



East Bethel Community Development
 2241 221st Ave. NE • East Bethel, MN 55011
 Phone: (763) 367-7844 • Fax: (763) 434-9578

Property Transfer with a Noncompliant Septic Escrow Application – Page 1 of 2

The City of East Bethel Ordinance Chapter 74, Article 2 Sewage Treatment requires a compliance inspection of Subsurface Sewage Treatment Systems (SSTS) prior to property transfer (Point of Sale) by a licensed septic inspector. The status of the SSTS must be disclosed by the property owner(s) (“Seller”) before the sale or transfer of that property to another individual(s) (“Buyer”). This ordinance requires that all property sales/transfers must have a passing compliance inspection report on file with the City of East Bethel prior to closing. If the compliance inspection report indicates a failed septic system, than the system must either be replaced/repared prior to sale/transfer OR septic escrow must be placed that meets the following requirements:

Property Address: _____

Seller’s Name(s) : _____ Phone: _____

Buyer’s Name(s) : _____ Phone: _____

<p style="text-align: center;">Person/Company <u>paying</u> the escrow</p> <p>Name: _____</p> <p>Company: _____</p> <p>Phone: _____</p> <p>Mailing address: _____</p> <p>_____</p> <p>Email: _____</p> <p><input type="checkbox"/> All escrow funds will be released to the person/company stipulated in “Person/Company receiving returned escrow”</p> <p><input type="checkbox"/> A portion of the returned escrow money will be paid to a specified septic contractor upon the final septic inspection passing and a Certificate of Septic Compliance issued. The remaining escrow that is not paid to the septic contractor will be sent to the person/company stipulated in “Person/Company receiving returned escrow” Septic company will be required to submit a copy of the invoice to the City of East Bethel once work has been completed before funds will be distributed.</p>	<p style="text-align: center;">Person/Company <u>receiving</u> returned escrow</p> <p><input type="checkbox"/> Same as person/company who paid the escrow</p> <p>Name: _____</p> <p>Company: _____</p> <p>Phone: _____</p> <p>Mailing Address: _____</p> <p>_____</p> <p>Email: _____</p> <hr/> <p style="text-align: center;">Septic Company <u>receiving</u> a portion of the returned escrow (If applicable. Leave blank if all of the escrow should be returned to the person/company stipulated above.)</p> <p>Company: _____</p> <p>Contact: _____</p> <p>Phone: _____</p> <p>Mailing address: _____</p> <p>_____</p> <p>Email: _____</p>
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What is required to be submitted prior to the property sale/transfer:	
Septic Escrow	<input type="checkbox"/> A septic design prepared by a licensed designer to be reviewed and approved for the property by the East Bethel Building Dept. (Two copies w/cover sheet) <input type="checkbox"/> Two (2) installation bids/proposals from licensed installers.
What is required to be submitted at closing to the property sale/transfer:	
Septic Escrow	<input type="checkbox"/> Completed escrow application <input type="checkbox"/> Escrow fees paid in the amount of 125% of the higher of two (2) septic installation bids/proposals



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Required Info:

Property Sale/Transfer Date: _____

The deadline to install/repair the septic system is set for: _____

The septic is noncompliant (10 months from property sale/transfer date)

The septic is an Imminent Health Threat (3 months from property sale/transfer date)

Total amount put in escrow: \$ _____

The BUYER understands that they are becoming responsible for ensuring that the septic system is brought into compliance within 10 months of the property sale/transfer date (or within 3 months for noncompliant septic systems that are an imminent health threat).

Buyer's Initials: _____

Escrow Release Info:

Escrow will be returned once the work has been completed and the final inspection is passed by a Building Inspector. A Certificate of Septic Compliance will be issued.

If work is not completed by deadline:

In the event that work is not completed within the specified time limit, the escrow funds held may be released to the City of East Bethel so that it may undertake completion of the mandated repairs to the septic system, including the well if required by the MPCA.

Title Company Representative: _____ Date: _____

Buyer's Signature: _____ Date: _____

Seller's Signature: _____ Date: _____

Community Development Staff: _____ Date: _____



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Septic System Escrow Application Design Cover Sheet

Two copies of the septic design along with this cover sheet is to be submitted to the building department prior to closing to be reviewed for compliance by the City Building Inspector. The licensed septic installer who will be doing the work must submit a Septic Permit Application to obtain the approved design and permit for installation.

Job Address: _____

Person submitting escrow funds: _____ Phone: _____

Email Address: _____

(Email address listed will receive an email of when the design is approved.)

Anticipated Closing Date: _____

Septic Designer: _____

MPCA Cert.#: _____ Phone Number: _____ Email: _____

Septic Installer (1st Bid): _____

MPCA Cert.#: _____ Phone Number: _____ Email: _____

Septic Installer (2nd Bid): _____

MPCA Cert.#: _____ Phone Number: _____ Email: _____

Building Approval: _____ Date _____