

HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT

RESIDENTIAL LENDING AND REHABILITATION SERVICES

250 FRANK H. OGAWA PLAZA, SUITE 5313

OAKLAND, CALIFORNIA 94612-2034

ADULP@Oaklandca.gov 510-238-3909

<https://www.oaklandca.gov/resources/accessory-dwelling-unit-loan-program>



ACCESSORY DWELLING UNIT LOAN PROGRAM (ADULP)

PROGRAM DESCRIPTION & FINANCING TERMS		
PURPOSE:	Oakland’s ADULP provides financing and technical assistance to owner-occupied low-income households to convert an existing unpermitted secondary unit within or adjacent to the primary single-family residence into a legal Accessory Dwelling Unit (ADU) or Junior Accessory Dwelling Unit (JADU). The financing is in the form of a deferred loan for design and construction costs.	
REQUIREMENTS:		
LOCATION:	Property must be in an Oakland Opportunity Zone. See the State of California search tool.	
INCOME:	Owner-Occupied Household must be low-income (up to 80% Area Median Income – see table below). All vested recorded owners of the property must complete the application including members of a trust that do not occupy.	
OCCUPANCY:	Owner must occupy the subject single-family residence at the time of application	
ADU TENANCY	The minimum rental period for the legalized ADU/JADU is 30 days and if rented, the unit must follow all Rent Adjustment Program regulations.	
UNDERWRITING REQUIREMENTS	<ul style="list-style-type: none"> • Maximum debt to gross income ratio = 45% (monthly debt payments must not exceed 45% of monthly gross income). • The final Combined Loan-to-Value Ratio must not exceed 105% of the pre-improvement value or 80% of the post-improvement value of the property, whichever is lower. • Borrower(s) must have fair credit as evidenced by sources such as debt payment history, public records, credit reports, lien and bankruptcy records, and alternative credit for those lacking a FICO credit score. 	
LOAN TERMS:		
MAXIMUM LOAN:	\$100,000	
INTEREST RATE:	3% Simple Interest	
PAYMENTS/TERMS:	<ul style="list-style-type: none"> • No Periodic Payments are required. Voluntary payments are accepted with no penalty • Loan will be funded to an escrow account to pay approved invoices. Any remaining balance will be returned to the program fund. • Loan must be repaid upon the end of the 30-year term, the sale or transfer of title of property, or when the property is no longer owner-occupied, whichever comes first. • Annual monitoring will be conducted to ensure compliance. 	
SECURITY:	Deed of Trust	
PREPAYMENT:	None	
CLOSING COSTS:	\$0 Program Application Fee. Third party costs to close escrow may apply (title insurance, etc.)	
Household Income Limits	80% of the established HUD median income limits for Alameda County <i>Income of all household members who are 18 years or older must be considered to determine income eligibility.</i>	
Income Limits	Household Size	Maximum Income
<i>CA HCD Median Income For Alameda County</i>	1	\$76,750
	2	\$87,700
	3	\$98,650
	4	\$109,600
	5	\$118,400
	6	\$127,150
	7	\$135,950
	8	\$144,700