



Town of Hanover Affordable Housing Trust Affordable Septic Program

What does this program do?

This provides partially forgivable loans to low and median income homeowners in Hanover to repair, improve or replace their home's septic system or cesspool.

Who may apply for this program?

To qualify, you must be a:

- Hanover resident who is the homeowner and occupies the house
- Have a family income below 90 percent of the area median income

How may funds be used?

Loans may be used to repair, improve or replace failing, failed, or insufficient septic systems and cesspools in the Town of Hanover.

How much money can I get?

Maximum loan is \$10,000, 90% forgivable

What are the terms of the loan/grant?

Loaned funds must be repaid in full if the property is sold within 7 years

Loan is 90% forgiven after 7 years of maintaining home ownership

Loan interest rate is calculated on a fixed annual basis of 3.5%.

Loan interest is calculated on the balance of loan at the time of repayment

Full title service is required for loans of \$2,500 or more, with an administrative fee of \$500

How much will this loan cost me?

If home is transferred and I repay the loan after 7 years what do I have to repay on a \$10,000 loan:

- \$1,000 loan balance + \$35 annual interest charges + \$500 Admin Fee

If home is transferred and I repay the loan before 7 years what do I have to repay on a \$10,000 loan:

- \$10,000 balance + \$350 annual interest charges + \$500 Admin Fee

If home is not transferred in 10 years what do I have to repay on a \$10,000 loan:

- \$1,000 loan balance + \$35 annual interest charges + \$500 Admin Fee

Is there a deadline to apply?

Applications for this program are accepted in the Finance Office at Town Hall year round

How long does an application take?

Applications are easy to fill out. Approval times depend on funding availability and verification.

Who can answer questions and how do I get started?

Answers to questions about this program can be found online at _____, and in the Finance Office at Hanover Town Hall.

Why does the Hanover Affordable Housing Trust do this?

The Hanover Affordable Housing Trust does this to help residents afford to stay in their home and have important wastewater systems in good working order. Upgrading septic systems and old cesspools keeps fecal coliform and other pollutants out of our groundwater, helps improve our water quality, and makes the quality of life better for all Hanover residents. Keeping the cost of homeownership affordable helps young families, senior citizens, and the whole community.