VIDI APPRAISAL SERVICE, Inc.
REAL ESTATE APPRAISALS AND CONSULTING

Peter R. Vidi, Jr., IFAS
Peter R. Vidi, Sr., IFA

June 6, 2001

Rec'd.
6.12.01

Dr. Douglas C. Dacy
301 Windy Hill Road
Kyle, Texas 78640

Re: 305 3rd Street, Southeast, Washington, D.C. 20003

Dear Dr. Dacy,

In compliance with the first part of your written request of June 1, 2001, I have completed an appraisal of the above referenced property as of June 6, 2001, in fee simple, in "as is" condition. The appraisal report that was completed in Summary format is attached hereto for your reference and review. I have estimated that the current Market Value of the subject property as of June 6, 2001, in fee simple is estimated to be $405,000.

The second phase of your request has instructed me to estimate the economic damage, if any, to the subject property assuming the variances that have been proposed by the adjacent property owner, the Brannons. As part of that analysis you have asked me to consider the plans for expansion of the Brannons' property that you have provided. These plans are attached hereto also for reference.

THE VARIANCE PROPOSAL

The Brannons are proposing a two (2) story addition (The addition) to the South of their building that would be attached to the Dacy property. The addition would be approximately 14.6' x 24' situated along the Southwest corner of the Brannons' property. The addition would be attached to the Darcy property approximately 30-32 feet back from the front wall and would effectively enclose the rear corner and patio area of the Darcy property.

According to the plans provided by the client, the addition will have windows on two (2) levels facing the 3rd Street side. There appear to be no windows shown on the South side of the proposed addition. The 2nd level windows of the addition appear to be positioned such that they could be viewed from the North side window of the Dacy living room.

BZA
Case No. 16709
Exhibit No. 46

7704 Belle Point Drive, Greenbelt, MD 20770 • (301) 220-1692 • (FAX) 301-220-1697
1210 Pennsylvania Avenue, S.E., Washington, D.C. 20003 • (202) 546-2000

Board of Zoning Adjustment
District of Columbia
CASE NO.16709
EXHIBIT NO.46

IMPACT OF THE PROPOSED VARIANCE

Based upon proposal of the addition, it is the appraiser's opinion that two (2) factors will be impacted. The first deals with some of the loss in privacy of the Dacy property that it currently enjoys via a large separation (14.6' feet) from the Bannnon property. The addition would totally remove this benefit specifically to the rear of the property.

The second factor deals with the potential loss of air and circulation to the rear of the Darcy property and the potential of water outflow as a result of the addition.

In appraisal terminology, "*fenestration*" refers to the benefit of doors, windows and other openings in a property that provide light, air circulation and view of the outside. It is clear within the Capitol Hill market area that the elements of view, light and air circulation constitute substantial aspects that contribute or detract from value. The greater the fenestration typically the greater the value. Conversely, the lesser the fenestration the lesser the value.

Part of the element of fenestration deals with the *quality* of the openings not just *quantity* of the openings. In the case of the subject prior to the proposed addition, there is a substantial amount of view and light from all of the rear and North windows. The balcony to the rear of the 2nd level living room has a view across the rear of the subject and across the rear of #227 C Street. Subsequent to the addition, there will be a restricted view to the North towards #227 C Street and an infringed view to the North from the living room window looking into the 2nd floor window of the addition approximately 4-5 feet away. This effectively destroys privacy and, therefore, the quality of the fenestration in this location for both the Dacy and Brannon properties with the "view" being of another unit's interior.

Regarding the rear of the Dacy property and the 2nd level view being restricted by the addition, please see the attached renderings that demonstrate the issue. The predominate impact will be seen to the 1st and 2nd levels which will be faced with a two (2) story wall to the rear along with the previously mentioned infringed view to the front.

Aside from the above factors there is a possibility that the proposed addition will impact drainage across the subject rear lot that has been a problem in the past according to the owner.

CONCLUSIONS

It is clear that the proposed addition will negatively impact the adjacent property in terms of diminishing the value of the fenestration that currently exists. The subject property currently enjoys an unusual advantage in the subject market with room to the North side allowing both view and air circulation. Considering the impact of the proposed addition is not easy to quantify. Information is not available to the appraiser that would allow the paired sale analysis that is a typical method of proving variances. The appraiser has

check with several of [redacted] major real estate brokers in the Capit[redacted]ill market area to discuss the overall impact that reduction and loss of this type of improvement might have upon an existing property. The answers that I have received range from 5-10% of the overall value of the property.

The classic definition for economic loss is reduction from the upper limit of value that would take place as a result of an action or event outside of the property lines. In the case of the subject, it is the appraiser's opinion that the potential loss to the value of the subject property as a result of the proposed addition to the Brannon property would be in the range of 5-10% of the current value of the property or in a range $20,000 to $40,000 based upon the aforementioned current market value estimate.

It is also the understanding of the appraiser that the plans that have been used in my analysis have evolved. The extent to which of any further modifications of these plans may or may not impact the subject property will be subject to review.

Respectfully submitted,

Peter R. Vidi, Jr., IFAS

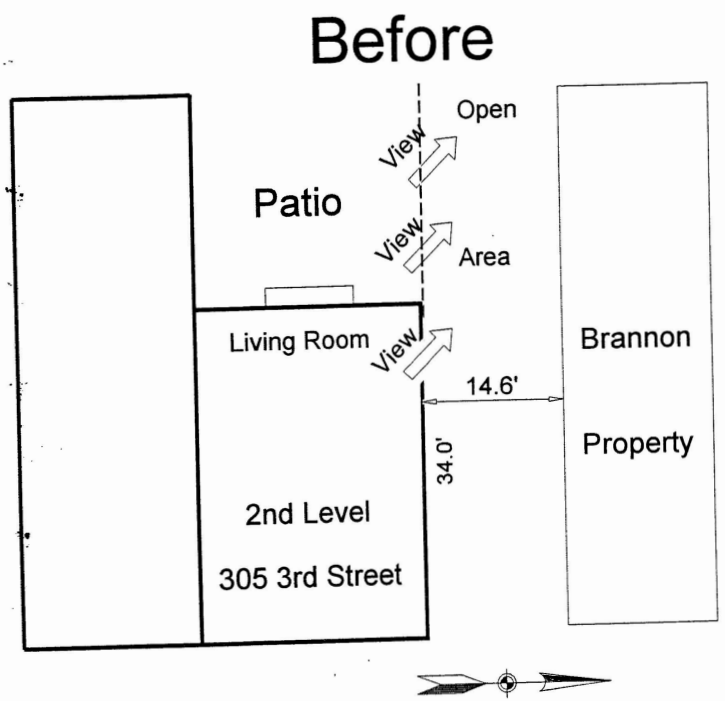
President

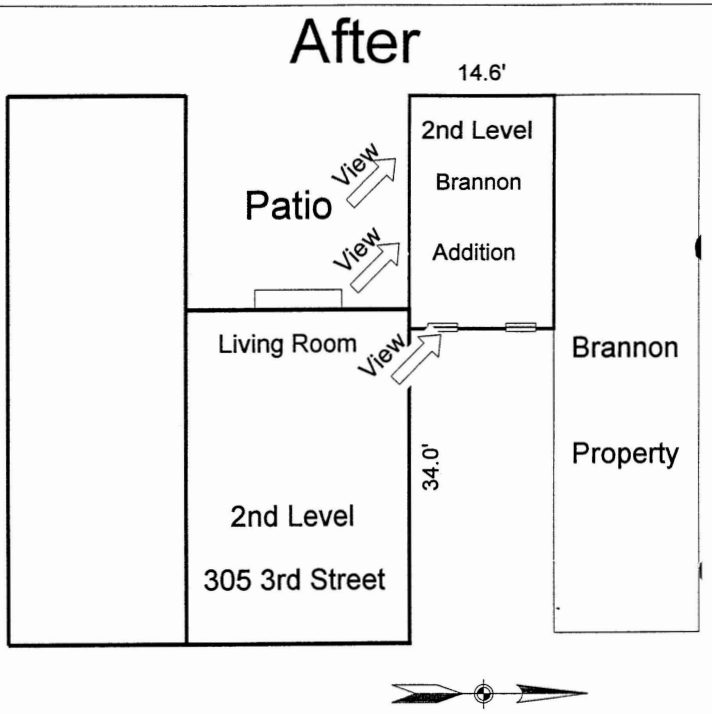
Certified General Real Estate Appraiser

Attachments: 1) Uniform Residential Appraisal Report as of 6/6/01

2) Rendering of View Impact Before and After Brennons' Addition

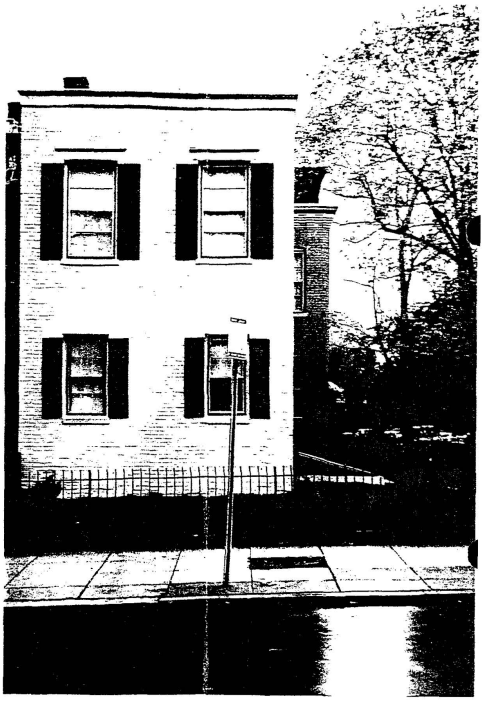
3) Professional Qualifications of Appraiser


Before
Open
View
Patio
View
Area
Living Room
View
Brannon
14.6'
Property
34.0'
2nd Level
305 3rd Street


After
14.6'
2nd Level
Brannon
Addition
View
Patio
View
Living Room
View
Brannon
Property
34.0'
2nd Level
305 3rd Street

View from 3rd St →

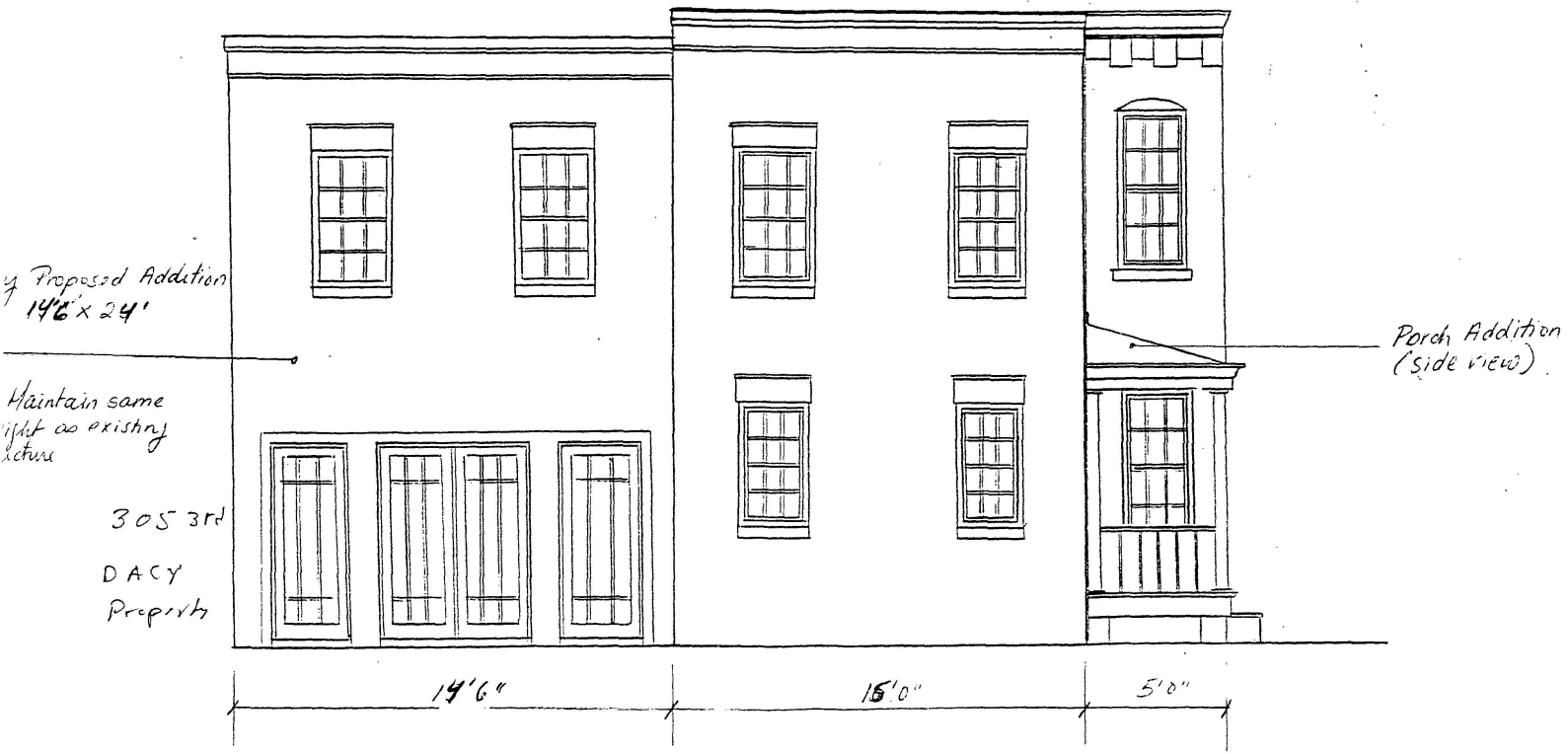




DAC ↓

Note 5' window on north side

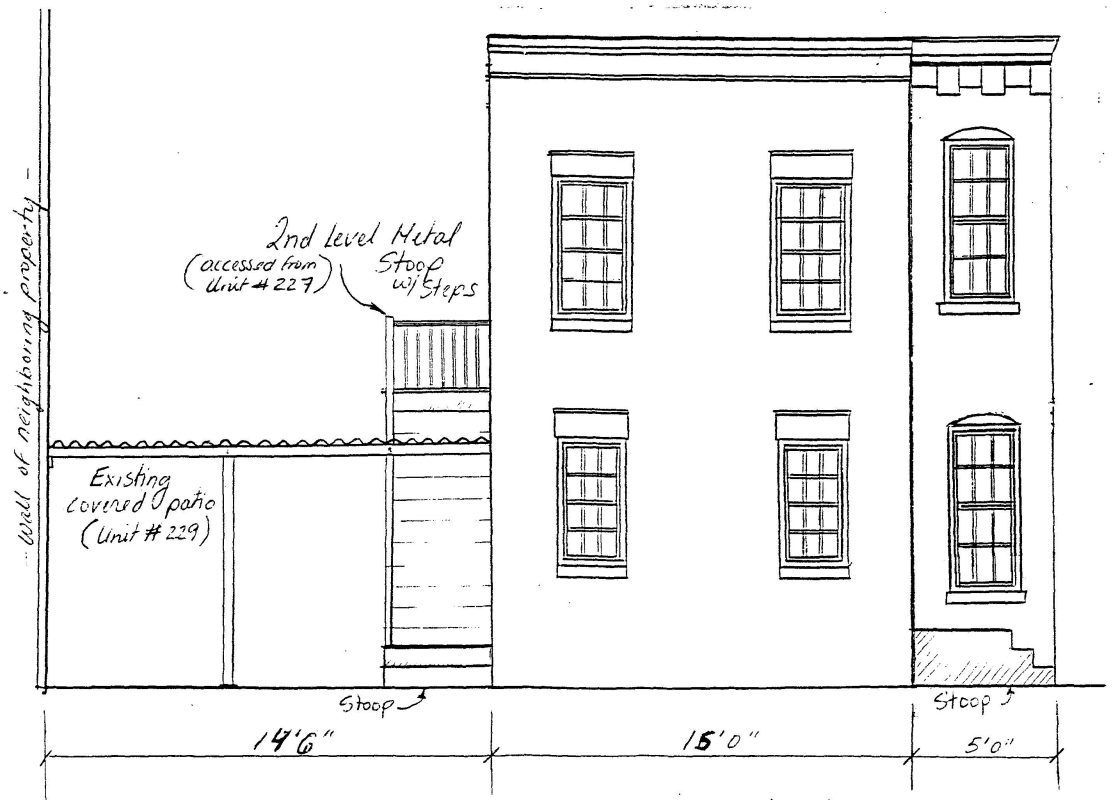




Proposed
View from 3rd St.

3RD STREET SE

60



Current view from 3rd st.

3RD STREET SE



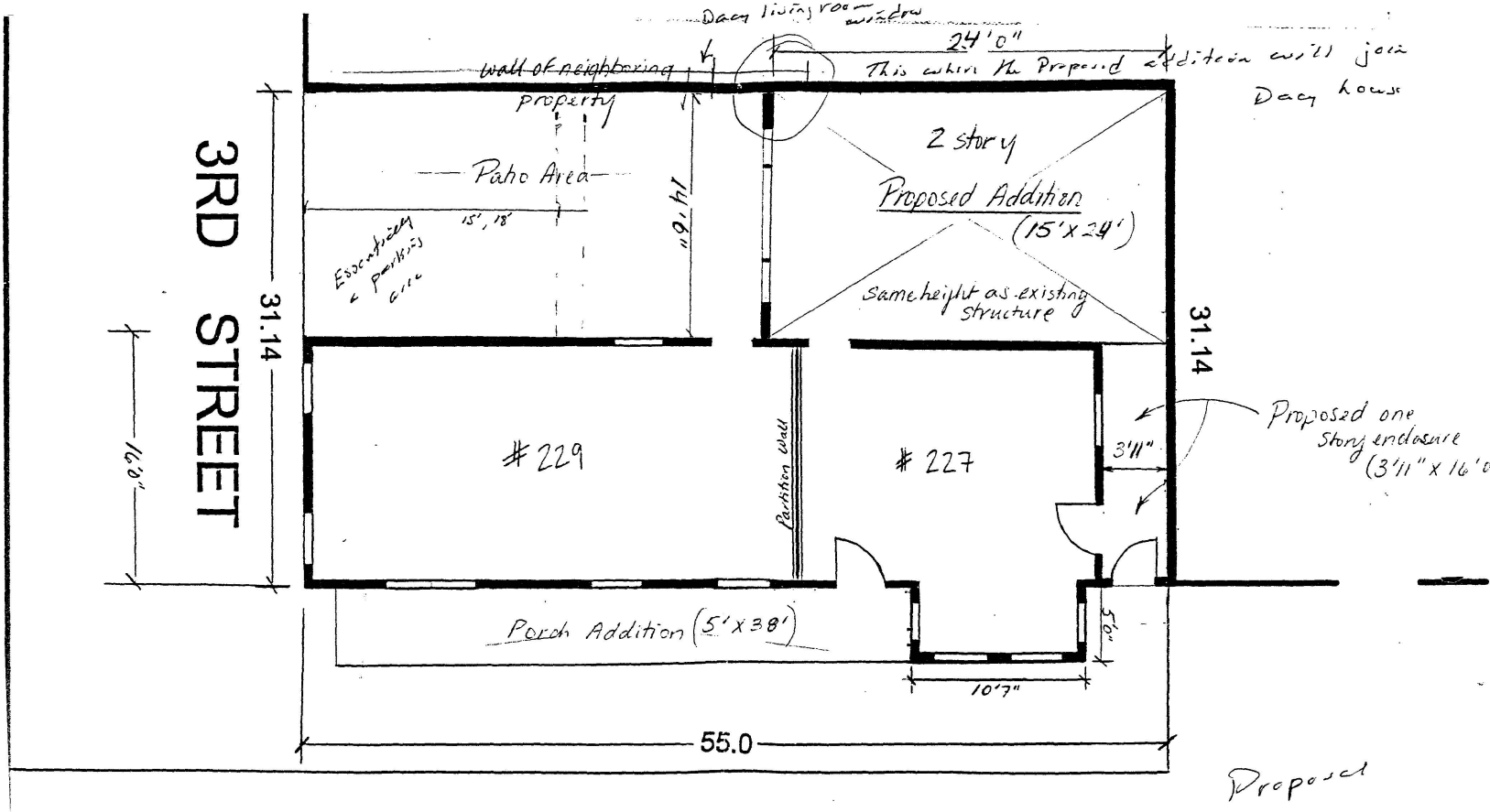
Proposed 2 story addition

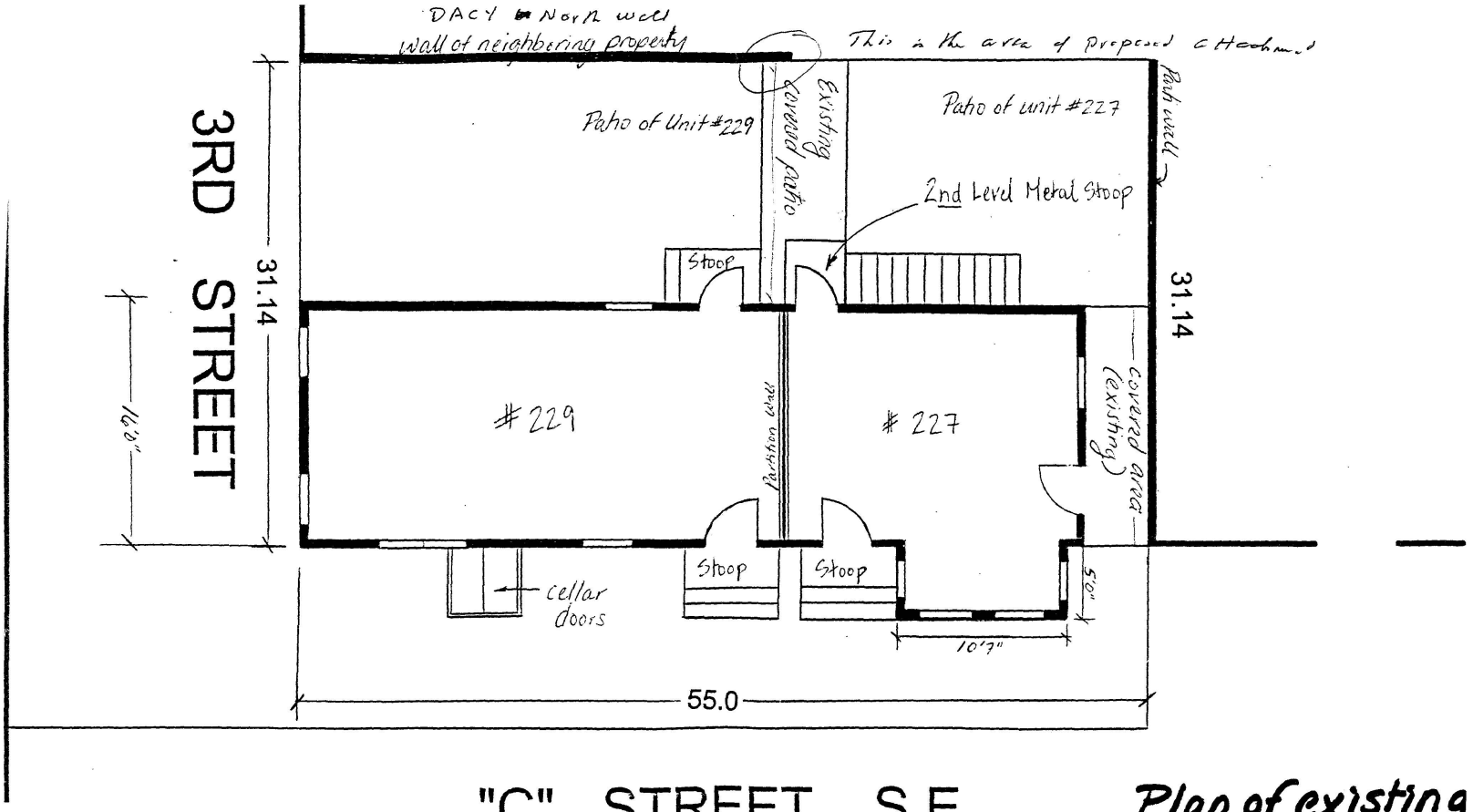
enclose addition line.

"C" STREET, S.E.

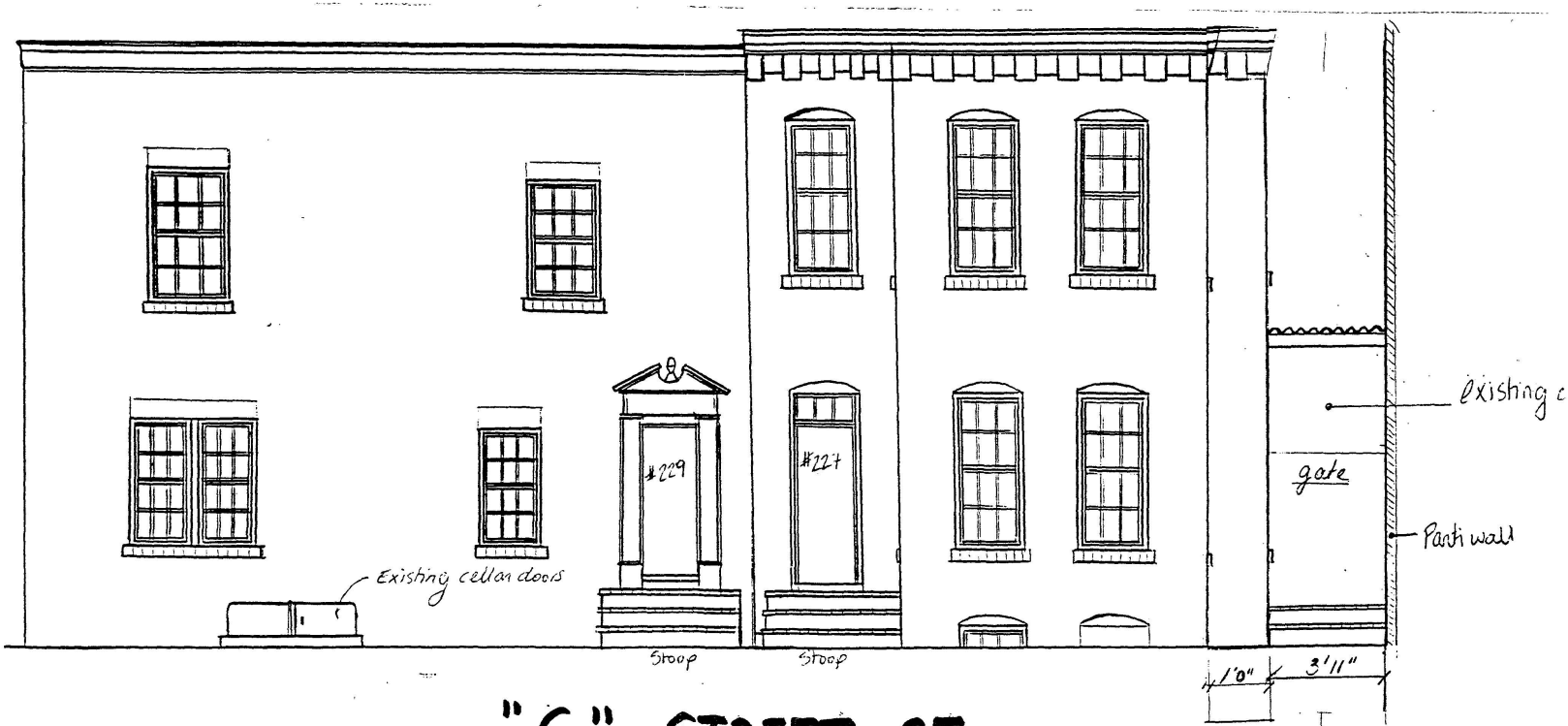
Proposed View of Plan from C street

8


Daey living room window
24'0"
This whin the Proposed addition will join Daey house
wall of neighboring property
2 story
Proposed Addition
(15'x24')
Same height as existing structure
Paho Area
15', 18'
Escavation & parking area
9.11
3RD STREET
31.14
16'0"
#229
#227
Partition wall
31.14
Proposed one Story enclosure
(3'11" x 16'0
3'11"
Porch Addition (5'x38')
5'0"
10'7"
55.0
Proposed
"C" STREET, S.E.
Plan of property



Plan of existing property w/ 2 re u



"C" STREET, S.E.

Current view from C Street

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CERTIFICATION OF APPRAISAL

The undersigned does hereby certify that, as except otherwise noted in this appraisal report:

1) I have personally inspected the property described in this appraisal report;

2) I have no present or contemplated interest in the subject property appraised and that neither my employment nor the fee therefore is in any manner conditioned upon producing a requested minimum valuation, a specific value, a value within a given range or an amount which would result in approval of a loan;

3) I have no personal interest or bias with respect to the subject matter of this appraisal report or the parties involved;

4) I have assumed the title to the property to be good and merchantable and, in the appraisal, have disregarded any liens, mortgages and all other matters legal in nature;

5) To the best of my knowledge and belief the statements of fact contained in this appraisal report, upon which analysis, opinions and conclusions expressed herein are based, are true and correct;

6) This appraisal sets forth all of the limiting conditions (imposed by the terms of my assignment or by the undersigned) affecting the analysis, opinions, and conclusions contained in this report;

7) No one other than the undersigned prepared the analysis, conclusions and opinions concerning real estate that are set forth in this report;

8) The possession of this report or any copy thereof does not imply the right of publication nor may the report be used by anyone but the client for the specific appraisal purpose and function without the written consent of the appraiser;

9) My fee for this appraisal is in no way contingent upon a predetermined value, nor is there any obligation on my part to appear, discuss or testify on any matter pertaining to this property unless special arrangements are agreed upon for such appearance or testimony;

10) I have made this appraisal in conformity with the code of Ethics of the NATIONAL ASSOCIATION OF INDEPENDENT FEE APPRAISERS and according to the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Foundation;

11) The NATIONAL ASSOCIATION OF INDEPENDENT FEE APPRAISERS has a mandatory program of continuing education for designated members. Those who meet the standards of the program are considered to be certified. I am certified under the program through December 31, 2000.

ASSUMPTIONS AND CONTINGENT CONDITIONS

The appraiser assumes:

That any legal descriptions furnished are correct;

The Title to the property is good;

That there are no encumbrances or defects of title other than those mentioned in this report;

That the property is free and clear of all liens;

That the property will be managed efficiently and maintained properly;

That any plans furnished are correct;

That there are no hidden or subsoil conditions which would prevent the implementation of the Highest and Best Use, herein described, including hazardous materials and/or gasses, other than those outlined in this report;

This report is submitted subject to the following contingent conditions;

That no guarantee is made, nor liability assumed for inaccuracies or errors in estimates or opinions identified as being furnished by others;

That no survey of the property has been made by the appraiser and no liability is assumed on matters of a legal character affecting the property, such as title defects, overlapping boundaries, etc;

This report distributes the total valuation of land and building only under the present program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid is so used.

The value estimated in this report is based on the assumption that the property is not negatively affected by the existence of hazardous materials or detrimental environmental conditions.

The appraiser is not an expert in the identification of hazardous substances or detrimental environmental conditions. The appraiser's routine inspection of and about the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would affect the property negatively. It is possible that tests and inspection made by a qualified hazardous substance and environmental expert would reveal the existence of hazardous materials and environmental conditions on or around the property that would negatively affect its value.

Professional Qualifications of

PETER R. VIDI, JR., IFAS

Senior Independent Fee Appraiser

EDUCATION

Boston College	Bachelor of Arts, (BA 1974)
Salem College	Residential Real Estate Appraisal Course (1.1) National Association of Independent Fee Appraisers
University of Maryland	Principles of Real Estate Appraising (1-A), Single Family Real Estate Appraising (VIII), American Institute of Real Estate Appraisers
University of Missouri at St. Louis	Saint Louis National Instructor Certification Training Program with annual training and recertification by National Association of Independent Fee Appraisers
Catonsville Community College	Condemnation Appraisal Course (5), National Association of Independent Fee Appraisers
	Concepts, Terminology & Techniques Course (8.0), National Association of Independent Fee Appraisers
Prince George Community College	Financial Analysis of Income Properties Course (2.0), National Association of Independent Fee Appraisers
Various Professional	"The Appraiser as an Expert Witness"- American Instititue American Institute of Real Estate Appraisers in cooperation with
	American University School of Business & Real Estate
	Appraisal of Income Property (2.1) Marshall-Swift Cost Valuation Commercial & Residential (4.0) Uniform Standards of Professional Appraisal Practice (5.0) Limited Scope Appraisal.-Departure Provision (5.0B) offered by the NAIFA New HUD Appraisal Requirements - 1999
	Numerous other professional seminars on an ongoing basis.

PROFESSIONAL EXPERIENCE

Qualified Expert Witness: Circuit Court State of Maryland for Frederick, Montgomery, Prince George and Charles Counties and Virginia for Fairfax County; District of Columbia Superior Court; Bankruptcy Court, State of Maryland; Prince George County, Maryland Zoning Hearing Examiner

Certified National Instructor since 1977, National Association of Independent Fee Appraisers having taught both residential and commercial appraisal courses throughout the United States

Certified General Real Estate Appraiser, State of Maryland, District of Columbia & Commonwealth of Virginia

Southeast Realty Company, Appraiser & Consultant

Associate Appraiser with Peter R. Vidi, Sr. IFA (retired)

Licensed Individual Real Estate Broker, Washington, D.C. and the State of Maryland

PROFESSIONAL MEMBERSHIPS

National Association of Independent Fee Appraisers, Inc.
Senior Designation Independent Fee Appraiser -IFAS #1055

PROFESSIONAL OFFICES HELD

National Association of Independent Fee Appraisers, Inc.
Metropolitan Washington, D.C., Chapter Treasurer 1976 + 1977, Vice President 1978 + 1979, President 1980. Chairman of Chapter Education Committee 1976 - 1979. Chairman of the Legislative Committee 1979 - Present.

Appointment to the National Publications Committee, 1979-1983 National Legislative Committee Chairman 1984-1986 and 1988; National Fiscal Committee 1989-1990; National Internal Auditor
1990-1991; National Admissions Committee 1991; election to the National Board of Directors 1983 - 1999 ; election as National Treasurer 1991, National Secretary 1992, and National 2nd Vice President 1993, National 1st Vice President 1994, National President 1995-1996.

The Appraisal Foundation
Appointment to The Appraisal Foundation and member of the Board of Trustees. Member of the Ethics Policies and Procedures Committee for The Appraisal Foundation 1993-94.

The Guild of Real Estate Appraisers
Vice President Mid Atlantic Region and member of the National Board of Directors 2000-2001

GOVERNMENT AGENCIES

Bureau of Buildings Management, District of Columbia
Department of Public Works, Right of Way Division, Prince George County, State of Maryland
Maryland Industrial Development Financing Authority
United States Marshals Service, Department of Justice
Washington Suburban Sanitary Commission, R/W Section

CLIENTS SERVED (partial list)

Advanta Mortgage Corporation
Atlantic Coast Mortgage
Appraisal Management Company (AMCO)
Archdiocese of Washington, D.C.
Associates Relocation
Coldwell Banker Relocation
Chase Manhattan Mortgage
Countrywide Home Loans
Federal Deposit Insurance Corporation (FDIC)
Fleet Financial & Managed Assets Division
1st National Mortgage Corporation
First Town Mortgage Corporation
Gemini Asset Managers
Home Loan & Investment Bank, FSB
James Madison Mortgage Corporation
National Capital Bank of Washington, D.C.
NVR Savings Bank
PHH Relocation
Resolution Trust Corporation (RTC)
Sandoz & Lamberton, Inc.
Superior Bank, F.S.B.
Tena Companies, Inc.
The Warner Corporation
Transamerica HomeFirst
Unicore
U.S. Marshals Service
Western Development Corporation
Zanecki, & Associates, PC

Various other clients and courses provided upon request