

Jackson County
SUBSURFACE SEWAGE TREATMENT SYSTEM (SSTS) REVOLVING LOAN FUND
HOME OWNER INFORMATION PAMPHLET

PURPOSE:

The purpose of this program is to improve the water quality throughout Jackson County by providing a financing source for Subsurface Sewage Treatment Systems (SSTS) for property owners.

AVAILABILITY OF FUNDS:

- Funds are from county dollars and various grants.
- Funds are available until the funds are depleted.
- Applications are on a 1st come-1st served basis determined at the time of completing the loan process.
- **IMPORTANT! ***Application must be submitted and approved before any construction may start.*****

WHO CAN APPLY?

- Only property owners who own an effected parcel (worth at least \$17,550) in Jackson County can apply.
- All of the property owner's real estate taxes must be current.
- The parcel must not have any state or federal tax liens.
- The legal description of the parcel provided by the applicant must be current and accurate. If the applicant has sold, split, divided, contract for deeded or transferred any portion of the parcel a new, accurate, legal description for the remainder must be created and provided upon application.
- All persons with a legal interest in the property must be applicants for the loan.

ASSESSMENT PERIOD

- The loan creates a lien then a special assessment against your property. (Note: Jackson County **DOES NOT** subordinate and the loan is **NOT** assumable.)
- The loan plus interest is amortized over a 10-year term, and will be shown as a **special assessment** on your real estate tax statement. The special assessment or payment will become due as shown on your real estate tax statement. If you object during the special assessment hearing process your loan will immediately become payable in full.

LOAN INTEREST

- The current rate of interest is 3%. Interest will commence accrual on the 1st of January the year of disbursement regardless of the actual date of the loan. Interest shall be calculated annually and is due and payable on the same dates as property taxes are due in the following year. If the entire principal balance is paid no later than December 31st in any year, the interest for that current year will be forgiven. The principal balance remaining at the close of business on December 31st shall be used to calculate the interest due the following year.

FEES

- \$175.00 permit fee payable to Jackson County Auditor Treasurer is due upon application. In all circumstances this fee must be paid before the loan will be finalized.
- A \$46.00 recording fee plus a mortgage registration tax of \$.0023 per every dollar of the loan amount must be paid to the Jackson County Recorder before the loan will be finalized.
- Upon satisfaction of the loan another statutory recording fee will be required prior to the lien satisfaction being filed with the Recorder's office.
- **ALL FEES ARE NON-REFUNDABLE.**

PROCEEDS:

- SSTS loan funds may only be used to pay for actual repair or replacement of subsurface sewage treatment systems on privately owned property.
- Loans cannot be used to facilitate new building construction.

IMPORTANT!

- This loan **CREATES A LIEN AGAINST YOUR REAL ESTATE** and is a legal document filed with the Jackson County Recorder.
- Jackson County DOES NOT subordinate.
- This loan is NOT assumable by another party. It must be paid in full upon any transfer in ownership of the parcel or any portion of the parcel in which the SSTS is located. Applicant may split a parcel without the loan becoming payable in full if applicant retains ownership of the parcel in which the SSTS is located **AND** said parcel retains at least \$17,550 in value as assessed by the Jackson County Assessor's Office.
- The lien will be converted to a special assessment on the property. If you object during the special assessment process the loan will become due in full immediately.

COLLECTION

- Loan payments will be collected equally over the 10-year period and are due with your property taxes.
- You may prepay at any time during the life of the loan. If a partial prepayment occurs the remaining amount due will be divided evenly and scheduled over the original life of the loan.
- The Jackson County Auditor/Treasurer will monitor all payments and provide you with the information listed below, at your request:
 - Amount assessed against your property.
 - Repayment timeline.
 - Right as property owner to pre-pay your assessment.
 - To whom, where, when and amount for pre-payments to be made.
 - The penalties, if loan payments are not paid on due date.

LOAN LIMITS

- The loan limit may be up to 100% of the final septic system design and installation cost.
- The loan shall not exceed \$15,000.

CONTRACT FOR DEED

- If your subsurface sewage treatment system is located on property which you are purchasing on a "Contract for Deed," the seller's signature is required on all the loan documents as well as your own.

SEPTIC CONTRACTOR LISTING

- You may request a listing of licensed septic contractors in Jackson and surrounding counties from Jackson County Land Management Office. The list is provided for applicant's convenience. Applicants may use any contractor who is properly licensed to install septic systems in Minnesota.

This list along with additional information regarding Jackson County's SSTS Program is available at the Jackson County Land Management website: <http://www.co.jackson.mn.us/land>

Additionally, you may search the SSTS listing from the state via the web:

http://www.pca.state.mn.us/index.php?option=com_k2&view=item&id=2265

**If you have any questions
Contact Jackson County Land Management
(507) 662-6682 ext 4**

All application data is:
PUBLIC INFORMATION
And
SUBJECT TO VERIFICATION

SSTS LOAN AGREEMENT PROCESS

PRELIMINARY LOAN APPROVAL:

Step 1

- Applicant(s) completes and submits listed documents to the Jackson County Land Management Office:
 - Application Form ~ 2 pages
 - Copy current and accurate legal description of the property
 - Pay the \$175.00 non-refundable permit fee

Step 2

- The Jackson County Land Management Office and other county departments review the application (approximately 10 business days):
 - If approved, a copy of the signed application will be sent to the applicant. To expedite receipt of notice the applicant may list an email address on the application form. If an email address is listed copies will only be sent by email and will **NOT** be sent by USPS.
 - If denied, a letter is sent to the applicant by USPS.

Step 3

- System is installed by a licensed contractor(s).
- System is inspected by the Land Management Office.

FINAL LOAN APPROVAL:

Step 4

- Applicant or contractor submits the final bills to the Land Management Office.

Step 5

- Loan Agreement documents are prepared and mailed to applicant:
 - Applicant(s) must sign the loan agreement documents in the presence of a Notary.
 - Notary services are available at the Land Management Office or the Courthouse, if needed. An additional, nominal, fee is charged for Notary services.

Step 6

- Applicant returns the signed/notarized Loan Agreement documents, along with a check for the recording and mortgage tax fee payable to the Jackson County Recorder.
- The Land Management Office circulates the loan agreement to the other involved county departments for final checks and authorization of the loan.
- The Land Management Office submits the loan agreement to the County Board for final approval.

Step 7

- Land Management Office submits the authorized loan agreement to the Jackson County Auditor/Treasurer, indicating payment can be made to the contractor(s)
- Loan Agreement and lien documents are recorded in the Recorder's Office against the property.
- The Auditor Treasurer's office finalizes the Special Assessment through the public hearing process and enters the loan as a Special Assessment against the property.

*Jackson County
Application Form
Subsurface Sewage Treatment
System Loan Fund*

Jackson County Land Management
603 S. Hwy 86 Lakefield, MN 56150
Phone (507) 662-6682 x4

ALL PROPERTY OWNERS NAMES AND ADDRESSES MUST BE LISTED ON THE APPLICATION
Married parties MUST have their spouse as a co-applicant regardless of whether the spouse's name is on the property deed.

Mr. Ms. Mrs.

Please circle status: Married / Single

Name Telephone Number

Mailing Address City State Zip

Mr. Ms. Mrs.

Please circle status: Married / Single

Name Telephone Number

Mailing Address City State Zip

Email address (optional): _____

NOTE: If you list an email address all correspondence regarding the loan will be sent to the email address only. If you want correspondence by USPS do NOT list an email address.

Parcel Number, assessed property value and legal description of applicant's property where borrowed funds will be used:

Parcel # _____ Assessed Market Value \$ _____

This information may be found on your most recent Jackson County Property Tax Statement

Are your real estate tax payments current on all parcels? Yes No

Address and legal description of site where funds **Will Be Used:**

Address: _____

*** YOU MUST ATTACH A CURRENT AND ACCURATE LEGAL DESCRIPTION FOR THE PROPERTY ***

Is this site located within a municipality? Yes No If applicable, Municipality Name: _____

If you have a "Contract for Deed" please notify the seller. They must sign the loan documents and this application before the loan can be issued.

If you have a contract for deed, fill out the following information:

Printed Name of Contract for Deed or Life Estate Vendor (Sellers) Signature(s) _____

Printed Name of Contract for Deed or Life Estate Vendee (Buyers) Signature(s) _____

Who is your Septic Designer/Installer/Contractor? _____

Contractor License # _____ Phone Number _____ Cost Estimate: \$ _____

The below signed applicant(s) certify to Jackson County that all information contained in this application is true and correct to the best of their ability. The applicant(s) certify to Jackson County that the legal description provided by applicant(s) is current and accurate, specifically applicant(s) have not sold, split, divided, contracted for deed or transferred a portion of the parcel that is described in the legal description provided by applicant(s). Applicant(s) have reviewed the SSTS Loan Fund homeowner informational packet and have reviewed Jackson County Ordinance 105. Based on these sources, applicant(s) is/are familiar with and agree to the terms of loan from the SSTS Loan Fund from Jackson County.

Signature of Applicant: _____ Date _____

Signature of Applicant: _____ Date _____

A Complete Application Requires You to Have The Following Attachments:

- Current and Accurate Legal Description** of the property where the SSTS will be installed
- \$175.00 payable to the Jackson County Auditor Treasurer (Septic Permit fee)
- If the system is in the utility jurisdiction of a municipality ~ There must be a **Letter** from the municipality, stating that they have given permission to put in a SSTS.

NOTE: The system must be installed by a licensed contractor.

This loan application has been screened by Jackson County and currently meets the requirements of Jackson County Ordinance 105. Final screening and approval will occur prior to the loan being finalized. The below signature authorizes the contractor to install the system subject to all other State and County permitting and installation requirements.

Pre-Loan Approval: _____
Land Management Official Date