



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
Questions? Email adu@sdhc.org

Eligible Households

- Income up to 80% of San Diego's Area Median Income (AMI)
- 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

Construction Loan Details

- Maximum amount: \$250,000 (subject to SDHC and partner lender underwriting)
- 3% fixed interest rate
- Maximum 75% Loan-to-Value ratio
- Upon construction completion, the homeowner must repay the construction loan. The homeowner may refinance or secure a home equity loan/line of credit from SDHC's partner lender or a lender of their choice.

Affordability Restrictions on ADU

- 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
- The monthly rent shall not exceed the maximum allowable rent based on bedroom size as published in the SDHC Income and Rent Calculations Chart.
- 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.



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