



Grant Guide

This grant guide covers down payment assistance programs that may be available to cover down payment and/or closing costs associated with a home purchase. Each program has unique requirements so it is still important that homebuyers reach out directly to each program to get the most up to date eligibility guidelines.

State Programs

The **Texas State Affordable Housing Corporation (TSAHC)** and **Texas Department of Housing and Community Affairs (TDHCA)** offer many different down payment assistance programs (DAP) designed to promote homeownership in low-income communities. Visit their website as their interest rates and available assistance options fluctuate daily based on market conditions.

To find out what programs you may be eligible for with TSAHC and for more details about each program, visit <http://www.tsahc.org/homebuyers-renters/take-the-eligibility-quiz>

***Note:** Borrowers with credit scores as low as 620 can now qualify for TSAHC grant programs. Furthermore, TSAHC no longer has Debt-to-Income Ratio requirements for DAP approval*

Texas Professional Educators or Homes for Heroes Program

- *For Professional Educators:* must be a full-time professional educator (e.g., Teacher, School Librarian, School Nurse) employed by a public school district in the state of Texas
- *For Homes for Heroes:* must be a full-time, paid Firefighter, Corrections Officer, Juvenile Corrections Officer, County Jailer, Peace Officer, Allied Health Faculty Member, Emergency Medical Services Personnel, Nursing Faculty Member, Public Security Officer, or Veteran in the state of Texas
- DAP is based on total loan amount
- Purchase price cannot exceed \$311,706 for non-targeted areas (Houston-Baytown-Sugarland HMFA)
- Household income cannot exceed 115% AMI for non-targeted areas and 140% AMI for targeted areas
- Homes for Heroes recipients will receive a FREE Mortgage Credit Certificate (MCC) valued at \$500
- <http://www.tsahc.org/homebuyers-renters/teacher-home-loans>
- <http://www.tsahc.org/homebuyers-renters/homes-for-texas-heroes-program>

Texas State Affordable Housing Home Sweet Texas Loan

- Household income cannot exceed 115% AMI for non-targeted areas and 140% AMI for targeted areas
- Purchase price cannot exceed \$311,706 for non-targeted areas (Houston-Baytown-Sugarland HMFA)
- Must meet standard mortgage underwriting requirements demonstrating creditworthiness
- <https://www.tsahc.org/homebuyers-renters/home-sweet-texas-home-loan-program>



TSAHC Mortgage Credit Certificate (MCC)

- Up to \$2,000 tax credit per year for 30 years
- Tax Credit = 40% of annual interest paid on the mortgage loan
- Purchase price cannot exceed \$311,706 for non-targeted areas (Houston-Baytown-Sugarland HMFA)
- <http://www.tsahc.org/homebuyers-renters/mortgage-credit-certificates>

TDHCA My First Texas Home Program

- Available to first time homebuyers, veteran or a homebuyer who has not owned a home within the past three years
- Down payment assistance and closing cost assistance up to 5% of the loan amount
- Available to qualified home buyers from all professions
- Minimum credit score of 620
- <https://www.tdhca.state.tx.us/homeownership/fthb/my-first-texas-home.htm>

TDHCA My Choice Texas Home

- NO first time homebuyer requirement!
- Down payment assistance and closing cost assistance up to 5% of the loan amount
- Available to qualified home buyers from all professions
- Minimum credit score of 620
- <https://www.tdhca.state.tx.us/homeownership/fthb/my-choice-texas-home.htm>

TDHCA Mortgage Credit Certificate Program (MCC)

- Up to \$2,000 tax credit per year for 30 years
- Tax Credit = 40% of annual interest paid on the mortgage loan
- Purchase price cannot exceed \$311,706 for non-targeted areas (Houston-Baytown-Sugarland HMFA)
- Household income limit for 1-2 people is \$69,3000; \$79,695 for 3+ people
- https://www.tdhca.state.tx.us/homeownership/fthb/mort_cred_certificate.htm

Homeownership Across Texas (HAT) Grant Program

- Can be applied toward required down payment and/or closing cost
- 1% - 5% of the amount of the homebuyer's mortgage loan
- Household income limit is based on the county in which the home is located and the mtg loan type
- <https://www.hatgrant.com/hat-program>

County Programs

Montgomery County Home Fund Program

- \$14,500 Down Payment Assistance for individuals meeting income guidelines
- Gross Annual Income below 80% AMI (Area Median Income)
- Maximum sales price of home \$200,160
- <https://www.eastersealshouston.org/Programs/housing-initiative.html>

Harris County Down Payment Assistance

- Up to \$23,800 in down payment assistance
- Income cannot exceed 80% AMI
- Liquid Asset Limit of \$15,000



- Buyer's front end debt ratio cannot exceed 39% and debt-to-income ratio cannot exceed 42%
- Buyer must have at least one credit score of 620
- Accepting inperson or online Homebuyers Education Certificates
- Clients also need to attend Pre-Purchase Counseling with the housing counseling agency they took the Homebuyers Education class with to create the household budget that the county requires
- <http://www.housingresourcecenter.hctx.net/dap.htm>

Harris County H.O.M.E. Program

- Income cannot exceed 120% AMI
- Buyer must purchase a home listed on the Harris County H.O.M.E Program website
- Buyer's front end debt ratio cannot exceed 39% and debt-to-income ratio cannot exceed 42%
- Buyer must have at least one credit score of 620
- <http://www.harriscountyhome.hctx.net>

City Programs

City of Houston Homebuyer Assistance Program

- An eligible homebuyer at or below 120% AMI will receive \$30,000 in assistance
- The buyer's back-end ratio cannot exceed 45%
- The property must be found within property tax jurisdiction of the City of Houston
- <https://recovery.houstontx.gov/hbap/>

City of Baytown Homebuyers' Assistance Program

- Maximum of \$4,500 offered for first-time homebuyers
- Five-year forgivable loan provided at closing
- Sales price of home cannot exceed \$180,000 and home must be within city limits of Baytown
- Income cannot exceed 80% AMI
- <https://www.baytown.org/city-hall/departments/planning-development/community-development/first-time-homebuyers-assistance-program>

Houston Community Land Trust

- Affordable home purchase model, where you purchase the structure (home) but do not own the land.
- The land is leased for a (renewable) 99-year lease and the buyer has exclusive use of the land.
- New Construction homes ranging from \$65,000 to \$81,000 purchase price
- Buyers must be at 80% AMI or below to qualify
- <http://www.houstonclt.org>

Avenue Programs

Homebuyer Equity Leverage Partnership (HELP) FHLB Dallas – Avenue CDC in partnership with Texas Capital Bank

- \$5500 toward down payment and/or closing costs
- Available to first-time homebuyers earning less than 80% of the area median income
- Applicants must attend **Avenue pre-purchase counseling**
- Applicants must obtain first mortgage through a participating lender
- Contact the **Avenue Homeownership Center** for more information.



**Down Payment Assistance
HUD Income Limits
FY2020 (AMI)**

Household Size	80%	100%	120%
1	\$44,150	\$52,400	\$62,900
2	\$47,950	\$59,900	\$71,900
3	\$53,950	\$67,400	\$80,900
4	\$59,900	\$74,900	\$89,800
5	\$64,700	\$80,900	\$97,100
6	\$69,500	\$86,900	\$104,300
7	\$74,300	\$92,900	\$111,500
8	\$79,100	\$98,900	\$118,700

