

Todd Barnett
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Todd,

Wednesday, April 23, 2014

Thank you for allowing me the opportunity to review the Accessory Dwelling Unit project you are working on at 1438 Morrison and answer your question about the project's potential to affect property values for the main home and the adjacent neighbors.

The renovation of the current structure into a residential dwelling unit plan you have created would be a very appropriate use of the space that would be a significant value enhancer, not only for the main home and its owners but also too for the immediate neighborhood.

The quality redesign and functional improvement connects with the City's recent movement towards allowing ADU's..or "Granny Flats"...to be created, as well as the similar style buildings in great cities like Seattle, Portland and many other likeminded communities. Not only do ADU's offer more affordable housing options for occupants, but they enhance a neighborhood's character, something that the Near East Side market definitely has already. In fact, on this very block, there are several properties, nearly half of the parcels, that are already multiple unit dwellings of different styles. On this side of Morrison in that block a majority of parcels are multi-unit housing. Adding one more to that mix will not be a detractor.

Also, the added unit is of such a design that potential uses down the road could easily include a home office or in-law multigenerational housing option that is in very rare supply throughout Madison. It's an added bonus that the site sets up very well for secluded from street view improvement and use, meaning there will be no change to the appeal of a very special block.

From a recent market history perspective, multi units in that specific neighborhood have been in high market demand the last few years. Since 2012, the average market time for the 3 multi units that have been sold or listed on the MLS has been less than 13 days, which is astoundingly quick. The last property to be sold, 1424 Morrison, was on the market for 3 days last Spring before getting 4 offers. It was a home in some disrepair yet still had all that interest and sold for OVER list price. This speaks to the improvement you are pursuing and its viability not only for the owners' investment, but to the demand module for the product and how it can help enhance value for the neighboring properties as well.

Concern over the rooftop component detracting values may be had but in my experience with rooftop style spaces, they are actually the opposite. I have not heard of any issues on the properties that I know that have them being problematic but rather these unique "extra" spaces enhance the value of the home's they are associated with. This very positive feature has the potential to make the property even more valuable as a result. I would love to have a listing like this!

Please contact me if you have any further questions.

Best Regards, Troy Thiel
Keller Williams Capitol

