

A DADU Isn't Just a Home It's a Strategy

Designed for Life | Built for Income[®]



Contents

Start With the Goal

SkyDADU was created from the real-world experience of building homes. Powered by Sockeye Homes, Washington's most awarded design-build firm, every SkyDADU project is designed and built by seasoned professionals who understand both construction and development.

- ▶ Most DADU companies just build homes.
- ▶ Most lenders only finance projects.
- ▶ Very few companies provide the ownership, legal, and management framework that makes the strategy work long after construction is complete.



SkyDADU brings all three together: Finance | Build | Manage

Most homeowners don't need another contractor.

You need a strategy.

Because before you build anything, invest any money, or choose any floor plan, you should first answer one important question:

What are you trying to accomplish?

Want to go deeper?
Our 3-in-1 Process



DADUs Built by



Questions? Contact Sockeye Homes / SkyDADU:

(253) 737-4456 info@skydadu.com

DADUs are the Answer

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Designed for Life | Built for Income®

Designed for Life | Built for Income®

For decades, homeowners viewed their property as simply a place to live.

A property can now become:

- A source of passive income
- A tool for retirement security
- A legacy for future generations
- A solution for multigenerational living
- A vehicle for tax-efficient wealth building
- An alternative for senior living and reverse mortgages

At SkyDADU, every recommendation follows three principles:



Maximize Income

Unlock the hidden value already sitting on your property.



Minimize Taxes

Keep more of what you've spent a lifetime building.



Reduce Uncertainty

Build a future that's more resilient, flexible, and secure.

Everything that follows in this textbook stems from those three ideas.

Want to go deeper? **Plan Your Success** →



The Once-in-a-Generation Law

HB-1337 DADU Legislation Explained

Most homeowners have no idea their property rights have changed dramatically. HB-1337 now allows many homeowners inside Urban Growth Areas to:

- Build up to two DADUs
- Rent to anyone
- Eliminate owner-occupancy requirements
- Create independent ownership opportunities
- Potentially sell homes separately through condominiumization

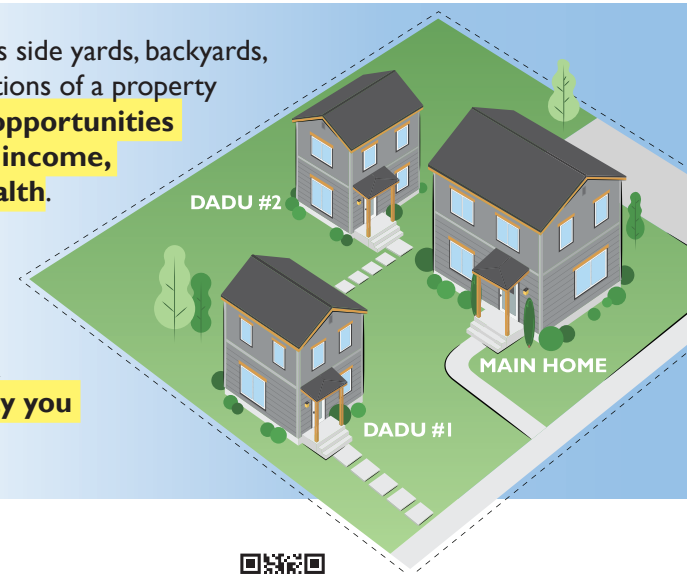
For many homeowners, this means their property may now support **opportunities that were impossible only a few years ago.**

Hidden Lots You Never Knew You Owned

Many homeowners are land rich and cash poor. They own valuable real estate but don't realize part of that value has never been unlocked. HB-1337 changed that.

Areas once viewed as side yards, backyards, or underutilized portions of a property may now represent **opportunities to create housing, income, and long-term wealth.**

The goal is not simply to build another structure. The goal is to unlock value **from property you already own.**



Want to go deeper?

Property Opportunity Examples →



Highest and Best Use

According to Who?

Traditional real estate often defines Highest and Best Use as maximizing the number of units permitted by zoning. **But maximizing density does not always maximize quality of life.** What if preserving an existing home, maintaining neighborhood character, reducing costs, and creating financial flexibility is actually the better solution?

DADUs offer a different approach. Rather than replacing the existing home, HB-1337 allows homeowners to add housing while **preserving the property's history, neighborhood character, and flexibility.** In many cases, the result is additional housing, additional income, and additional value without sacrificing what made the property desirable in the first place.

For decades, the housing conversation has been focused on density. A more important question may be: What creates the **greatest long-term value?** Sometimes the **answer isn't the highest density.** Most often it's the smartest balance between growth, livability, income, and legacy.

Why DADUs Thread the Needle

Washington State has passed several housing laws to expand housing options, including HB-1110, HB-1096, SB-5559, and HB-1337. As homeowners evaluate these changes, many naturally ask: **"Should I wait?"**

The challenge is simple: **legislation can increase density, but it cannot increase lot size.** Most Urban Growth Area (UGA) properties were originally designed for a single home. As density rises, issues with parking, utilities, privacy, infrastructure, and construction costs often rise with it.

More units do not automatically create more value.

Goal	Legislation
Middle Housing - Multiplex Development	HB-1110
Lot Splitting - Into Only Two Lots	HB-1096
Unit Lot Subdivision - Fee-Simple Ownership	SB-5559
DADU - Balance Opportunity, Cost & Flexibility	HB-1337

HB-1337 protects the people already living on the property and empowers them to act as the developer, **unlocking their own land value instead of losing it to someone else.**



HB-1110 "Affordable" Housing
Costly ROW Required



HB-1337 "Attainable" Housing
No ROW Required

Under HB-1110, multiplex projects often trigger expensive requirements—Right-Of-Way (ROW) improvements, utility upgrades, drainage systems, frontage work, and major engineering costs. HB-1337 flips that script, blocking local governments from imposing certain obligations, like ROW improvements, just because a DADU is being built. Fewer infrastructure demands mean **lower costs, less risk, and stronger returns.**

In Puget Sound, developers have learned the hard way that density doesn't equal demand. **High-density projects have produced unsold units,** slowing future development, while buyers continue to prefer the privacy and ownership experience of single family homes and DADUs. Sometimes the best investment isn't the project with the most units. **It's the one people actually want to call home.**

Want to go deeper? **Why DADUs Make the Most Sense** →



Why SkyDADU Exists

A Great Strategy Still Needs a Way Forward

By now, you've seen why DADUs often provide the best balance of opportunity, flexibility, affordability, and long-term value.

Unfortunately, many homeowners never get past the planning stage.

Not because the DADU isn't a good idea
Because the financing doesn't make sense.

Many homeowners today have **mortgage rates they would never want to give up.** Yet traditional lenders often require first position on the deed of trust before approving a DADU construction loan. As a result, homeowners may be asked to **refinance their existing "main home's" mortgage at today's higher interest rates** just to move the project forward. For many families, that simply doesn't make financial sense.

Why replace an affordable mortgage with a more expensive one and commit to hundreds, or even thousands, of **additional dollars each month in interest payments?** Through SkyDADU's Equity Financing model, homeowners may be able to build a DADU without refinancing an existing low interest mortgage.

The issue is rarely the design. The issue is finding a financing strategy that makes economic sense. **That's why SkyDADU exists.**

Traditional lenders focus on debt. SkyDADU focuses on opportunity. Most lenders ask: "Can you afford more debt?" We ask: "Is this a good investment?"

Don't let financing determine what's possible.
Let the investment determine the financing.

Want to go deeper? **The DADU Financing Gap** →



Meet Your Equity Partner

Tod Sakai is the Founder and CEO of SkyDADU and **Owner of Sockeye Homes, Washington's most awarded design-build firm.**



BIAW State Directors
(*Tod Sakai, second from right*)
& Senator Mullet helped lead
HB-1337 across the finish line.



As an active builder, developer, investor, housing advocate, and 2027 **Master Builders Association of King & Snohomish Counties President**, Tod has spent years helping shape housing solutions that create more opportunities for homeowners throughout Washington.

SkyDADU was created from a simple belief:

Solving the Housing Crisis One DADU at a Time®

Because great opportunities shouldn't be lost to bad financing.

Want to go deeper? **Tod Sakai** →



Finance. Build. Manage.

One Team. One Process. One Point of Accountability.

- Most DADU companies focus on one piece of the puzzle.
- Lenders provide financing.
- Builders provide construction.
- Management companies coordinate ownership, legal, and operational requirements.

The challenge is that homeowners are often left coordinating everything themselves. **SkyDADU brings everything together under one roof.**

Finance

We evaluate opportunities, structure financing, and create a strategy aligned with your goals. Whether your objective is downsizing, multigenerational living, passive income, or building for profit, **financing should support the investment rather than dictate it.**



Build

Powered by Sockeye Homes, every SkyDADU is designed and built by seasoned professionals who understand that a DADU is more than a small house. **It's a custom home.** From planning and permitting to engineering and construction, our team manages the entire process to deliver a home aligned with your vision and objectives.



Manage

Building the DADU is only part of the journey. The real challenge is ensuring the ownership structure, legal framework, rental strategy, and long-term plan are established correctly from the beginning. That's why SkyDADU's role doesn't end when the DADU is completed.



Our job is not only to take you on the journey. It's to help define the destination and make sure it works long after construction is finished.

Depending on your goals, SkyDADU helps establish:

- Condominiumization structures
- LLC ownership entities
- HOA requirements
- Rental management strategies
- Asset protection planning
- Future DSCR buyout preparation

For homeowners pursuing passive income, condominiumization may create independent ownership opportunities, while LLC ownership can **help separate liabilities associated with the DADU from the primary residence.** When required, SkyDADU also helps establish the HOA structure governing the relationship between the main home and the DADU. Many homeowners have never navigated these requirements before. We navigate them every day.

By establishing the proper ownership, management, and operational **framework from the beginning,** homeowners are often **better positioned for future** refinancing, long-term asset protection, rental performance, and eventual buyout strategies.

The goal isn't simply to build a DADU. It's to build an ownership structure that supports your long-term objectives.

Want to go deeper? **Our 3-in-1 Process** →



Which Strategy Fits Your Goals?

Every homeowner starts with a goal.

Which sounds most like you?

Start with your primary goal for the untapped portion of your property.



**Stay on
my property.**

**Strategy-1:
Downsizing without
Leaving Home**

100% Financing JV

Retire comfortably while
staying on your property.



**House
parents or
in-laws.**

**Strategy-2:
Multigenerational
Family Compound**

100% Financing JV

Create housing
for loved ones.



**Gain
immediate
liquidity.**

**Strategy-3:
Building for
Profit**

100% or 50% Financing JV

Create value through
development.



**Generate
rental income.**

**Strategy-4:
Partnership for
Passive Income**

50% Financing Partnership

Turn unused land into
monthly income.



Strategy-1: Downsizing

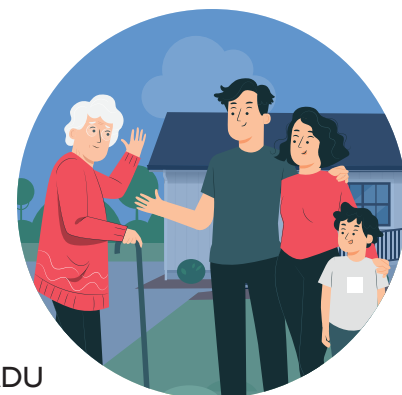
Without Leaving Home

Imagine **staying on the property you love while moving once into a new aging-in-place ready residence**—and eliminating existing mortgages and HELOCs in the process. Through the SkyDADU 100% Financing Program, SkyDADU funds the DADU construction, allowing you to remain in your current home throughout the build. Once the DADU is complete, you move in, and the primary residence is sold. The sale proceeds then reimburse the DADU development costs.

This strategy may allow homeowners to:

- Stay on the property they love
- Avoid the need for a construction loan
- **Eliminate existing mortgages and HELOCs**
- Simplify retirement and aging-in-place planning
- Potentially benefit from capital gains exclusions

Turn the equity you've spent decades building into a new home designed for the next chapter of your life.



Strategy-2: Multigenerational

Building a Family Compound

A DADU can create independent housing for aging parents or in laws, adult children, and extended family. It gives families flexibility while preserving independence, privacy, and proximity to the people who matter most.

Similar Strategy. Different Resident.

The Multigenerational Strategy follows the same structure as the Downsizing Strategy; the only difference is **who moves into the DADU first**. In both strategies, **everyone moves only once**—into the completed DADU. The former home is then sold to reimburse the DADU construction cost. This single move approach creates a smooth transition and gives families time to organize belongings, relocate comfortably, and prepare the home for sale without pressure.

Benefits may include:

- Keeping family close while maintaining privacy
- Avoiding or delaying assisted living expenses
- Preserving family wealth and property ownership
- Creating housing flexibility for future generations
- Providing a more comfortable transition for aging parents

Sale proceeds from the former residence repay the DADU construction, and **any shortfall can typically be refinanced through a conventional mortgage**. Because lenders appraise the completed DADU as a single family home, the valuation reflects both the new build and the land's unlocked value—creating meaningful equity while keeping families close and independent.



Strategy-3: Building for Profit

Gain Immediate Liquidity

This strategy **unlocks liquidity from underutilized land** by converting hidden property value into real profit. Vacant land is difficult for buyers to finance, limiting demand. A completed DADU, however, becomes a mortgageable home—expanding the buyer pool and **transforming untapped land value into marketable equity**.

Typical objectives:

- Development profits
- Unlock underutilized land value
- Increase property value
- Participate in real estate development

The goal is simple: **create value together and share the profits**.

Many homeowners own valuable land but lack the capital or development expertise to maximize it. SkyDADU's Joint Venture Program allows homeowners to participate in profits without carrying the full financial burden. The more capital you contribute, the more profit you keep.

Option-1: 100% Financing

SkyDADU funds the entire project and manages design, permitting, construction, legal requirements, condominiumization, marketing, and sales. Profit Split:

50% Home Owner

50% SkyDADU

Option-2: 50% Financing

The homeowner contributes 50% of the capital; SkyDADU contributes the other 50%. Profit Split:

75% Home Owner

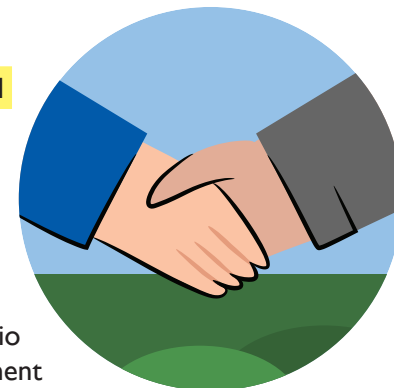
25% SkyDADU

Strategy-4: Partnership

Creating Passive Income

Many homeowners see the **income potential in their backyard but lack the capital to build it**.

The Partnership Strategy creates a long term, income producing asset while maintaining a clear path to full ownership. It supports passive income, retirement stability, long term wealth creation, asset appreciation, and portfolio diversification through a shared investment model.



The 50% Financing Partnership Program

Unlike the Joint Venture strategies—where SkyDADU provides 100% financing because the completed DADU is sold to repay construction—the **Partnership Program keeps both the main home and the new DADU for long term rental income**.



With no asset liquidation to cover construction, the homeowner and SkyDADU each contribute 50% of the capital. SkyDADU's equity financing is available only when the project meets required return metrics, including acceptable COCR performance. Once approved, the DADU is built, rented, and rental income is shared until the homeowner completes the equity buyback.

A Path to Full Ownership

The partnership establishes a rental history that may qualify for future DSCR financing. After roughly one year of rental performance, homeowners can obtain DSCR financing (when qualified), buy out SkyDADU's ownership interest, and **transition to full ownership**.

Want to go deeper? **Building for Profit** →



Want to go deeper? **50% Partnership Program** →



Minimize Taxes

Keep More of What You've Earned

Many homeowners focus on the income a DADU can generate; **sophisticated investors focus on what they're able to keep.** A well structured DADU strategy can improve tax efficiency and accelerate long term wealth creation through real estate ownership.

For Downsizing and Multigenerational Strategies, one of the strongest tax advantages may already sit inside the primary residence. Homeowners using DADUs for passive income may also benefit from depreciation and other **real estate based tax strategies unavailable in many traditional investments.** Some choose to reposition retirement assets into income producing real estate.

Many investors don't realize certain retirement accounts can be structured to hold alternative assets such as real estate through a **Self Directed IRA** or similar plans. Instead of being invested solely in stocks, bonds, or mutual funds, a portion of retirement savings can acquire income producing real estate. When properly structured, **rental income and appreciation remain inside the account's tax advantaged framework.**

Depending on how the account is established:

- Rental income may grow tax deferred
- Rental income may grow tax free
- Appreciation may receive similar treatment
- Capital gains may be deferred or potentially reduced

The result is a strategy that shifts part of a retirement portfolio from **paper assets into tangible, income producing real estate.**

The goal isn't just creating wealth—It's keeping more of it.

Reduce Uncertainty

Building Confidence for the Future

Taxes are only half the equation. The other half is uncertainty. Many homeowners worry about **inflation, market volatility, retirement readiness, shifting employment conditions,** and the long term stability of their income.

While no investment is risk-free, income-producing real estate has historically offered advantages many homeowners find reassuring. Qualifying **newly built DADUs are also exempt from Washington's statutory rent-increase cap** if their first certificate of occupancy was issued within the previous 12 years. This may provide additional flexibility for long-term rental income strategies.

Why DADUs help reduce uncertainty:

- Potential rental income
- Long term appreciation potential
- Flexibility for future generations
- Multiple ownership and exit strategies
- Greater control over financial outcomes



A DADU isn't just a home—it's a strategy.

It can serve as a source of income, a retirement tool, a family asset, and a hedge against future volatility. In a world where technology, markets, and employment conditions shift rapidly, many homeowners find confidence in owning a tangible asset that can adapt to their needs.

Certainty isn't about predicting the future.

It's about preparing for it.

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Custom DADUs

Smaller Homes, Bigger Opportunity

One of the biggest misconceptions about DADUs is that a smaller footprint means sacrificing the lifestyle you've spent decades building. Nothing could be further from the truth.

Whether your goal is aging in place, multigenerational living, passive income, or long-term wealth creation, a DADU should be designed around the way you want to live. While SkyDADU offers thoughtfully designed packages, **many homeowners choose to customize their home to match their lifestyle, priorities, and vision.** Dreaming of a chef's kitchen, private guest suite, elevator, art studio, home office, covered outdoor living area, or floor-to-ceiling views?

That's where SkyDADU becomes different. You are not building a smaller life. **You are building a smarter one.**



Triple-S: Long-Term Support

Building the DADU Is Only the Beginning

One of the biggest challenges homeowners face after construction is knowing who to call when something needs attention.

Rather than spending time searching online for unknown contractors or handymen, SkyDADU clients have access to **Triple-S (Sockeye Special Services)**, our dedicated post-construction service and maintenance program. Triple-S provides reliable, high-quality support from a team that already understands how your DADU was designed and built.



Why Triple-S matters:

- Protect your investment
- Preserve long-term property value
- Reduce ownership uncertainty
- Simplify maintenance and repairs
- Support income-producing assets
- Access a trusted team that already knows your property

A DADU can help maximize income and create long-term wealth, but those benefits depend on protecting the asset itself.

That's why we don't just Finance It. Build It. Manage It. We help you own it with confidence.

Because building the DADU is only the beginning.

Want to go deeper? **Sockeye Homes** →



Want to go deeper? **Triple-S** →



FIXED PRICE



Alta

The “Economical” DADU

Want to go deeper?

- Designed for:
Working Couples, Young Families, Extended Travelers, Etc.
- Key Features: Fits Most, Narrow and/or Pie-Shaped Lots
- Package includes both Turn-Key Labor
AND Professional-Grade Materials & Appliances



Alta 1

\$218,000

- Northwest Craftsman
- Total: 674 Sqft
- 1 BD / 1 BA



Alta 2

\$259,000

- Northwest Craftsman
- Total: 1,000 Sqft + 35 Sqft Bike Storage = 1,035 Sqft
- 2 or 3 BD / 1 BA

DADU Packages

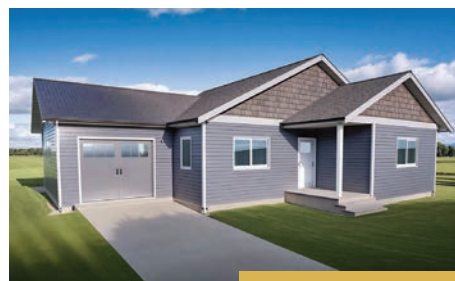


\$314,000



Alta 3

- Northwest Craftsman
- Total: 1,000 Sqft
+ 1,000 Sqft Garage = 2,000 Sqft
- 2 or 3 BD / 1 BA



\$298,000



Alta 4

- Northwest Craftsman
- Total: 1,000 Sqft + 250 Sqft Garage
+ 35 Sqft Bike Storage = 1,285 Sqft
- 2 or 3 BD / 1 BA

*Note: Site prep, utilities, foundation, (if required - drainage/hardscape/fire suppression/flame retardants), permits and sales tax are not included in the package, and will be itemized separately in the cost breakdown after SkyDADU assesses the requirements specific to your property. Prices are subject to change without notice.



Want to go deeper?

Breckenridge The “Accessible” DADU

- Designed for:
Retirees, Wheelchair Users, Persons with Disabilities
- Key Features: No Steps & Wide Doorways
for Greater Accessibility
- Package includes both Turn-Key Labor
AND Professional-Grade Materials & Appliances



\$243,000

Breckenridge 1

- Modern Farmhouse
- Total: 702 Sqft
- 1 (Universal Design) BD
- 1 (Universal Design) BA



\$272,000

Breckenridge 2

- Modern Farmhouse
- Total: 990 Sqft
- 2 or 3 (Universal Design) BD
- 1 (Universal Design) BA



\$322,000

Breckenridge 3

- Modern Farmhouse
- Total: 1,000 Sqft
+ 250 Sqft Garage + 35 Sqft
Bike Storage = 1,285 Sqft
- 2 or 3 (Universal Design) BD
- 1 (Universal Design) BA



*Note: Site prep, utilities, foundation, (if required - drainage/hardscape/fire suppression/flame retardants), permits and sales tax are not included in the package, and will be itemized separately in the cost breakdown after SkyDADU assesses the requirements specific to your property. Prices are subject to change without notice.



Crystal

The “Functional” DADU

Want to go deeper?

- Designed for: Multigenerational Families, Active Seniors, Roommates, Etc.
- Key Features: Multiple Bathrooms for Various Living Arrangements
- Package includes both Turn-Key Labor AND Professional-Grade Materials & Appliances



\$237,000

Crystal 1

- Contemporary
- Total: 686 Sqft
- 1 BD / 1.5 BA



*Note: Site prep, utilities, foundation, (if required - drainage/hardscape/fire suppression/flame retardants), permits and sales tax are not included in the package, and will be itemized separately in the cost breakdown after SkyDADU assesses the requirements specific to your property. Prices are subject to change without notice.



\$298,000

Crystal 2

- Contemporary
- Total: 1,000 Sqft + 35 Sqft Bike Storage = 1,035 Sqft
- 2 or 3 BD / 2 BA



\$368,000

Crystal 3

- Contemporary
- Total: 1,000 Sqft + 1,000 Sqft Garage = 2,000 Sqft
- 2 or 3 BD / 2 BA





Want to go deeper?

Deschutes

The “Efficient” DADU

- Designed for: Couples, Families, Roommates, Extended Travelers, Etc.
- Key Features: Small-Footprint with Enough Space for Everyone
- Package includes both Turn-Key Labor AND Professional-Grade Materials & Appliances



\$298,000



Deschutes 1

- Modern Cottage
- Total: 500 Sqft (1F) + 500 Sqft (2F) = 1,000 Sqft
- 1 to 3 BD / 2 BA

*Note: Site prep, utilities, foundation, (if required - drainage/hardscape/fire suppression/flame retardants), permits and sales tax are not included in the package, and will be itemized separately in the cost breakdown after SkyDADU assesses the requirements specific to your property. Prices are subject to change without notice.



\$342,000

Deschutes 2

- Modern Cottage
- Total: 500 Sqft (1F) + 500 Sqft (2F) + 250 Sqft Garage + 35 Sqft Bike Storage = 1,285 Sqft
- 1 to 3 BD / 2 BA



\$342,000

Deschutes 3

- Modern Cottage
- Total: 500 Sqft (1F) + 500 Sqft (2F) + 250 Sqft Garage + 35 Sqft Bike Storage = 1,285 Sqft
- 1 to 3 BD / 2 BA





Want to go deeper?

Evergreen The “Big” DADU

- Designed for:
Roommates, Multigenerational Families, Active Seniors
- Key Features: Maximum Size Allowed in Some Jurisdictions
- Package includes both Turn-Key Labor AND Professional-Grade Materials & Appliances



Evergreen 1

\$418,000

- Northwest Modern
- Total: 480 Sqft (1F) + 748 Sqft (2F)
+ 246 Sqft Garage = 1,474 Sqft
- 4 BD / 2 BA

*Note: Site prep, utilities, foundation, (if required - drainage/hardscape/fire suppression/flame retardants), permits and sales tax are not included in the package, and will be itemized separately in the cost breakdown after SkyDADU assesses the requirements specific to your property. Prices are subject to change without notice.



Evergreen 2

\$478,000

- Northwest Modern
- Total: 480 Sqft (1F) + 1,008 Sqft (2F)
+ 495 Sqft Garage = 1,983 Sqft
- 3 or 4 BD / 2 BA



Evergreen 3

\$488,000

- Northwest Modern
- Total: 1,120 Sqft (1F)
+ 1,195 Sqft (2F) = 2,315 Sqft
- 3 BD / 2 BA



**Maximize
Income**



**Minimize
Taxes**



**Reduce
Uncertainty**

Your Answer
may be hiding in plain sight.

Find out whether your property is suitable for a DADU—FREE! →



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(253) 737-4456

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