



SAN DIEGO  
HOUSING  
COMMISSION

# 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](http://www.sdhc.org/adu)  
Questions? Email [adu@sdhc.org](mailto: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.*



SAN DIEGO  
HOUSING  
COMMISSION

Established in 1979, the San Diego Housing Commission provides a variety of award-winning affordable housing programs and services that stimulate the local economy, revitalize neighborhoods, and impact the lives of San Diegans with lower income and/or experiencing homelessness.

San Diego Housing Commission 1122 Broadway, Suite 300 San Diego, CA 92101 [www.sdhc.org](http://www.sdhc.org)



Updated: 06.07.24