

# Accessory Dwelling Units, Part V: The Modular (Built Off-Site) Option

This is the fifth installment of a monthly series about one of the hottest topics in real estate: Accessory Dwelling Units. ADUs have gotten a lot of attention recently as a housing option. My thanks to John Phillips of Verdant Living for helping with this series.

ADUs – detached accessory or additional dwelling units, also called mini homes — are a growing trend. They use an existing parcel of residential real estate to create an additional residential unit. They are often used for intergenerational housing (aging parents, 20-somethings just starting out, etc.) and have long-term value as rental property while adding to the value of the real estate.

This installment is about modular construction, which is how the construction industry refers to buildings assembled in a manufacturing plant (off site). They are assembled (conforming to building codes) into modules that are delivered to the site on trucks and installed with a crane. ADUs are an ideal application for modular construction

because they typically require only one or two modules. John Phillips’ company, Verdant Living, handles only modular ADUs, assembled by Champion Homes in a York, Nebraska, factory.

Modular construction has many advantages over on-site construction:

**Cost** – can be 20% less than traditional building techniques

**Speed** – up to 40% faster, the site can be prepared simultaneously with the unit being assembled.

**Quality** – unit is assembled in a factory-controlled environment.

**Less disruption** – far less construction in your backyard

**Weather independence** – unit construction is done indoors

**Less hassle** – far less construction in the backyard, fewer contractors on site (4 as opposed to 19)

**Environmentally friendly** – less waste, smaller carbon footprint

**And much more.**

Gary Fleisher, a leading observer of and



consultant to the modular construction sector, lists 25 reasons modular is a great choice (and 25 hurdles it needs to overcome) in a post I have linked in this article as posted at <http://RealEstateToday.substack.com>.

There are so many advantages, one might ask why someone would *not* use modular construction. A couple of reasons:

One big practical reason is site access. There needs to be a way for delivery using a crane, although other delivery methods are possible, crane delivery is typical.

Another reason is personal/emotional. If the buyer has specific design preferences or needs, they may wish to hire an architect, work through the design process, review and meet local requirements (maybe requiring special approval), hire a contractor, help organize the construction project including coordinating subcontractors, and take the additional time necessary for the project (estimates are often as long as two years), all of which, of course, would incur significant extra expense. The result can be very good, but requires money, time, and patience.

The purchasing experience for a modular unit is different (at least when buying from Champion Homes through Verdant Living).

It is more like buying a car. Choose a model. Choose the finishes. Choose accessories (units are delivered with appliances already installed). It is delivered and installed on a foundation, thus much simpler than “stick built” on site. However, there is still a lot to get done — Local government approvals, permits, inspections; site work, including water and sewer connection; and any on-site work needed to complete the project.

A note of caution: as with any significant purchase (and buying a mini home *is* a major one), the purchaser should choose the modular manufacturer carefully, and make sure the site work and installation is handled by a reputable general contractor (often supplied by the manufacturer’s local representative).

To help those interested in ADUs, Verdant Living has published a buyer’s guide, [BuyersGuideColoradoADUs.com](http://BuyersGuideColoradoADUs.com). A good place to begin is the Verdant Living website, [VerdantLiving.us](http://VerdantLiving.us), or contact **John Phillips** at 303-717-1962.

I want to thank the following additional people for their input: **Gary Fleisher**, Modular Home Source Pro, **Aaron Trometter** and **Doug Tollin**, Champion Homes, and **Steve Payne**, Vantem.

**Next month:** A recap of this 6-part series and some key takeaways.

**Did You Miss Tuesday’s Seminar on Estate Planning for Baby Boomers?**

If you missed Tuesday’s seminar at the Lakewood Library, you’ll be happy to know that I video recorded the meeting and posted it on YouTube. The link is [https://youtu.be/WGxdrdF8\\_7c](https://youtu.be/WGxdrdF8_7c)

## Big Price Reduction on Beverly Heights Home



Beverly Heights is that quiet residential community on the other side of Highway 6 from the Colorado School of Mines, which is why so many CSM staff and their families live there. This home at **1945 Sage Drive** is on a 1/4-acre fenced and xeriscaped lot with a garden and RV parking. It has hot water heat provided by a newer boiler. The seller-owned 5.4kW solar PV system keeps the electric bill low, too. The sellers added a heated sunroom with skylights and a flagstone floor. A classic wood stove is the centerpiece of their 17’x22’ eat-in kitchen, and the wrap-around tree-shaded deck is a comfortable retreat most of the year. Find photos, floor plans and a narrated video tour at [www.GRElistings.com](http://www.GRElistings.com), then come to my open house this Sunday, Aug. 31st, 11am to 1pm.

## Coming Next Week: 3-BR Green Mountain Ranch

This 3-bedroom 2-bath home at **13172 W. Montana Ave.** backs to a greenbelt. The living room and primary bedroom have new carpeting. The kitchen has an island range and hardwood flooring and a door leading out to a patio. There are 3 bedrooms on the main floor with a full bathroom including a jetted tub, plus a 3/4 bath in the primary bedroom. The finished basement has plenty of space for a family room, game room, pool table, workshop, or whatever you want it to be. There is also plenty of room for storage. The backyard has a large concrete patio and a storage shed. The two-car garage is oversized. Beech Park and two golf courses are nearby. The home needs some updating, which is reflected in the pricing. Find more pictures, floor plans and a narrated video tour at [www.GRElistings.com](http://www.GRElistings.com).



## Price Reduced on Affordable South Denver Condo



Rarely do you find a condo complex that is so well managed and provides so many amenities for the monthly dues. (Heat and hot water are included.) This Morningside unit at **3460 S. Poplar St. #307** has been nicely updated except for the kitchen, with new flooring and an enclosed balcony. You won’t need to use the building’s laundry facility, because this is one of the select units with its own laundry room. During your showing, use a keycard to visit the community center with indoor and outdoor swimming pools, separate fitness centers for men and women, and more. You’ll be so impressed! Find photos, floor plan, and my narrated video tour at [www.GRElistings.com](http://www.GRElistings.com), then call me to see it.

## Golden Ridge Condo Listed by Jim Swanson

This unit at **1200 Golden Circle #404** has been meticulously maintained and updated and is in move-in condition. The remodeled kitchen features new cabinets, slab granite countertops, and stainless appliances. The bathroom was also professionally remodeled with tile flooring, tile backsplash, cabinet, etc. Quality laminate flooring is throughout the unit. It has a private balcony that overlooks a garden area and pond. The unit has both a wall mounted air conditioner and window mounted unit in bedroom. HOA dues includes heat, clubhouse with swimming pool, hot tub, game rooms (foosball, ping pong, air hockey, pool table), community garden, bike storage, volleyball court, dog park, and a very nice gym workout facility with sauna. **All furnishings can be included with purchase.** For more information see [www.GRElistings.com](http://www.GRElistings.com), or call **Jim Swanson** at 303-929-2727.



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