



Single Family Lending Program Bulletin

August 16, 2021

Program Bulletin #2021-07

To: CalHFA Approved Lenders

CalHFA supports the building of Accessory Dwelling Units (ADUs) to create more affordable housing options in California

Effective on or after September 20, 2021, the CalHFA ADU Grant Program will provide up to \$25,000 in assistance to reimburse homeowners for pre-development costs necessary to build and occupy an ADU, including but not limited to architectural designs, permits, soil tests, impact fees, property survey and energy reports.

The CalHFA ADU Grant Program is for low to moderate income homeowners that are building an ADU on their owner-occupied property. CalHFA approved lenders that have executed the [ADU Lender Participation Agreement](#) can reserve these funds once the construction loan is funded and CalHFA will wire the funds directly to the construction loan escrow account.

Qualifications:

- Borrower(s) income \leq 80% AMI per [Fannie Mae lookup tool](#) or
- Borrower(s) income \leq the [CalHFA income limit](#) and property is located in a [qualified census tract](#) or
- Borrower(s) income \leq the [CalHFA income limit](#) and the CLTV > 80%

General Guidelines:

- ADU to be built on an owner-occupied property
- ADU construction loan must be approved and disbursed with a recorded Deed of Trust
- Certificate of Occupancy must be provided upon completion of the ADU
- ADU must follow Fannie Mae/FHA ADU feature requirements and meet all local zoning ordinances for use of property

Refer to CalHFA's [ADU Grant Program Termsheet](#) for all program guidelines.

For questions about this bulletin, contact CalHFA Single Family Lending Division by phone 916.326.8033 or by email at SFLending@calhfa.ca.gov. Please visit CalHFA's website at: www.calhfa.ca.gov or Single Family Lending directly at: www.calhfa.ca.gov/homeownership.