

RIHousing

Richmond Community Septic Loan Program

Offered by RIHousing in partnership with the Rhode Island Infrastructure Bank, the State Department of Environmental Management and the Town of Richmond.

The program goal is to safeguard public health and protect and improve ground and surface water resources by ensuring the proper functioning and maintenance of all septic systems in Richmond. The program makes low interest rate mortgages available to Richmond residents.

Loan Terms: 10 years

PLEASE ATTACH THE FOLLOWING ITEMS TO YOUR APPLICATION

- a copy of 2 most recent pay stub(s) for each applicant
- a copy of each applicant's most recent signed tax return, along with last two years of W-2s (*Note: one tax return is acceptable in the case of joint returns*)
- a copy of the property deed with exhibit A
- a copy of most recent mortgage statement, real estate tax bill and homeowner's insurance
- a copy of social security and/or pension award letters (*or recent bank statement verifying receipt of social security and/or pension funds*)
- If self-employed or commissioned, provide copies of your completed federal tax returns from the last two years with all schedules attached

LOAN TERMS

- Loan Term: 10 years
- 1% Fixed Rate
- Loan amounts to \$25,000
- No income restrictions
- Owner-occupied and non-owner-occupied one- to four-family properties qualify. Commercial property is not eligible, and residences served by a shared septic system are not eligible
- Loan Proceeds shall not be used to pay for structural improvements such as a kitchen, bathroom remodeling or addition
- Loans will be approved on a first come first serve basis until available funds are exhausted
- If the loan is paid off early there is no pre-payment penalty fee

FEES

There is a \$300 loan origination fee to be paid by borrower at closing.

PROGRAM REQUIREMENTS

- Each borrower must obtain estimated prices from three septic system contractors who will design and install the system; borrower is responsible for choosing the contractor
- All work must be completed by a Rhode Island licensed installer
- A borrower's debt to income ratio cannot exceed 45%
- Must be current with all credit obligations, all town taxes and charges, all fire district taxes, all state and federal taxes
- No current bankruptcies
- No current federal tax liens
- A borrower's combined loan to value cannot exceed 90% of the town's assessed value.
- DEM Certificate of Conformance required prior to disbursement

CONTACT US

Call us today at 401-457-1127 with questions or complete and mail this application to:

RIHousing
44 Washington Street
Providence, RI 02903-1721