

# USDA RURAL DEVELOPMENT DIRECT LOAN PROGRAM

*The USDA Rural Development Direct Loan program provides loans to low-income homebuyers purchasing a home in a rural community, under 20,000 population.*

**Eligibility:**

- Household income less than 80% of RD median income for the county.
- Good credit.
- Purchase a home in an eligible community.

**Program Income Requirements:** Maximum income, 80% RD median income. Some counties will have slightly higher or lower income amounts than those shown here for Shawnee County. Maximum income amounts subject to change.

Family Size	80% Median Income
1 person	\$33,800
2 persons	\$38,650
3 persons	\$43,450
4 persons	\$48,300
5 persons	\$52,150

**Eligibility:** For property eligibility and income information visit:  
<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>

**Down Payment/  
Closing Costs:** 0% down payment / standard closing costs

**Ratios:** Per lender guidelines 29% or 33% PITI – 41% maximum debt to income

**Program Benefits:** Zero percent down payment. No mortgage insurance premium required. Possible house payment subsidy available (based on income).

**Lenders:** Local USDA Rural Development office

**Credit Issues:**

- Per Lender Requirements
- No bankruptcy within 3 years

**Homeownership Counseling:** Recommended. Housing & Credit Counseling, Inc. (HCCI) will assist prospective homebuyers in evaluating their credit reports, income/debt ratios, budgets, help clients determine how much home they can afford through a budget based analysis and be available throughout the process.

**Homeownership Training:** Recommended. Participants are recommended to attend homeownership classes provided by Housing & Credit Counseling, Inc. or other approved Agency.

**For Additional Information/  
Counseling:** Contact: Hugh Hannagan at Housing & Credit Counseling, Inc., 1-800-383-0217 x313 or [hhannagan@hcci-ks.org](mailto:hhannagan@hcci-ks.org); or local USDA Rural Development office located in the Government pages of the phone book.