This booklet provides tips and information to help with a successful transfer of your Minnesota Power ShoreLand leased property.
Property info

- For seasonal and year-round leases, rent and tax amounts can be found on St. Louis County’s website. Taxes are stated; rent is 2.5 percent of the market value of land only. St. Louis County parcel tax lookup: [http://bit.ly/2hME7qO](http://bit.ly/2hME7qO)
- Leaseholder owns and is responsible for any and all improvements on the lease property.
- Minnesota Power follows all St. Louis County guidelines for septic systems, outhouses, and grey water disposal—all transfers require certificate of compliance.
- Buyers will sign a new lease with an expiration date as far into the future as currently offered. As of February 2016, buyers will sign new leases with an expiration date of Feb. 1, 2046.

3 MAIN LEASE CLASSIFICATIONS:

**Seasonal**—Continuous occupation of the property is permitted only during the summer recreation season.

**Year-round**—Continuous occupation of the property is permitted year-round.

**Access**—No dwelling structures are permitted on the property at any time. Lease is for access purposes only.
Purchase agreement

- Legal description should be the same as what is on the lease. Please email landinfo@mpland.com to request the legal description.

- Deed/marketable title should always have "other" checked, with "leasehold interest" stated as the type.

- Addition of $500 lease transfer fee to purchase agreement is recommended. (Amount subject to change.)

Process

As soon as there is a signed purchase agreement, forward it to landinfo@mpland.com for review. Minnesota Power will send the Disclosure and Account Information form which needs to be completed and returned at least two weeks before the closing. The Transfer Agreement form, new Lease, and Consent & Addendum (if applicable) will be executed at closing.

Financing

The language in the lease is nonnegotiable. The loan needs to be kept in-house, it cannot be sold. The loan cannot be recorded against Minnesota Power property. Most financial institutions file a UCC with the Secretary of State against the structures and improvements on the lease property.

While deciding whether and how to finance the purchase of a leasehold interest and the personal property on a leased lot is the buyer’s decision, Minnesota Power is aware that its leaseholders have often worked with the following financial institutions to finance the personal property on Minnesota Power leased land:

ALERUS
BRAINERD SAVINGS & LOAN
C.U. MORTGAGE SERVICES INC.
DULUTH TEACHERS CREDIT UNION
FRANSEN BANK & TRUST
HARBOR POINTE CREDIT UNION
MEMBERS COOPERATIVE CREDIT UNION
MINNESOTA POWER EMPLOYEES CREDIT UNION
NATIONAL BANK OF COMMERCE
NORTH SHORE BANK OF COMMERCE
PIONEER NATIONAL BANK
PROCTOR FEDERAL CREDIT UNION
REPUBLIC BANK
WESTERN BANK

Please note: Leaseholders are free to work with any financial institution of their choosing and Minnesota Power does not endorse or recommend any financial institution.
Pages 4-15 are for informational purposes only.

MP LEASE PROGRAM DISCLOSURE AND ACCOUNT INFORMATION FORM .......................................................... 4
SAMPLE PURCHASE AGREEMENT ....................................................................................................................... 10
ST. LOUIS COUNTY SEPTIC SYSTEM DISCLOSURE/TRANSFER AGREEMENT ............................................. 12
ST. LOUIS COUNTY PRIVY/OUTHOUSE INFORMATION SHEET ........................................................................... 14
This form must be submitted to Minnesota Power to initiate the lease transfer process. Transfer fee(s) in the amount of $500 will be collected at closing, some exclusions may apply.

MP Lot No. STLO000000000000 Date: January 1, 2017
Account No. 1234567890

Minnesota Power retains fee title to the real property that is the subject of seller’s lease. Neither fee title ownership, nor the general rights of fee ownership, are assigned by the lease or the transfer instrument.

- **Current lessee(s) conveying leaseholder interest in a current lease only.** Regardless of the value of consideration made in the conveyance of leaseholder interest, Minnesota Power remains the owner, in fee simple, of the leased parcel.
- Under the terms of the existing lease, Minnesota Power retains substantial control over lease land use activities.
- Subsequent transfer of this leaseholder interest is subject to terms, conditions and fees as determined by Minnesota Power.
- Terms and costs of future leases have not been determined and are subject to change at Minnesota Power’s sole discretion of those regulatory or governmental bodies with applicable jurisdiction.
- Send the completed Lease Program Disclosure and Account Information form back to Minnesota Power at:
  - [landinfo@mpland.com](mailto:landinfo@mpland.com)
  - OR
  - Minnesota Power
    - ShoreLand
    - 30 W Superior St
    - Duluth, MN 55802

This information relates to the following described property:

1234 Island Lake Dr.
Duluth, MN 55803

**Minnesota Power Parcel Number 00, in that portion of XX/XX, Section 00, Township 000 North, Range 00 West, above the flood line of, Island Lake Reservoir containing 1.0 acres, more or less:**

As of the date below, I/We the seller(s) of the above described lease lot, agree(s) that the condition of the lease lot is the same as noted within this disclosure and that any changes in said condition will be described in writing and delivered to the buyer(s) and Minnesota Power. I/We wish to transfer the leases described above.

<table>
<thead>
<tr>
<th>Leaseholder, Joe – Signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forwarding Address</td>
<td></td>
</tr>
<tr>
<td>City, State, Zip</td>
<td></td>
</tr>
<tr>
<td>Phone</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Leaseholder, Jane – Signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forwarding Address</td>
<td></td>
</tr>
<tr>
<td>City, State, Zip</td>
<td></td>
</tr>
<tr>
<td>Phone</td>
<td></td>
</tr>
</tbody>
</table>
A. Septic System Information

Does the lease lot contain a septic system? □ Yes □ No

If yes, please complete the following information:

- County Permit Number __________________________
- Date Installed ________________
- Final Inspection Date ________________
- Tank Size _______ (gallons)
- Tank Type: □ Concrete □ Steel □ Plastic □ Other □ Unknown
- Area Size _______ (square feet)
- System Type: □ Gravel Trench □ Gravel-less Trench □ Mound

*A certificate of compliance will be required as a condition of lease transfer.*

B. Existing Well Information

Does the lease lot contain a well currently in use? □ Yes □ No

If yes, please complete the following information:

- Minnesota Unique Well Number __________________________
- Date Installed ________________
- Well Depth _______ (feet)
- Casing Depth ________________

C. Sealed Well Information

Does the lease lot contain any wells no longer in use? □ Yes □ No

If yes, please complete the following information:

- Number of wells ________________
- Date well(s) was/were sealed ________________
- Was a “Sealed Well Report” filed with the Minnesota Department of Health for each well? □ Yes □ No
- Are there any unused wells which have not been sealed? □ Yes □ No
- If yes, please describe the type and location of each:

D. Well Water

Has a well water test been performed by the County Health Department? □ Yes □ No

If yes, please provide well water test results □ Pass □ Fail

- Date tested _______________________

E. Underground Storage Tanks

Are there any underground storage tanks? □ Yes □ No

If yes, please describe the type and location:
F. Underground Hazards or Spills

Are you aware of any underground hazards or spills?  ☐ Yes  ☐ No
If yes, please describe the type and location:
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

G. Historic or Cultural Resources

Are you aware of any historic or cultural resources on the lot?  ☐ Yes  ☐ No
If yes, please describe the type and location:
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

Minnesota Power Leases on Reservoirs

All lots located on the reservoirs listed below experience seasonal fluctuations in water elevation as follows:

1. Island Lake Reservoir—12.2 feet below ordinary high water level
2. Whiteface Reservoir—5.2 feet below ordinary high water level
3. Fish Lake Reservoir—3.2 feet below ordinary high water level
4. Wild Rice Lake Reservoir—2.2 foot below ordinary high water level
5. Boulder Lake Reservoir—7.0 feet below ordinary high water level
6. Whitewater-Colby Reservoir System—Up to 32 feet below ordinary high water level
7. Garden Lake Reservoir—2.0 foot below ordinary high water level

Island Lake, Fish Lake, Rice Lake, Boulder Lake and Whiteface Reservoirs are managed by Minnesota Power to store natural stream flow for hydroelectric power generation downstream on the St. Louis River. Each winter the water level is drawn down the vertical distance listed above. Approximately on April 1st of each year, the storage reservoir dams are closed, and spring runoff begins to raise the water elevations. Depending upon spring rainfall-runoff conditions, the water elevation may or may not reach the normal high water elevation (full pond). During years when high water elevations are reached, the dams are opened to maintain an elevation at or below the ordinary high water level. Minimum river flows downstream of these dams are maintained by releasing water from the reservoirs as a requirement of Minnesota Power’s Federal Energy Regulatory Commission license. Consequently, in most years, water elevations will lower throughout the summer recreational season. When drought or low water conditions occur, reservoir levels may prevent or impair access to boatable/recreational waters from your lot.

The Whitewater-Colby Lake Reservoir System is a water storage facility that is used in operations for mining, coal-fired steam electric power generation at the Laskin Energy Center and future Laskin Energy Park manufacturing tenants. Gates allow Partridge River water to flow into Whitewater Reservoir during high flow periods which is stored in the reservoir to augment Colby Lake levels during low Partridge River flow via a pumping station at the confluence of Colby Lake and Whitewater Reservoir. The water is pumped at various times to maintain water levels and temperature on Colby Lake which vary due to various permitted operations at Laskin Energy Park and the Cliffs-Erie Mining Site. As a result, water level fluctuations on the reservoir system can occur at any time. Also, due to these fluctuating water levels and the warm water discharge from the Laskin Energy Center on Colby Lake during the winter, ice conditions at this reservoir system is considered unsafe for recreational uses—and particularly on Colby Lake.
Garden Lake Reservoir is part of the Winton Hydro Project creates a reservoir encompassing Garden Lake, Farm Lake, South Farm Lake and a portion of the North Kawishiwi River (a.k.a. Friday Lake). During the summer recreation season, Garden Lake Reservoir generally stays within a foot of the ordinary high water mark, and during the spring time, the reservoir is drawn down about 2 feet to lessen the impact of springtime flooding on White Iron Lake (upstream).

Gull River Flowage and Lake Placid Reservoir are hydroelectric generating reservoirs. Sylvan Dam creates the Gull River Flowage and Pillager Dam creates the Lake Placid Reservoir. These dams regulate the water elevations of their respective reservoirs, which generally remain at normal high water elevation throughout the year.

There are no guarantees of reservoir elevations. Consequently, during periods of drought or low water elevation, areas previously submerged will be exposed. The extent of exposed reservoir bottom depends upon the slope of the reservoir bottom. Similarly, during periods of full pond elevation these exposed areas of reservoir bottom will be submerged. Operations, construction, maintenance, FERC license order(s) or regulation requirements related to the reservoir system may require water level changes at any time.

The boundaries of Minnesota Power lease lots extend only to the high water shoreline of the reservoir. Exposed reservoir bottom areas are not part of lease lots. Pedestrian access to exposed reservoir bottom is not restricted.

Water currents both upstream and downstream of these reservoir dams are extremely dangerous year-round. Stay clear of all reservoir dams, facilities and structures.

**Construction**

All construction, land alterations, and vegetation clearing require prior written notification/approval of Minnesota Power. Minnesota Power’s authority on land use/construction plans on the Lease Lot may be more restrictive than local zoning rules, or what has been permitted on other company lease lots, depending on policy or circumstance. At any time during the lease term, Minnesota Power may be examining the Lease Lot for cultural resources/historic properties, as obligated under its federal hydroelectric license. Discovery of said resources/properties may require additional study and may affect future land use/construction plans. Potential buyers are encouraged to confirm land use/construction plans with Minnesota Power prior to executing the lease agreement.

**Cultural Resources/Historic Properties**

Other obligations arising out of Minnesota Power’s federal hydroelectric license includes exploration, examination and protection of cultural and historic resources at the reservoirs. Discovery of these resources may require additional study and may require alterations to future land use/construction plans on the lot. Potential buyers or renewing leaseholders are encouraged to confirm land use/construction plans with Minnesota Power prior to executing the lease agreement.
New Lessee Acknowledgment

**If there are to be two leaseholders on the lease, tenancy intent needs to be chosen. Both lessees must be at least eighteen (18) years old as of the date this form is filled out and signed.

It is our intent that our Lease Agreement with Minnesota Power is held in (choose one):

- ☐ Joint Tenancy
  - When one of the co-leaseholders passes away, his or her one-half interest in the lease automatically passes to the surviving leaseholder, who then holds the entire lease.

- ☐ Tenancy in Common
  - When one of the co-leaseholders passes away, his or her one-half interest in the lease passes as an asset of their estate while the surviving co-leaseholder continues to hold his or her one-half interest in the lease.

New Lessee Name—Print (First, MI, Last) ____________________________
New Lessee Signature ____________________________ Date __________
New Lessee Address (After closing) ____________________________
City, State, Zip ____________________________
Phone ____________________________ Email ____________________________
I am the: ☐ Primary Leaseholder ☐ Secondary Leaseholder ☐ Trustee ☐ Chief Manager (LLC)
Are you related to the current lessee? ☐ No ☐ Yes; Relationship ____________________________
Do you plan on living at the leased property? ☐ No ☐ Yes; Move-in Date ____________________________
Are you planning on financing the lease property? ☐ No ☐ Yes; With whom? ____________________________
Are you going to escrow? ☐ No ☐ Yes ____________________________
Account Information (if applicable)

New Lessee Name—Print (First, MI, Last)  New Lessee Signature  Date

New Lessee Address (After closing)  City, State, Zip

Phone  Email

I am the:  ☐ Primary Leaseholder  ☐ Secondary Leaseholder  ☐ Trustee  ☐ Chief Manager (LLC)

Are you related to the current lessee?  ☐ No  ☐ Yes; Relationship ________________________________

Do you plan on living at the leased property?  ☐ No  ☐ Yes; Move-in Date ________________________________

Are you related to the leaseholder listed on page 5?  ☐ No  ☐ Yes; Relationship ________________________________

Office Use Only

Current Minnesota Power Account Number:  New Minnesota Power Account Number (if necessary):

CIS ___________________________  CIS ___________________________

Adept ___________________________  Adept ___________________________

New Leaseholder(s) Initials ________ ________
PURCHASE AGREEMENT

This form approved by the Minnesota Association of REALTORS®,
which disclaims any liability arising out of use or misuse of this form.
© 2014 Minnesota Association of REALTORS®, Edina, MN

1. Date

2. Page 1 of

3. BUYER (S):

4.  

5. Buyer’s earnest money in the amount of

6. $_________ Dollars ($ _________ )

7. shall be delivered to listing broker no later than two (2) Business Days after Final Acceptance Date of this Purchase

8. Agreement. Buyer and Seller agree that listing broker shall deposit any earnest money in the listing broker’s trust

9. account within three (3) Business Days of receipt of the earnest money or Final Acceptance Date of this Purchase

10. Agreement, whichever is later.

11. Said earnest money is part payment for the purchase of the property located at

12. Street Address:

13. City of ________________________, County of ___________________________,

14. State of Minnesota, legally described as ________________________________

15. 

16. Said purchase shall include all improvements, fixtures, and appurtenances on the property, if any, including but not

17. limited to, the following (collectively the “Property”): garden bulbs, plants, shrubs, trees, and lawn watering system;

18. shed; storm sash, storm doors, screens and awnings; window shades, blinds; traverse, curtain, and drapery

19. rods, valances, drapes, curtains, window coverings and treatments; towel rods; attached lighting and bulbs; fan fixtures;

20. plumbing fixtures; garbage disposals; water softener; water treatment system; water heating systems, heating systems;

21. air exchange system; radon mitigation system; sump pump; TV antenna/cable TV jacks and wiring/TV wall mounts;

22. wall/ceiling-mounted speakers and mounts; carpeting; mirrors; garage door openers and all controls; smoke detectors;

23. fireplace screens, door and heatilators; BUILT-INS: dishwashers; refrigerators; wine/beverage refrigerators; trash

24. compactors; ovens; cook-top stoves; warming drawers; microwave ovens; hood fans; shelving; work benches; intercoms;

25. speakers; air conditioning equipment; electronic air filter; humidifier/dehumidifier; liquid fuel tanks (and controls);

26. pool/spa equipment; propane tank (and controls); security system equipment; TV satellite dish; AND the following

27. personal property shall be transferred with no additional monetary value, and free and clear of all liens and encumbrances:

28. 

29. Notwithstanding the foregoing, leased fixtures are not included.

30. Notwithstanding the foregoing, the following item(s) are excluded from the purchase:

31. 

32. Seller has agreed to sell the Property to Buyer for the sum of ($ ____________________________ )

33. Dollars, which Buyer agrees to pay in the following manner:

34. 

35. 1. CASH of ________ percent (%) of the sale price, or more in Buyer’s sole discretion, which includes the earnest

36. money; PLUS

37. 2. FINANCING of ________ percent (%) of the sale price, which will be the total amount secured against this

38. Property to fund this purchase.

39. Such financing shall be (check one) ☐ a first mortgage; ☐ a contract for deed; or ☐ a first mortgage with

40. subordinate financing, as described in the attached Addendum:

41. ☐ Conventional ☐ FHA ☐ DVA ☐ Assumption ☐ Contract for Deed ☐ Other: ____________________________ .

42. (Check one.)

43. The date of closing shall be ____________________________, 20 __________.

MN:PA-1 (8/14)
46. Property located at ____________________________________________________________.
47. This Purchase Agreement ☐ IS ☐ IS NOT subject to an Addendum to Purchase Agreement: Sale of Buyer's Property
   (Check one:______).
48. ___ Contingency for sale of Buyer's property. (If answer is IS, see attached Addendum.)
49. (If answer is IS NOT, the closing of Buyer's property, if any, may still affect Buyer's ability to obtain financing, if financing
   is applicable.)
50. This Purchase Agreement ☐ IS ☐ IS NOT subject to cancellation of a previously written purchase agreement
   dated ______________________ , 20 ________ . (If answer is IS, said cancellation shall be obtained no later than
   ______________________ , 20 ________ . If said cancellation is not obtained by said date, this Purchase Agreement
   is canceled. Buyer and Seller shall immediately sign a Cancellation of Purchase Agreement confirming said cancellation
   and directing all earnest money paid hereunder to be refunded to Buyer.)
51. Buyer has been made aware of the availability of Property inspections. Buyer ☐ Elects ☐ Declines to have a
52. Property inspection performed at Buyer's expense.
53. This Purchase Agreement ☐ IS ☐ IS NOT subject to an Addendum to Purchase Agreement: Inspection Contingency.
54. (Check one.)
55. DEED/MARKETABLE TITLE: Upon performance by Buyer, Seller shall deliver a (check one):
56. ☐ Warranty Deed, ☐ Personal Representative's Deed, ☐ Contract for Deed, ☐ Trustee's Deed, or
57. ☐ Other: ____________________________ Deed joined in by spouse, if any, conveying marketable title, subject to
58. (Check one:______).
59. REAL ESTATE TAXES: Seller shall pay on the date of closing all real estate taxes due and payable in all prior years
60. including all penalties and interest.
61. Buyer shall pay ☐ PRORATED FROM DAY OF CLOSING ☐ _____ 12ths OF ☐ ALL ☐ NO real estate taxes due
   and payable in the year 20 ________. (Check one.)
62. Seller shall pay ☐ PRORATED TO DAY OF CLOSING ☐ _____ 12ths OF ☐ ALL ☐ NO real estate taxes due and
   payable in the year 20 ________. If the closing date is changed, the real estate taxes paid shall, if prorated, be adjusted
   to the new closing date. If the Property tax status is a part- or non-homestead classification in the year of closing, Seller
63. ☐ SHALL ☐ SHALL NOT pay the difference between the homestead and non-homestead.
64. Buyer shall pay real estate taxes due and payable in the year following closing and thereafter, the payment of which
65. is not otherwise herein provided. No representations are made concerning the amount of subsequent real estate taxes.
66. DEFERRED TAXES/SPECIAL ASSESSMENTS:
67. ☐ BUYER SHALL PAY ☐ SELLER SHALL PAY on date of closing any deferred real estate taxes (e.g., Green
   Acres) or special assessments, payment of which is required as a result of the closing of this sale.
68. ☐ BUYER AND SELLER SHALL PRORATE AS OF THE DATE OF CLOSING ☐ SELLER SHALL PAY ON
   _____________________________________________________________.
69. DATE OF CLOSING all installments of special assessments certified for payment, with the real estate taxes due and
70. payable in the year of closing.

MN:PA-2 (8/14)
**Septic System Disclosure/Transfer Agreement**

St. Louis County, Minnesota

**SEPTIC SYSTEM DISCLOSURE**

St. Louis County Ordinance 61 requires a compliance inspection of Subsurface Sewage Treatment Systems (SSTS) prior to property transfer (Point of Sale) by a licensed 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"). The following are conditions of which the Buyer needs to be aware.

<table>
<thead>
<tr>
<th>Today's Date:</th>
<th>Property Transfer Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td>PIN</td>
<td>Assoc. PIN</td>
</tr>
<tr>
<td>City</td>
<td>Zip</td>
</tr>
<tr>
<td>Township</td>
<td></td>
</tr>
</tbody>
</table>

**Additional PIN(s) and/or comments about this property.**

**SSTS INFORMATION**

<table>
<thead>
<tr>
<th>Check</th>
<th>To the best of my knowledge, this transfer is EXEMPT for the following reason(s):</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The SSTS has a valid Certificate of Compliance. A Certificate of Compliance is valid for five years for new SSTS installations, and three years from the date an existing SSTS passes a compliance inspection.</td>
</tr>
<tr>
<td></td>
<td>A signed disclosure statement is presented indicating that no SSTS exists nor is one required on the property or that the property is served only by a permitted privy with a valid Certificate of Compliance or a hand-carried graywater system.</td>
</tr>
<tr>
<td></td>
<td>Court rulings for wills, probate actions, divorce, estate settlements.</td>
</tr>
<tr>
<td></td>
<td>The property transfer is between immediate family members (person's grandparent, parent, grandchild, child, siblings, or spouse) on non-shoreland property and occurs prior to February 26, 2019. Shoreland is defined as any SSTS within 1000 feet of a lake or 300 feet of a river.</td>
</tr>
<tr>
<td></td>
<td>The affected tract of land is without buildings or contains no dwellings or other buildings with plumbing fixtures.</td>
</tr>
<tr>
<td></td>
<td>The transfer does not require the filing of a Certificate of Real Estate Value, as described in Minnesota Statutes, Section 272.115, Subd. 1.</td>
</tr>
<tr>
<td></td>
<td>The sale or transfer completes a contract for deed or purchase agreement entered into prior to the effective date of this Ordinance. This subsection applies only to the original vendor and vendee on such a contract.</td>
</tr>
<tr>
<td></td>
<td>Any dwellings or other buildings that are connected exclusively to a municipal wastewater treatment system; any dwellings or other buildings that are located within the jurisdiction of a County approved agreement requiring exclusive connection to the wastewater treatment system of any municipality; or, any dwellings or other buildings that are connected exclusively to an approved wastewater treatment facility other than an individual sewage treatment system.</td>
</tr>
</tbody>
</table>

**SSTS STATUS**

<table>
<thead>
<tr>
<th>Check</th>
<th>Status of the SSTS is determined to be:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>COMPLIANT: The septic system meets all current standards. The Seller must provide the Buyer a Certificate of Compliance. A valid Certificate of Compliance issued by the Environmental Services Department (Department) for a system built within 10 years or a valid Certificate of Compliance issued within 3 years for systems older than 10 years.</td>
</tr>
<tr>
<td></td>
<td>OPERATING PERMIT REQUIREMENTS: Operating permits are not transferable. A new operating permit must be issued in the name of the new owner. At time of property transfer, the buyer shall complete and submit to the Department an application for transfer of an SSTS operating permit.</td>
</tr>
<tr>
<td></td>
<td>NONCONFORMING: The septic system does not meet current standards but is functioning adequately, or no final inspection was on file with the Department. <strong>No upgrade or replacement is required.</strong> However, upgrade or replacement may be required to obtain a land use permit. The Seller must provide the Certificate of Nonconformity to the Buyer.</td>
</tr>
<tr>
<td></td>
<td>NONCOMPLIANT: The septic system does not meet the current standards and must be replaced within 12 months within shoreland or 24 months in non-shoreland. The Seller must provide to the Department an application, permit fee and design within 60 days; or by June 1st, if frozen soil conditions exist.</td>
</tr>
<tr>
<td></td>
<td>IMMINENT THREAT TO PUBLIC HEALTH: The septic system is identified as an Imminent Threat to Public Health and immediate action is required. The Seller must provide the Notice of Imminent Threat to Public Health to the Buyer. <strong>Buyer and Seller must complete the Transfer Agreement on the back of this form and submit to the Department an application, permit fee and design within 30 days; or by June 1st, if frozen soil conditions exist.</strong> System must be abated within 10 days and corrected within 10 months.</td>
</tr>
</tbody>
</table>

**To the best of my knowledge this information is correct (please print names)**

<table>
<thead>
<tr>
<th>Seller Name:</th>
<th>Buyer Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signature:</td>
<td>Signature:</td>
</tr>
</tbody>
</table>

**Reminder:** If the system has NOT been inspected, or if the system is classified as Noncompliant or an Imminent Threat to Public Health, the Buyer and Seller must complete the back of this form and submit it to the Environmental Services Department within the respective time frames identified above.
## TRANSFER AGREEMENT

### When a Compliance Inspection CANNOT be Performed PRIOR to Property Transfer

If, at any time, a Compliance Inspection cannot be performed prior to the property transfer, this **Transfer Agreement and a copy of an escrow or trust agreement**, as noted in St. Louis County Ordinance 61, Article VIII, Section 2, Item 2.07, must be submitted to the St. Louis County Environmental Services Department (Department) at either of the addresses listed at the bottom of this form. The results of the Compliance Inspection must be submitted to the Department within 30 (thirty) days after the transfer. However, if the transfer takes place when a Compliance Inspection cannot be performed due to frozen soil conditions, the Compliance Inspection must be performed by the following June 1st.

<table>
<thead>
<tr>
<th>Agreement Date:</th>
<th>Property Transfer Date:</th>
</tr>
</thead>
<tbody>
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</tr>
</tbody>
</table>

### Additional PIN(s) and/or Comments about this Transfer:

<table>
<thead>
<tr>
<th>Property Address</th>
<th>City</th>
<th>Zip</th>
<th>Township Name</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
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</tr>
</tbody>
</table>

- Box for Seller
- Box for Buyer

- Takes responsibility for assuring the compliance inspection is performed and submitted to SLC Environmental Services.

### When a System is Classified NONCOMPLIANT or IMMINENT THREAT to PUBLIC HEALTH...

and the system upgrade does not occur prior to the property transfer, this **Transfer Agreement and a copy of an escrow or trust agreement**, as noted in St. Louis County Ordinance 61, Article VIII, Section 2, Item 2.07, must be submitted to the Department at either of the addresses listed at the bottom of this form.

<table>
<thead>
<tr>
<th>Check</th>
<th>Seller and Buyer have agreed to accept responsibility to finance the improvements as follows:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The Seller(s) agrees to pay the entire cost to upgrade or replace the failing SSTS.</td>
</tr>
<tr>
<td></td>
<td>The Buyer(s) agrees to pay the entire cost to upgrade or replace the failing SSTS.</td>
</tr>
<tr>
<td></td>
<td>Seller and Buyer agree to share the cost of upgrading or replacing the failing SSTS as follows:</td>
</tr>
<tr>
<td></td>
<td>Seller's Portion:</td>
</tr>
<tr>
<td></td>
<td>Buyer's Portion:</td>
</tr>
</tbody>
</table>

### Signatures and Contact Information Required (please print names)

<table>
<thead>
<tr>
<th>Seller Name:</th>
<th>Buyer Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signature:</td>
<td>Signature:</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Seller Name:</th>
<th>Buyer Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signature:</td>
<td>Signature:</td>
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<table>
<thead>
<tr>
<th>Mailing Address:</th>
<th>Mailing Address:</th>
</tr>
</thead>
<tbody>
<tr>
<td>City, ST, Zip</td>
<td>City, ST, Zip</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Phone #</th>
<th>Email</th>
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<table>
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<tr>
<th>Phone #</th>
<th>Email</th>
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</tbody>
</table>

### Duluth Office (southern SLC areas)

- Environmental Services OWD
- Government Services Center
- 320 W 2nd Street, Suite 301
- Duluth, MN 55802

### Virginia Office (northern SLC areas)

- Environmental Services OWD
- Northland Office Center
- 307 First Street S, Suite 115
- Virginia, MN 55792

### Telephone & Web Site

- 218-725-5200 Duluth
- 218-749-0625 Virginia
- Toll Free 1-800-450-9278
- [www.stlouiscountymn.gov/septic](http://www.stlouiscountymn.gov/septic)

July 16, 2014

St. Louis County, Minnesota

INCOMPLETE FORMS WILL BE RETURNED

Septic System Disclosure/Transfer Agreement
Privy/Outhouse Information Sheet
St. Louis County, Minnesota

Privies:

From MN Rules Chapter 7080.1100, Subp. 62, a privy is an above ground structure with an underground cavity meeting the requirements of part 7080.2280 that is used for the storage or treatment and dispersal of toilet wastes, excluding water for flushing and graywater. A privy also means a non-dwelling structure containing a toilet waste treatment device (7080.1100, Subp 86).

Outhouses are sometimes also referred to as a pit toilet defined by the Consortium of Institutes for Decentralized Wastewater Treatment (CIDWT) as a self-contained waterless toilet used for disposal of non-water carried human waste consisting of a shelter built above a pit in the ground into which human waste falls.

Rule Requirements

The use of privies is allowed by the provisions of Chapter 7080.2280. If the pit has an earth bottom, this point should be at least three feet above saturated soil conditions. If this separation distance cannot be achieved in the location of the privy, then the pit should be liquid-tight, with the wastes periodically removed by someone who services septic tanks. The privy should be securely attached to the ground or to the tank used for the pit. According to MN Rules Chapter 7080.2280, to qualify as a privy, a system must meet the general technical requirements for all systems covered in 7080.2150, Subp. 2.

Design and Setbacks

Suggested specifications for the outer portion of an outhouse are provided in Figures 39 and 40. MN Rules Chapter 7080.2280, outline requirements for the proper application of a privy.

There are two options for the design of a privy:

1. A pit can be dug that meets the 3 foot separation requirement. This means that the soil beneath the bottom of the pit that meets or exceeds the requirements of part 7080.2150, Subp. 3, item C. Pits or vaults must have sufficient capacity for the dwelling they serve, but must have at least 27 cubic feet (1 cubic yd) of capacity. The sides of the pit must be curbed to prevent cave in (MN Rules Chapter 7080.2280, Items B and C). The pit must meet all the same setbacks as any soil treatment system.

2. A watertight holding tank meeting applicable requirements of parts 7080.1900 to 7080.2030 can be used instead of a pit. This tank must meet the same setbacks as septic tanks.

<table>
<thead>
<tr>
<th>SETBACKS</th>
<th>Structures</th>
<th>Property Lines</th>
<th>Shallow Well (Casing depth &lt; 50’)</th>
<th>Deep Well (Casing depth 50’ or &gt;)</th>
<th>Lakeshore, River, or Stream</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vaulted Privy</td>
<td>10’</td>
<td>10’</td>
<td>50’</td>
<td>50’</td>
<td>Depends on the Classification</td>
</tr>
<tr>
<td>Pit Privy</td>
<td>20’</td>
<td>10’</td>
<td>100’</td>
<td>50’</td>
<td>Depends on the Classification</td>
</tr>
</tbody>
</table>

Ventilation

From MN Rules Chapter 7080.2280 (E), privies must be adequately vented. To minimize odors in the upper part of the privy a vent should extend from the underside of the seat board through the roof or up to a horizontal vent open to the sides of the toilet. The vent must be flush with the underside of the seat board and must not extend down into the pit. Gases which cause odors are lighter than air, and if the vent extends down below the seat board, these gasses will collect under the seat board to be released upward into the privy when the seat cover is opened. At the top of the privy there should be a screened opening on each side or, preferably, all the way around the top to allow air to pass through and carry away any odors which may seep into the upper part of the structure.

From MN Rules Chapter 7080.2280, (D), the privy must be easily maintained and insect proof. The door and seat must be self-closing. All exterior openings, including vent openings, shall be screened.

All vent openings to the outside should be properly screened to keep out insects. Insect-proof openings should be placed in the walls below the seat. The opening in the seat board must have a tight-fitting cover. The type of seat and cover used on a flush toilet is not satisfactory unless weather stripping is added. The cover should be kept in place when the privy is not in use, and can be hinged to close automatically. A tight-fitting door, preferably with a self-closing feature, such as a spring, should be used to minimize the number of insects that get into the privy.
**Odor Control**

An outdoor toilet can be kept relatively odor-free and can be constructed for year-round use. An improperly constructed and maintained privy can be an abomination to both eyes and nose. Several methods can be used to minimize the sanitary privy odor problem caused by decomposition of the organic matter in the pit:

- Use chemical compounds to change the bacterial action to reduce odor generation.
- Vent both the pit and the upper part of the structure.
- Place tight-fitting covers on the seat openings.
- Finally, the inside of the structure should be painted with a polyurethane-type paint to minimize the penetration of odors into the wood.

The structure of an old privy has probably entrapped odors in the pores of the wood. These odors can be removed by making a solution of disinfectant and tri-sodium phosphate, and scrubbing the inside walls and all other inside surfaces of the privy. This solution will remove odors from the pores of the wood. After the wood has dried, paint the inside of the privy with a polyurethane compound to prevent any additional odors from penetrating the wood. These techniques should minimize the odor that collects in the structure of a sanitary privy. Proper air circulation can be very helpful in carrying away any odors, so proper venting of the structure is absolutely essential.

**Maintenance**

Even though bacteria are decomposing the organic waste, there will be some residue remaining. This residue will gradually build up until it must either be removed or the structure moved to a new location. Usually the solids can be removed by a septic tank Maintainer or someone with equipment to perform the task in a sanitary manner. According to MN Rules Chapter 7080.2450, Subp. 4, item A & B, when the privy is filled to one half of its capacity, the solids must be removed. Abandoned pits must have the sewage solids and contaminated soil removed and must be filled with clean earth and slightly mounded to allow for settling. Removed solids shall be disposed of properly (See 7080.2450, Subp. 6).

**Abandonment**

Abandonment of pit or vaulted privy shall be done in accordance with MN 7080.2500, Subp. 3, items A to D.

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**Sample Construction Diagram**

![Sample Construction Diagram](image)
If you or your client have any questions about lease transfers, please don’t hesitate to contact our office.

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Duluth, MN 55802

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