



The House on Willow Crescent

Negotiation Case

Common Instructions

The House on Willow Crescent

This negotiation simulation will take place after the next class session.

Instructions

1. Decide which partner will assume the role of Jordan (Seller's Representative) and which will assume the role of Alex (Buyer).
2. Carefully read the Common Facts for the case before reviewing your confidential materials.
3. Read only the Confidential Instructions for your assigned role. Do not read or request your partner's confidential information.
4. Do not discuss your role or confidential information with anyone prior to completing the negotiation.
5. Study your role carefully so that you fully understand your objectives, constraints, interests, and priorities before beginning.
6. Enter the negotiation fully in character. Do not refer to the written instructions during the discussion (for example, avoid statements such as "My role says..."). Instead, represent the interests of your assigned party authentically.
7. You may introduce additional background details during the negotiation as long as they do not contradict or alter any of the facts contained in your role.
8. The negotiation period will last 90 minutes. You must stop negotiating at the end of the time limit, regardless of whether an agreement has been reached.
9. If you reach an agreement before the time limit expires, disclose your confidential information to one another. Use any remaining time to reconsider and, if possible, improve the agreement in a way that creates additional value for both parties.

This negotiation concerns the potential sale of a historic Victorian home located at 18 Willow Crescent in the Old Maple Heights District, just west of Harbour Avenue. Built in 1892, the house sits on an unusually deep half-acre lot measuring approximately 150 feet in depth, with a backyard alone extending nearly 75 feet.

 by Roger Batchelor

Architectural Character and Condition



Historic Features



The property features original cedar wood siding, a wrap-around veranda, stained-glass windows, six fireplaces with carved mantels, ornate ceiling moldings, and a hand-carved staircase. Much of the original hardwood flooring remains beneath older carpeting, and a detached carriage house stands at the rear of the property, though it is currently in disrepair.

Required Repairs



Despite its architectural beauty and historical significance, the house requires substantial and costly repairs. Structural concerns have emerged regarding the foundation, and there are indications of possible water infiltration in the basement. The plumbing system consists of outdated cast-iron pipes, and the electrical wiring does not meet current safety standards. The roof requires replacement, the heating and cooling systems are obsolete, and the carriage house would need reinforcement to prevent further deterioration. Estimates for necessary renovations range between \$120,000 and \$180,000, depending on the scope and quality of restoration.



Market Context and Property Values

The real estate market in the area has been relatively quiet, with few transactions in recent years. The most comparable sale occurred six years ago when a similar Victorian home in excellent condition sold for \$185,000. Since that time, property values in Maple Heights have increased significantly due to regional growth, a strong local economy, and increased interest in historic neighborhoods. Recent appraisals of similar properties suggest that, depending on condition, homes in the area may now range between \$210,000 and \$320,000. The subject property is currently assessed for tax purposes at \$200,000, though tax assessments in this municipality typically fall below actual market value.

1

Comparable Sale:
\$185K

Six years ago, similar Victorian in excellent condition

2

Current Range:
\$210K-\$320K

Recent appraisals of similar properties

3

Tax Assessment:
\$200K

Current assessed value (typically below market)

Zoning, Community, and Broader Considerations

Zoning laws allow both residential and limited commercial use on either side of Harbour Avenue. However, the west side of the avenue, where 18 Willow Crescent is located, has historically remained entirely residential. The neighborhood has an active preservation association that strongly resists commercial encroachment. There have been unconfirmed rumors that Lot 22, adjacent to the subject property, has recently been sold under confidential terms, and that Lot 24 may soon be listed. Some residents fear that a developer may be quietly assembling properties for future commercial use, particularly in light of recent zoning flexibility and parking variances granted by the municipality on the east side of Harbour Avenue.

Preservation Incentives

Community identity and preservation play an important role in this negotiation. The Maple Heights Historical Preservation Society actively promotes restoration efforts and works closely with homeowners. The municipality offers financial incentives for approved restoration projects, including grants covering up to 25 to 30 percent of renovation costs and property tax abatements for up to five years. However, these incentives require timely application following purchase and adherence to strict historical guidelines.

Community Connections

Both parties to this negotiation have longstanding ties to the community. They attended high school in the same town, share overlapping social circles, and understand the historical importance of the neighborhood. Their reputations within the community may be affected by the outcome of this transaction. As a result, this negotiation is not purely financial. Issues of trust, preservation, timing, reputation, and future development all intersect with price and contract terms. The complexity of these overlapping interests creates both tension and opportunity for a collaborative solution that could serve broader community interests while meeting the parties' individual goals.

