Panel: Shared Housing and Accessory Dwelling Units

Moderator: Steve King, Oakland Community Land Trust
Darin Lounds, Housing Consortium of the East Bay
Jay Standish, OpenDoor Coliving
Matt Regan, Bay Area Council
Shared Housing in Today’s Market
Federal Reserve of San Francisco
Dept of Housing and Urban Development
Mission: Creating Inclusive Communities Through Affordable Housing for People with Special Needs
• 236 ‘Doors’ in Operation
• 300 Tenants
• Properties in 12 Cities/2 Counties
Key Features of Shared Rental Housing for People with Special Needs:
• Quality Supportive Services
• Operating Subsidies
• Responsive Property Management and Neighbor Relations
Quality Supportive Services

• Case Management or Service Coordination
• Ability to navigate issues around shared resources
• Regular communication with Property Management
Operating Subsidies

• +95% of our tenants are at or below 20% AMI
• Rents are set at 30% of regular SSI income, or ~$260/month
Creating inclusive communities

Property Management and Neighbor Relations

• Regionalized Management Strategy
• Coordination with On-site Management Staff and Service Providers
• Empowered Tenants
Creating inclusive communities

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16BR, 6400 sqft newly renovated Victorian, opened April 2014
5-year Fixed Price Master Lease, 17% Operating Margin

12BR, 5800 sqft 3-unit mixed-use building, opened March 2015
Purchased + remodeled by OpenDoor, raised $500K in equity
8% cash-on-cash returns, 26% operating margin

11BR, 6200 sqft historic manor, opened March 2016
Management contract w/ investment partner
7% unlevered return (projected), 12.5% operating margin
Coliving = Density + Livability

- Higher bedroom count + shared spaces increases density
- Gross rents + NOI increase of 20% or more
- Simultaneously, residents get more space, better amenities + experience for less
## ECONOMIC COMPARISON

**TRADITIONAL vs COLIVING**

### GROUND-UP NEW CONSTRUCTION

Based on projected market economics for an Oakland new construction project with no parking, no retail / commercial

### COLIVING UPLIFT

- 48% increase in rents
- 41% increase in NOI
- 498bp increase in cash-on-cash
- 251% increase in asset value uplift
Accessory Dwelling Units
Accessory Dwelling Units

Benefits

- Environmentally friendly
- Lower cost
- Invisible density
- Added income to homeowners
Market potential = 31% of single family owners want ADU's

Vancouver allows ADU's with building permits:
- 500 units/year
- 35% of single family homes
Market Potential in Neighborhoods

Share of Single-family Houses with ADUs

- 35% in Vancouver, BC
- 1% in Seattle, WA
- 1% in Portland, OR