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## New real estate trend: Marijuana grow closets | The Avvo NakedLaw Blog

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Business, Real Estate

# New real estate trend: Marijuana grow closets

□ Dec 1, 2015 By Gemma Alexander



The District of Columbia is riding a wave of marijuana legalization that started on the other side of the country, but perhaps no place else has been as quick to capitalize on its economic potential. And now, in the increasingly competitive housing market of Washington, D.C., a new selling point is in play: marijuana grow closets.

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#### Quirky closet to pricey amenity

Developer Eric Hirshfield was remodeling a condo with a problem closet when Initiative 71 legalized the possession (but not the sale) of marijuana in the District of Columbia last February. Hirshfield decided to turn the problem into an amenity, and converted the quirky closet in one of the condo's bedrooms into a tiny grow space with plumbing, grow lights, and a ventilation system. By October, the condo had sold for \$800,000 and Hirshfield's business had received national attention. He says he plans to build grow closets in most of his residential projects from here on out.

#### D.C. first

Before D.C. passed Initiative 71, over 20 states had already legalized medical marijuana and four states had legalized recreational marijuana. But it makes sense that built-in grow closets would catch on in the District of Columbia first.

Across the country, states that have legalized marijuana have worked hard to develop rational regulatory frameworks for its distribution. However, congressional meddling has blocked those efforts in D.C., leaving residents with no legal way to obtain the marijuana they are now allowed to possess. A climate of improvisation exists there, in a more pronounced way than it does in other pot-legal states.

So far, Hirshfield seems to be the only developer who has actually produced a home with a built-in grow closet, but the idea holds a lot of potential. In the wake of Hirshfield's success, many other developers have created similar designs for their projects.

### A growing trend?

Hirshfield is the first developer to become famous for building a spec house with a grow closet, but Eli Bilton, the chief executive of the Attis Group marijuana supply company, says contractors in Oregon, where marijuana is legal, are quietly building grow rooms in high-end developments. Similarly, in Washington State, electrical and HVAC contractors are finding work retrofitting homes, despite the fact that in Washington only medical marijuana patients are allowed to grow their own plants.

The cost of a professionally installed grow closet in an existing home starts at around \$2,000. That's significantly less than most other home improvement projects, and likely to cause less disruption during construction, too. Since states limit the number of plants that can be legally grown at home to six or fewer, legal grow closets are necessarily quite small.

In the not-too-distant past, home growers of marijuana kept their grow closets carefully hidden. But with the laws and attitudes about marijuana changing across the nation, such closets are becoming a marketable amenity that may provide a better return on investment than that massive kitchen remodel.

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