



[\(/index.htm\)](#)

[HOME \(/index.htm\)](#) / [ADU Grant](#)

[Ask Us ? \(https://www.fuzeqna.com/calhfa/ext/kbsearch.aspx?catid=1&ps=nw\)](#)

[ADU Grant \(/adu/index.htm\)](#)

[ADU For Lenders \(/adulender/index.htm\)](#)

[What is an ADU?](#) | [Who is eligible](#) | [How to apply](#) | [ADU Grant Application Process](#)

## ADU Grant Program

The ADU Grant provides up to \$40,000 to reimburse pre-development and non-reoccurring closing costs associated with the construction of the ADU. Predevelopment costs include site prep, architectural designs, permits, soil tests, impact fees, property survey, and energy reports.

### ADUs In The News

- [They were spending all their income on rent. A garage turned ADU saved them \(https://www.latimes.com/lifestyle/story/2022-04-05/garage-turned-adu-los-angeles\)](https://www.latimes.com/lifestyle/story/2022-04-05/garage-turned-adu-los-angeles)  
*LA Times (04/05/2022)*

## What is an ADU?

Accessory Dwelling Units (ADUs) have been known by many names: granny flats, in-law units, backyard cottages, secondary units and more. No matter what you call them, ADUs are an innovative, affordable, effective option for adding much-needed housing in California.

<p><b>\$100</b>  <b>MILLION</b> IN GRANTS</p>	<p><b>\$40,000</b> MAXIMUM PER HOMEOWNER </p>	<p> <b>2,500</b> POTENTIAL ADUS FINANCED</p>
--	--	---

## Who is eligible

- **Homeowners** with low or moderate income - [CalHFA Income Limits \(PDF\)](#).

**Got questions?** Call one of our ADU Grant Program lenders listed below.

[back to top](#)

## How to apply

Since CalHFA is not a direct lender, our mortgage products are offered through private loan officers who have been approved and trained by our Agency. These loan officers can help you find out more about CalHFA's programs and guide you through the ADU loan and grant processes.

**Contact one of the CalHFA ADU Grant Program Lenders listed below:**

[Academy Mortgage Corporation](#)

[CalCon Mortgage, Inc](#)

[Envoy Mortgage, Ltd.](#)

[Guild Mortgage, LLC Renovation Specialist Financing Team](#)

[Homebridge Financial Services, Inc](#)

[Land Home Financial Services](#)

[LoanDepot](#)

[Platinum Home Mortgage Corporation](#)

### What documents should I have ready when contacting a loan officer?

When initially contacting a loan officer, you may want to have this list of documents and information available to help answer questions that they will ask you:

- Pay stubs
- Bank statements
- Employment history
- Previous tax returns

### ADU Resources

Learn [HOW TO ADU \(https://www.hppcares.org/adu-educational-workshop\)](https://www.hppcares.org/adu-educational-workshop) with a free webinar workshop

[back to top](#)

## ADU Grant Application Process

# CALHFA'S ADU GRANT APPLICATION PROCESS



## 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



Predevelopment 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

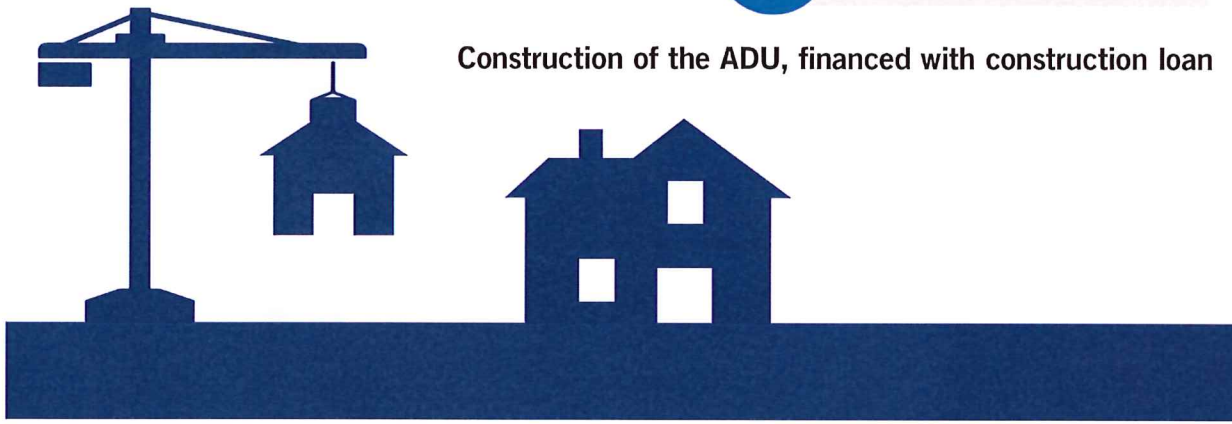


## CONSTRUCTION





## Construction of the ADU, financed with construction loan



[PDF version of the ADU grant process \(PDF\)](#)

[back to top](#)

### CONTACT US

Sacramento Headquarters  
500 Capitol Mall, Ste. 1400  
Sacramento, CA 95814  
877.9.CalHFA (877.922.5432)

[Department Contact List \(/about/contactus/index.htm\)](#)

[Enews Signup \(/about/contactus/index.htm#enews\)](#)

[Our response to COVID-19 \(https://www.calhfa.ca.gov/covid-19.htm\)](https://www.calhfa.ca.gov/covid-19.htm)

[Accessibility Certification \(PDF\)](#)

### CalHFA

[Home \(/index.htm\)](#)

[About \(/about/index.htm\)](#)

[Homebuyers \(/homebuyer/index.htm\)](#)

[Lenders/Real Estate Agents \(/homeownership/index.htm\)](#)

[Multifamily Programs \(/multifamily/programs/index.htm\)](#)

[Video Library \(/about/videos/index.htm\)](#)

[Annual Financial Reports \(/about/financials/reports/index.htm\)](#)

[Employment Opportunities \(/about/employment/index.htm\)](#)

[Procurement Opportunities \(/about/procurement/index.htm\)](#)

[Public Records & Policies \(/about/policy/index.htm\)](#)

### USEFUL LINKS

[California's 2017 Housing Package \(http://www.hcd.ca.gov/policy-research/lhp.shtml\)](http://www.hcd.ca.gov/policy-research/lhp.shtml)

[Veterans Housing and Homelessness Prevention Program \(VHHP\) \(http://www.hcd.ca.gov/grants-funding/active-funding/vhhp.shtml\)](http://www.hcd.ca.gov/grants-funding/active-funding/vhhp.shtml)

[Language Access Complaint Form \(PDF\) / Formulario de queja de acceso por idioma \(PDF\)](#)

Governor's Office one-stop resource for people affected by wildfires: [www.response.ca.gov](http://www.response.ca.gov) (http://www.response.ca.gov)



## *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](mailto:SFLending@calhfa.ca.gov). Please visit CalHFA's website at: [www.calhfa.ca.gov](http://www.calhfa.ca.gov) or Single Family Lending directly at: [www.calhfa.ca.gov/homeownership](http://www.calhfa.ca.gov/homeownership).