

Cranston Community Septic Loan Program

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

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 Cranston. The program makes low interest rate mortgages available to Cranston 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
- a copy of permit and approved septic design from RIDEM
- a copy of the loan agreement between the borrower and the city

PROGRAM REQUIREMENTS

- All work must be completed by a RI-licensed installer
- No current bankruptcies
- No current current state or federal tax liens on the property
- DEM Certificate of Conformance required prior to disbursement

LOAN TERMS

- Loan terms: 10 years
- 1% Fixed Rate
- Loan amounts to \$30,000
- No income restrictions
- 45% debt-to-income ratio
- Owner-occupied and non-owner-occupied one- to four-family residential properties qualify

FEES

There is a \$300.00 loan origination fee to be paid by the borrower at closing.

Note: funds are available on a first-come, first-served basis. These funds are not intended for the purpose of refinancing an already completed septic system project.

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
Attn: Community Lending

Please complete and mail this application along with the items requested on page 2. If you have any questions, please call us at 401-457-1127.

Please tell us about your borrowing needs: Desired amount \$ _____ Purpose: Repair/Replace failed septic systems

APPLICANT		CO-APPLICANT	
Applicant's Full Name _____		Co-Applicant's Name _____	
Social Security Number [][]-[][]-[][][][]	Date of Birth [][]/[][]/[][][][]	Social Security Number [][]-[][]-[][][][]	Date of Birth [][]/[][]/[][][][]
Home Address _____		Home Address _____	
City _____ State _____ Zip _____		City _____ State _____ Zip _____	
Phone Number With Area Code [][][]-[][][]-[][][][]		Phone Number With Area Code [][][]-[][][]-[][][][]	
Employer _____ / Position _____		Employer _____ / Position _____	
Employer Phone Number [][][]-[][][]-[][][][]		Employer Phone Number [][][]-[][][]-[][][][]	
Years There _____ Monthly Gross Income \$ _____		Years There _____ Monthly Gross Income \$ _____	
Marital Status: <input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Unmarried (includes single, divorced, widowed)		Marital Status: <input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Unmarried (includes single, divorced, widowed)	

ABOUT YOUR PROPERTY

What is the address of the property you will be using as security for this loan?

Is this your primary residence? Yes No

Home Type Single Family: Style _____
 2-4 Family Other _____

Year Purchased _____ Original Purchase Price \$ _____

Your Estimate of Property Value \$ _____ Year Built _____

Annual Real Estate Tax Bill \$ _____ Assessed Value \$ _____

Annual Property Insurance Premium \$ _____

Monthly Mortgage Principal and Interest Payment \$ _____

List all owner's full names _____

CURRENT DEBTS

Please tell where and to whom you currently owe money. Be sure to include all mortgages, other installment loans and credit cards.

Creditor	Balance	Monthly Payment
_____	\$ _____	\$ _____
1st Mortgage	\$ _____	\$ _____
2nd Mortgage/Equity Line	\$ _____	\$ _____
Auto Loan(s)	\$ _____	\$ _____
Other Debt Including Credit Card(s)	\$ _____	\$ _____
Alimony/Child Support/Separate Maintenance	\$ _____	\$ _____

OTHER SOURCE(S) OF INCOME YOU WANT US TO CONSIDER

If you are receiving pension or rental income include 2 years signed tax returns. Alimony, Child Support, or Separate Maintenance need not be revealed if you do not choose to have it considered for repaying this loan. Alimony, Child Support, or Separate Maintenance received under: Court Order Separation Agreement (include a copy of the agreement)

APPLICANT	CO-APPLICANT
Source _____ Amount \$ _____	Source _____ Amount \$ _____
Source _____ Amount \$ _____	Source _____ Amount \$ _____

INFORMATION FOR GOVERNMENT MONITORING PURPOSES

The following information is requested by the federal government in order to monitor compliance with federal statutes that prohibit discrimination in housing. **You are not required to furnish this information, but are encouraged to do so. The law provides that a lender or servicer may not discriminate either on the basis of this information, or on whether you choose to furnish it.** If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, the lender or servicer is required to note the information on the basis of visual observation or surname if you have made this request for a loan or grant in person. **If you do not wish to furnish the information, please check the box below.**

APPLICANT	CO-APPLICANT
<input type="checkbox"/> I do not wish to furnish this information	<input type="checkbox"/> I do not wish to furnish this information
Ethnicity: <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino	Ethnicity: <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino
Race: <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> White <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander	Race: <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> White <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander
Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male	Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male

Certification: Everything that I/we have stated in this application is true and complete to the best of my/our knowledge. You are authorized to check my/our credit and employment history and to answer questions about your credit experience with me/us.

Applicant Signature _____ Date _____ Co-Applicant Signature _____ Date _____



This Loan Agreement (this "Agreement") is made effective as of (date) _____, by and between the City of Cranston (the "City") and _____ (the "Borrower"). In this agreement, the party who is loaning the funds shall be referred to as the "City", and the party who will be borrowing said funds shall be referred to as "Borrower".

1. **DESCRIPTION OF LOAN.** Beginning on (date) _____, the City will provide and loan a specific amount of funds for Community Septic System Loan Program ("CSSLP"), (collectively the loan"), which shall be approved and distributed through Rhode Island Housing Mortgage Finance Corporation ("RIHMFC"), the amount and rate of payment being described in the attached loan documents.

Septic Loan.

2. **LOAN.** The proceeds of the Loan shall be used by the Borrower for the repair or replacement of failed or failing septic systems or substandard systems within the areas defined in the City's On-Site Wastewater Management Plan. The individual loans to be made to property owners by the Borrower shall be underwritten by the Borrower with the assistance of RIHMFC.

It is contemplated that the relationship between the Borrower and the City shall be an exclusive one.

3. **Evidence of Indebtedness.** The Loan shall be evidenced by a Promissory Note to be executed and delivered by the Borrower to the City (the "Note"). Said Note shall be recorded with the City Clerk in the land evidence records as a lien on the property where such septic work is being conducted.

4. **Security.** The Note referenced herein is a valid and binding obligation of the Borrower payable from funds of the Borrower.

5. **Collection and Enforcement Costs.** The Borrower will pay all reasonable costs of collection, reasonable legal expenses, and reasonable attorneys fees incurred or paid by the City in collecting or enforcing the Note or this Agreement on default, except to the extent that a court of competent jurisdiction has determined that such costs, expenses and fees were not reasonably incurred.

6. SIGNATORIES

This agreement shall be signed by Christopher Millea, City Solicitor, on behalf of the City, and by _____ on behalf of the Borrower. This agreement is effective as of the date first written above.



CITY.

By Christopher Millea, City Solicitor

Date:

(Signature)

Borrower.

Date:

By _____

(Signature)

Borrower Property Address

(Street, City of Cranston) _____

State of Rhode Island

County of _____

Sworn and subscribed before me on this _____ day of _____, 2024.

Notary Signature: _____

Notary Printed Name: _____

Notary ID Number: _____

My Commission Expires: _____

