

Central Michigan District Health Department

Time of Transfer (TOT) FAQs

What is the TOT program?

The TOT is a regulation of the Central Michigan District Health Department (CMDHD) Sanitary Code. It states that properties in Isabella County with onsite wells and/or onsite sewage treatment systems need to be evaluated when the property is sold or transferred to a new owner. These evaluations are done to make sure that wells and septic systems are working properly and do not require important maintenance.

Why is TOT necessary?

The purpose of the TOT program is to protect the health of our community, the quality of our water resources, and the natural environment. Through this program, the current condition and operation of wells and septic systems are evaluated. Wells or septic systems that are a potential public health or environmental health danger or that need maintenance are improved.

What are the first steps in selling my property with a well and/or septic system?

When you know that your property with a well and/or septic system is going to be sold or transferred to a new owner, determine what your situation is. The requirement for TOT evaluation may be different depending on the kind of sale or transfer. Most property transfers with a home or business that are not on municipal sewer and water will require an evaluation. For more information, please log onto our website at www.cmdhd.org, or call us at 989-773-5921, extension 3.

What are the exemptions to this regulation?

- a) Transfer from a spouse.
- b) Change in ownership solely to exclude a spouse.
- c) Transfer to effect foreclosure or forfeiture of real property. *When the property is taken back by the bank, it is exempt. When the bank sells the property to another entity, it is not exempt from this Regulation.*
- d) Transfer by redemption from a tax sale.
- e) Transfer creating or ending joint ownership if at least one person is an original owner of the property or his or her spouse.
- f) Transfer to establish or release a security interest.
- g) Premises built within the previous twenty-four months prior to date of property transfer and has an onsite sewage system and water well approved by CMDHD.
- h) Premises evaluated under this ordinance within the previous twenty-four months prior to date of property transfer and has an onsite sewage system and water well approved by CMDHD.
- i) Premises that shall be demolished and shall not be occupied after the property transfer.

j) New homes that have not been occupied and has an onsite sewage system and water well approved by CMDHD..

k) If as a condition of sale or transfer, and upon written demonstration to the Health Department, the structure is to be connected to an available public sanitary sewer and/or public water supply within six months of the sale or transfer.

l) Transfer of vacant property.

Must all systems be brought up to current standards?

No. The Regulation clearly states that it is not intended to bring all systems up to current construction standards. Only those that are failing or in substantial non-conformance require corrective action.

Does this program delay home sales?

The program requires a completed inspection report be submitted for review within 5 business days after water sample results have been received. This does not delay closings when the inspections are done in a timely manner. Scheduling an inspection may take a week depending on day of the week and previously scheduled inspections. Some sales are delayed when the inspection is done after an offer is tendered. This is particularly true if corrections are necessary. Since inspection results are good for 24 months, homeowners are encouraged to start the process when listing the home.

How can I sell a house before repairs are completed?

- The CMDHD will approve the property transfer if the following is submitted to and approved:
- Corrective action plan (which may be a permit to replace an existing system).
- Proof of a contract to complete the work.
- Evidence of an escrow account that covers 1.5 times the cost of the required repairs.

How are these inspections accomplished?

Homeowners contact a certified inspector or CMDHD to conduct these evaluations. A standardized inspection procedure is used and reports are submitted on a standardized form.

What does this program cost?

Certified inspectors charge their own rates for services. A review fee is charged by CMDHD when a completed report is submitted. See CMDHD current fee schedule.

When can I expect the results?

The CMDHD is committed to processing all submittals in a fair and timely manner. Requests will be scheduled in the order they are received. The CMDHD will send the owner an authorization to transfer or contact the owner about necessary corrections in no more than 5 business days of receiving completed inspection reports. Additional Questions? Call 989-773-5921 extension 3.