

## Homeowner's Process

### PENNVEST Homeowner Septic Loan Program

Please keep this document handy so you know what you need to do to complete your loan application and the work on your home, without causing unnecessary delays or the cancellation of your application. Applications are available from lenders known as "Participants." They are listed on the [PHFA website](#).

There is also additional program information there or you may call PHFA at 855.827.3466 with pre-application questions.

1. If you decide to apply, follow all Participant instructions, complete the application, and provide it and all requested supporting documentation to the Participant. Reaching out to PHFA with application materials will delay the review of your application.
2. The Participant lender will let you know whether or not PHFA has preliminarily approved your application for the loan by sending you the "Credit Pre-Approval Notice".
3. Once you receive this notice you are responsible for working with the Participant lender to provide any missing or additional information and documents. PHFA staff will call and write to you at this time to inform you of your responsibility to secure estimates for your septic or first-time connection project. If you already have a preferred estimate you may give it to the Participant lender who will transmit it to PHFA on your behalf or you may send it to PHFA directly to the contact person address we will provide.
4. PHFA will provide you with a review of your preferred estimate to help you decide if your contractor is meeting PA consumer protection requirements. You will receive strict timelines that you must follow regarding accepting the estimate you have as is or getting the contractor to change it, or even seeking bids from other contractors.
5. Once you have selected your contractor PHFA will inform the Participant lender that your loan is ready and must be closed within 14 calendar days.
6. Participants (or the closing agent) will review closing documents with the borrower, and then ensure that the closing documents are completed and executed as required. These documents include the Mortgage, Note, Escrow Disclosure, Right of Rescission Notice, the final HUD Notice of Insured Loans and the Closing Disclosure.
7. Job Payment Process- Once the loan is closed; PHFA will pay for municipal permits and connection fees and completed segments of work. The entire septic system or first time connection does not have to be completed for these draw payments to be made. PHFA may, at its discretion, make a partial payment on a completed segment of work in order to retain a majority of the loan principal to ensure full system completion.
8. Final payment to installers will not be made until the Agency receives HUD Form 56002 "Completion Certificate for Property Improvements" documenting the municipal sewage enforcement officer's approval of the septic system.