rs III Money III Sports III Life

q stocks have banner day

strial average soars 338.62 points to q index climbs 274.05 to 2889.80; bond yield drops to 5.58%. 1, 4B. Net 100 rises 12.77 to 111.08. 4B. ei index is up 326 points, 2.2%, to ay; yen is 110.70 per dollar. Hong rises 567 points, 3.9%, to 15,142.

-graders lag in math, science to improve performance, American peers from other developed coun-

subjects, renewing doubts about ill be able to compete in an inch world. 16A.

ombing range might coexist

of the Sonoran Desert in southweston declared a national monument, of the oft-used Air Force bombing

e Philip meets the press

-so-graceful Prince Philip holds a ence and deftly deflects reporters' ects including grandson Prince Wil-ghter-in-law Princess Diana. 21A.

vay against mad cow disease

ough stance has become a model for which is struggling with outbreaks s considered potentially fatal for hued beef is consumed. 23A.



inues on the inaugural site Tuesday.

be heard Thursday

ppeal for a recount goes to Florida nursday; a swift ruling is promised, conclusion to election battle. 4A. 's optimistic. 3A.

ote board is a hot commodity. 4D.

ate: Campaign contributions

's opinion, "Candidates win despite

ecial interests." 24A. egon voters "sent a strong message gover tax dollars to political candi-inswer for reform," says Daniel Me-imber of Commerce president. 24A.

b sites sputtering

e are running into problems as Inrestle with glitches. 1B. makers take a page from beer mar-e bubbly in smaller bottles. 5B.

npics stars still shine

t the promise of fame and fortune r athletes? Rulon Gardner still has it. eady to get on with life. 1C. of hiring in college football heightng controversy. 1C.

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t belts don't prevent injury or pain ng, study says. 6D.

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illion U.S. households n the previous year, rvey found. Some of eople who moved neighborhood:





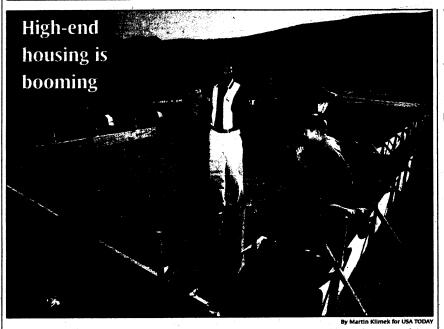


High-tech gift guide

From digital cameras to handhelds, here's what shoppers need to know. ► Exclusive 12-page Bonus Section E

▶ Real kids test high-tech toys, 1D





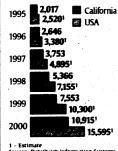
In development: Jennifer and Douglas Ditmer watch their son, Tim, 9, run around at the future site of their

Million-dollar homes selling at record pace

But buyers getting less for their money

Million-dollar home sales soar

Buyers this year smashed records for homes sold for more than \$1 million. The analysis is based on sales of residential real estate recorded with local governments across the USA



By Bob Lated, USA TODAY

By Thomas A. Fogarty USA TODAY

The slowing economy suggests it shouldn't be happening, but Americans are buying \$1 million-plus homes at the fastest clip ever.

The ultra-high end of the housing market represents a fraction of the 6 million new and existing homes expected to sell this year. But the explosive growth at the top contrasts with the general housing market, which will fall short of the record volume of 1999.

Across the USA, and especially in California, young, two-income couples and well-heeled older buyers with enormous home equity built over declarations.

story

ades are finding seven-figure home prices within reach. But the kind of home that \$1 million will fetch isn't what it used to be.

Laments San Francisco real estate agent Henry Jeger: "A million dollars just isn't a lot of money around here anymore."

When Southern California developer John Markley started

working 28 years ago, he had to drive through Beverly Hills, home to the stars, to see a \$1 million house. Now, his company cranks them out at the rate of more than 100 a year.

Here's what's happening:

▶ Nationally, a record 15,595 homes are projected to sell for \$1 million or more, up 51% from 1999. That's according to an exclu-

sive analysis of the high-end housing market for USA TODAY by Da-taQuick Information Systems, a real estate reporting firm based in

Please see COVER STORY next page ▶

Power woes could dim yule

Californians again asked to cut back

By Scott Bowles usa today

more people are hanging Christ-mas lights, and they use more en-ergy than people think," Edison spokeswoman Suzanne Middel-

The immediate problem is caused by a cold nip in California and the Northwest, which has

come to that, but they add that residents shouldn't underestimate the energy used by decorations. A single string of mini-lights uses the equivalent of a 40-watt bulb.

"For every string you hang up, you essentially turn on another light in your house," Middelburg

ignites stocks

Markets sense January rate cut

By George Hager and Dina Temple-Raston USA TODAY

Federal Reserve Chairman Alan Greenspan said Tuesday that the economy is slowing largely as the Fed intends, but he conceded that there are risks the slowdown could become 'excessive."

"In an economy that has already lost some momentum, one must remain alert to the possibility" that a credit crunch or a stock market meltdown could trigger an "excessive softening" in consumer and busi-ness spending, Greenspan told a bankers group in New York.

The speech convinced ana-

lysts that the Federal Reserve could begin cutting interest rates as soon as next month.

Already up on news that the presidential election seemed closer to being final, the markets soared after Greenspan's comments. The Dow Jones industrial average surged 339 points, clos-ing at 10,899. And in the biggest gain of its 29 years, the Nasdaq index soared 274 points, or 10.5%, to 2890.

"He's not trying to say there's going to be a recession, but he

going to be a recession, but he shows more concern about downside risk in this speech than he has all year," said David Jones, chief economist for Aubrey G. Lanston & Co.

Greenspan said the current dangers are in "no way comparable to those of 1998," when the financial cri-

comparable to those of 1998," when the financial crisis in Asia threatened global stability. He said today's volatile stock markets, tighter credit and shrinking corporate profits look like "the expected byproduct" of the Fed's attempt to slow an economy that it felt was growing too fast. The Fed raised rates six times from June 1999 through May.

Greenspan expressed enough concern that some analysts say the Fed might consider cutting rates when it meets Dec. 19. More likely, though, is that the Fed will instead change the formal warning it has stuck with all year - that the economy's biggest risk is inflation — to a neutral position that says the risks of a stalling economy are now just as great.

That would open the way for policymakers to cut rates at their next meeting, Jan. 30-31, analysts say, particularly if they concious of right unemployment



Greenspan speaks, markets jump, 1B

Economy lags and politics enters, 5A

A slowing economy is having little impact on high-end home sales

Continued from 1A

Seven- and eight-figure prices remain largely a California phenomenon. The state will account for the prevention of the state will account for the state of the state of

A million to walk in the door. Homes in Norris Caryon Estates in San

• New construction represents a growing share of Ramon. Call, won't sell for less than \$1 million.

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The nosedive in tech stocks last March caused a shudder at the home of Douglas and Jennifer Ditmer in San Ramon, Calif. The Ditmers, who have two sons and are deeply rooted in the community east of San Francisco Bay, had already committed a \$30,000 deep notice of a larger \$1 million-plus home in a developing on a larger \$1 million-plus home in a developing that the properties of the marker plunge, the Ditmers are pressing ahead with the new home that is now under construction.



ment close by. Authough a oig cruims of unear weening about with the market plunge, the Ditmers are pressing about with the new home that is now under "Noure never going to be completely confiorable when you're spending this kind of money unless you have seen the spending this kind of money unless you have seen the spending this kind of money unless you have seen to see the bank." Douglas Ditmer hand, "Douglas Ditmer hand," Douglas Ditmer hand," Douglas Ditmer hand, "Douglas Ditmer hand," he says, "Times are sweet for Told the homes, in the East Bay), just keep going up and up hand, "Douglas Ditmer hand," he says, "Times are sweet for Told the homes, in the East Bay), just keep going up and up hand, he says, "Times are sweet for Told the homes," I have been supported by hand, "Douglas Dittmer hand," he says, "Times are sweet for Told the homes," he says, "Times are sweet for Told the hand," he says, "Times are sweet for Told the hand," he says, "Times are sweet for Told the hand," he says, "Times are sweet for Told the hand," he says, "Times are sweet for Told the hand," he says, "Times are sweet for Told the hand," he says, "Times are sweet for Told the hand," he says, "Times are sweet for Told the hand," he says, "Times are sweet for Told the hand," he says, "Times are sweet for Told the hand," he says, "Times are sweet for Told the hand," he says, he's confident that his sale, "South he says, he's confident that hand, "Times are sweet for Told the hand," he says, he's confident that his sale, "Times are sweet for Told the hand," he says, he's confident that his sale, "Times are sweet for Told the hand," he says, he's confident that hand, he's confident that hand,

Ridge, NJ, Expect more, says non-contract and against a Rassman. Rassman says the firm is riding favorable demographic trends that promise to continue providing large numbers of potential buyers with an urge to splurge on an expensive house. He cleek growth in both the number of high-income households and in the number of large Baby Boomers, the heart of the company's target market.

Volume builders such as Toll Brothers are bringing to the high-end market the sales and building techniques traditionally associated with the mass housing market. Buying a house in seven figures no longer necessarily means starting with an architect toting a sketchoad.

essarily means starting with an architect toting a sterchipad.

The means of buyers to select from a limited unto flow of plans based on what appeals in model bomes. Increasingly, components of the house are mass-produced and delivered to the building site. Toll Brothers calls its homes "semi-custom," placing them somewhere between the unique design of a mansion and the mass production of a tract home. Kira McCarron. Toll Brothers' marketing wice presi-tors, so the company provides a significant amount of the company provides and the company provides and the plant provides the company provides a significant amount of the company provides and the company provides and the plant provides the company provides a significant amount of the company provides and the company provides and the company provides the company provides and the company provides and the company provides the company provides and the company provides and the company provides the company provides and the company provides and the company provides the company provides and the company provides and the company provides the company provides and the company provides and the company provides the company provides and the company provides

homebuyers typically are working coupies successful for time.

"These people obviously could buy what's considered truly custom," McCarron says. "But people don't have the time, and the cost savings we offer are enor-

ered truly custom." McCarron says. "But people don't have the time, and the cost savings we offer are enormal to the company's volume approach, for instance, cuts the cost of architects' fees as well as the costs of such things as lots, building materials, fixtures and appliances, she says.

John Markley, president of Pacific Bay Horines, says, John Markley, president of Pacific Bay Horines, support Both. Call. are buying location — 1st about a principle of the property of

vestment in a house because the couple is likely to say there for many years If home values dip, so be it, he says.

"We're near the water," he says, "It'll only be a matter of time before they start going back up?"

"We're near the water," he says, "It'll only be a matter of time before they start going back up?"

"We're near the water," he says, "It'll only be a matter of time before they start going back up?"

To be the water of the says of the says of the upgrades. If on buyer comes forward, the builder picks the upgrades and finishes the house. Those more quickly, when the says of t



had anticipated a longer stay in the Bay Area but decided over the course of this year to relocate to the East Coast. "We're very happy," Srew Krause, 29, said of the couple's first home ownership experience. Krause, a business developer for an internet firm, the state of the couple's first home ownership experience. Krause, a business developer for an internet firm, the state of the couple's first home ownership experience. Krause, a business developer for an internet firm, the state of the couple's first house in the state of the

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Zip codes reveal high-end housing markets

lity	Zip code	Bedrooms	Bathrooms	Sq. ft.
Palm Beach, Fla.	33480	. 4 1	3.5	3,467
Rancho Santa Fe, Calif.	92067	5	5	4,201
Severty Hills, Calif.	90210	4	3.5	3,331
cottsdale, Ariz.	85253	5	4.5	4,289
Riverdale, N.Y.	10471	5	5	5,373
otomac, Md.	20854	4 •	4	4.912
Vinnetka, III.	60093	4	3,5	3,904
nglewood, Colo.	80110	- 4	3.5	3,572
incinnati	45243	6	. 6	4.977
Dallas .	75205	4	4	4,487
Mercer Island, Wash.	96040	4 .	. 3.5	2.830
Sladwyne, Pa. ource: DataOutck Information Systems	19035	6	J7	6,331

could turn ou

By Donna Leinwand USA TODAY

Small lawsuits

Both c

By Laurence McQuillan and Judy Keen USA TODAY

Waiting for a wing Gore and Bush on Tues

Gore and Bush on Tues rejecting his bid to have the of contested haliots include state's vote cally. George Lead his rival needs to thin ending his White House que Florida's Supreme Couhear one hour of argument day on the decision of Flor cuit Judge N. Sanders Sauls Gore's plea for a recount of three counties — a sharp se the vice president's bid to call bush 537-vote lead.

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TALLAHASSEE, Fla. — Twee that have enough disputed for though rill county (Circuit Court rold form will speed through rill county (Circuit Court rold form will speed through rill county (Circuit Court rold form will speed through rill county (Circuit Court rold form will speed through rill county (Circuit Court rold form will speed through rill rold form will be speed to fire form hope on other find speed smaller should be speed to fifer Gore hope on other fin Seminole and Martin o voters claim that Republication supervisors violated election law by allowing commation to rejected absent of the speed of the county of the speed of





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