



Tomiquia Moss
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April 8, 2021

The Honorable Phil Ting
California State Assembly
State Capitol
P.O. Box 942849
Sacramento, CA 94249-0019

Re: SUPPORT Assembly Bill 561 (Ting) – ADU Financing

Dear Assemblymember Ting,

All Home writes in support of AB 561 which will help homeowners by providing bridge loans for individuals financing ADUs. These types of loans allow a homeowner to get their ADU up and running, establishing a revenue source that they can use to obtain a longer-term loan to pay off the ADU.

All Home is a Bay Area organization that advances regional solutions that will disrupt the cycle of poverty and homelessness, redress the disparities in outcomes as a result of race, and create more opportunity for economic mobility for extremely low-income (ELI) individuals and families living in the Bay Area.

California is experiencing an unprecedented housing crisis that will worsen without significant intervention. The California Department of Housing and Community Development estimates that the state must build 180,000 new units of housing annually by 2025 to address the state's housing affordability crisis - over 100,000 more units than we are currently creating. ADUs offer affordable access to opportunity neighborhoods, which can help create communities that are more racially and economically diverse. Undersupply of housing near jobs and transit is one of the key factors contributing to the displacement and rent burden of Californians across the state. ADUs can also provide a steady stream of additional income to homeowners, who may otherwise find it impossible to remain in their homes once they are retired or limited to a fixed income.

Specifically, AB 561 will encourage the Treasurer to:

- Partner with private mortgage lenders, community development financial institutions, community-based organizations, local housing trust funds, credit unions, joint powers

authorities, regional housing finance authorities, and others with existing track records of originating federally-backed construction and ADU lending.

- Spur private market lending by providing lenders with financing and/or a credit guaranty for short-term loans to homeowners for the construction period and until homeowners are eligible for an existing federally-backed mortgage product, such as the Fannie Mae HomeReady program.

AB 561 will get people working and building much-needed housing, helping California recover from COVID-19. California needs this type of innovative financing to make it feasible for people to get an ADU started.

For all these reasons, we support AB 561.

Sincerely,

A handwritten signature in cursive script that reads "Tomiquia Moss".

Tomiquia Moss
Founder & CEO, All Home