ADU Financing Program

$100 MILLION IN GRANTS
$40,000 MAXIMUM PER HOMEOWNER
2,500 POTENTIAL ADUs FINANCED

Who is Eligible

- Homeowners with incomes less than CalHFA income limits.
- Check our website for details.

Eligible Costs

- Pre-development costs including but not limited to: architectural designs, permits, soil tests, impact fees, property surveys, energy reports, and utility hookups
- Interest rate buy-downs

Application

Homeowner applies for a construction loan with an approved lender
- Predevelopment costs rolled into construction loan for no or minimal upfront costs to homeowner.
- Homeowner completes CalHFA ADU grant application forms.

Loan Approval

Lender approves construction loan
- Lender prequalifies homeowner for CalHFA ADU grant

Pre-development

Pre-development work starts, paid through the construction loan account
- Lender sends ADU Grant application package to CalHFA, including list of costs and invoices of predevelopment

Grant Disbursement

CalHFA approves grant and wires funds to loan account
- This lowers ADU construction loan principal that homeowner has to repay

Construction

Construction of the ADU, financed with construction loan.

In order to apply, find a lender near you on our website:
https://www.calhfa.ca.gov/adu