

For Immediate Release

Contact:

Guy Read

PA Association of Realtors®

4501 Chambers Hill Road

Harrisburg, PA 17111-2406

Toll free: 800-555-3390 x 3006

Email: gread@parealtor.org

**REALTORS® OPPOSE IMPACT FEES
ON NEW HOME BUYERS**

Chambersburg, PA – August 22, 2006 – The Pennsylvania Association of REALTORS® (PAR) voiced opposition here today to proposed “impact fees” up to \$26,000 on new single-family homes because of their “devastating impact on local real estate markets.”

Len Ferber, PAR President and a REALTOR® from Strasburg in Lancaster County, told the Pennsylvania House Local Government Committee that a bill before them adding “impact fees” to new homes would reduce the number of prospective buyers able or willing to pay them. Counties covered in the bill are Adams, Cumberland, Lancaster, Lebanon and York.

Impact fees, coupled with a proposal to allow local governments to freeze new home construction, would distort real estate markets and contribute to urban sprawl as developers and buyers looked for political jurisdictions without them, Ferber said.

(more)

Ferber also testified that proposed selective increases in realty transfer taxes in growth areas would open the door to increases statewide and possibly create local government reliance on an unstable revenue source that would fluctuate with market conditions and thus create additional problems.

“We feel that House Bill 2564 would have an overall negative impact on the housing market and would further reduce the attraction for homeowners and businesses to move to Pennsylvania. We cannot afford to make the Commonwealth less competitive or compromise the real estate industry which has bolstered our economy for the last decade,” Ferber said.

The Pennsylvania Association of REALTORS® (PAR) is a 33,000-member trade association that serves as the “voice for real estate” in the Commonwealth of Pennsylvania. A member organization of the National Association of REALTORS®, PAR is comprised of residential and commercial REALTORS® who subscribe to a strict Code of Ethics and Standards of Practice.

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