



HOMEOWNERSHIP. TOGETHER.

In partnership with Firefly Collective

Build a Home In Your Backyard

Did you Know. Many cities in Franklin County are making it easier to build a second home in your backyard or over your garage? These units are known as accessory dwelling units (aka “ADUs”).

What’s an ADU? Also known as a carriage house, in-law suite, granny flat, or guest house, in Franklin County most ADUs are small homes or apartments that are detached or separate from the primary single-family residence, but on the same parcel or lot. An ADU has its own kitchen, bathroom, and living space, but is not considered a separate property and usually cannot be sold on its own.

Examples of ADUs



Backyard apartment or house



Garage Apartment



Attached apartment or house

Why build an ADU?

- Home for Family - ADUs can provide housing for a relative, such as an aging parent or adult child
- Rental Income - ADUs can provide significant extra income, which can help pay for other housing costs, such as property taxes and home repairs
- Downsizing - ADUs can help save money; when a larger home is no longer needed, they provide a smaller living option for homeowners to move into

ADU Checklist

Where are ADU’s Allowed?

Contact your city’s building, zoning, planning, or permitting office. Ask what conditions, permits needs, and fees apply. For the City of Columbus, call 614-645-7433 or email

BZSIntake@columbus.gov

Cost Considerations

Costs usually range between \$150 to \$300 per square foot, on average. Some ADUs can be more expensive, reaching over \$600 per square foot.

Utility Considerations

For Columbus, email Engineeringinfo@columbus.gov at Building and Zoning Services to guide you through the utility needs for your ADU and perform a preliminary site compliance review.

Additional Considerations

ADUs are a great option for affordable rental units. If you would like to rent out your ADU, consider [best practices](#) as a landlord and [fair housing laws](#).

Run the Numbers!

How Much do ADUs Cost to Build?



The cost for building an ADU depends on many factors, and labor and material costs vary. For example, converting a garage or existing space in a home might be as low as \$75,000, and building a fully detached ADU might be closer to \$150,000 or more. Final costs will be dependent on location, size, finishes, etc. The average-sized ADU falls within the range of 400 to 1,200 square feet, but the actual size may vary based on personal preferences (Source: Angie's List "How much Does an Accessory Dwelling Unit Cost to Build"- 2024 Data).

Home Equity Line of Credit (HELOC)

HELOCs allow you to borrow from the value (equity) of your current home to pay for the new construction. The amount you borrow is calculated by subtracting the amount you owe on your mortgage from your home's current value. You will likely need at least 15% equity in your home to get a home equity loan. Use this handy [equity calculator](#) to see how much equity you have.

Renovation Loan

If you are a current homeowner, this option allows you to take out a new mortgage on your home and add the construction costs into the new mortgage, often through a refinance. For current homeowners, check our [After I Buy](#) page for information on Fannie Mae's HomeStyle Renovation loan or Freddie Mac's CHOICE Renovation loan. If you are a new homebuyer, you may opt for an FHA 203k loan to help you purchase a "fixer upper" and add an ADU during the renovation process.

HELOCs are an opportunity to tap into the equity you have already acquired in your home.

Renovation loans are an option if you are not a current homeowner, you are concerned that your credit profile is not strong enough for a HELOC, or you do not have sufficient home equity.

PROS CONS



Not sure which option is right for you? Contact a [lender](#) today!

HELOCs require higher credit scores and a stronger credit profile. In the desktop appraisal process, your home value may come in lower than a traditional/full appraisal, which would impact how much equity is calculated.

Funding for renovation loans is usually not disbursed until the project is completed (check with a lender if this can be changed). This means your chosen contractor will have to complete the paperwork up-front and finish the project in 18 months to get paid. If there are residual costs in construction, you may have to cover those costs.

Utility Costs

Your local utility providers will provide guidance on what is mandatory for your type of ADU and property. Utility connection will also factor in the final cost of your ADU, so make sure to receive estimates before you break ground. For the City of Columbus, call 614-645-8276 or email utilityleadrep@columbus.gov.