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Higher rates? This could be interesting

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With a Fed rate hike all but certain today, you might be wondering what the new era of higher interest costs is going to feel like.

The answer — and I'm going to use some technical jargon here — is so-so.

Your level of discomfort will relate directly to your level of debt. Got an adjustable-rate mortgage or home-equity loan? Not good. Lots of credit cards? Bad, again.

How the average Joe will feel is one thing. But how the Orlando community will feel is another.

Central Florida's tourist economy will begin to ache if people in other parts of the country have the aforementioned red ink. Folks who feel poor aren't going to board a plane or jump in the car for a road trip to sunny O-town.

Elsewhere in Florida, the pain may come more quickly. Home prices have risen everywhere, but economists seem more concerned about inflated costs in South Florida. As higher interest rates bleed into the mortgage markets, the economies in Miami, Fort Lauderdale and Palm Beach will take a hit — especially if housing prices flatten out or decline.

As for Sarasota, well, they're already writing thank-you notes to big **Al Greenspan**. The state's west coast could fare the best of all because of retirees who sock money away in CDs and money market funds. Nearly 25 cents of every dollar earned over there is in interest income, meaning higher rates are good news.

SMALL YAWN. With software today, bankers can determine how interest rate changes will affect their loan portfolios — where they make their money — with just a few computer keystrokes.

I'm not suggesting that makes them ho-hum about Fed action, but let's just say they've been prepared for a rate increase.

"It's not like we're having a baby and wonder if it's a boy or girl," said **Charlie Brinkley**, chairman of **Southern Community Bank**. "We've kind of already had the sonogram."

WORD GAME. All the talk about rates got me thinking about another R-word — recession.

Just how likely is one of those dreaded events in the next few years? Here's the word from three economists:

David Scott, who heads UCF's forecasting group: 20 percent likelihood. He's keeping an eye on tax rates.

Tony Villamil, chair of Jeb Bush's Council of Economic Advisors: 30 percent. He's concerned about deficits.

And **Ed Leamer**, who runs UCLA's economic forecasting group and has served as an adviser to California Governor Arnold: A whopping 50 percent.

Leamer, who's concerned about everything from inflation to real estate, gets the award for being the most gloomy of the group. (And, because he was pretty insistent about the accuracy of his forecasts, I'll toss in the humility prize, too.)

TUBE TIME. Look for **Smokey Bones** exec chef **John Radcliff** on Fox News July 4 demonstrating the fine art of the 'Q. He'll be accompanied by the chain's mobile smoker. Cook and cooker have logged 15,000 miles. . . . If you're still in front of the TV Monday you may catch a glimpse of **Waterford Lakes Town Center** on CNBC. The Simon Property Group's project will be part of a retail report airing at 10 a.m. and 4 p.m. . . . The **Winter Park High School** marching band will be seen — but not heard — in an upcoming **Monday Night Football** spot shot at Universal. The band faked it when backing up country singer **Hank Williams Jr.** — performing the instrumental equivalent of lip-syncing because the audio had been recorded by other musicians.