



Single Family Lending Program Bulletin

March 17, 2022

Program Bulletin #2022-05

To: CalHFA Approved Lenders

CalHFA ADU Grant Program Updates

To mitigate high construction costs and a volatile interest rate market, CalHFA is increasing the amount of the ADU grant, expanding homeowner eligibility, and allowing grant funds to be used for rate buy downs and other non-reoccurring closing costs in addition to pre-development costs.

Effective immediately:

The ADU maximum grant amount will increase from \$25,000 to \$40,000.

CalHFA will allow the ADU grant funds to be used for non-reoccurring closing costs associated with the construction financing including costs to buy down the interest rate.

To improve equitable access to income-generating and wealth building opportunities, CalHFA prioritizes and currently serves low-income homeowners and homeowners in socially disadvantaged areas. CalHFA will also expand eligibility to include low-to-moderate income homeowners, regardless of location or home equity level. Please refer to [CalHFA's income limits](#).

Refer to CalHFA's [ADU Grant Program Term Sheet](#) 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.