STAKEHOLDER ANNOUNCEMENT

USDA Invites Public Comments on Proposal to Streamline Eligibility Rules for Single Family Housing Loans

WASHINGTON, Oct. 9, 2018 – Assistant to the Secretary for Rural Development Anne Hazlett today announced that USDA is seeking comments on a proposal to simplify income eligibility and asset rules for the Department’s single family housing loan programs.

USDA proposes to create a two-tier income structure to determine eligibility for USDA single family housing loans. Under the proposal, there would be two categories for household income limits: one category for one- to four-person households, and a second category for five- to eight-person households. Currently, there are eight categories.

The Department also proposes to exclude certain types of assets – such as retirement and education savings – when calculating an applicant’s down payment ability.

A USDA pilot that began in 2016 found that using a two-tier income eligibility structure resulted in increased homeownership opportunities for low-income families.

The deadline to submit comments is Oct. 30, 2018. For more information on the proposed changes and how to submit comments, see page 44504 of the Aug. 31, 2018, Federal Register.

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