

The 2026 San Francisco ADU

FROM GRANNY FLAT TO LIFESTYLE EXTENSION

A1

RIFT-CUT WHITE
OAK CLADDING

B2

MATTE BLACK
ALUMINUM WINDOW
SYSTEMS

A1

POLISHED CONCRETE
FLOORING

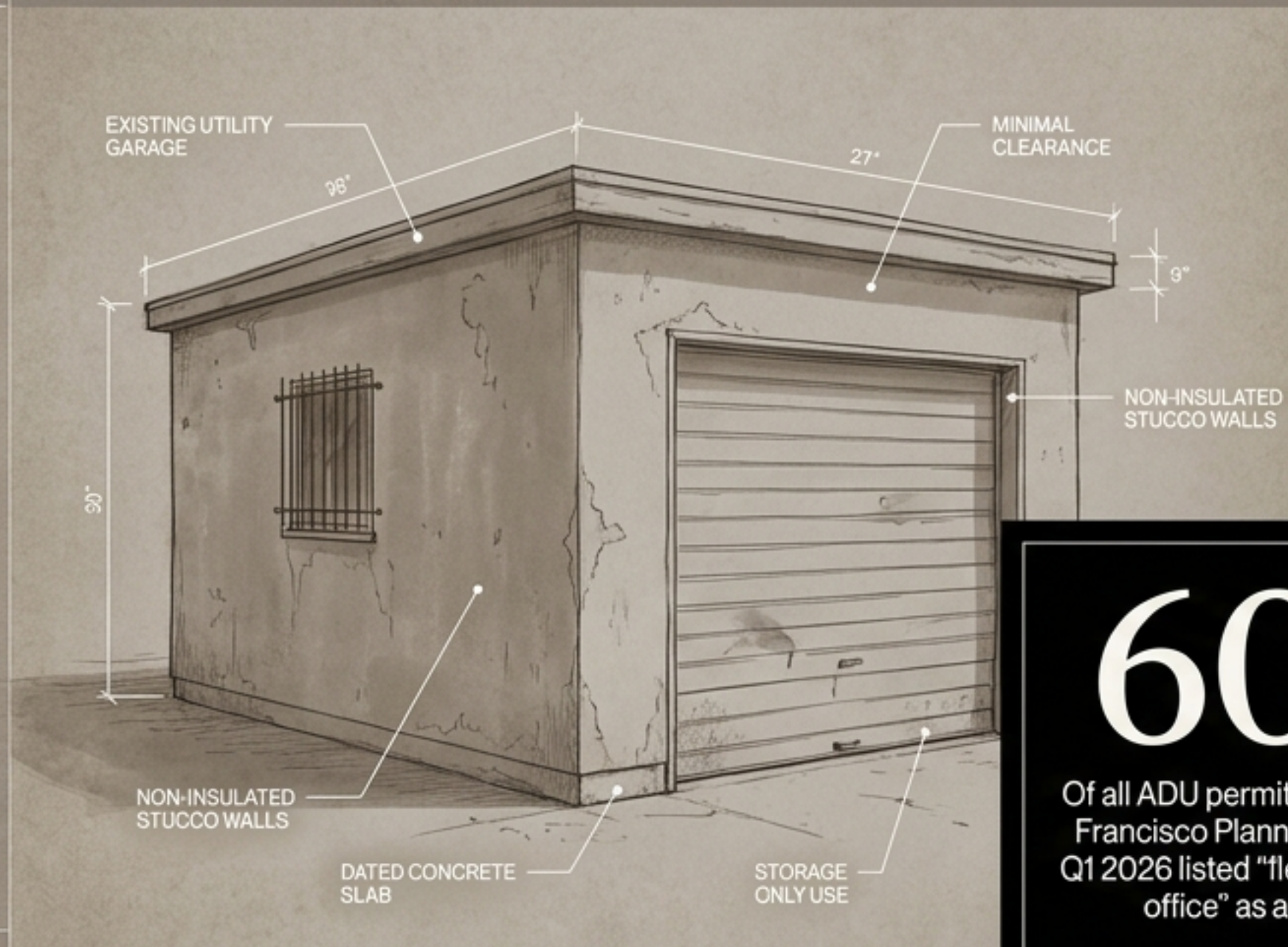
B2

INTEGRATED LIFESTYLE
JOINERY

B2



The Macro Shift



60%

Of all ADU permits filed with the San Francisco Planning Department in Q1 2026 listed "flex space" or "home office" as a primary use.



Synthesis: Anatomy of the 2026 ADU

Zone 4: The Exposed Seismic Frame

Structural authenticity celebrated as industrial art, meeting strict retrofitting codes.

Zone 1: The Integrated Courtyard

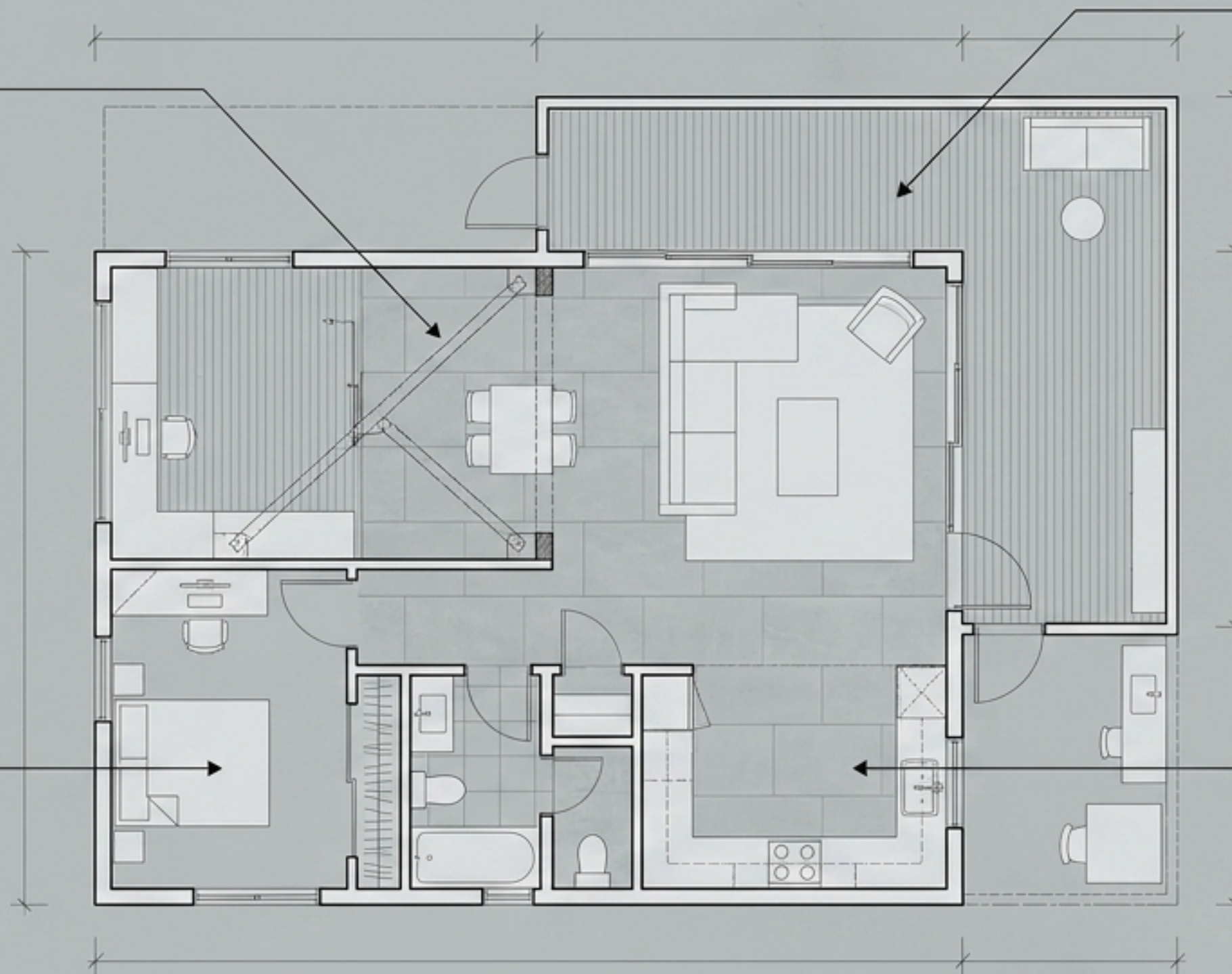
Multi-slide glass systems dissolve the boundary between the main house and the ADU.

Zone 3: The Wellness Suite & Work-From-Here Nook

Purpose-built, acoustically isolated spaces replacing the generic spare bedroom.

Zone 2: The Hidden Kitchen & First-Class Storage

Hyper-functional millwork conceals appliances and maximizes vertical space.



Indoor/Outdoor Fluidity: The Integrated Courtyard

Multi-slide glass systems (LaCantina, NanaWall) erase structural boundaries, turning the space between the main house and ADU into a unified outdoor room.

Fire-rated composite decking (Trex, Azek) and drought-tolerant landscaping are engineered to match interior finish quality and ensure seamless transitions.

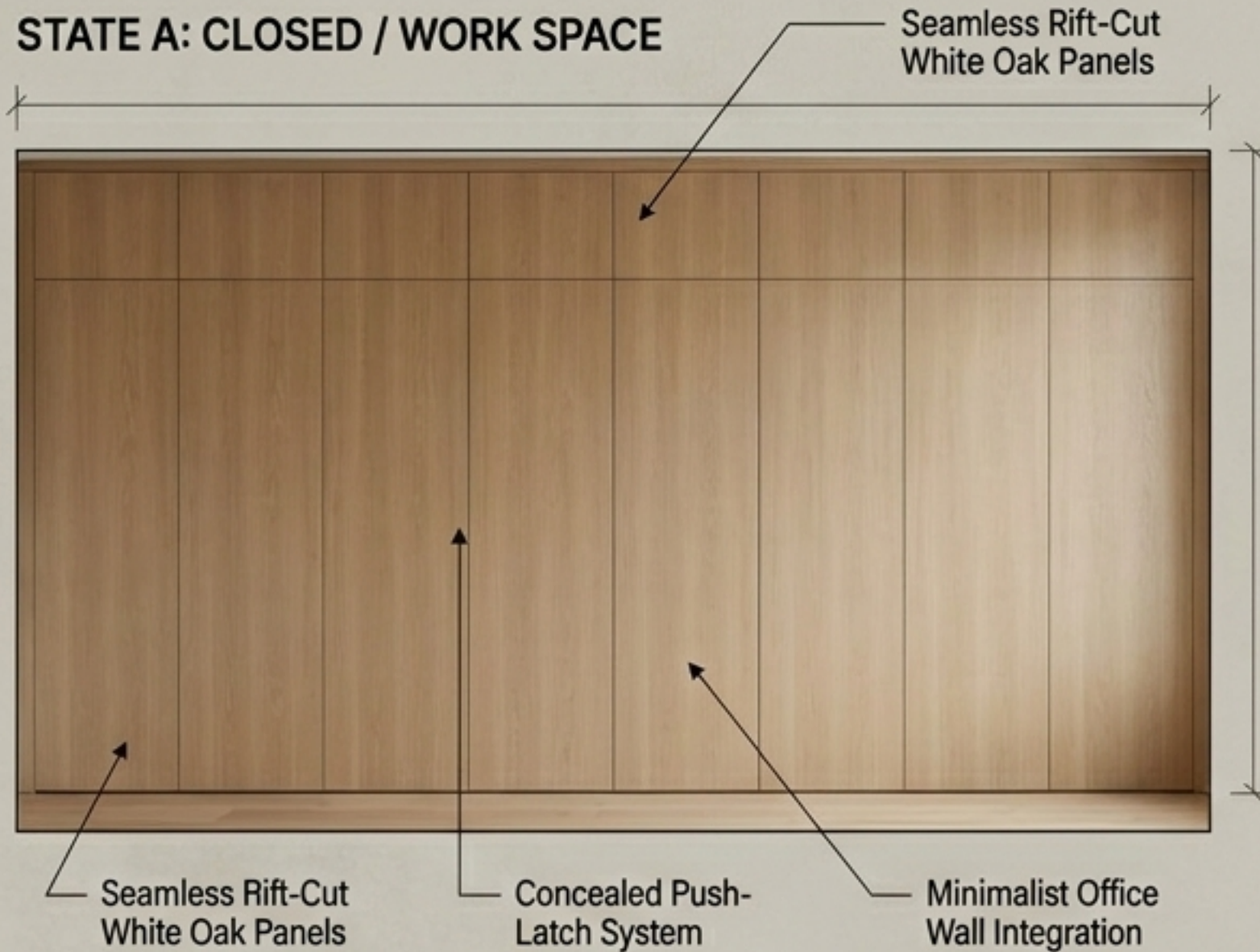
MARKET DATA

30% YoY increase in large-format exterior door sales for Bay Area projects under 1,200 sq ft, driven heavily by wider lots in the Sunset and Outer Richmond.

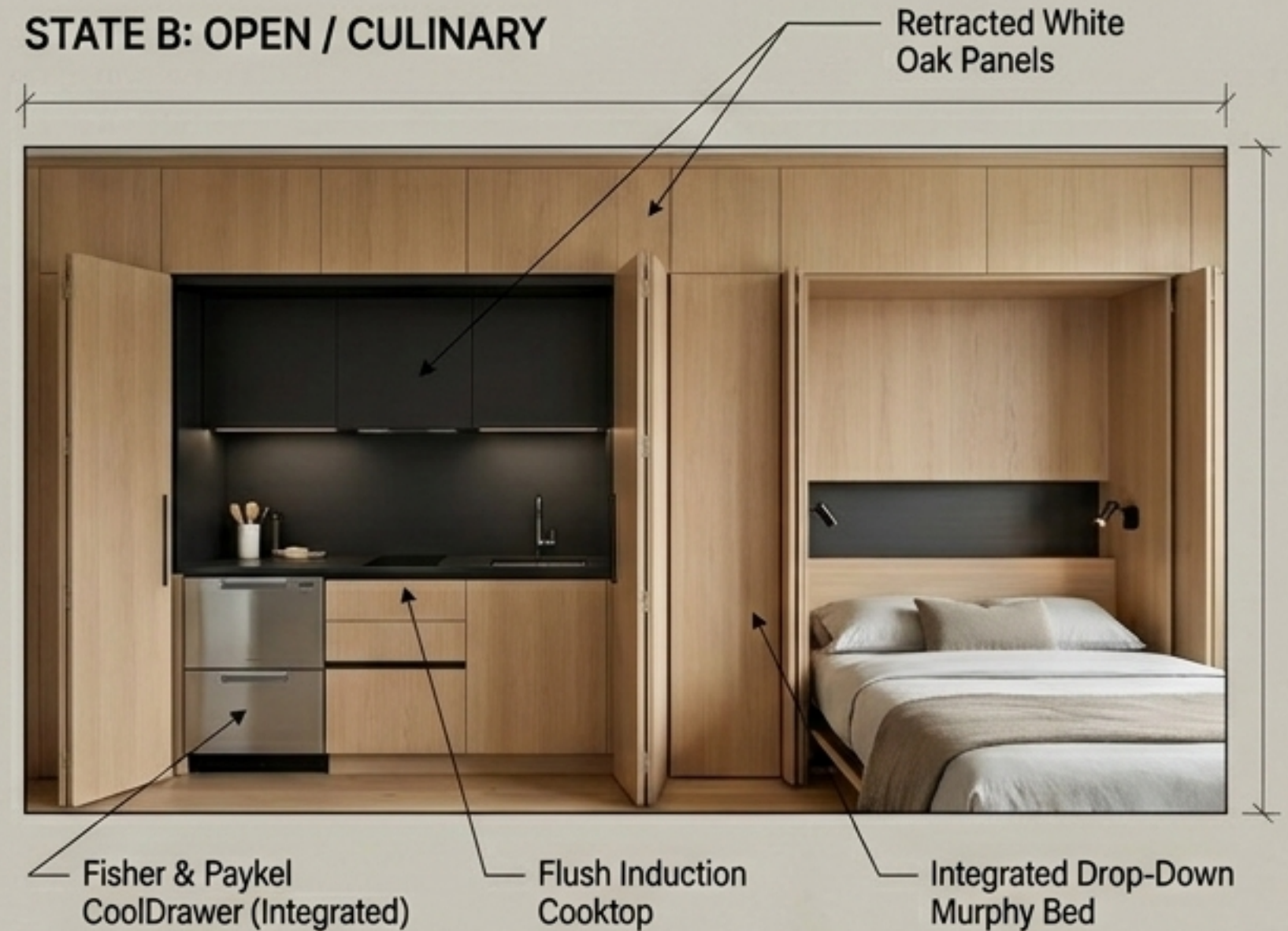


Hyper-Functionality: The Disappearing Kitchen

STATE A: CLOSED / WORK SPACE



STATE B: OPEN / CULINARY



Vertical integration turns storage into a first-class architectural feature. Bulky functional elements are completely concealed. Local custom cabinet shops in the Bayview and Dogpatch now dedicate over a third of their residential work to ADU built-ins.

Purpose-Built Spaces: Replacing the Spare Bedroom



The Wellness Suite

Replacing the spare bedroom in Marina and Pacific Heights projects. Features integrated infrared saunas, cold plunges (Morozko Forge), and cork flooring for acoustic dampening.

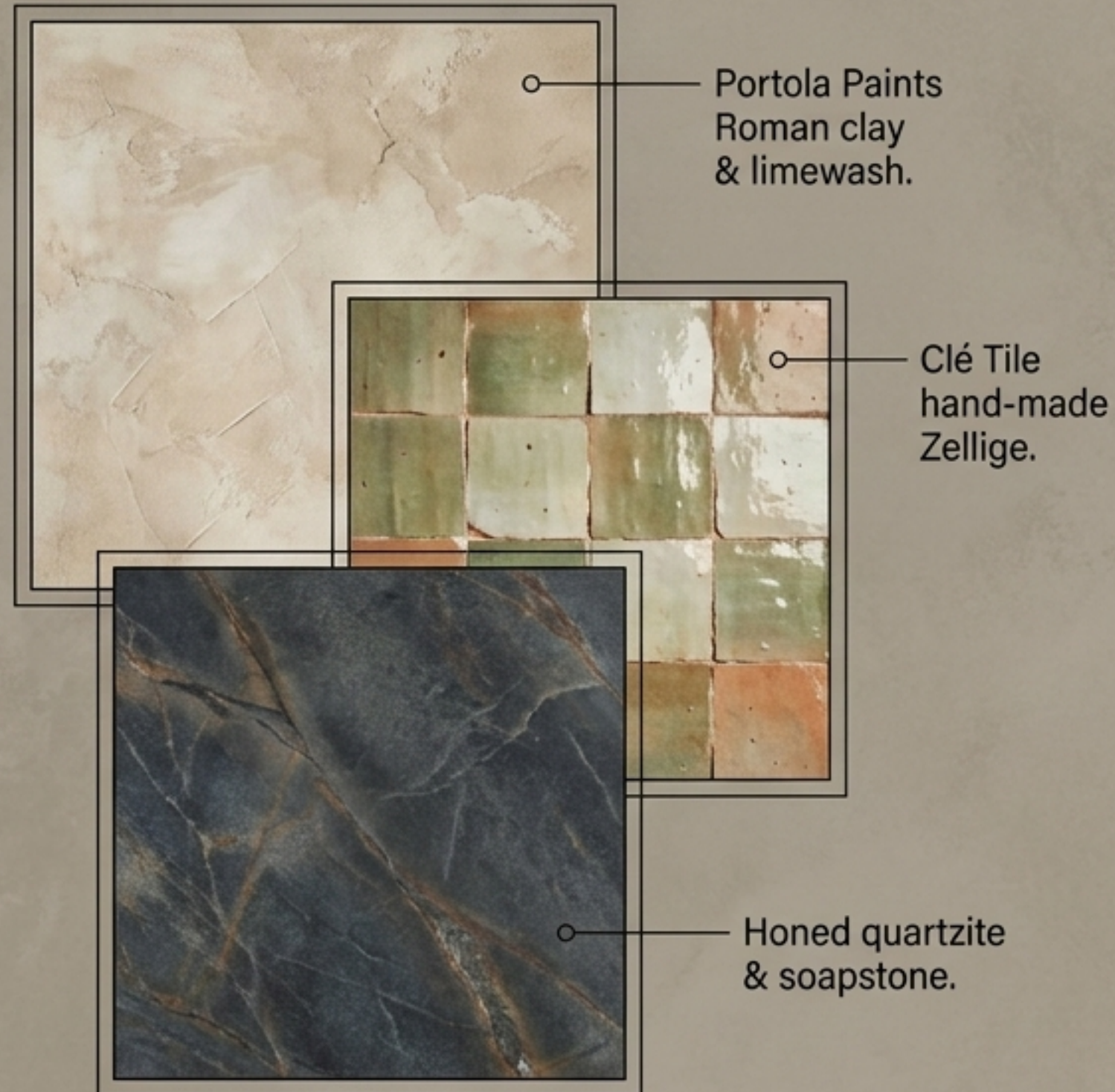


The Work-from-Here Nook

Hardwired ethernet, acoustic isolation, and adjustable-height built-ins are now non-negotiable for long-term viability and hybrid work.

Aesthetic Identity: Authentic Materials & Exposed Structure

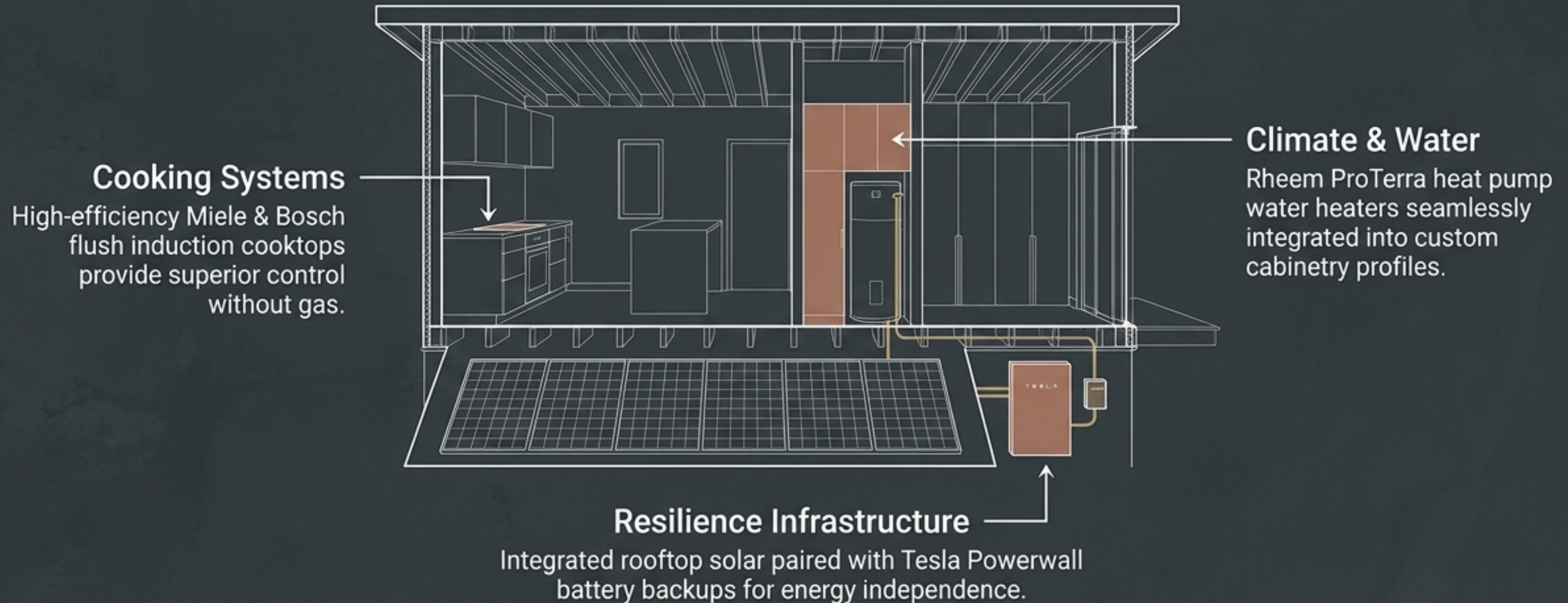
Material Palette



Exposed Seismic Safety

In soft-story neighborhoods like the Richmond and Marina, mandatory seismic retrofitting is no longer hidden behind drywall; it is exposed and celebrated as honest industrial art.

Systems: The All-Electric Default

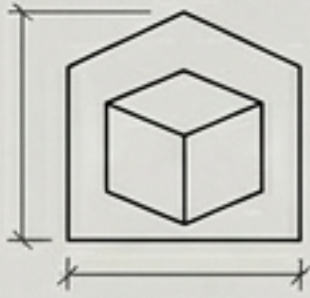


Regulatory Anchor: Driven by BAAQMD regulations, the all-electric ADU is no longer a compliance box to check—it is the baseline for high-performance design.

The Regulatory Threshold: JADU vs. ADU

Regulatory Dimension		Junior ADU (JADU)	Standard ADU
	Max Square Footage	Up to 500 sq ft.	Up to 1,200+ sq ft.
	Location Rules	Must be contained entirely within existing single-family walls or attached garage.	Can be fully detached, attached, or a conversion of existing space.
	Owner-Occupancy	Required. Owner must live in either the main house or the JADU.	Not typically required, allowing for pure rental strategies.
	Kitchen Requirements	Efficiency kitchen allowable (small sink, basic cooking appliance).	Full, comprehensive kitchen required by code.

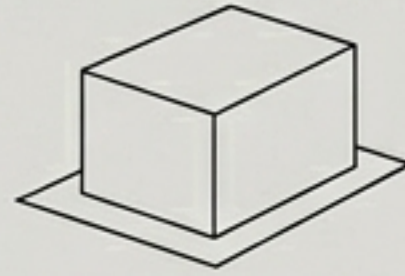
The 2026 Cost Reality Matrix



Tier 1: Bernal Heights Garage
(400 sq ft)

- Studio conversion
- Basic concrete slab
- LVT flooring
- IKEA cabinets

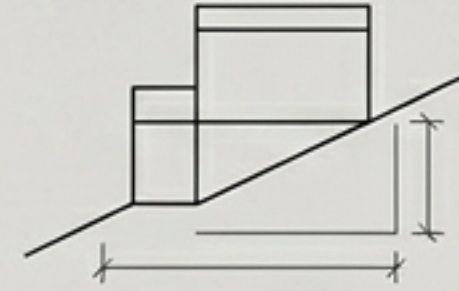
Total Cost: \$295,000



Tier 2: Sunset Detached
(650 sq ft)

- Flat lot new build, 1BR
- Bifold glass door systems
- Custom millwork
- Stone counters

Total Cost: \$520,000



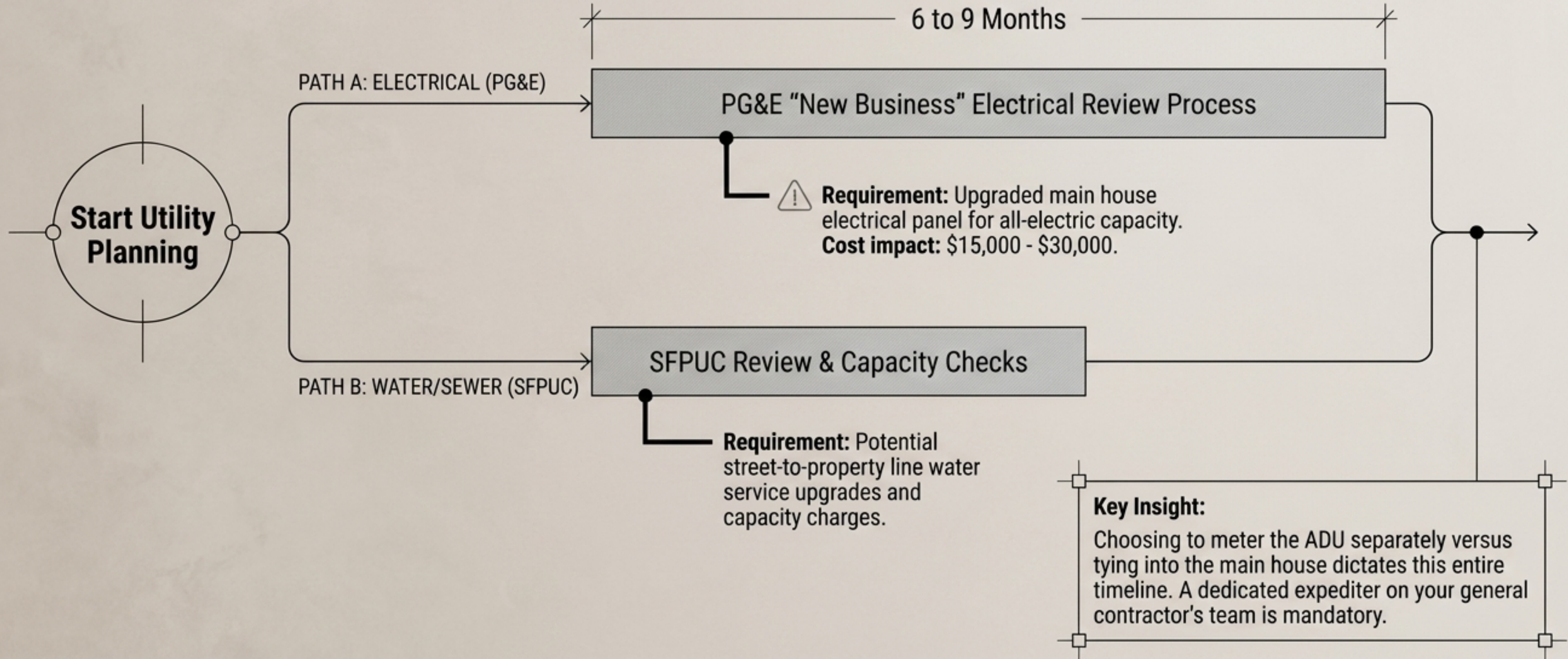
Tier 3: Noe Valley Custom
(800 sq ft)

- Sloped lot 2-story
- Heavy foundation & retaining walls
- Wellness suite & radiant floors
- Full solar & battery backup

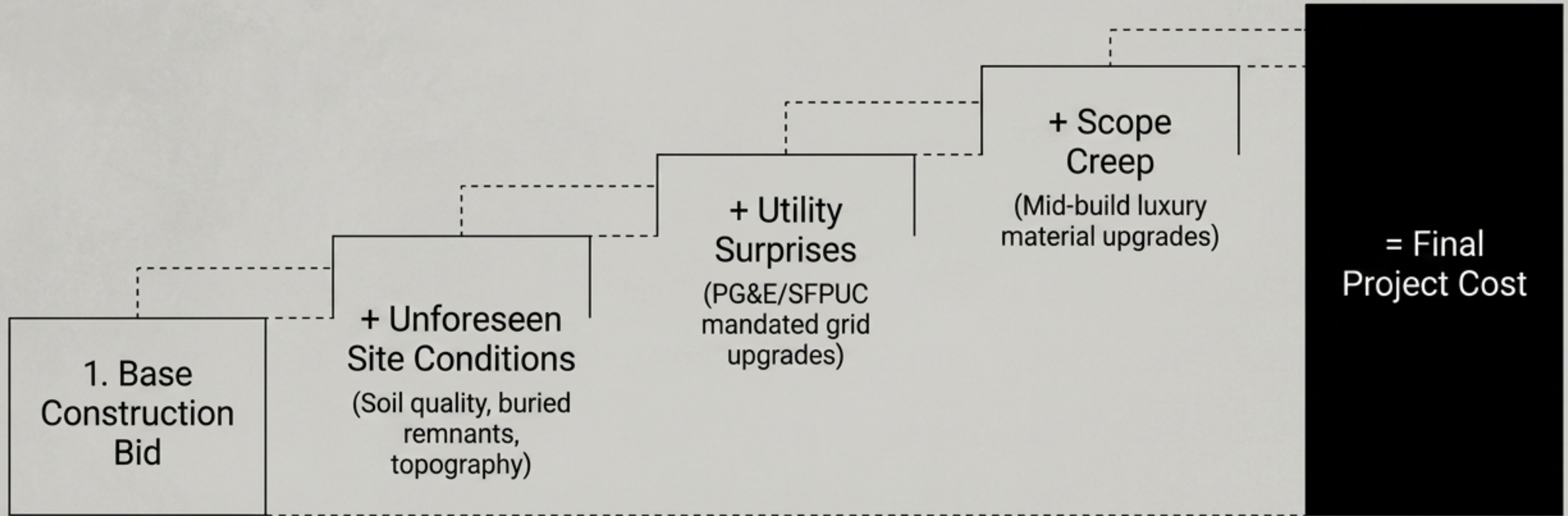
Total Cost: \$780,000

Critical Anchor: The \$800–\$1,200/sq ft reality. Soft costs (architects, structural engineers, and city permits) consistently add \$50,000 to \$80,000 before a shovel ever hits the ground.

The Utility Connection Labyrinth



The Budget Trap: Where Projects Inflate

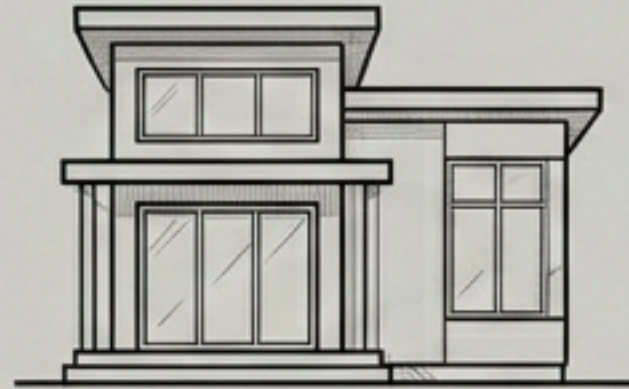
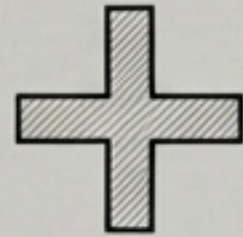


The Golden Rule of SF Builds: The NAHB recommends a 10-15% contingency for old homes. In San Francisco's complex ADU landscape, lock in a 15-20% cash buffer above the base bid.

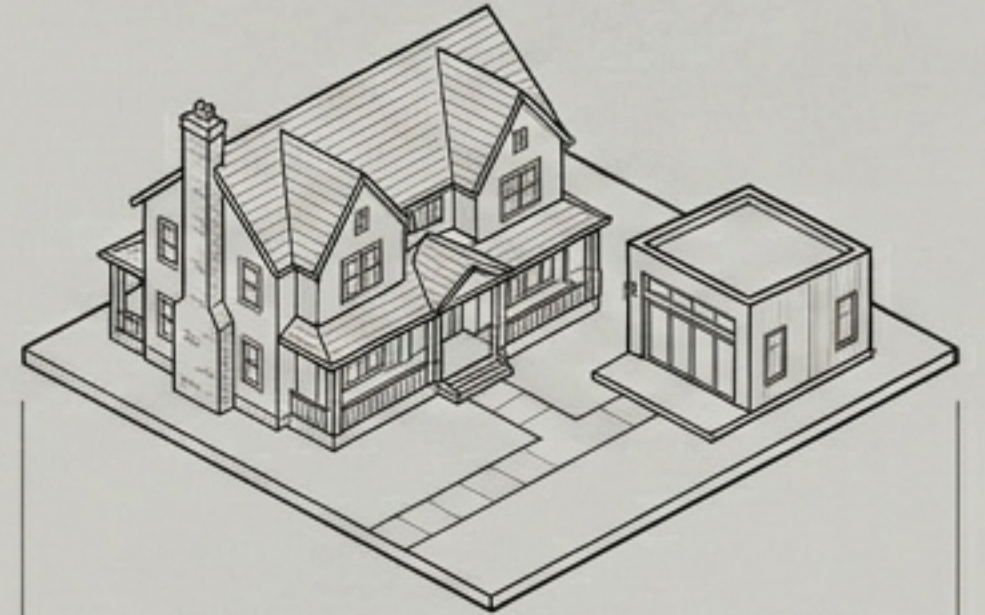
The Property Tax Equation



Main House
\$1M Locked Base



New ADU
\$400K Construction Value



Combined Property
Tax Basis
\$1.4M

The 'Blended Assessment': The SF Assessor-Recorder does NOT reassess your existing home. The current tax rate is simply applied to your original locked base plus the exact value of the new construction.

Execution: Financing & The Contractor Playbook

Capital Deployment

Cash-Out Refinance

Secures a new, larger mortgage to pay off the old one, drawing the difference in cash. Typically offers a lower, fixed interest rate.

HELOC (Home Equity Line of Credit)

Functions as a credit line secured by home equity. Features a flexible draw period, ideal for managing cash flow across construction milestones.

The Contractor Playbook

- ☐ Must possess a deep, 18-month SF-specific ADU portfolio.
- ☐ Must maintain verified, flawless CSLB standing.
- ☐ Must demonstrate specific expertise navigating the PG&E connection process and complex seismic topography.
- ☐ Must provide rigorous, detailed line-item bids, completely avoiding vague lump sums.



The Flexible Campus

The San Francisco ADU has evolved from a static rental box into dynamic, responsive architecture. It serves as a home office today, an in-law suite tomorrow, and a private retreat a decade from now—allowing families to add immense functional value without ever leaving the neighborhoods they love.