



## CONCORD BOARD OF HEALTH

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**Public Health**  
Prevent. Promote. Protect.

### SEPTIC SYSTEM BETTERMENT LOAN PROGRAM

#### Financial Assistance Septic Betterment Loans Available

The Concord Board of Health is pleased to announce that applications are available through the Septic Betterment Loans of up to \$30,000 to help offset some of the costs associated with the replacement of a FAILED onsite sewage disposal system. These loans are offered at a two percent (2%) interest rate, to be paid back over 10 years.

#### Loan Criteria

Existing Septic Systems must be in failure. Documentation may be a report from a certified inspector or copies of pumping records showing pumping over four (4) times per year. Sewage backup or breakout is also an indicator of failure, as witnessed by the Board of Health agent.

FAILED Title 5 Inspection Report, or failure documentation, must be filed with the Concord Board of Health office prior to or with the Septic Betterment Loan Application.

Although a credit check is not required, all real estate taxes, water bills, and any other municipal accounts must be paid and up to date.

#### Application Process

- **Filing Fee:** A non-refundable filing fee of \$100 is required at the time of submitting the Septic Loan Application.
- **Agreement Creation:** If the application is approved, a Betterment Agreement will be prepared for the homeowner.
- **Recording Responsibility:** The homeowner is responsible for the recording and associated costs for recording the Betterment Agreement with the Middlesex South Registry of Deeds. This can be done in person at the registry or by mail.
  - **Recording Requirements:** Please review the Registry of Deeds “Recording Requirements” to ensure timely processing.  
*Registry of Deeds  
Southern Middlesex District  
208 Cambridge Street, P.O. Box 68  
Cambridge, MA 02141-0001*

- **Reimbursement Condition:** Recording of the Betterment Agreement must be completed before any loan reimbursements will be processed.

Proof of recording must be submitted to the Board of Health.

### **Loan Reimbursement Payments**

Upon approval of the Betterment Application and recording of the Betterment Agreement, along with sign-off by the Town Assessors, the Town will be able to process loan reimbursement payments directly to either the homeowner or the vendor.

- For reimbursement to the vendor: The Board of Health requires an invoice or bill from the contractor that clearly details the work performed and the associated charges.
- For reimbursement to the homeowner: The Board of Health requires both an invoice or bill from the contractor, as well as proof of payment made by the homeowner.

Before any reimbursement is processed, the homeowner must inform the Board of Health of the reimbursement type, specifying whether it is to be directed to the vendor or the homeowner.

### **Loan Repayment Terms and Schedule**

- **Repayment Term and Schedule:**
  - The homeowner agrees to repay the loan over a period of ten years.
  - Repayment is made through annual installments, included with the first municipal tax bill of each calendar year.
  - The first payment is due in the year following the completion of the system and issuance of a certificate of compliance.
- **Interest Rate:**
  - Interest on the loan is calculated annually at a rate of 2% per year on the outstanding principal balance.
  - Interest begins accruing from the 30th day after the Board of Assessors commits the betterment assessment to the Town collector of taxes.
- **Prepayment Option:** The homeowner may repay the entire loan amount before the end of the term without incurring any penalty.

- **Conditions for Repayment:** The repayment amounts are included on the municipal tax bill and are subject to collection in the same manner as property taxes.
- **Repayment Upon Sale:** If the homeowner sells the property before the loan is fully repaid, they must either:
  - **Pay Off the Loan:** Settle the outstanding balance of the loan at the time of sale.
  - **Transfer the Loan:** Obtain approval from the Board of Health to leave the loan with the property, ensuring that the new owner agrees to assume the repayment obligations. The Town must be notified of the transfer and the new owner must agree to the terms of the Betterment Agreement.