

Dear Representative Zellwanger:

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I am writing to you today to express my total support to Representative Merrin's "Affordable Home Building and Housing Act". As a 40 year veteran of the housing industry and a developer of over 6,000 home sites, I feel as though the practice of taxing vacant sublots which have been developed for the purpose of "future" home construction is inappropriate.

Though these taxes may seem insignificant, in reality, they are quite substantive and materially affect the pricing of new homes to the current and future residents of the state of Ohio. The current policy of taxing these lots as completed real estate and placing them on the tax duplicate at their full market value is erroneous. These lots, when held in inventory by local small and medium sized builders, do not reach their market value until such time as a new home is purchased and contracted. Large national builders are not as affected because they generally move through their inventory in one building season (one year), unlike local builders.

It is the residents and future families of the state of Ohio who bear the financial burden of this practice. Builder and developers pay these taxes sometimes for years and then pass the cost on to our Ohio home buyers. This could raise the ultimate price of the new homes by \$6 ,000.00 to \$10,000.00 The home buyer is forced to include this increase in their mortgage. This scenario will force the homeowner, over a 30 year period, **to make nearly \$13,000.00 in additional mortgage payments.**

I think it is important to remember that this vacant, future building site makes no demand upon local governmental services, including schools, parks, recreation or other essential services.

Thank you for your thoughtful consideration of House Bill 149.

Sincerely

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