



NEW HAMPSHIRE
HOUSING

Building an ADU

SARAH WRIGHTSMAN

Manager, Community Engagement & Education

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STATE LAW & LEGISLATIVE UPDATE

- ADUs are defined under state law (RSA 674:71-73)
- Municipalities must allow an attached ADUs in all zoning districts that permit single-family dwellings
- Four elements: sleeping, eating, cooking, and sanitation
- HB 577 would allow attached and detached ADUs as-of-right
 - Passed the House on Thursday!

ZONING ORDINANCE & BUILDING CODE

- Attached or detached
- Owner occupancy requirements
- Maximum (and sometimes minimum) square footage
- Parking
- Design standards
- As-of-right, Special Exception, or Conditional Use Permit
- Building permit, inspections

ADU ORDINANCES

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Search:

Municipality ▲	Regulates ADUs in Zoning ▲	Detached ADUs Permitted ▲	Primary Residence or ADU must be Owner-Occupied ▲	Rental Restrictions ▲	ADUs permitted by as-of-right, Conditional Use Permit, Special Exception ▲
Alstead	Yes	Yes, attached not mentioned	No	No	Special Exception
Antrim	Yes	Yes	No	No	As-of-right
Bennington	Yes	No	Yes	Yes, family only, short-term rentals prohibited	As-of-right
Chesterfield	Yes	No	Yes	No	CUP
Dublin	Yes	Yes	No	No	As-of-right/Special Exception based on lot size
Fitzwilliam	Yes	Yes	Yes	Short-term rentals allowed by regulated	CUP
Gilsum	Yes	No	Yes	No	As-of-right
Greenfield	Yes	Yes	Yes	No	Special Exception
Greenville	Yes	No	Yes	No	As-of-right, Special Exception for non-conforming lots
Hancock	Yes	Yes	Yes	No	Special Exception
Harrisville	Yes	Yes	Yes	Yes, designated as workforce housing	Attached: as-of-right, Detached: Special Exception

SEPTIC REGULATIONS

- If your property has a state approved septic system, you will need to contact a permitted NH septic designer and submit a proposal to NHDES. You do not need to build it!
- If your property does not have a state approved septic system, you will also need to contact a permitted septic installer to install the approved system and then have it inspected by NHDES.

WHAT ELSE?

- Effective July 1, 2024, any new rental unit created within a pre-1978 structure will require a Lead Safe Certificate issued by a licensed NH Risk Assessor prior to occupancy

COST CONSIDERATIONS

- Anticipate \$250-500 per square foot
 - E.g., 750 sqft unit @ \$350/sqft = \$262,500
- Anticipate cost overruns in your projections!
- Add 5-10% to account for labor and material increases
 - E.g., \$262,500 + \$26,250 (10%) = \$288,750
- Longer term: potential increase in property taxes, homeowner's insurance, maintenance and upkeep

FINANCING OPTIONS

- **Cash Out Refinance**

- Replaces existing primary mortgage
- Loan amount based on current home value
- More favorable interest rate and term

- **Construction Loan**

- Replaces existing primary mortgage
- Loan amount based on as-complete value
- Usually has a higher rate plus additional fees for construction monitoring and escrows

- **Home Equity Loan**

- Preserves primary mortgage
- Loan amount based on current home value
- Typically, fixed rate, term, and payments

- **Home Equity Line of Credit**

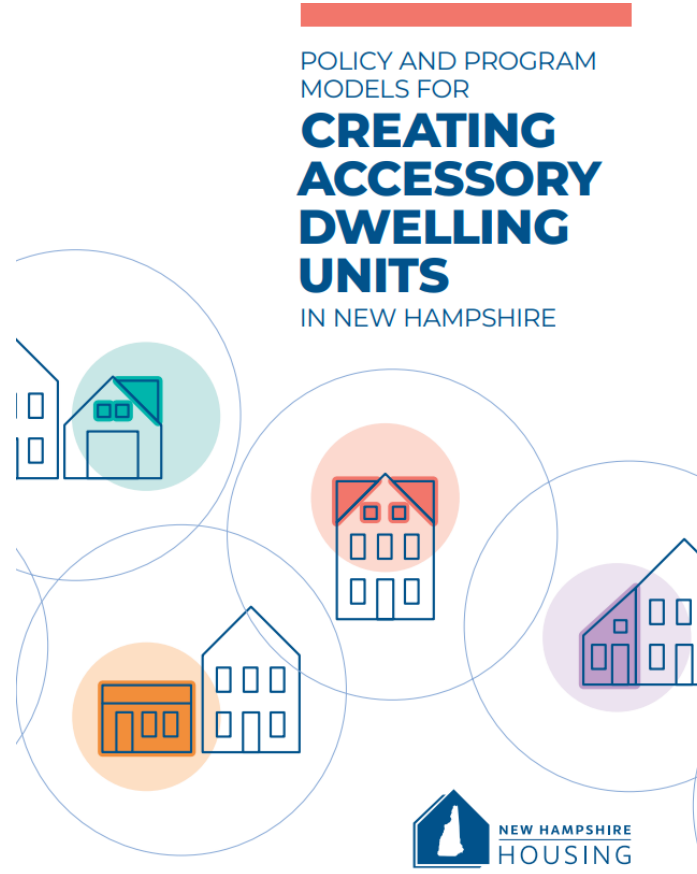
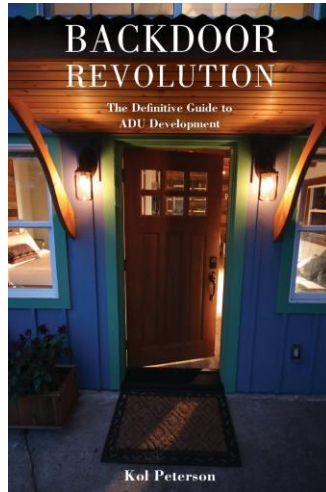
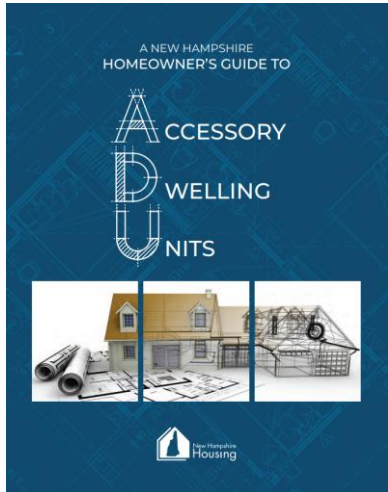
- Preserves primary mortgage
- Variable rate line of credit with draw and repayment periods
- Maximum line amount based on current home value
- Most flexible

NEW! HOME IMPROVEMENT FINANCING

- Combines construction refinance and home equity loan
- Preserves primary mortgage
- Loan amount based on as-complete value
- Higher rate than traditional home equity loan
- Additional fees for construction monitoring and escrow
- Potential rental income *may* be used to qualify



RESOURCES



For Homeowners:

[New Hampshire Homeowner's Guide to Accessory Dwelling Units](#)

[Backdoor Revolution: The Definitive Guide to ADU Development](#) by Kol Peterson

For Advocates:

[NH Housing Toolbox](#)

[Policy and Program Models for Creating Accessory Dwelling Units in New Hampshire](#)



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SARAH WRIGHTSMAN
Manager, Community Engagement & Education
swrightsman@nhhfa.org

PO Box 5087, Manchester, NH 03108
603.472.8623 | 800.640.7239
info@NHHousing.org

NHHousing.org

