



GOVERNMENT AFFAIRS / Weekly Report



Government affairs update for the week of October 22, 2023

HUD allows some ADU income to help qualify for FHA financing

The U.S. Department of Housing and Urban Development (HUD) is now allowing a portion of anticipated rental income from an Accessory Dwelling Unit (ADU) to help qualify a homebuyer for an FHA mortgage.

According to the California Association of REALTORS®, homebuyers may be able to include up to 75% of the rental income from an existing ADU when applying for an FHA-backed mortgage. C.A.R. also reported that the FHA 203(k) Rehabilitation Mortgage Insurance Program can be used to build an ADU.

HUD has more information about ADUs and FHA financing options in this [press release](#).

If you have any questions about Bay East advocacy activities or any government-related real estate issues you want Bay East to research, contact [David Stark](#), Bay East Chief Public Affairs and Communications Officer.

