

PENNVEST SEPTIC LOAN PROGRAM

The PENNVEST Homeowner Septic Loan Program helps qualified homeowners:

- repair or replace an **existing connection to public sewer OR** an individual, on-lot sewage disposal system;
- connect an existing home for the first time to public sewer.

This low-cost loan is funded by PENNVEST and administered by the PA Housing Finance Agency.

TERMS

- Fixed interest rate for life of loan, currently as low as 1.75 percent.
- Up to 20 years to repay the loan balance.
- Funds can be used for design, construction and permit costs.

SAMPLE PAYMENTS

- If you borrow \$15,000 at 1.75 percent (2.55 percent APR¹) for 20 years, you pay \$75 monthly.
- If you borrow \$25,000 at 1.75 percent (2.22 percent APR¹) for 20 years, you pay \$124 monthly.



LOAN ADVANTAGES

- Pay an attractive interest rate for this vital home improvement.
- No prepayment penalties if the loan is paid off early.

WHY REPLACE YOUR SEPTIC SYSTEM?

- Increase the value and marketability of your home.
- Eliminate worries about your septic system when you sell your home.
- Improve the environmental health of your property.
- Avoid or respond to citations from your municipality.

LEARN MORE AND APPLY

1. Call PHFA's Solution Center at **855-U-ARE-HOME** (855-827-3466) or visit www.phfa.org to learn more and view a list of participating lenders.
2. Visit or call one of the listed participating lenders to begin the loan application.
3. Work with design and construction professionals of your choice to develop an approved system.

¹ Subject to credit approval and eligibility restrictions including loan use and owner occupancy. Interest rate quoted as of 1/1/2019. The APR is fixed for the term of the loan. Borrower pays origination and closing charges. Sample payments based on \$15,000 and \$25,000 loan examples have twenty year term and 240 payments. Total finance charge for a \$15,000 loan is \$3,869 and for a \$25,000 loan is \$5,727.



To locate a contractor in your area, please choose a county from the menu below.



Questions or concerns regarding this list should be directed to the [Homeownership Programs Department](#).

Are you a contractor interested in doing HEELP work?

All contractors working with HEELP borrowers must be approved. Download the [Contractor Application](#).

- [Homeowners Energy Efficiency Loan Program Report](#)

PENNVEST Homeowner Septic Program

The Pennsylvania Infrastructure Investment Authority (PENNVEST) has teamed with the Pennsylvania Housing Finance Agency (PHFA) and the Pennsylvania Department of Environmental Protection (DEP) to offer this special funding program. Assistance is available to eligible homeowners who need to repair or replace their individual on-lot septic system OR connection to a public sewer system. Program highlights are summarized below.

Benefits to You

- Receive an attractive rate for this vital home improvement.
- No prepayment penalty if the loan is paid off early.
- Eliminate worries about your septic system when you sell your home.
- Improve the environmental health of your property.
- Avoid or respond to citations from your municipality.

Loan Terms

- Interest rate of 1.75%, up to 2.8% APR as of 1/1/2019.
- Terms up to 20 years (up to 15 years for manufactured homes).
- Maximum loan amount is \$25,000.
- Loan origination charges apply.
- Loans will be secured by a mortgage on the borrower's home.
- Lien Position: the PENNVEST loan must be in first or second lien position unless the loan amount is less than \$7,500 OR the existing first and second liens were originated at purchase for the purpose of buying the home. Third lien position is permitted in these circumstances.
(*For a representative \$25,000 loan and financing charge of \$5,727. Subject to credit approval and restrictions.)

Eligibility

- No restrictions on household income as of 1/1/2019.

- Borrowers will be underwritten to determine ability to repay the loan.
- Borrowers must be PA residents seeking to improve their primary residence which meets program requirements.
- Project Location: for on-lot septic repair, all areas of PA are eligible unless a public wastewater collection and treatment system is either in place or will be constructed in the next five years. For sewer connections, any area of PA is eligible.
- Financeable Project Costs: system design charges, construction fees and costs, inspection, and permit fees, connection fees (also known as "tap-in fees"), and most loan origination fees.
- Two unit dwellings deeded as one property are eligible unless the residence is a manufactured home, then one unit only.
- Documentation: applicants must gather and provide for lender and PHFA review, all income and credit information, applicable permits, project specifications, connection fees for sewer connections, or, if you are replacing or repairing an on-lot septic system, verification from your local municipality that a wastewater disposal system neither exists nor is planned in the next five years. Additional information supporting the loan application may also be requested.
- Loans usually take 30-45 days to close. However, loan closings may be delayed, potentially significantly, by slow responses from applicants and contractors, and higher-than-expected application volume.
- Other eligibility requirements apply. Please call PHFA at 855.827.3466 to ask questions about your specific situation.

How to Apply

Contact a **[PENNVEST Participating Lenders \(Complete List\)](#)**.

For More Information: Contact your local Sewage Enforcement Officer, township or borough official, or PHFA at **[1.855.U.Are.Home \(827.3466\)](#)**.

American Bank

4029 W. Tilghman Street
Allentown, PA 18104

Brian Stine
610.973.8117

Area of Coverage

Statewide

Erie Federal Credit Union

3503 Peach Street
Erie, PA 16508

Denise Kaczmarek
814-825-2436

Area of Coverage

Erie and Crawford Counties

Mercer County Community Federal Credit Union

559 N. Hermitage Rd.
Hermitage, PA 16148

Suzy Taylor or Jessica
1.866.384.0244

Area of Coverage

Mercer County

Widget Federal Credit Union

2154 East Lake Road
Erie, PA 16511

Elizabeth Butler
814.456.6231 ext. 499

Area of Coverage

Crawford and Erie Counties