

ADU Feasibility Checklist

12 Yes/No Checks + Budget Ranges

How to Use This Checklist

This checklist helps you determine whether your property can support an Accessory Dwelling Unit (ADU) and estimate your investment range.

Instructions: Check each box as you verify the requirement. The more checkboxes you complete, the stronger your ADU feasibility. Don't worry if some items don't apply.

Next Step: After completing this checklist, schedule a free feasibility call at www.urbanrenoprojects.com/contact or call **416-879-8379**

1. Property Eligibility Requirements

☒ **Property Zoning Permits Residential ADU**

Check with your municipality (Whitby, Oshawa, Ajax, Pickering, or Toronto). Most residential zones now permit secondary suites. Call your planning department or check the official zoning map online.

☒ **Lot Size Meets Minimum Requirements**

Basement ADU: Any lot size works.

Garden Suite: Typically requires 33ft+ width in Durham, 50ft+ for Toronto laneway houses. Not sure? We'll measure during consultation.

☒ **Parking Requirements Can Be Met**

Durham municipalities typically require 1-2 parking spaces per dwelling. Toronto offers exemptions within 500m of frequent transit. Existing driveway often suffices for basement ADUs.

☒ **Setback Requirements Allow ADU Placement**

Garden suites: Typically 0.9m-1.5m side yard minimum, 7.5m rear yard setback from main house.

Basement ADUs: No additional setbacks required (working within existing footprint).

2. Physical Site Conditions

☒ **Basement Ceiling Height Is Adequate (6'5" Minimum)**

Measure from finished floor to bottom of floor joists. Height under 6'5"? Underpinning (lowering the floor) is possible but adds \$30,000-\$50,000. Consider above-grade ADU alternatives.

☒ **Separate Entrance Is Feasible or Exists**

Legal requirement for all ADUs.

Walk-out basement:

Simple (\$3,500-\$8,000).

New entrance required:

\$12,000-\$45,000 depending on grading, retaining walls, and drainage complexity.

☒ **Natural Light Sources Available**

Building code requires windows in bedrooms and living areas (minimum 5% of floor area). Existing windows adequate? Great. Need window wells or enlargement? Budget \$2,000-\$6,000 per window.

☒ **Foundation and Structure Are Sound**

No major cracks, water infiltration, or structural issues. Minor repairs expected (\$2,000-\$5,000). Major foundation work significantly impacts budget. Professional inspection recommended before proceeding.

3. Utilities and Systems

☐ ✓ **Electrical Panel Has Adequate Capacity**

200-amp service:

Usually sufficient.

100-amp or less:

Upgrade required (\$8,000-\$25,000). Panel upgrade provides long-term value and supports modern home systems.

☐ ✓ **Plumbing Can Be Extended to ADU Location**

Closer to existing plumbing stack = lower cost. Basement ADUs directly below existing bathrooms are ideal. Remote locations may require ejector pumps (\$3,500-\$8,000) for below-grade drainage.

☐ ✓ **HVAC System Can Support Additional Space**

Existing furnace often lacks capacity for ADU. Most cost-effective solution: mini-split heat pump (\$8,000-\$14,000). Provides independent temperature control—tenants and landlords both appreciate this.

☐ ✓ **Municipal Sewer/Water Access (or Well/Septic Has Capacity)**

Municipal services:

Straightforward connection.

Septic system:

May require capacity test and potential upgrade (\$8,000-\$25,000).

Well water:

Verify flow rate meets increased demand.

ADU Budget Ranges - Durham & Toronto

ADU Type	Budget Range	Timeline	Rental Income
<u>Basement Apartment</u>	<u>\$80,000 - \$150,000+</u>	<u>12-16 weeks</u>	<u>\$2,000 - \$2,500/mo</u>
<u>Garage Conversion ADU</u>	<u>\$100,000 - \$180,000</u>	<u>8-12 weeks</u>	<u>\$1,300 - \$2,200/mo</u>
<u>Above-Garage ADU</u>	<u>\$120,000 - \$250,000</u>	<u>12-18 weeks</u>	<u>\$1,600 - \$2,800/mo</u>
<u>Garden Suite (Backyard Cottage)</u>	<u>\$180,000 - \$350,000</u>	<u>16-24 weeks</u>	<u>\$2,200 - \$3,500/mo</u>
<u>Laneway House (Toronto)</u>	<u>\$200,000 - \$450,000</u>	<u>20-32 weeks</u>	<u>\$2,500 - \$4,000/mo</u>

ROI Timeline Tip

Most Durham homeowners recover their ADU investment within 3-5 years through rental income alone. Factor in property value increase (\$100,000-\$400,000 depending on ADU type), and ROI becomes even more compelling. A \$90,000 basement ADU generating \$2,000/month provides 27% annual return on investment.

What's Included in ADU Costs?

Cost Category	Typical Range	Notes
Permits & Professional Fees	\$8,500 - \$17,000	Architecture, engineering, municipal permits
Structural Work	\$5,000 - \$75,000	Underpinning, foundation work, load-bearing modifications
Separate Entrance	\$3,500 - \$45,000	Stairs, grading, drainage, retaining walls
Plumbing Installation	\$8,000 - \$55,000	Kitchen, bathroom, laundry, ejector pumps if needed
Electrical Work	\$2,500 - \$25,000	Panel upgrade, sub-panel, wiring, fixtures
HVAC System	\$3,500 - \$28,000	Heating, cooling, ventilation for ADU
Finishes & Materials	\$15,000 - \$75,000	Flooring, cabinets, countertops, fixtures, appliances
Insulation & Drywall	\$6,000 - \$15,000	Framing, insulation, drywall, painting

Windows & Doors \$4,000 - \$18,000 Egress windows, entrance door, interior doors

Contingency (10-15%) \$5,000 - \$25,000 Unexpected conditions, code updates, material changes

ADU Financing Options

1. Home Equity Line of Credit (HELOC) - Most Popular

Interest Rate:

Prime + 0.5% to 2%.

Advantages:

Interest-only payments during construction, flexibility in draw amounts.

Best For:

Homeowners with existing equity, planning phased construction.

2. Mortgage Refinancing

Interest Rate:

Current mortgage rates (lower than HELOC).

Advantages:

Larger amounts available, lower monthly payments.

Best For:

Major renovations, combining with other home improvements, lower overall interest costs.

3. Construction Loan

Terms:

Short-term financing that converts to permanent mortgage.

Advantages:

Purpose-built for renovation projects.

Best For:

Garden suites and laneway houses requiring staged funding.

4. Government Grants & Incentives

Canada Greener Homes Grant:

Up to \$5,000 for energy-efficient upgrades.

Municipal Programs:

Some Durham municipalities offer ADU development incentives.

Check:

CMHC website and local municipality for current programs.

Financing Strategy Tip

Many homeowners combine financing methods: HELOC for construction (\$90,000), then refinance post-completion to capture property value increase and secure lower long-term rate. Consult with mortgage broker specializing in renovation financing for optimal strategy.

Your Next Steps to ADU Success

Step 1: Complete This Checklist

Note any items you couldn't check off—these become discussion points for your feasibility consultation. Don't worry about gaps; we specialize in finding solutions.

Step 2: Gather Property Documents

Helpful (but not required): Survey, floor plans, property tax bill showing lot dimensions, recent home inspection reports. These documents speed up assessment but aren't mandatory for initial consultation.

Step 3: Schedule Free Feasibility Call

Duration:

15-30 minutes.

Format:

Phone, video, or in-person.

Outcome:

Clear understanding of your ADU potential, preliminary costs, next steps.

Obligation:

None—honest advice whether we're right fit.

Step 4: Receive Detailed Assessment (If Proceeding)

After initial consultation, we conduct comprehensive property assessment: measurements, structural evaluation, utility capacity review, permit requirement analysis. Detailed proposal with timeline and fixed pricing follows.

Step 5: Design & Permit Phase (3-8 weeks)

We handle architectural drawings, engineering, permit applications, and approvals. You review and approve designs. We coordinate all municipal requirements and inspections.

Step 6: Construction Phase (6-24 weeks)

Timeline depends on ADU type. We maintain clean job sites, provide regular updates, coordinate all trades, handle inspections. Your project stays on schedule and on budget.

Step 7: Final Walkthrough & Tenant-Ready Handover

Comprehensive walkthrough, punch-list completion, all permits closed, maintenance documentation provided. Your ADU is ready for tenant move-in or family occupancy.

Step 8: Enjoy Rental Income!

Start receiving monthly rental income that offsets your mortgage, builds equity, and provides long-term financial flexibility. Durham's low vacancy rates mean your ADU won't sit empty.

Ready to Start Your ADU Journey?

Urban RenoProjects specializes in ADU development across Durham Region and Greater Toronto Area. Our design-build approach handles every detail from concept to tenant-ready completion.

 Call: 416-879-8379

 Web: www.urbanrenoprojects.com/contact

 Email: info@urbanrenoprojects.com

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