



# Septic Replacement Loan Program

## Information for homeowners

The Septic Replacement Loan Program (SRLP), created in partnership with the Michigan Department of Environment, Great Lakes, and Energy (EGLE), provides low-interest financing to Michigan homeowners for the replacement of failing or near-failing septic systems. EGLE contracted Michigan Saves to develop and manage the program.

A failing septic system can back up wastewater into your home or discharge wastewater onto the ground surface, potentially contaminating surface and drinking water supplies. This can expose children and pets to dangerous bacteria and viruses in your yard, which can then be tracked into your home. Replacing a failed septic system can be an unexpected financial burden, which is why the SRLP provides low-interest loan options for Michigan homeowners in need.

Homeowners can access two loan tiers by working with a Michigan Saves authorized septic installation contractor: income-based financing (tier one) and market-based loans (tier two). Information collected in the loan application will determine the tier the applicant will be considered for; guidelines can be found on our website. For both tiers, actual rates, terms, and loan amounts may vary based on factors collected during the loan application.

## Program eligibility

- Single-family homes, owner-occupied or rental property
- Sites with documented failing, near-failing, nonexistent, or similarly inadequate septic system (as determined and documented by your local health department)
- Eligible costs include evaluation of the system, design, pumping, and installation
- All systems funded through this program must meet SRLP minimum standards

### TIER ONE

#### Income-qualified loans

Tier one considers a customer's household income. Loans range from \$1,000 to \$30,000 per project, with a blend of traditional credit and noncredit underwriting criteria to qualify customers. Note that proof of income is required with your tier one application.

- Income-based loan
- Unsecured loan, no lien or collateral required
- Ability-to-pay underwriting criteria with limited use of traditional credit factors
- Interest rate no higher than 1%; terms up to ten years
- Loans only available through TRUE Community Credit Union

*See the back of this flyer for more details on tier one eligibility.*

### TIER TWO

#### Market-based loans

Tier two loans range from \$1,000 to \$50,000 per project, with traditional credit-based underwriting to qualify customers.

- Market-based loan
- Unsecured loan, no lien or collateral required
- Credit-based underwriting criteria
- Fixed interest rates vary by lender: Please check our website for current interest rates

# How to get started

- 1 Select your Michigan saves authorized septic installation contractor. Search for authorized contractors at [michigansaves.org/find-a-contractor](https://michigansaves.org/find-a-contractor).
- 2 Contact your local health department to establish the project scope and to obtain a construction permit. All systems permitted through the SRLP must be designed in accordance with the program minimum standards. Find these standards at [michigansaves.org/programstandards](https://michigansaves.org/programstandards).
- 3 Apply for a Michigan Saves loan at [michigansaves.org/loancenter](https://michigansaves.org/loancenter) once you have obtained an LHD construction permit and bid from your authorized contractor.

Have a contractor that isn't authorized through Michigan Saves? Getting authorized is easy. They can learn more at [michigansaves.org/septiccontractors](https://michigansaves.org/septiccontractors).

## Tier one additional details

### Tier one 2024 eligibility

Persons in Household	Maximum Annual Household Gross Income to Qualify
1	\$29,160
2	\$39,440
3	\$49,720
4	\$60,000
5	\$70,280
6	\$80,560
7	\$90,840
8	\$101,120



## For More Information or Questions About the SRLP:

[Michigansaves.org/septic](https://michigansaves.org/septic)

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