



July 16, 2020

Sidekick Homes LLC
4859 W Slauson Avenue, Ste 130
Los Angeles, CA 90056
310-359-1842
www.sidekick.homes

RE: 27727 Conestoga Drive, Rolling Hills Estates, CA 90274

Dear Mr. and Mrs. Namezi,

Attached you will find a researched report regarding capacity to build and use ADUs on property located at 27727 Conestoga Drive, Rolling Hills Estates, CA 90274. These findings are consistent with the City of Rolling Hills Estates ADU Ordinance (adopted May 12, 2020) which are in compliance with CA Government Code 65852.2 and 65852.22. The findings contained herein are specific to your property and should not be construed to apply to a different property.

Overall findings are that this property is a good candidate for an Accessory Dwelling Unit. The space attached to the garage could be converted to a small ADU or extended to create a larger unit.

If you have any specific questions about what can be built on this property related to this ADU project, or if you are ready to move forward with the design or building out of an ADU, do not hesitate to reach out to us, and we will be happy to assist you.

Warm regards,

Florentine Christian
Certified ADU Specialist



PROPOSED ADU PROJECT

Conversion of garage addition to an ADU.

PROPERTY OVERVIEW

Property Owner: Margie and Jim Nazemi

APN: 7554-008-002

Year Built: 1956

Lot Size: 12,664 sf

Primary Home Size: 1,859 sf

Lot Orientation: Northeast-facing, interior lot

Zoning: R-A-20H (Low density residential, agricultural, horse overlay zone)

*The municipal code provision governing horse overlay zones are to be maintained to the extent possible; however, do not preclude the development of an otherwise compliant ADU.

Utility Easements: Unknown

MAXIMUM ALLOWABLE ADU UNITS

- One internal ADU, or JADU if owner occupied. Must be within the footprint of existing primary residence.

OR

- One detached, new construction ADU or conversion of an existing accessory structure to an ADU. The detached ADU may be combined with a JADU.

OR

- One attached ADU.



OCCUPANCY REQUIREMENTS

Owner occupancy is not currently required for properties permitted as of January 1, 2020 through December 31, 2024. For properties permitted on or after January 1, 2025, owner occupancy will be required and an annual reporting will be required to certify owner occupancy of either the main dwelling or the ADU.

ADU may be rented to a tenant for a term of no less than 30 days. Short-term rentals are not permitted.

LOT PARAMETERS

Minimum Lot Size: None

Lot Coverage Limits: 30%

Setbacks:

Rear: 4'

Side: 4'

Building separation: 15' from main house or other accessory structures

Parking Requirement:

Since this property is within ½ mile of public transit, no additional parking is required for the ADU.

If a garage or permitted structure were converted to or demolished for the creation of an ADU, no replacement parking is required.



BUILDING PARAMETERS

Maximum Floor Area:

ADU: 850 sf for studio or 1 bedroom; 1,000 sf for two or more bedrooms; attached ADU may not exceed 50% of the floor area of the primary dwelling.

JADU: 500 sf

Minimum ADU Floor Area:

Efficiency Unit is permitted at 150 sf.

Maximum Height: 16' as measured from the finished local grade. A two-story attached ADU is permitted but will require review and approval of a neighborhood compatibility determination.

Fire Sprinklers:

Not required if they are not required for the main house.

Design Requirements:

Design of an attached or detached ADU will be administratively reviewed by the community development department under the following standards:

- The design, color, material, and texture of the roof must be substantially the same as the primary dwelling unit.
- The color, material, and texture of all building walls must be similar to, and compatible with, the primary dwelling unit.
- The architectural style of the ADU must be the same or similar to the primary dwelling unit, or, if no architectural style can be identified, the design of the ADU must be architecturally compatible with the primary dwelling unit.

Solar Requirements:

Title 24 regulations as of 2020 require solar on all new, detached ADU's. Garage conversions are exempt.

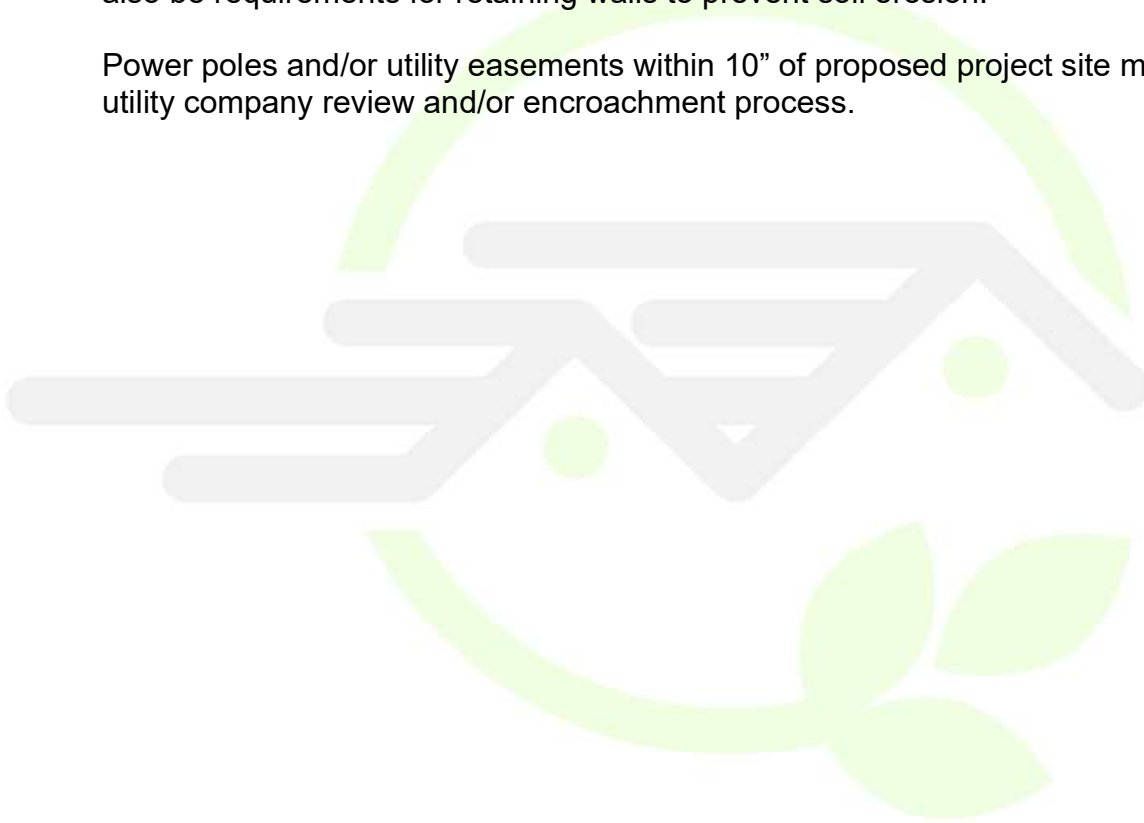


ACCESS, UTILITIES & CONSTRUCTION CONSIDERATIONS

This property appears to have an adequate driveway for the delivery of construction materials. The driveway extends past the rear of the main house.

The property is located on a rolling/hilly lot which may require additional grading. Due to the topography of the property the planning department may require further geological or slope studies be conducted prior to approving a new detached structure. There may also be requirements for retaining walls to prevent soil erosion.

Power poles and/or utility easements within 10" of proposed project site might require utility company review and/or encroachment process.





ADDITIONAL NOTES

Additional restrictions and requirements may be placed on properties in H-Districts, Landmark Overlay Zones, or high fire hazard zones. Additional permissions may be required if property is on private septic rather than city sewer.

No development or impact fees shall be assessed for ADUs that are 750 sf or less; fees shall be proportional if larger than 750 sf.

Short term rentals are not permitted.

Before obtaining a building permit for an ADU, the property owner must file a deed restriction with the county recorder, and provide a copy of the recorded document to the city, containing a reference to the deed under which the property was acquired by the current owner. The deed restriction must state that:

1. The ADU may not be used for short-term vacation rentals of 30 days or less.
2. Except for units developed in accordance with Government Code section 65852.26, the ADU may not be sold separately from the primary dwelling.
3. The declaration will be binding upon any successor in ownership of the property. Lack of compliance will be cause for code enforcement and also grounds for revocation of the city's approval of the ADU.

**Disclaimer: Sidekick Homes LLC did the initial leg work on this property regarding its potential for an ADU relying on information that is publicly available. However, since California's ADU laws and local ordinances governing ADUs are evolving, we encourage you to independently verify the information in this ADU Property Report prior to making any decision with respect to this property. There is no guarantee this property will be allowed to add an ADU. Accordingly, Sidekick Homes LLC will not be liable for any claims or loss arising from the content of, or errors or omissions in the information contained in this ADU Property Report.*



LOCAL MARKET RENT ANALYSIS

	Average	Median
Studio:	\$1,540	\$1,527
One Bedroom:	\$1,755	\$1,800
Two Bedroom:	\$2,412	\$2,405
Three Bedroom:	\$2,976	\$2,960
Four Bedroom:	\$3,480	\$3,450

*Due to the lack of nearby rental comps, this analysis covers a broader geographic area. A local real estate professional should be consulted for more targeted rents in this specific neighborhood.

FINANCING, CASHFLOW AND BREAKEVEN CALCULATIONS

	Gar Conv	One Bedroom	Two Bedroom	Three Bedroom	Three/Four Bedroom
Sq Ft	400	550	750	1000	1200
Loan Amt	\$90,000	\$130,000	\$170,000	\$210,000	\$250,000
Term	360	360	360	360	360
Int Rate	4.000%	4.000%	4.000%	4.000%	4.000%
Prin+Int	-\$430	-\$621	-\$812	-\$1,003	-\$1,194
<u>Rent</u>	<u>\$1,540</u>	<u>\$1,755</u>	<u>\$2,412</u>	<u>\$2,976</u>	<u>\$3,480</u>
Income	\$1,110	\$1,134	\$1,600	\$1,973	\$2,286
Less tax	-\$94	-\$135	-\$177	-\$219	-\$260
<u>Less ins</u>	<u>-\$25</u>	<u>-\$25</u>	<u>-\$25</u>	<u>-\$25</u>	<u>-\$25</u>
Net income	\$992	\$974	\$1,398	\$1,730	\$2,001
Annual Income	\$11,899	\$11,687	\$16,780	\$20,756	\$24,013
In 5 yrs	\$59,495	\$58,437	\$83,899	\$103,781	\$120,063
In 10 yrs	\$118,989	\$116,873	\$167,797	\$207,561	\$240,125

*Figures shown above are for illustrative purposes only. They should not be construed to be an estimate of actual construction costs, guarantees of rent or interest rates. These numbers are based on what is common in the market, but every property, project and client situation is unique.

ADU COST CONSIDERATIONS

Project Budget – 20%

Architectural fees, design consultants (surveyors, structural engineer, energy engineer), permit fees, utilities, hardscape, landscaping, etc.

Construction Budget – 80%

Excavation, foundation, framing, roofing, flashing & gutters, exterior trim, decks, handrails, HVAC, plumbing, electrical, insulation, drywall, millwork, paint, hardware, fireplace, appliances, etc.

WAYS TO FINANCE AN ADU

Public Sources

(Mortgage Companies, Banks, Credit Unions)

- Purchase Money Loan
- Cash Out Refinance
- Home Equity Line of Credit
- Renovation Loan

Private Sources

(Homeowner)

- Savings
- Retirement Account Loan
- Retirement Acct Withdrawal
- Family Loans
- Credit Cards

ADU DESIGN BUILD PROCESS

It is important to keep in mind that building an ADU is akin to building a custom home, albeit a small one, on your property. It is a much bigger undertaking than a home remodel, even when converting an existing structure, such as a garage. These are the general steps to the ADU design build process. We find that following them in order will bring you peace of mind:

1. Assemble Team
2. Financing
3. Feasibility – Zoning, Building Codes, Ordinances, Easements, Utilities, Surveys and Assessments, etc.
4. Design – 2-4 weeks
5. Engineering Review & Title 24 – 2 weeks
6. Preliminary Construction Estimates
7. Plan Check & Utility Review – 60 days
8. Pull Permits
9. Finalize Construction Estimates
10. Construction – Approximately 3-6 months



PUTTING TOGETHER YOUR TEAM

Due to the added complexity of ADUs and the relatively new legislative changes surrounding them, all affiliated industries have had to alter their practices in order to adapt. In order to navigate the design build process and have a complete a successful project, it is important that your team members are knowledgeable about and experienced with ADUs. It is also important that your team members work closely and congruently for a successful project. Hiring a team that is already put together or assembling team members who are already associated with one another and/or have worked together well on prior projects will ensure peace of mind throughout your ADU project. Here are the team members to consider when building an ADU:

- ADU Specialist/Consultant
- Lender
- Architect/Designer
- Engineer
- Title 24
- Permit Processor
- City Planner
- General Contractor
- Skilled Specialty Contractors
- Financial Planner, CPA, Tax Advisor
- Property Management Advisor

Your Sidekick Homes team has you covered from A to Z.



3 BIGGEST CONSTRUCTION COMPLAINTS

1. Over Budget
2. Over Schedule
3. Poor Communication

WHAT MAKES US DIFFERENT?

Consultation for Your Life Goals

Design-Build Approach

ADU Specialists

Experience with New Build Construction

Allied with Top ADU Industry Professionals

Provide Line-Item Construction Estimates

Sidekick Project Management Portal

Summary Grid | Owner Summary

https://buildertrend.net/ownerSummaryAgenda.aspx

Project Management | Files | Messaging | Financial

Hill
Here's a look at your project!

Contract Price: \$175,000.00
Job Running Total: \$175,000.00
Less Payments Received: \$20,000.00

Job Remaining Balance
\$155,000.00

Play Online

Recent Photos

What's Happening

To-Do's

- Unread Documents: 1
- Messages: 0
- Pending Change Orders: 0
- Upcoming Selections: 0
- Warranty Items: 0
- Surveys: 0
- Invoices: 0
- Recent Daily Logs: 0

Weather

Los Angeles, CA 90056 | Wed, May 27 2020

Current Conditions: Cloudy

65° F | C

Feels like: 65°F
Winds: 8 mph
Humidity: 78%

Your Extended Forecast

Day	Temp	Day	Temp	Day	Temp
Wed, May 27	64°	Thu, May 28	69°	Fri, May 29	68°
Sat, May 30	68°	Sun, May 31	68°	Mon, Jun 1	67°

Schedule

May 24 - May 30

Day	Temp	Day	Temp	Day	Temp
Sun	Non-Work Day	Mon	24	Tue	25
Wed	26	Thu	27	Fri	28
Sat	29	Sun	30	Mon	31

COMMENTS | New Comment

Flooring Install

Schedule Item

3:08 PM 5/27/2020



In closing, we are happy to answer any ADU questions you may have and appreciate referrals to friends, family or neighbors who may be considering building an ADU.

Contact us at:

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