



ADU CONSULTANT, INVESTOR, PODCAST & EVENT  
HOST, REALTOR & TEAM LEADER FOR ADU GG  
INVESTMENTS, PORTFOLIO SALES MANAGER



# TOPICS OF DISCUSSION

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What is an ADU?

02

Different Types & Reason WHY

03

Financing Options

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Stats & Data

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Team Structure

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Timeframes & Cost & Case Study

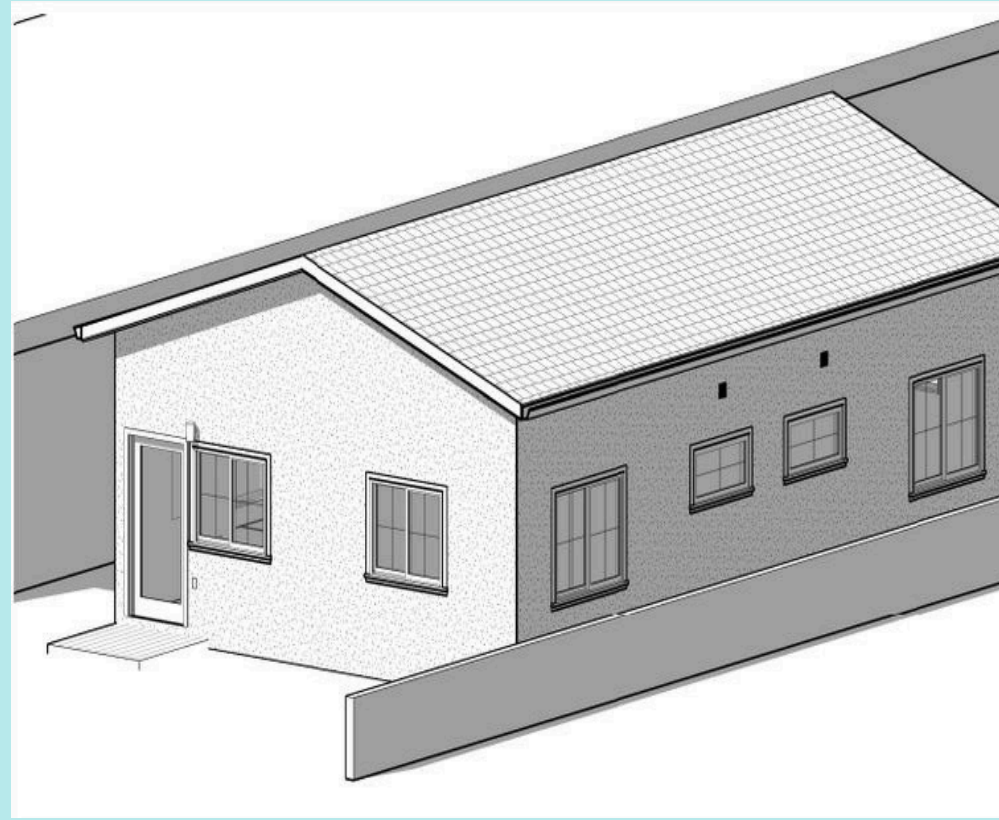
07

Things To Consider

08

Servies & Resources





## ABOUT ADUS

ADUs are self-contained living spaces with their own entrance, kitchen, bathroom, and sleeping facilities. They are designed to be separate and independent from the main house, providing an additional dwelling unit on the same property. ADUs can be either attached to the primary dwelling, such as a converted basement or garage, or they can be detached structures, such as a standalone cottage or apartment above a garage.

# TYPES OF ADUS



ADUs range from 150 sq ft to 1200 sq ft  
Attached ADU  
Garage Conversion  
Basement/ Attic Conversion  
Jr ADU - Under 500 sq ft

Different markets favor different types, for example. Here in Los Angeles most ADUs are garage conversions.

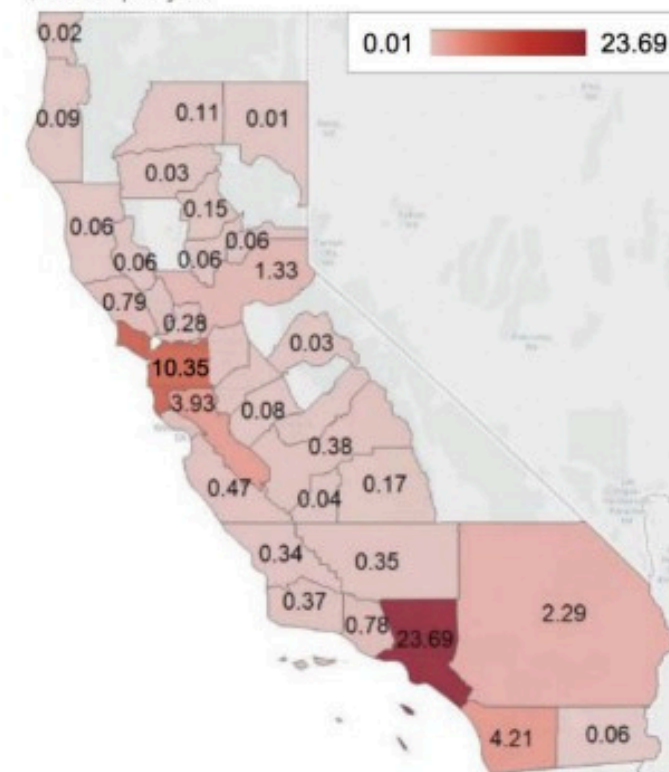
# CA Housing Crisis

**At least 30 percent of people in every metropolitan statistical area (MSA) cannot afford local rents; that share is 60 percent in some areas**

**Households in MSA unable to afford rent**  
Thousand



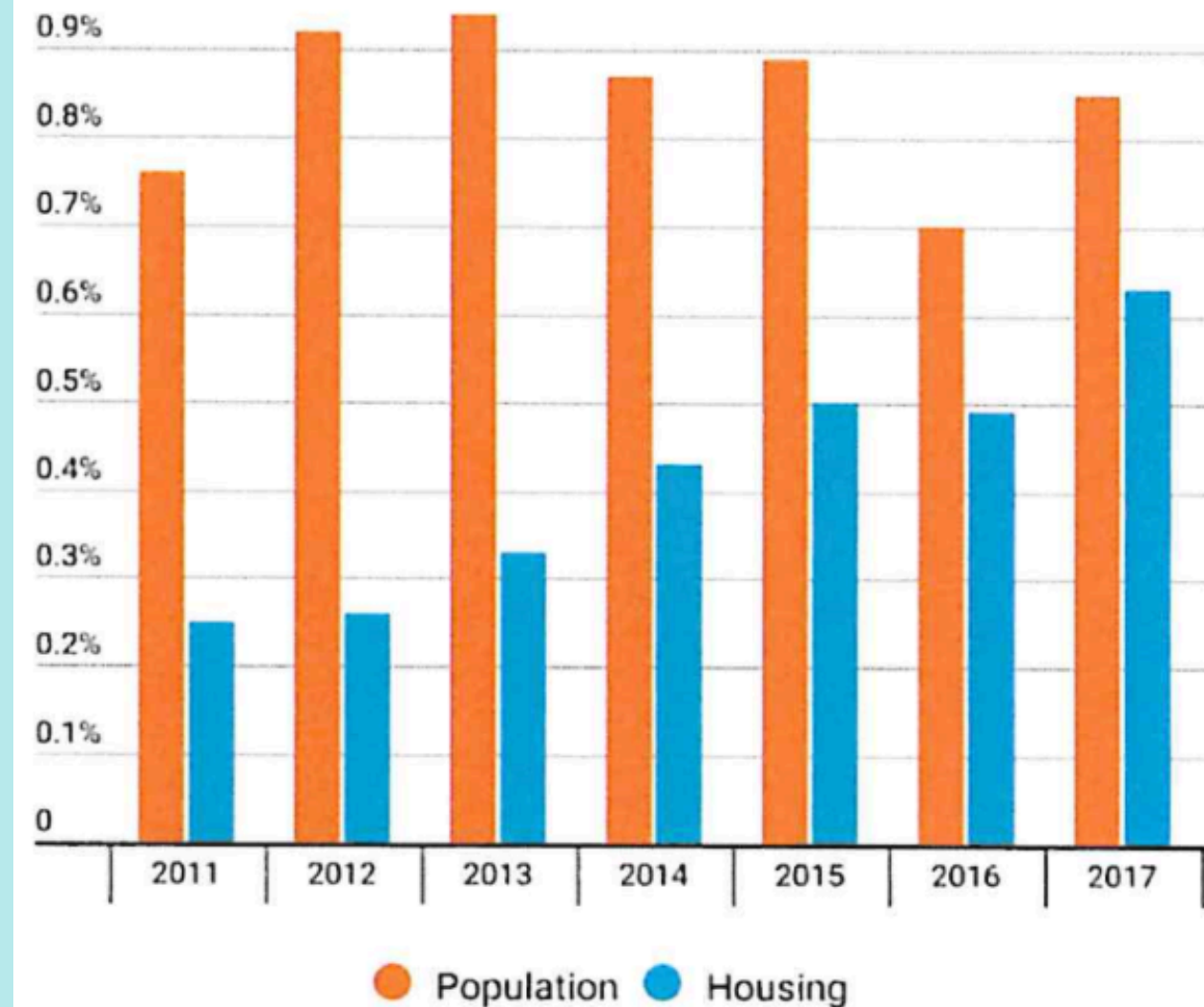
**Distribution of affordability gap**  
\$ billion per year



<sup>1</sup> Number of households in MSA unable to afford the local cost of rent, as a share of the total number of households in MSA.  
NOTE: Shaded regions represent 98% of state population; unshaded regions represent 2% of state population and lacked sufficient data for analysis.

## Housing can't keep up with the California population

**Annual growth of population vs housing units, 2010-17**



Source: California Department of Finance

CALmatters





# ADU Pictures













# Whittier ADU





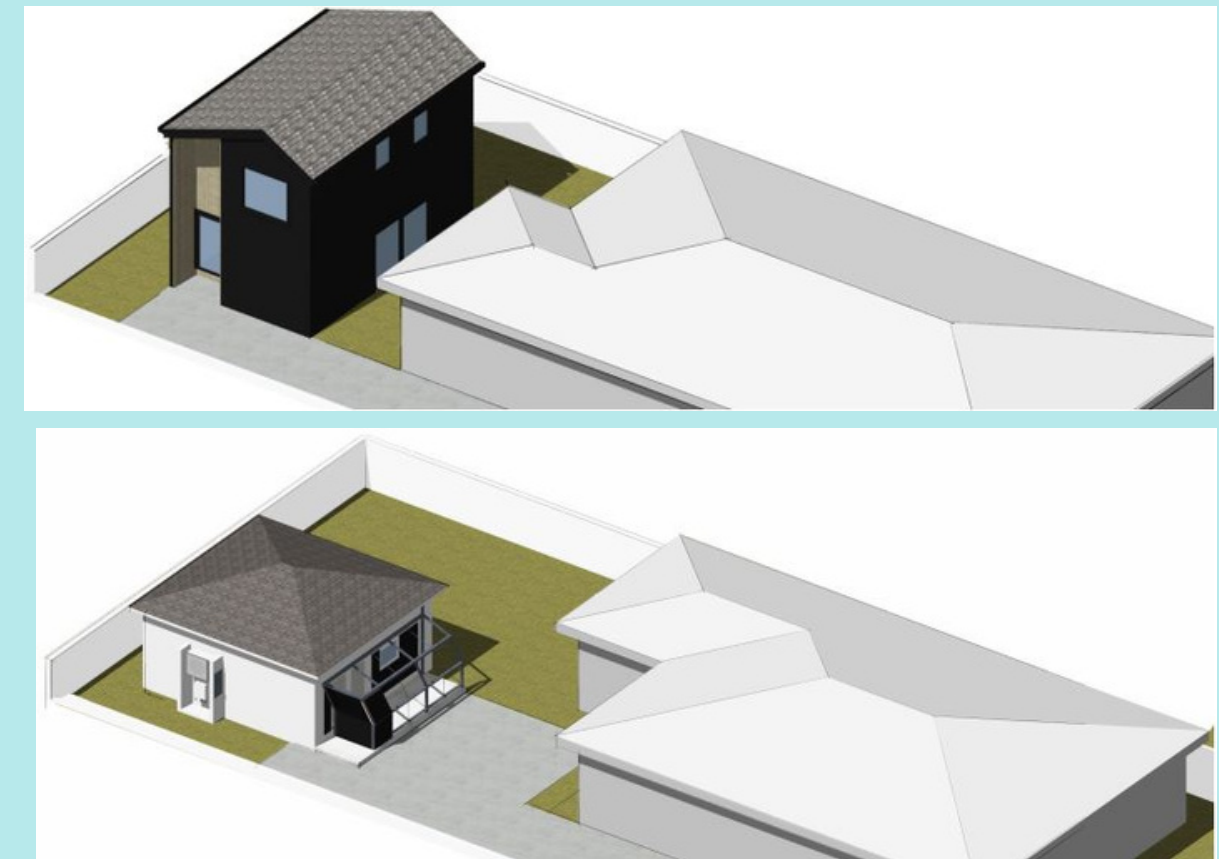
# What else can ADU's be used for?

-  Elderly Care
-  Music Studio
-  Office Space
-  Workout/Yoga Studio
-  Art Space
-  Guest House
-  Entertainment area
-  Income property



# What are benefits of ADU's

- ADUs can provide a source of income for homeowners. (\$1,800 + avg LA/OC for a 400 sq ft unit)
- ADUs allow extended families to be near one another while maintaining privacy.
- ADU's allow a more affordable approach to senior living.
- ADUs give the homeowner an increase in property value.
- ADUs increase the housing supply – especially in urban areas where its needed. Affordable housing.
- Owners can now build 2 more units on SFR zoned property (ADU & Jr ADU)
- Help solve part of the housing crisis in CA



# 2020 State Law Changes

- The owner no longer has to live on the property to rent it out.
- HOA's must allow ADU's.
- No min lot size requirement.
- An ADU and Jr ADU can be built.  
(3 units on R-1)
- New Multifamily ADU laws
- Limited parking requirements.
- Cities cannot override major state law changes.
- Can build up to 1,200 sq ft.





# ADU BILLS

- **AB671** (Ward) — Community Land Trust — Homeownership ADUs and Junior ADUs — Mandatory. This bill is designed to create more low-income homeownership opportunities.
- **AB1033** (Ting) — Condo ADUs — Optional. This bill is designed to create middle-income homeownership opportunities by allowing ADU condos (cities have to opt in).
- **AB976** (Ting) — Extends Rental ADU law. AB 976 extends the state law that cities cannot require that a house be owner-occupied for an ADU to be added.
- **AB1332** (Juan Carrillo) — Preapproved ADU Program. This bill is designed to reduce the time and cost of building ADUs, through standard plans.
- **SB1211** – SB 1211 will continue this trend and encourage more ADUs on multifamily properties by removing common barriers to their construction.



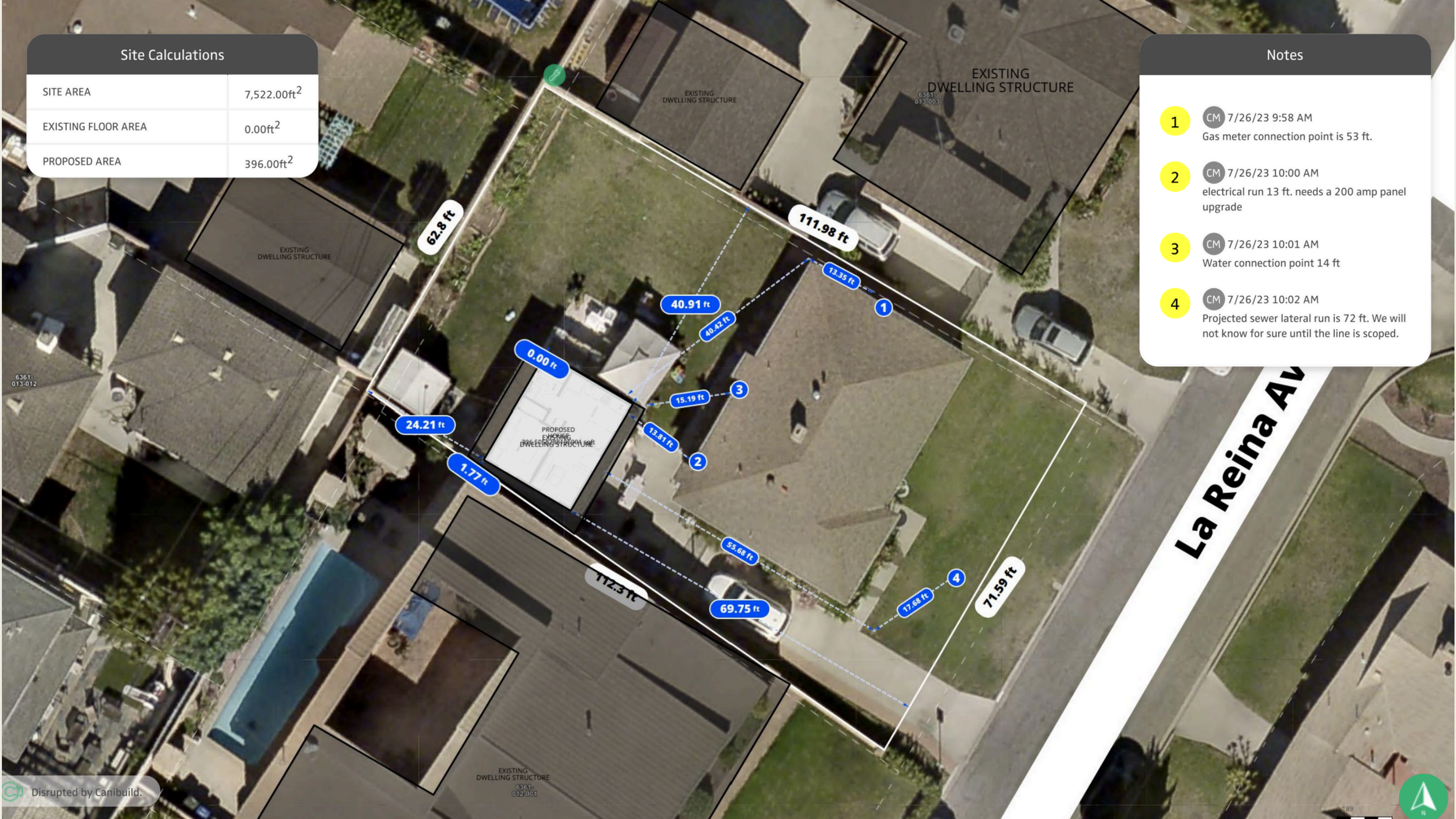
# ADU LAWS OF 2024

- **AB 2533 – Unpermitted ADUs and JADUs** – Under AB 2533, property owners with unpermitted ADUs built before January 1, 2020, can take advantage of an expanded amnesty program.
- **SB 1211 – Replacement Parking Requirements and Multifamily ADUs**  
SB 1211 increases the current restriction on the number of ADUs on a multifamily property that can be detached from 2 to up to 8.
- **SB 1077 – State Coastal Zone Guidance**  
SB 1077 requires the Coastal Commission to coordinate with HCD to “develop and provide guidance for local governments to facilitate the preparation of amendments to a local coastal program to clarify and simplify the permitting process” for ADUs and JADUs within the Coastal Zone by July 1, 2026.

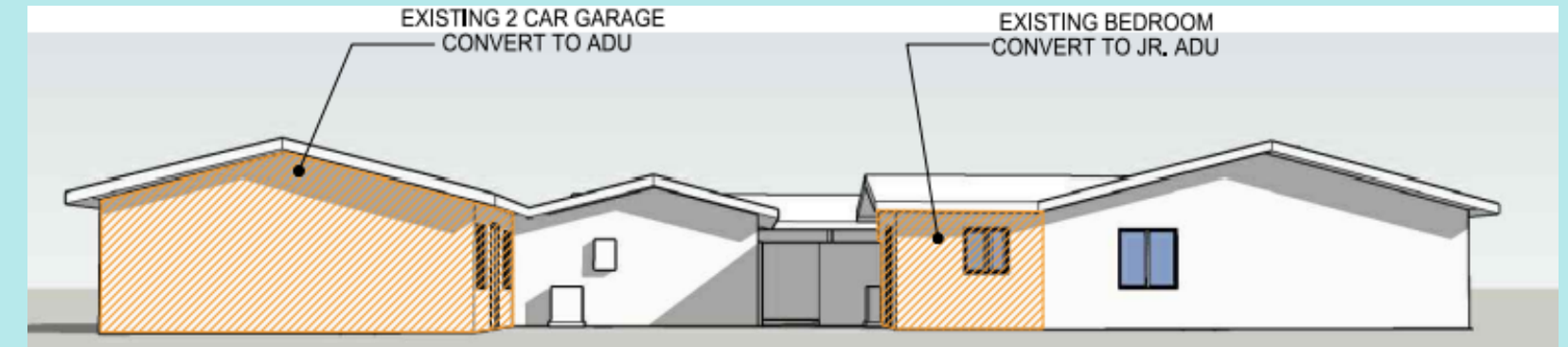
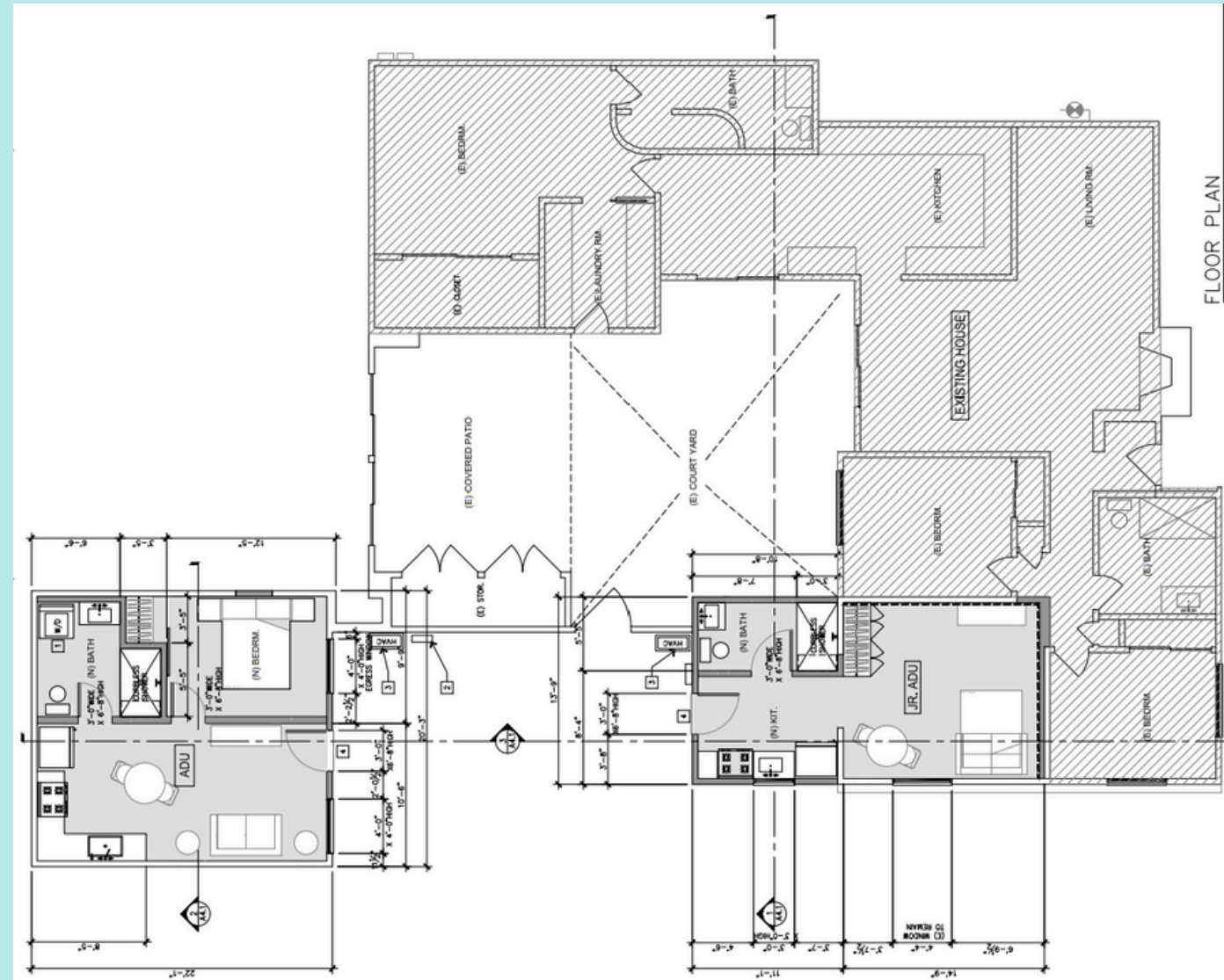


Site Calculations	
SITE AREA	7,522.00ft <sup>2</sup>
EXISTING FLOOR AREA	0.00ft <sup>2</sup>
PROPOSED AREA	396.00ft <sup>2</sup>

Notes	
1	CM 7/26/23 9:58 AM Gas meter connection point is 53 ft.
2	CM 7/26/23 10:00 AM electrical run 13 ft. needs a 200 amp panel upgrade
3	CM 7/26/23 10:01 AM Water connection point 14 ft
4	CM 7/26/23 10:02 AM Projected sewer lateral run is 72 ft. We will not know for sure until the line is scoped.







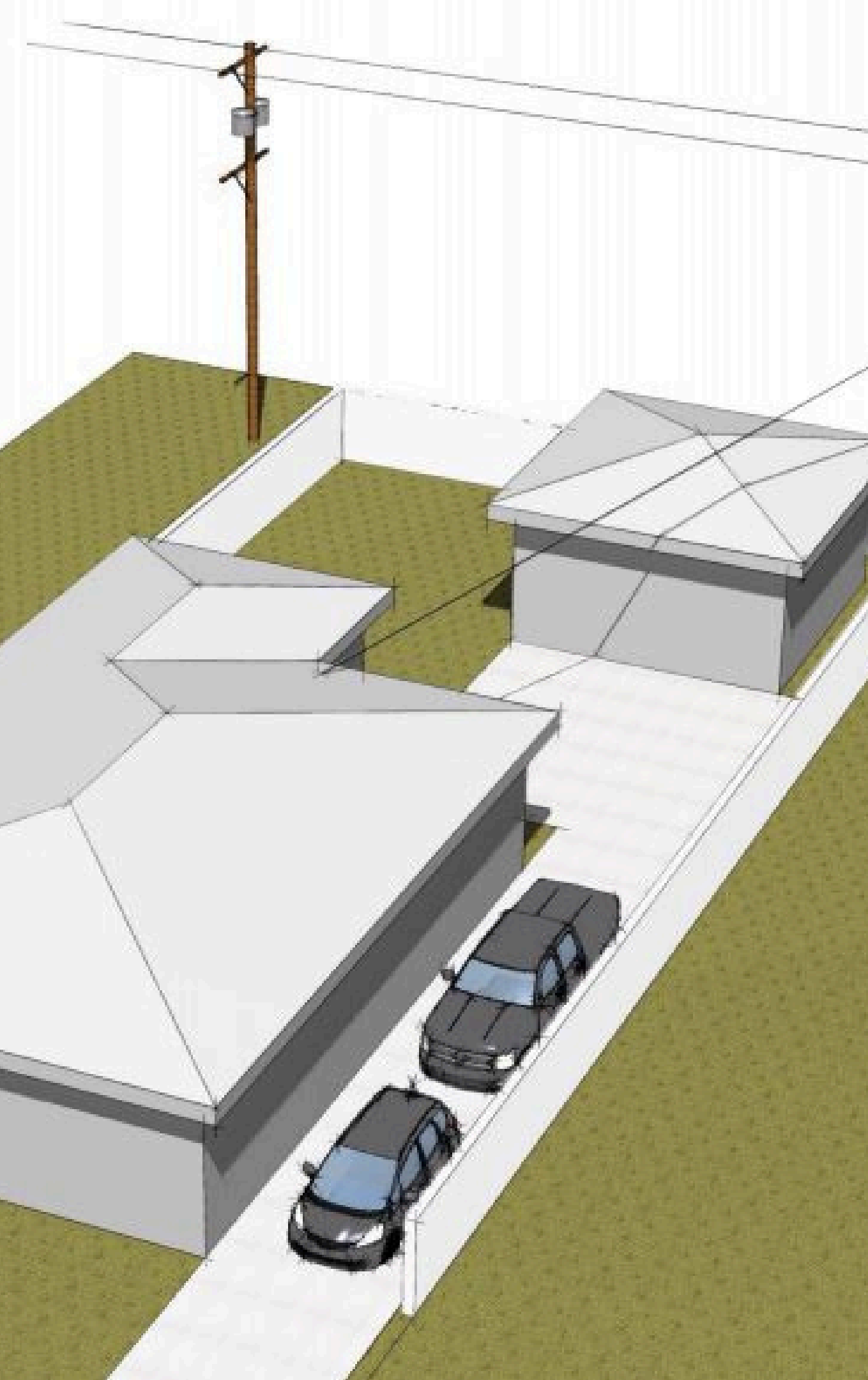
# ADU & Jr ADU on Sfr-1





ADU & Jr ADU on SFR-1





# Rental Scenarios for ADU's



1) Live in the main and rent the ADU.

\$1,800 + average in OC/LA for 400 sq ft adu

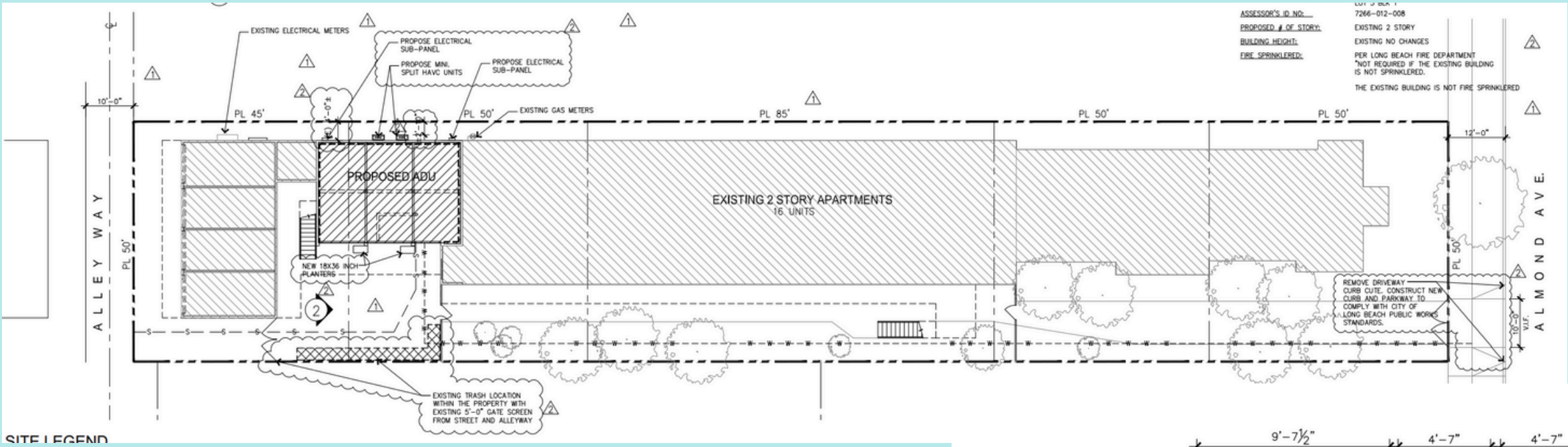
2) Live in the ADU and rent the main SFR

\$3,500 - \$4,000+ depending on your area and size of SFR

3) Rent both the ADU and the main SFR.

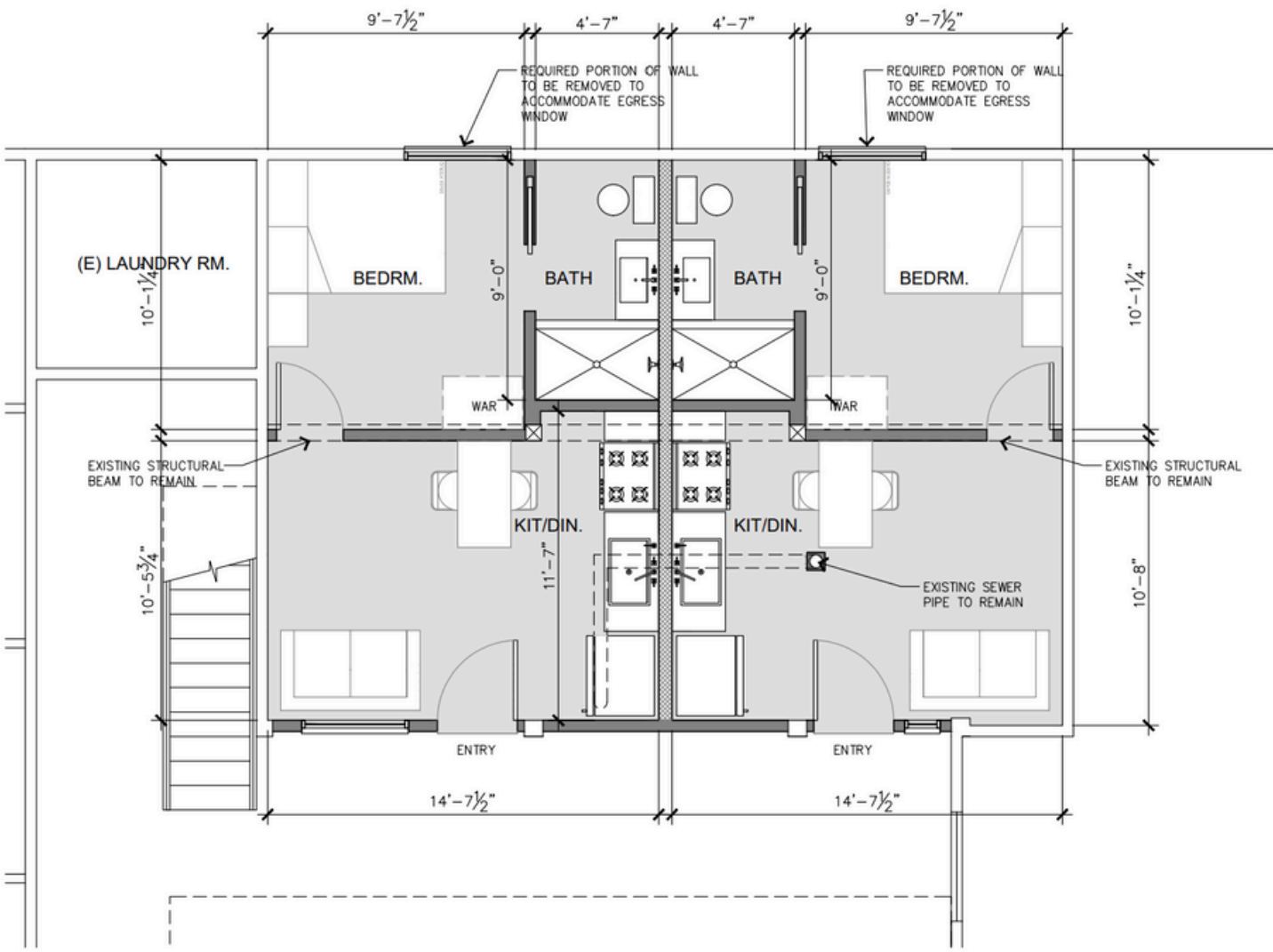
\$5,500+ depending on location and size of units

# Multifamily ADU Examples



## STATISTICS

EXISTING		NO. OF UNITS	
BUILDING 1	4	3,786	SQ. FT.
BUILDING 2	12	9,132	SQ. FT.
TOTAL		16	12,918
			SQ. FT.
PROPOSED			
ADU UNIT 1		313	SQ. FT.
ADU UNIT 2		312	SQ. FT.
TOTAL		625	SQ. FT.







ADU GG  
— Investments —

# Average Cost of ADU's (Always Changing)

## Garage Conversion

\$125,000 - \$150,000 +



## Ground Up 400 – 1,200 sq ft

\$155,000 - \$300,000 +



## Above Garage (400 sq ft)

\$200,000 +



ADU GG  
— Investments —





# What to look for with cost?

1. Electrical.



2. Sewer.



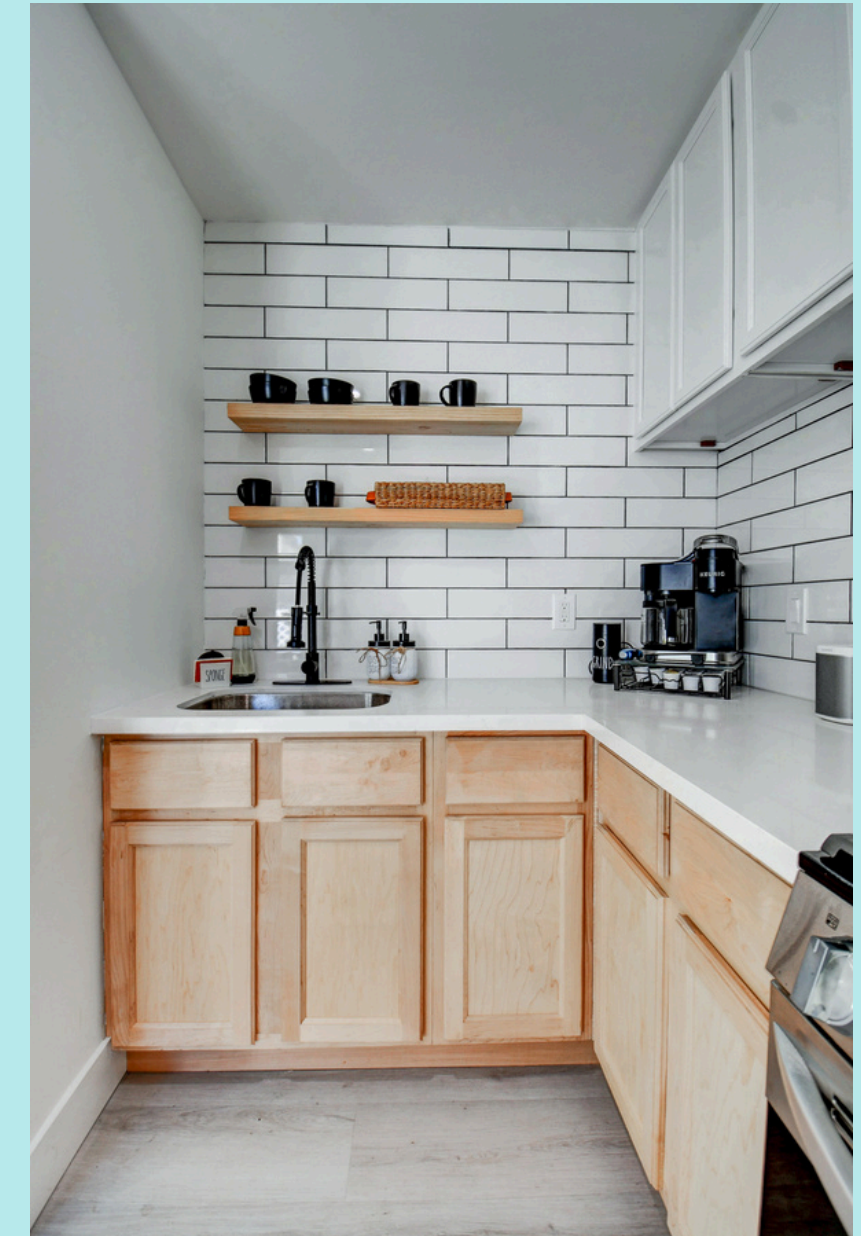
3. Siding vs stucco. Roof material.



4. Condition of surrounding area.



5. Condition of garage.





# Steps with Building an ADU

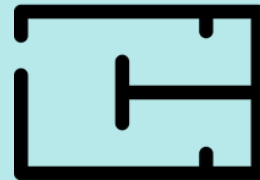
1. Phone Consultation—



2. Site Inspection -



3. Start Pre-Construction Phase -



4. Start Construction Phase –



5. Start Collecting Rent \$\$ -



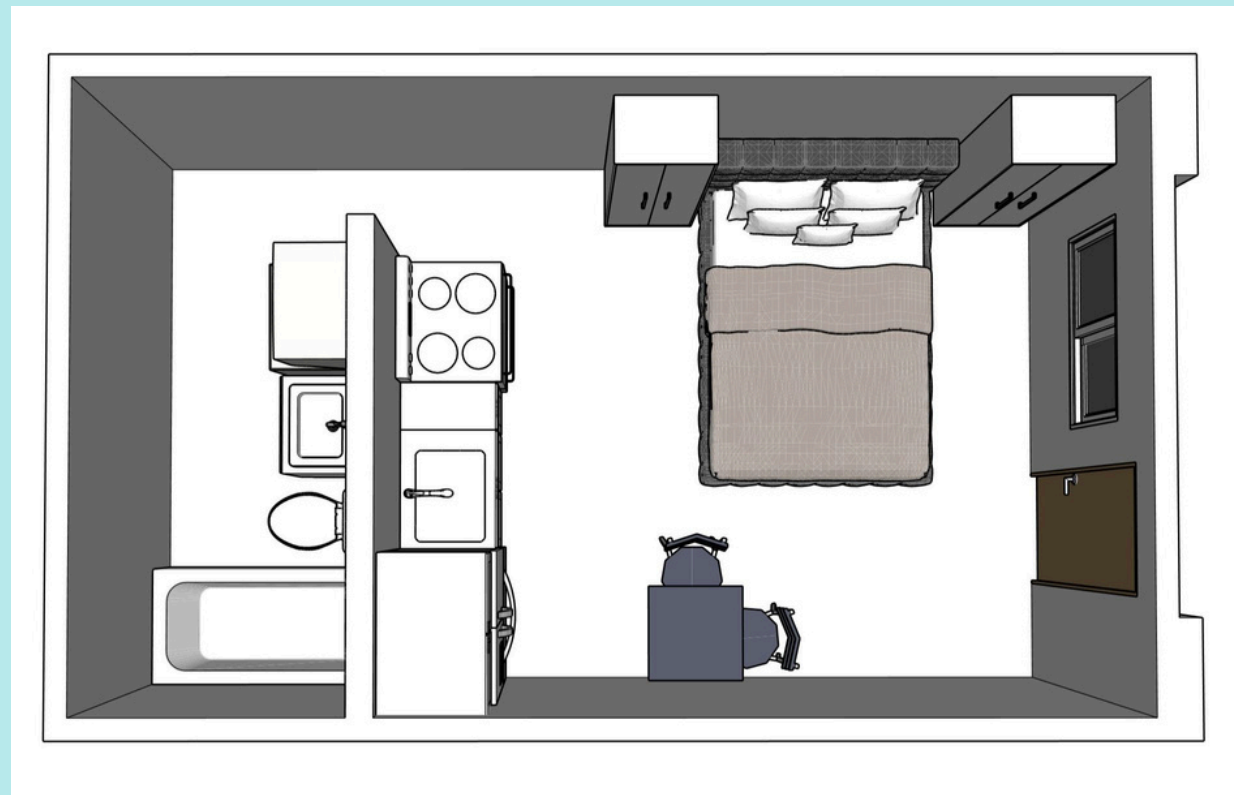




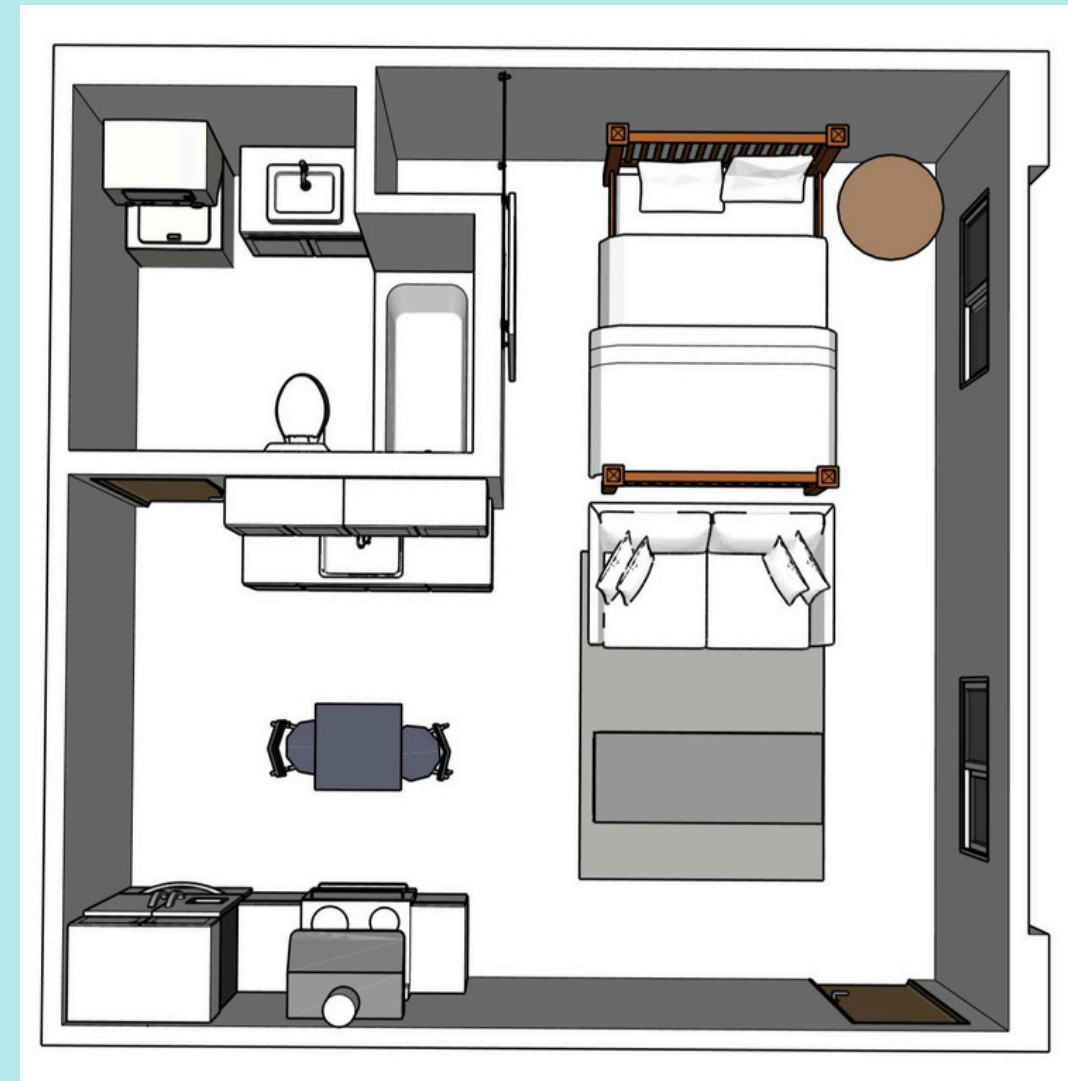
# Multifamily ADU Examples Continued



# Basic Floor Plans – Check our website



Studio garage conversion  
(300 sq ft)



Studio 2 Car Garage (400 sq  
ft)



# FINANCING OPTIONS



Heloc

Cashout Refi

Secured/Unsecured Loans

Renovation Loans

Cash

Grants

Self Directed IRAs





## CASE STUDY



365 SQ FT 1 BED 1 BATH GARAGE CONVERSION IN LAKEWOOD, CA - [HTTPS://YOUTU.BE/VXTXNPV\\_CB8](https://youtu.be/VXTXNPV_CB8)



625 SQ FT 1 BED 1 BATH FREESTANDING ADU IN LAKEWOOD, CA - [HTTPS://YOUTU.BE/E3RSKR2TZIU](https://youtu.be/E3RSKR2TZIU)



400 SQ FT 1 BED 1 BATH GROUND UP ATTACHED ADU IN ALTADENA, CA - [HTTPS://YOUTUBE.COM/SHORTS/VPL29FNUH2E?FEATURE=SHARE](https://youtube.com/shorts/VPL29FNUH2E?FEATURE=SHARE)





# ADU Property Management

1.Tenant Screening

2.Marketing

3.Maintenance

4. Referral Program







# Welcome To The ADU Play

By Stephanie Gutierrez

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[Www.StephSellsADU.com](http://www.StephSellsADU.com)



# SOME OF MY FAVORITE EPISODES



## EP 32 FROM HOARDER HOMES TO CASHFLOWING ADUS

STEPHPODCAST.COM



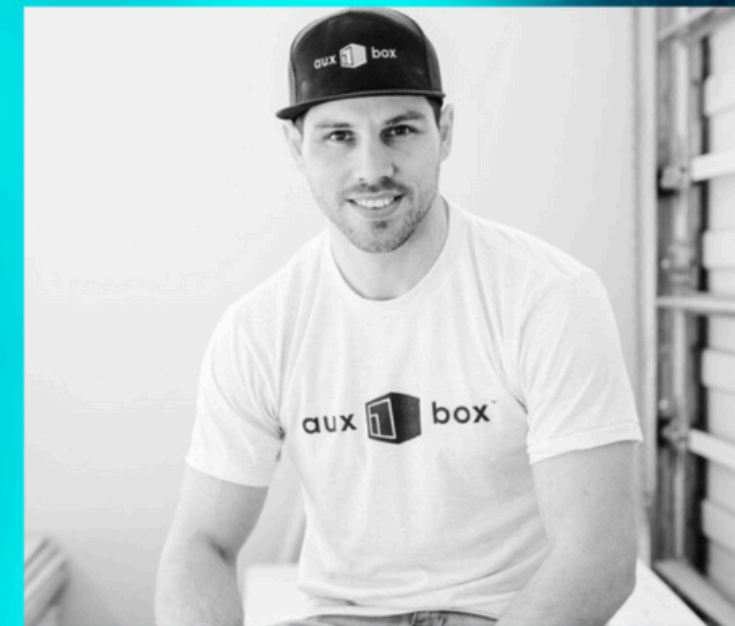
## EP 31 EMPOWERING WOMEN IN REAL ESTATE W/ FOUNDER OF WIRE KELANI BLACKWELL

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## 2.20.23 ADU + MTR STRATEGY W/ JESSE & STEPH

ADUMEETUPS.COM



## EP 25 LANDON AT AUX BOX

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LET'S CONNECT!



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**Podcast**

All Things ADU & Real Estate Podcast

**Book**

The Ultimate Guide For ADUs