



Septic Replacement Loan Program

Spring Program Information for Homeowners (April–May 2024)

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. Loans will range from \$1,000 to \$50,000 per project, and actual rates, terms, and loan amounts will vary. **Tier two financing is available now, and tier one financing will launch at the end of May 2024.**

Program Eligibility

- Single-family homes, owner-occupied or rental property
- Sites with documented failing, near-failing, nonexistent, or similarly inadequate septic system (as 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

(Available Late May)

- 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

TIER TWO

Market-based Loans

(Available Now)

- Market-based loan
- Unsecured loan, no lien or collateral required
- Credit-based underwriting criteria
- Fixed interest rates starting around 8% (varies by lender); terms up to ten years

How to Get Started

- 1 Work with a Michigan Saves authorized septic installation contractor to establish the project scope and final cost for your septic system replacement. Search for authorized contractors online at michigansaves.org/find-a-contractor.
- 2 Work with your local health department to secure a construction permit that meets the SRLP minimum standards. Share the site evaluation soil report, construction permit and your failed system data form with your contractor.
- 3 Apply for a Michigan Saves loan online at michigansaves.org/loancenter.

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

Tier One Additional Details

2024 Eligibility

Persons in Household	Maximum Adjusted 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

Tier one financing is launching in late May 2024 and is not currently available. If you do not qualify for tier one financing based on the income eligibility requirements listed above, we recommend that you move forward with tier two financing.

If you believe you qualify for tier one, you have the option to wait until tier one launches or move forward with your project with tier two financing (note: proof of income is required with your tier one application). We recommend you work with your Michigan Saves authorized septic installation contractor to determine the best course of action for you and your septic system.

For More Information or Questions About the SRLP

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

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