I - Detrimental Influences.

The most detrimental influence affecting recovery of real estate in Asheville is the heavy overhang of acquired properties by former lending agencies. In addition, the extremely heavy bonded indebtedness, necessitating a refunding in 1936, also is a major detrimental influence to real estate over the entire city. While the tax rate is not exhorbitant, and as a matter of fact is lower than in many other cities of comparable size and with a bonded indebtedness much lower than that of Asheville, the fact that both city and county defaulted on their bonds and the continued publicity of the heavy bonded indebtedness has been a major influence in depressing real estate values. However, the refunding having been completed there is an indication that this influence has to some extent been overcome and as present plans of anticipated liquidation of refunding bonds mature this influence will gradually disappear.

Uncertainty as to future sales program and plans of largest holder of acquired properties also exerts a detrimental influence, and their holdings whether business, residential or vacant lots are so located as to affect practically all sections of the city. This latter influence particularly applies to areas A-1 and B-8.