



Homeowner Instruction Form Onsite Wastewater System Assistance Program (OSWAP)

Who Qualifies?: You must be the owner of an existing home with a septic system, located in an area not served by public sewer.

Loan Terms: Loans must be between \$2,000 and with no maximum, with a maximum interest rate of 3%. Loans up to 10 years may be offered, if agreed upon by the participating lender.

To apply for an OSWAP loan, homeowners must complete the following steps:

STEP 1: Apply for a county wastewater system construction permit. Contact the county sanitarian or county environmental health agency to apply for an onsite wastewater (septic) system construction permit and complete an OSWAP Approval Form.

STEP 2: Obtain construction bids. Obtain bids from septic contractors for the type of onsite system permitted by the county. There is no minimum number of bids required. County sanitarians usually maintain a list of local septic contractors.

STEP 3: Apply for a loan. Apply for a loan through a participating lender. If your regular lender is not on the participating lender list, you may ask the lender to consider participating in the program. Lender participation in OSWAP is voluntary. If your lender would like more program details before agreeing to participate, he or she may contact the DNR or the OSWAP financial agent directly (see contact information below).

To apply, you must show the lender a copy of the OSWAP Approval Form signed by a county representative, and the contractor bid(s) for the project. Since the lender assumes the risk for your loan, the lender determines whether to approve or deny your loan application, depending upon your credit rating. Even if your loan is approved, the lender is not required to offer a loan for the maximum repayment period of 10 years, but he or she may offer a loan for less than 10 years.

If your loan is not approved, you may apply again from another participating lender. If you are unable to gain approval for an OSWAP loan, you might be eligible for financial assistance through the USDA Rural Development 504 Program. Contact your local USDA Rural Development field office for details.

STEP 4: Have the system installed. Submit contractors' bills to the lender along with the signed inspection/approval portion of the OSWAP Approval Form.

STEP 5: Repay the loan. Repay the lender, according to the loan terms agreed upon with the lender.

For More Information, Contact: Your County Sanitarian or Environmental Health Office, or

For program or technical info;

Daniel Olson, R.S.

Iowa DNR

(515) 281-8263

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For lenders;

Jane Larson

Iowa Finance Authority

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