

Washoe County

Water and Sanitary Sewer

Frequently Asked Questions

Q What is the interest rate?

A The combined Loan Program annual interest rate and Loan Administrative Fee will be 5.03% from July 1, 2011, through June 30, 2012. This fixed interest rate shall apply for the duration of the loan term (20 years). However, Washoe County reserves the right to combine individual loans into a package to be refinanced through the sale of a long term bond. Currently, Washoe County intends to refinance individual loans; therefore, a modified interest rate in the future is likely. Should refinancing through a longer term bond occur, borrowers under existing Program loan interest rates shall be subject to a revised bond interest rate, plus the Loan Administrative Fee (1%). The final interest rate on the bond will depend on the financial market at the time the bond is sold and will likely be higher than the original Program loan interest rate noted above. You will be notified within 60 days of a possible change in your interest rate and will have the option of paying off the loan in full.

Q If my loan application is denied will I receive a refund on my \$400 application fee?

A No, the application fee is non-refundable.

Q Does the home have to be my primary residence to qualify for a loan?

A No, as long as you are the owner of the residential property you can apply.

Q What happens if I sell my home?

A Loans will not be transferrable to a new property owner and must be paid in full upon transfer of property title to a new owner.

Q Can I apply for a loan to connect to a public water or sewer system that is not owned by Washoe County?

A No, at this time the Loan Program is only available to connect to Washoe County water and sewer systems.

Q What happens after I have been approved for the loan?

A To be eligible for financial assistance through the Program, three quotes from licensed Nevada contractors must be submitted to Washoe County's Department of Water Resources for review and approval. Upon approval of a satisfactory quote amount, Washoe County shall use the lowest quote amount as a basis for determining the total amount of authorized expenditures and the appropriate Program Loan amount. Once the final documents are received you will receive an *Authorization to Proceed to Construction*. Expenses incurred prior to receiving a formal *Authorization to Proceed to Construction* may not be eligible for financial assistance.

Q How will the contractor receive payment?

A Washoe County and the Financial Assistance Program are not a party to any contract or other arrangement between the borrower and any contractor, subcontractor or other person or entity performing work or services financed through the Program. Therefore, all payments to the contractor must be paid by the borrower.