Do you want to build an Accessory Dwelling Unit?

Available Now
From the San Diego Housing Commission (SDHC):

Construction Loans
(low-interest, deferred payment)

AND

Technical Assistance
(Help to Understand and Complete the Process)

Apply Online at www.sdhc.org/adu
Questions? Email adu@sdhc.org

Eligible Households
• Income up to 150% of San Diego’s Area Median Income (AMI) e.g., $236,600 per year for a family of four
• Residential property (detached single-family residence) in the City of San Diego
• Main home must be owner-occupied
• Minimum Credit Score of 680
• Owner’s Contribution equal to 1% of the construction loan amount
• Application Fee of $2,500 due after SDHC approval at construction loan closing

Technical Assistance (Help with the Process)
• ADU Consultant provided by SDHC at no cost to homeowner to help with pre-design, permits, and construction
• Vendor selection tips
• Project management support
• Potential landlord-tenant training and help with leasing

Construction Loan Details
• Maximum amount: $250,000 (subject to SDHC and first mortgage lender underwriting)
• 1% fixed interest rate
• Maximum 75% Loan-to-Value ratio
• Upon construction completion, homeowner will refinance into permanent mortgage with SDHC’s partner lender or lender of homeowner’s choice

Creating Affordable Housing
• The rent for the ADU must remain affordable for seven years for households with income up to 80% of AMI. The property owner cannot rent to a family member during this seven-year period
• “Affordable” means 30% or less of the renter’s monthly household income
• AMI is updated annually

SDHC’s ADU Finance program will help participating income-eligible homeowners potentially generate wealth for themselves through the increase in their property’s value and the rental income from their ADU.