written by individuals at the University of Illinois or by others associated with the Office of Real Estate Research. The following article, however, is a reprint of a portion of an article which appeared in the Fall 1988 Humane Studies Review. The ORER Letter editorial staff felt that readers would find the paper interesting and informative, particularly the historical references to Chicago and St. Louis and the implication that government action may have served to crowd out private voluntary action. ORER Letter thanks the Institute for Humane Studies and Dr. David Beito for consenting to the reprinting. The entire piece, which contains historical information dating to medieval Europe, is available from the Institute for Humane Studies, George Mason University, 4400 University Drive, Fairfax, VA 22030.

Because ORER Letter has omitted the introductory section, the first footnote in the presentation below corresponds to the fourth footnote in the longer paper.

Urban history offers concrete examples of the vitality of voluntarism as an organizing principle, from medieval Europe to twentieth century America. The emerging world civilization may give birth to an even greater and more prosperous urban life, nurtured on voluntarism and liberty. In what follows I hope to introduce the reader to a few of the exciting insights offered by urban history and to the tremendous opportunities it offers for transforming our world.

Urban Development in America

The most influential book in American urban history of the past thirty years remains *Streetcar Suburbs: The Process of Growth in Boston, 1870-1900* (Cambridge, Mass.: Harvard University Press, 1962) by Sam Bass Warner, Jr. Warner's views are generally hostile to the free market. In fact, Warner made a point of faulting "successive generations of Americans who, by their unwillingness to move beyond the confines of private landownership, have produced today's disordered, inhumane, and restricted city."⁴

Despite its biases, *Streetcar Suburbs* is
(continued on the following page)

ORER News

Beban Addresses Alumni

The Office of Real Estate Research sponsored its seventh luncheon for U of I real estate alumni on Friday, April 21. Gene Stunard again arranged for the use of the Chicago Yacht Club. Gary Beban, President of Coldwell-Banker Commercial Group, spoke to approximately fifty alumni and their guests on "The Commercial Real Estate Brokerage Environment." The text of Beban's speech appears on page 8 as this issue's interview.

Details on the next luncheon will be included in the Summer 1989 *ORER Letter*.

Charles Hill Reappointed to Advisory Committee

Charles Hill, Executive Vice President of the Federal Home Loan Bank of Chicago, has agreed to serve a second three-year term on the Advisory Committee of the Office of Real Estate Research. John Hogan, Dean of the College of Commerce and Business Administration, has appointed Hill to a term from August 1989 through August 1992.

Bryan to Speak

ORER Director William Bryan will address the Midwest District of the National Association of Real Estate License Law Officials (NARELLO) in Springfield on July 17. He will discuss the interest rate outlook.

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William R. Bryan, Director
Peter F. Colwell, Editor
Joseph W. Trefzger, Associate Editor

Address correspondence to:
Brenda L. Bishop
 304-G David Kinley Hall
 1407 W. Gregory Drive
 Urbana, IL 61801
 Phone (217) 244-0951

ORER Advisory Committee

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full of valuable lessons about the role entrepreneurs have played in planning American residential development. The book can easily be read as a case study of spontaneous order in the building market. As Warner shows, zoning did not exist in the late nineteenth century and large developers (at least in home building) were virtually absent from the scene. Home construction and design were highly decentralized, with thousands of small contractors and individual homeowners controlling the process. Despite this, Warner noted a surprising standardization in architectural styles and building methods. "Somewhat paradoxically," he observed, "from the extreme individualization of agency in the building process came great uniformity in behavior, a kind of regulation without laws."⁵

Urban historians were slow to build on Warner's pioneering analysis of the dynamics of the real estate market. Fortunately, these sins of omission are now being corrected. Marc A. Weiss has produced an excellent study of large-scale community development by real estate subdividers in the twentieth century. Pointing to a pattern of "private innovation preceding public action," Weiss observes:

The classification of major and minor streets, the superblock and cul-de-sac, planting strips and rolling topography, arrangement of the house on the lot, lot size and shape, set-back lines and lot coverage restrictions, planned separation and relation of multiple uses, design and placement of parks and recreational amenities, ornamentation, easements, underground utilities, and numerous other physical features were first introduced by private developers and later adopted as rules and principles by public planning agencies.⁶

Ann Durkin Keating, in her study of Chicago's suburbs during the late nineteenth century, found numerous examples of developers and business associations installing "improvement packages" (sewers, streetcar line extensions, parks, streets, water supply) as an inducement to

home buyers. Often, a developer petitioned the state legislature to incorporate the area of his landholdings into a separate city government. Several of Chicago's suburbs, including Riverside and Kenilworth, originated as appendages to real estate investments. In most cases, incorporation was used as an opportunity to transfer responsibility for many of these privately developed services, particularly streets and sewers, to the new local government.⁷

Dedication to "public use" did not always occur. The streets and sewers of the town of Pullman (laid out by the Pullman sleeping-car company) remained under private ownership until the area was annexed by the city of Chicago in the 1880s. Developers, however, rarely followed the private-street model. One major exception to this norm can be found in St. Louis, Missouri, and neighboring St. Louis County. During the late nineteenth and early twentieth centuries, nearly one hundred private subdivisions (or private places) were laid out within the city of St. Louis. A private place could encompass one or more streets and was governed by an elected lot association. Not only did each private place own and maintain its streets, but in many cases it also owned the sewers, water mains, and utility easement.⁸

The rules for each private place association were laid down in its "indenture," or restrictive covenant. Most covenants were framed by the initial subdivider and contained house set-back requirements, restrictions against multifamily housing, and private building codes. Covenants authorized the collection of annual assessments to pay for the upkeep of the streets, water mains, parks, and other common areas. If a lot owner refused to pay annual assessments, the association had the power to place a lien on the property and sue in a court of equity. In this respect, the private place is similar to the modern condominium and shopping-mall association.⁹ All of these arrangements serve fundamentally the same function as the public oaths of the medieval Peace of God and communal movements: a voluntary covenant is made to provide collective goods, wheth-

er peace, parks, or waste disposal. They have the advantage, however, of resting on specified contractual obligations and sanctions rather than on social customs and mores alone.

The urban designer Oscar Newman has likened private places to "small independent cities." This comparison has merit. The private places carried on functions that everywhere else have been considered essential government services. By other measures, the analogy to government does not hold. First, unlike governments, the private place did not enjoy a perpetual existence. It often proved flexible in withstanding and redirecting economic change and political pressure -- but there were limits. More than half of the original private places in St. Louis have become public streets.¹⁰

Economists Donald J. Boudreaux and Randall G. Holcombe have provided a useful schema to understand the difference between the private place and government. According to Boudreaux and Holcombe, the private place association is a type of "contractual government." "The establishment of a contractual government," they conclude, "appears to be the closest thing to a real-world social contract as can be found because people must make the explicit choice of moving into the contractual government's jurisdiction and the government is at no time imposed on anyone."¹¹

Interestingly, using Boudreaux and Holcombe's approach, a competitive process can be discerned in the development of private places. There is a competitive discovery process in the provision of "private government" that allows voluntary associations to reduce the costs of arriving at efficient constitutional rules. In F.A. Hayek's words, competition is a "discovery procedure."¹² My own research has shown that this procedure was operative in the evolution of the rules governing private places: those with severely restrictive unanimity requirements (in some cases requiring one hundred percent agreement before changes -- such as installation of electrical lighting -- could be made) either found ways of changing their constitutions or declined. On the other hand, those with rules that

were inadequately restrictive and allowed bare majorities to make changes affecting the entire group faced similar fates.

There is a noticeable shift over time toward constitutional rules that required levels of agreement between unanimity and a bare majority, offering strong evidence for the Boudreaux-Holcombe thesis.

The private places' method for providing urban infrastructure illustrates its response to the free-rider problem.¹³ Individuals who bought homes agreed, under the conditions of the restrictive deed, to pay for these services through the assessments levied by the private-place association. Any free rider who refused to pay, yet used the services, could be easily brought to terms through legal devices contained in the restrictive covenant. Moreover, residents had a direct economic stake in insuring the effective collection of assessments. When services are provided by governments, the costs and benefits of these services are socialized on a grand scale. The free rider on the private place is a real person known to all concerned. The free rider on government-provided services is usually a faceless abstraction.

In many other respects, however, the pressure to conform to a "community standard" may have been less on the private places. Because residents of public streets could not turn to a deed-based contractual association as protection from free riders, they had little choice but to rely on "moral suasion." Historian Alexander Scott McConachie summed up vital differences between public streets and private places during the late nineteenth century:

The development of customs and taboos as a means of keeping up the tone of the neighborhood, such as the famous porch scrubbing of South St. Louis, seems not to have been a facet of the private place style. There was no need for the vigilance and the subtle pressures toward conformity which were the price of maintaining quality on unregulated middle class blocks.¹⁴

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Applying for an ORER Research Award

One of the major tools the Office of Real Estate Research employs in generating original research in real estate is the Research Award. Awards have been made to fund research conducted by individuals and institutions throughout the United States. The only requisite condition for an award is that the research examine a topic of importance to the real estate community. ORER is willing to fund research on a variety of topics, conducted by researchers from a variety of disciplines.

Research proposals are evaluated by the Director, who may solicit advice from members of the Advisory Committee or from individuals with expertise on the topic addressed by the proposed research. Criteria considered in the evaluation of a research proposal are:

- Researcher's prior research activity
- Relevance to Illinois real estate markets
- Focus on economic or financial aspects of real estate
- Appropriateness of budget
- Schedule of completion of the research project
- Methodology

A proposal should contain four parts:

- An abstract of no more than 100 words (and a title that is descriptive of the project)
- A three to five page description of the proposal
- Vita of all researchers involved with the project
- Budget

Three copies of the proposal should be submitted to the Director of the Office of Real Estate Research.

Individuals with questions on the ORER Research Award or the proposal process should contact the Office

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Although private streets exist throughout the country, in no other large city are they nearly so common as in St. Louis. No single reason can explain the wave of private-place building that took place in St. Louis during the late nineteenth and early twentieth centuries. One reason, often ignored by historians, was the notoriously poor infrastructure provided by the city government of St. Louis during this period. Spending on streets and sewers was severely restricted by tax, debt, and spending limitations. Moreover, the money spent was often drained away by corruption and mismanagement. As one local commentator aptly put it at the time, "we [the city government] may have been bad, but we were never bold."¹⁵ If a developer wanted infrastructure for his properties, often he had no choice but to provide it himself.

Restrictive covenants were not specific to either private places or to St. Louis. By the turn of the century, they were commonly used by real estate developers throughout the country. Most restrictive covenants were binding agreements placed on deeds by the initial developers of subdivisions. Common features included set-back requirements (governing the distance between building and street) and prohibitions against multifamily housing. Every property on a particular street would be covered by the restrictions (usually instituted before the initial sale by the developer) but enforcement would be completely in the hands of individual lot owners. Left to their own initiative, people were often lax in bringing litigation to stop violations. The courts generally invalidated restrictions if left unenforced over long periods of time. J.C. Nichols, the developer of Kansas City's Country Club district, described an ordinary chain of events:

One owner, seeing that another owner has somewhat violated his restriction, goes a little further in the violation. The same adjoining owner, realizing that the restrictions had not been properly regarded by his neighbors, either in disregard or desperation, seriously vio-

lates the restriction and suddenly the neighborhood awakens to the fact that the abandonment has become very general and the restrictions of little force.¹⁶

Nichols's observations about the problems of enforcement have been echoed by some historians. "Where enforcement rested on individual or voluntary action," Andrew J. King concluded in his history of restrictive covenants in Chicago, "the cost of enforcement and the difficulty of coercing participation generated a desire for public solutions. Though some owners successfully organized to enforce restrictions, their efforts consumed both time and money." With much success, the private-place covenant writers overcame this drawback by delegating enforcement power to a lot association or a group of trustees. The average private-place association existed as a continuing legal entity, armed with enforcement power, and thus alert to prevent violations from getting out of hand. As a group with ownership rights, the private-place association had a permanent interest in protecting the investments of its members. Public-street associations, on the other hand, too often had to depend on individual vigilance and the fickle fortunes of "neighborhood spirit."¹⁷ More research needs to be done before definitive conclusions can be drawn about the relative effectiveness of public-street restrictive covenants and private-street restrictive covenants.

Zoning v. Restrictive Covenants

In the early twentieth century, urban planners offered zoning as a solution to the enforcement difficulties of restrictive covenants. The actual legacy of zoning, according to Bernard Siegan, has been to distort and misdirect urban land-use patterns. Siegan argues that high lot size requirements, which are a staple of zoning laws, have subsidized the single-family middle class homeowner at the expense of the poor.¹⁸

Siegan's research focuses on Houston, the only large American city never to enact a zoning law. Interestingly, referenda to enact zoning often win the support of middle-class, suburban homeowners, but

lose heavily in the poorer inner city. Siegan contends that Houston's lack of zoning has given its housing market an unusual flexibility. Even during the oil boom of the 1970s, for example, the city had a much higher vacancy rate for apartments than comparable American cities. Restrictive covenants are a hallmark of Houston's real estate market. Siegan challenges prevailing critiques of restrictive covenants, persuasively arguing that they have proven more responsive and effective than zoning.¹⁹

Historians have subjected the applications, if not the theory, of zoning to some pointed barbs. Warner points out that the first zoning laws were passed in California to discriminate against Chinese laundries. Other early zoning laws, in cities such as Louisville and St. Louis, were directed toward segregating blacks and whites by blocks. The enactment of New York's landmark zoning law was spearheaded by owners of retail property on Fifth Avenue who wanted to exclude tall buildings leased by Jewish garment manufacturers.²⁰

Nonetheless, Warner, like virtually all historians, does not question the validity of zoning *per se*. Indeed, he endorses an expansion of zoning power -- albeit in the service of different ends. Warner's criticism of the practice of zoning, though often insightful, raises more questions than it answers. Although he points out that professional home sellers were leading backers of zoning, he tells little about where commercial property owners stood on the issue. Moreover, he never examines why the alternative of restrictive covenants was rejected, nor does he discuss the exception of Houston. Part of the reason for these blind spots is that Warner, like other historians, simply assumes zoning to be a logical extension of restrictive covenants: a difference in degree but not in kind.

Spontaneous Order of the City

No urban historian can afford to ignore the writings of Jane Jacobs. Although not primarily a work of history, Jacobs's *Death and Life of Great American Cities*

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(New York: Vintage Books, 1961) is probably the most important book on urban issues written in the last three decades. Jacobs launched a frontal attack on the pretensions of urban planners and implicitly called into question the worth of planning *per se*. She charged that urban planners, through zoning, urban renewal, eminent domain, and other tools of their trade, had drained the life out of downtown areas and neighborhoods. Jacobs scored her most telling points when she dissected the planners' penchant for lining the slums with "greenbelts." The concept of the greenbelt arose out of the deep-seated anti-urban bias of reformers who wanted to bring the country to the city. As Jacobs pointed out, the legacy of the greenbelt movement can be observed by any traveler to the inner city. By the 1960s, when Jacobs wrote, greenbelts were already notorious as lifeless weed- and crime-ridden expanses deserted by local residents, who, much to the consternation of reformers, still preferred to patronize the more vital and safe crowded streets.²¹ (This can be contrasted with private block parks, such as Gramercy Park in New York, which is privately owned and available only to residents of the surrounding apartment buildings. Violent criminals and vandals are excluded from such private parks because they are fenced and keys are available only to those who contribute in some way to their maintenance.)

The Political Economy of Privy Vaults

The public sewer has become so commonplace to American cities that it is easy to forget that, as late as 1880, more than 2/3 of urban households still depended on individual privy vaults to dispose of human waste. Usually, the privy vault was a brick-lined hole in the ground, which was periodically emptied by "excavator" companies that sold the contents to farmers for use as manure. A little-known fact is that the British classical liberal Herbert Spencer coupled his criticism of government sewer-building programs with calls for expanding the use of

recycling under the privy-vault system.²²

The conventional view advanced by historians, such as Nelson Manfred Blake, portrayed the installation of tax-financed sewer systems during the late nineteenth century as an unambiguous step forward in sanitation quality. Such accounts have usually been accompanied by lurid condemnations of the privy vault as a leaky public-health nuisance. While there is much truth in these depictions, historians have neglected to ask whether technological improvements -- accompanied by stricter enforcement against liability for privy-vault pollution -- could have remedied the defects.²³

Ironically, according to a recent study by historian Joel Tarr, the introduction of municipal sewers may have increased pollution. Most sewers, Tarr points out, used a "water carriage" technology relying on storm water to carry human waste to the dumping location. Under this system, the heavy flow of storm water rendered recycling almost impossible. As a result, larger quantities of sewage found their way into lakes and rivers. Tarr's research revealed that the incidence of water-borne diseases, such as typhoid, actually increased in many cities after the introduction of municipal sewers. Moreover, the cheaper water-carriage system priced developing technologies, such as sewage irrigation, out of the market.²⁴

Conclusion

Through urban history we are able to trace the development of city life from its roots in the medieval communes to the developers, condominiums, and other voluntary arrangements of our own day. In the process we are also able to witness the growth of western law and western liberty: from sworn oaths made in public to voluntary contract, the history of the western city aptly follows the well-known path from "status to contract" traced by Henry Sumner Maine.²⁵ This evolution, from collective oaths and covenants to very specific and individual private contracts, has made possible the emergence of what Adam Smith called the "Great Society," a self-ordering system of economic and social arrangements that does not rely on a coercive ordering

force. Classical liberal historians often find the choice of a research topic daunting. This affliction can be readily treated by surveying some of the authors dealt with in this essay. The range of questions that remains to be answered is great, and the challenge to classical liberal historians -- whether beginning students or advanced scholars -- is an exciting one. The urban-history-research trail blazed over a hundred years ago by the classical liberal historian Augustin Thierry is well worth traveling.

Notes

4. Sam Bass Warner, Jr., *The Urban Wilderness: A History of the American City* (New York: Harper and Row, 1972), p. 15.
5. Warner, *Streetcar Suburbs*, p. 17.
6. Marc A. Weiss, *The Rise of the Community Builders: The American Real Estate Industry and Urban Land Planning* (New York: Cambridge University Press, 1987), p. 3.
7. Ann Durkin Keating, "Real Estate Developers of Improved Subdivisions, Mentors of Suburban Government." A paper presented at the Suburbia Re-examined Conference, Hofstra University, June 12-13, 1987, p. 5; and Keating, "From City to Metropolis: Infrastructure and Residential Growth in Urban Chicago" in *Infrastructure and Urban Growth in the Nineteenth Century* (Chicago: Public Works Historical Society, 1985).
8. Keating, p. 20.
9. For more on the shopping center and other "private governments," see Spencer McCallum, *The Art of Community* (Menlo Park, CA: Institute for Humane Studies, 1970) and Steven J. Eagle, "Shopping Center Control: The Developer Besieged," *Journal of Urban Law* [51] 1974.
10. Oscar Newman, *Community of Interest* (Garden City: Anchor Press/Doubleday, 1980), p. 125.
11. Donald J. Boudreaux and Randall G. Holcombe, "Government by Contract," *Public Finance Quarterly* (forthcoming). Their work is complementary to the thesis offered by James M. Buchanan in his "An Economic Theory of Clubs," *Economica*, February 1965.
12. F.A. Hayek, "Competition as a Discovery Procedure," in his *New Studies in Philosophy, Politics, Economics and the History of Ideas* (Chicago: University of Chicago, 1978).
13. To be more precise, this is not so much a response to the free-rider problem as a negation of it, a kind of built-in internalization of externalities. Much of the literature on collective goods and free-riding assumes that free-riding is a "natural" and omnipresent condition that state action helps to overcome. In fact, most free-riding is created by the state, which of all social institutions is undoubtedly the greatest generator of free-riding. See Joseph Kalt, "Public Goods and the Theory of Government," *Cato Journal*, Fall 1981.
14. Alexander Scott McConachie, "The 'Big

Cinch': A Business Elite in the Life of a City, St. Louis, 1895-1915" (St. Louis: Washington University, Ph.D. dissertation, 1976), pp. 335-36.

15. *The Mirror*, August 29, 1901.

16. J.C. Nichols, "A Developer's View of Deed Restrictions," *Journal of Land and Public Utility Economics* [5] May 1929, p. 133.

17. Andrew J. King, "Law and Land Use in Chicago: A Prehistory of Modern Zoning," (Madison, Wisc.: University of Wisconsin, Ph.D. dissertation, 1976), p. 51. By the 1910s and 1920s, many covenants also included restriction on the selling of homes to blacks and, occasionally, Jews. A comprehensive study of racial restrictions is still needed. Little is known about the percentage of covenants that contained racial restrictions or how effectively these were enforced. Recent research has revealed, for example, that the racial restrictions found unconstitutional by the U.S. Supreme Court in its landmark ruling of *Shelley v. Kramer* in 1948 had been systematically violated for decades. Helen Monchow's excellent survey of restrictive covenants included a chapter on racial restrictions. See Monchow, *The Use of Deed Restrictions in Subdivision Development* (Chicago: The Institute for Research in Land Economics and Public Utilities, 1928).

18. Bernard H. Siegan, *Land Use Without Zoning* (Lexington, Mass.: D.C. Heath, 1972).

19. Siegan, pp. 23-76.

20. Warner, *The Urban Wilderness*, p. 28. For more detailed information on early zoning laws, see Seymour I. Toll, *Zoned American* (New York: Harper and Row, 1969); Garrett Power, "Apartheid Baltimore Style: The Residential Segregation Ordinances of 1910-1913," *Maryland Law Review* [42] 1983, pp. 289-328; and Barbara J. Flint, "Zoning and Residential Segregation: A Social and Physical History, 1910-1940," (Chicago: University of Chicago Ph.D. dissertation, 1977).

21. Jacobs's work on the economics of cities is also essential reading. See in particular *The Economy of Cities* (New York: Random House, 1969). Kenneth Jackson has offered another stinging critique of federal urban policies in *Crabgrass Frontier: The Suburbanization of the United States* (New York: Oxford University Press, 1985). Jackson makes a persuasive case that the federal government, through its home-loan policies, originated the practice of "red-lining." The standard work on urban renewal remains Martin Anderson's *The Federal Bulldozer* (New York: McGraw-Hill, 1964).

22. Herbert Spencer, "Sanitary Supervision," in *Social Statics: Together with the Man Versus the*

State (New York: D. Appleton and Company, 1892), pp. 200-220.

23. Nelson Manfred Blake, *Water for the Cities: A History of the Urban Water Supply Problem in the United States* (Syracuse, N.Y.: Syracuse University Press, 1956). Two excellent introductions to the free-market perspective on water supply, ownership, and conservation issues are Terry Anderson, *Water Crisis: Ending the Policy Drought* (Washington, D.C.: The Cato Institute, 1983) and Anderson, ed., *Water Rights: Scarce Resource Allocation, Bureaucracy, and the Environment* (San Francisco: Pacific Institute for Public Policy, 1983).

24. Joel A. Tarr, with James McCurley III, Francis C. McMichael, and Terry Yosie, "Water and Wastes: A Retrospective Assessment of Wastewater Technology in the United States, 1800-1932," *Technology and Culture* [25] April 1984 and Tarr, "From City to Farm: Urban Wastes and the American Farmer," *Agricultural History* [44] October 1975.

The use of sewer and water provision by cities to promote, and occasionally coerce, outlying areas into accepting annexation has been ably demonstrated in Arnold Fleischmann, "The Territorial Expansion of Milwaukee: Historical Lessons for Contemporary Urban Policy and Research," *Journal of Urban History* [14] February 1988. In the 1920s, for example, Milwaukee's public water works required customers outside city boundaries to sign pro-annexation petitions as a condition of getting service.

25. Henry Sumner Maine, *Ancient Law* (1861; Gloucester, Mass.: Peter Smith, 1970): "Starting, as from one terminus of history, from a condition of society in which all the relations of Persons are summed up in the relations of Families, we seem to have steadily moved towards a phase of social order in which all these relations arise from the free agreement of individuals. In Western Europe the progress achieved in this direction has been considerable." (p. 163) "[W]e may say that the movement of the progressive societies has hitherto been a movement from *Status to Contract*." (p. 165).

Dr. David T. Beito is an Urban Studies Fellow at the Pacific Research Institute for Public Policy and a Visiting Fellow at the Institute for Humane Studies.

Thought for the Day

Real estate is assessed for property tax purposes at some percentage of its fair market value. Suppose that a property is encumbered by a long-term lease, and that the lease has positive value because payments required under the contract are below market levels. Should the lease-

hold estate be assessed and taxed? (Note that a positive leasehold value is compensable in an eminent domain taking.) If so, should the assessed value of the leased fee be reduced by the leasehold's assessed value? What should happen when the value of the leasehold is nega-

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Pricing of Mortgage Characteristics and Consumer Choice in the Mortgage Market," by David W. Marshall; #72, "Forecasting Real Estate Value: The Case of Commercial Land," by Peter F. Colwell and Joseph G.

Kowalski; and #73, "Factors Explaining Variability in MLS Listings and Sales," by Roger E. Cannaday.

Copies are available from ORER.

Cannaday Honored for Excellence

The Commerce Alumni Association has selected Roger Cannaday to receive its 1989 Excellence-in-Teaching Award for Undergraduate Teaching. The award recognizes Cannaday's organized and thoughtful manner of instruction, his generosity with time outside of class, and the tremendous success of Rho Epsilon during Cannaday's tenure as advisor. The award was presented on April 27 at the Association's Annual Spring Luncheon.

U of I Faculty Address May Conference

ORER Professor Peter Colwell and ORER Research Associate Jan Brueckner attended meetings of the Homer Hoyt Institute's Weimer School of Advanced Studies in Real Estate and Land Economics, held May 4-6 in Singer Island, Florida. Both served as discussants in a session on Office Market Research.

Colwell discussed a paper entitled, "Estimation of Cost Functions for Commercial Real Estate: The Effects of Architectural Quality," by Kerry Vandell of Southern Methodist University and Nancy Wallace of the University of California at Berkeley.

Brueckner discussed a paper by John Glascock, Shirin Jahanian, and C.F. Sirmans of Louisiana State University, entitled "An Analysis of Office Market Rents: Some Empirical Evidence."