



HOMESTRETCH DOWN PAYMENT ASSISTANCE PROGRAM OVERVIEW

About the Homestretch Down Payment Assistance Program

The Homestretch Down Payment Assistance Program offers down payment assistance to income-eligible, first-time homebuyers who have the capacity to purchase a home but lack the money needed for a down payment. This federal funding is provided through the HOME Investment Partnership Program funding received from the U.S. Department of Housing and Urban Development.

Homestretch Down Payment Assistance Program Eligibility

To qualify, applicants must be first-time homebuyers (or have not owned a home for three years or more) with household income at or below 80% of the Area Median Income. Homes must be located in Gwinnett County, with a purchase price limit of \$349,000 for an existing home or \$410,000 for new construction. Applicants must complete an eight-hour, HUD-approved Pre-Purchase Counseling class and contribute either 1% of the purchase price or \$1,000 — whichever is the smaller amount — toward closing or down payment costs.

Homestretch Down Payment Assistance Program Activities

Eligible homebuyers can receive up to \$10,000 in assistance, which may be used to cover various expenses, including but not limited to down payment assistance, closing costs, courier fees, homeowner association fees, filing fees, intangible taxes, and pre-paid items.

Homestretch Down Payment Assistance Program Terms

Participants receive a 0% interest, no-payment loan with a five-year affordability period. The loan is forgivable if the home is the homebuyer's primary residence for five years, reducing the balance by 20% annually starting on the first anniversary. The program acts as a soft second mortgage and can be used with most fixed-rate mortgages (i.e., FHA, VA, Conventional), excluding 203k, repair, escrow, or similar loans. Short sale agreements must have written approval from the bank. HUD-owned properties may also qualify pending inspection.

Are there any other requirements?

Eligible properties include single-family detached homes, townhomes, or condos in Gwinnett County.	Debt-to-income ratio: Maximum 43% for housing costs (front-end) and 55% total (back-end).
Minimum credit score is 580 from at least one credit bureau.	Pre-approval is required for a primary mortgage loan.
Total household assets must not exceed \$25,000.	Bankruptcy must be discharged for at least two years.
Homeowner's insurance and title insurance are required, with Gwinnett County listed as the second mortgage lender on the insurance declaration.	Existing homes must pass a physical condition inspection in addition to any regular home inspection. Applicants must ensure all utilities are turned on before the inspection.
Gwinnett County, ISAOA, 446 West Crogan Street, Suite 420, Lawrenceville, GA 30046	The first inspection is free; applicants are responsible for re-inspection costs.
No outstanding judgments at the time of application.	New construction homes must submit the Certificate of Occupancy in place of inspection.

How Do I Get Started?

Applicants must submit a completed application with all required documentation to Homestretch@GwinnettCounty.com for review.

Homestretch Program Checklist

Application Submission

	1. Applicant must submit a completed application with required documents.
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Initial Documentation Review and Orientation

	1. The approved applicant(s) is notified and receives a Pre-Certificate of Program Eligibility.
	2. Gwinnett Housing and Community Development will schedule an orientation meeting with the applicant(s), virtually or in-person.
	3. Homeowners will receive and sign the required program documentation.

Under Contract Process and Final Documentation Review

	1. Once under contract, the applicant(s) will submit the following the sales contract, an Appraisal, URLA (1003), loan estimate and fee worksheet, declaration of homeowners insurance, and title insurance.
	2. Gwinnett Housing and Community Development will review underwriting for debt-to-income compliance (i.e., 43% front-end and 55% back-end), property eligibility (i.e., price, type, location, date built), Section 106 Historic Review, and environmental review.
	3. After review and if approved, Gwinnett Housing and Community Development will issue a Certificate of Program Eligibility.
	4. If needed, Gwinnett Housing and Community Development will arrange for at least three pre-approved inspectors within three business days of receiving final eligibility documents. If the property is new construction, applicants must submit the Certificate of Occupancy.

Pre-Closing

	1. Gwinnett Housing and Community Development requests closing checks, drafts final documents, and schedules the closing.
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Final Loan Closing

	1. Gwinnett Housing and Community Development will send the required legal documents to the closing attorney, who will complete post-closing steps and return certified, recorded documentation as per lender requirements.
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Post-Closing

	1. Closing attorneys will follow post-closing procedures outlined in the Lender's Requirements packet and provide Gwinnett Housing and Community Development with true, certified copies of closing and recorded documentation once available.
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How to Check if You're Income-Eligible for the Homestretch Down Payment Assistance Program:

Step 1: Count everyone in your household

This includes all the people who live in your home such as adults, children, and anyone else living with you permanently (e.g., if you live with your spouse and two kids, your household size is four).

Step 2: Identify who in your household earns income

Count the number of people in your household ages 18 years or older who earn income. This includes wages, salaries, Social Security, disability, retirement, or any other source of income. Please note that the household size still includes everyone living there.

Step 3: Add up all gross income

Gross income means the total amount earned before taxes or deductions. Add up the gross annual income of everyone in your household (e.g., if you earn \$45,000 per year and your spouse earns \$35,000 per year, the combined gross household income is \$80,000).

Step 4: Compare your household income to the income limits

Review the 2025 HUD Income Limits chart to identify your household size. Find the maximum allowable income for your size, then compare it to the total household income you calculated.

Step 5: Next steps if you qualify

If your household income is **at or below** the income limit for your household size, you may be eligible to apply for the Homestretch Down Payment Assistance Program. Please prepare documentation to verify your income as part of your application.

FFY 2025 HUD Income Limits
(Effective Date: April 1, 2025)

Household Size	Low Income (80%)
1	\$ 63,980.00
2	\$ 73,100.00
3	\$ 82,250.00
4	\$ 91,350.00
5	\$ 98,700.00
6	\$ 106,000.00
7	\$ 113,300.00
8	\$ 120,600.00

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