

USDA Eligibility Guide

Zero-down financing for more homes than you'd think

USDA loans offer 100% financing, zero down payment, for eligible buyers in eligible areas. Despite the name, "rural" covers far more ground than most people expect, including many suburban communities just outside major cities like Houston.

The Two Eligibility Requirements

1. Property Location. The home must be in a USDA-designated eligible area. This is based on population, not how "rural" a place feels, and many communities in Montgomery County and surrounding areas qualify. The only way to know for sure is to check the specific address.

2. Household Income. Your total household income (including everyone living in the home, not just borrowers) must fall at or below 115% of the area median income. Limits vary by county and household size.

***K&G Tip:** We check property and income eligibility for you in minutes, just send us the address and household size.*

Why Buyers Choose USDA

- 0% down payment, finance up to 100% of the purchase price
- Competitive, often below-market interest rates
- Lower mortgage insurance costs than FHA
- Flexible credit guidelines compared to conventional loans
- Closing costs and fees can often be financed into the loan

What USDA Loans Require

- The home must be your primary residence, not an investment or vacation property
- The property must meet USDA safety and condition standards
- You'll need steady, verifiable income and reasonable credit history
- The home must be within an eligible USDA area

Common Misconceptions

"USDA loans are only for farms." False. USDA loans are for any eligible single-family home, condo, or townhome in a qualifying area, working farms are not required.

"My town is too close to the city to qualify." Not necessarily. Many communities just outside major metro areas are still designated eligible. Always check the specific address.

"I make too much money to qualify." USDA income limits are often higher than people expect, especially for larger households.

Curious if your dream home qualifies? Send us the address and we'll check USDA eligibility for you, free, in minutes. Call (832) 813-0100 or email info@kgcm.com.