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Impact-Fee Moratorium Could Bring Down Housing Prices Further

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Before the County Commission leaps to lift impact fees, it may want to fully consider the negative impact that could have on our already-depressed housing prices. In addition to the reasons for hesitation wisely voiced by Commissioner Jean Reed, we should consider our residents first.

Existing housing obviously competes for sales with new construction. If new construction suddenly becomes cheaper, then the values of existing houses are driven downward. With thousands of county homeowners already in negative positions, "underwater" in their mortgages, any further devaluation of their home values will undoubtedly lead many more to give up, and create a new wave of bad loans and foreclosures, to be dumped back on the market in a vicious downward spiral.

The problem isn't that homes cost too much, it's that there are just too many of them vacant already, since Polk, Florida and much of the country was overbuilt during the frenzy of 2005 through 2007. Encouraging more construction as a way to improve our economy isn't just short-sighted, it's wrong.

When housing values recover, and Americans can again feel confident in the value and security of their own homes, we will see a recovery. Let's not delay that day by ill-conceived moves.

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