

**CERTIFICATE OF PURCHASE FOR  
ACQUISITION OF REAL PROPERTY**

This Certificate of Purchase Agreement is made and entered into effective this \_\_\_\_ Day of \_\_\_\_\_, 2016, pursuant to § 77-2-327, MCA, by and between **the State of Montana, State Board of Land Commissioners, by and through the Montana Department of Natural Resources and Conservation**, whose address is P.O. Box 201601, Helena, MT 59620-1601, as the Seller (hereinafter referred to as the “State”), and \_\_\_\_\_, whose address is \_\_\_\_\_, as the Buyer (hereinafter referred to as the “Purchaser”).

The purpose of this Certificate of Purchase Agreement is to create an “installment sale contract” by provision of in-kind services and construction of subdivision public improvements upon real property retained by the State of Montana in exchange for the purchase and sale of real property to be acquired and held by the Purchaser, the purchase of which is subject to termination and forfeiture as provided herein in this Certificate of Purchase for the Acquisition of Real Property. Nothing herein should be construed as creating an “earnest money contract”, “trust indenture” or a “mortgage”, and nothing herein creates any right of redemption for a party in default of its obligations.

Accordingly, the parties hereby agree as follows:

That the State, in consideration of the provision of in-kind services and the installation and construction of subdivision public improvements described herein, whose value is equivalent to total sum of One Million One Hundred Thirty-Six Thousand Two Hundred Fifty-Four and No/100 Dollars (\$1,136,254.00), in addition to the cash bonus bid at auction in the amount of \$ \_\_\_\_\_, to be provided and paid by The Purchaser on the terms and conditions set forth herein, and in consideration of the mutual promises contained herein, and other good and valuable consideration, agrees to sell to the Purchaser, and the Purchaser agrees to purchase from the State the lands further described in Exhibit “A” attached hereto and incorporated herein by reference.

On or before the effective date of this Certificate Purchase, The Purchaser has paid the State of Montana at its address listed above a down payment of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), equal to the cash bonus bid at auction in excess of the in-kind obligation to provide services and construct and install improvements, the receipt of such bonus cash is hereby acknowledged. Contemporaneously, with the execution of this Certificate of Purchase, the State and the Purchaser shall execute the Notice of Purchaser’s Interest, which is attached hereto, and incorporated herein as Exhibit “D”.

Thereafter, or before \_\_\_\_\_, 20\_\_\_\_ The Purchaser agrees to provide the services and construct and install those public improvements as specified and required in the “Subdivision Improvements Agreement” (dated February 10, 2014, and recorded with the Yellowstone County Clerk and Recorder’s office as Document No. 3698532 on February 25, 2014) and the “Modification of the Subdivision Improvements Agreement” (dated April 13, 2015, and recorded with the Yellowstone County Clerk and Recorder’s office as Document No. 3737595 on April 21, 2015), so as to obtain on or before \_\_\_\_\_, 20\_\_\_\_ a recorded Release from the City of Billings, Department of Public Works as described in Exhibit “B” to “The Declaration of Restriction on Transfers and Conveyances, Skyview Subdivision First Filing” (dated April 13, 2015, and recorded with the Yellowstone County Clerk and Recorder’s office as Document No. 3737596 on April 21, 2015) for the State of Montana’s retained lands within Block 1, Lots 1 – 4 inclusive, and Block 2, Lots 1 and 2 of the Skyview Subdivision, First Filing. The materials and improvements to be constructed and installed for water, sanitary sewer, storm drain, and street improvements, and other improvements, are further listed and described in Exhibit “B” and also illustrated on Exhibit “C” which are attached hereto and incorporated herein by reference.

The Purchaser hereby warrants and guarantees that all such subdivision improvements constructed and installed shall remain fully functional as designed for a period of one year after the recordation of the City’s Release.



**In Testimony Whereof** the State of Montana has caused this Certificate of Purchase Agreement to be executed by the Governor and to be attested by the Secretary of State and countersigned by the Director of the Montana Department of Natural Resources and Conservation, and the Great Seal of the State and the Seal of the State Board of Land Commissioners to be hereunto affixed this \_\_\_ day of \_\_\_\_\_ A.D. 2016.

.....  
*Governor of the State of Montana.*

*ATTEST:*

.....  
*Secretary of State.*

*Countersigned by:*

.....  
*Director, Department of Natural Resources and Conservation*

DRAFT

**After recording, return to:**  
Montana Department of Natural Resources  
and Conservation  
Trust Land Management Division  
Real Estate Management Bureau  
P.O. Box 201601  
Helena, Montana 59620

**EXHIBIT "A"**

**Exhibit A – Legal Description of the Property - Patent**

Lots 5 through 9, inclusive, Block 1; Lot 1, Block 3; Lot 1, Block 4; Lot 1, Block 5; Lot 1, Block 6; Lot 1, Block 7 and Lot 1, Block 8, Skyview Ridge Subdivision, First Filing in the City of Billings, according to the official plat on file in the office of the Clerk and Recorder of Yellowstone County, Montana

--- End of Exhibit A ---

DRAFT

**Exhibit B – Engineer’s Opinion of Probable Cost**  
**Skyview Ridge Subdivision – Phase I**



Date: September 22, 2015  
 Project No.: 84062.12

**Engineer's Opinion of Probable Cost**  
**for**  
**Skyview Ridge Subdivision - Revised Phase I**  
**TO PROVIDE WATER, SANITARY SEWER, STORM DRAIN, AND STREET IMPROVEMENTS**  
 Estimate based on preliminary plat layout only  
 Phase I includes Lots 1-4, block 1, Lots 1 & 2, Block 2

Schedule I: Utilities

Item No.	Quantity	Unit	Description	Unit Price	Subtotal
101	1	LS	Mobilization and Insurance	\$26,812.13 =	\$26,812.13
102	1	EA	Connect to Existing Sanitary Manhole	\$4,500.00 =	\$4,500.00
103	3	EA	Basic Sanitary Manhole	\$3,500.00 =	\$10,500.00
104	15	VF	Extra Depth Sanitary Sewer Manhole	\$95.00 =	\$1,425.00
105	1252	LF	8-inch Sanitary Sewer Main	\$40.00 =	\$50,080.00
106	10	EA	6-inch Sanitary Sewer Service	\$800.00 =	\$8,000.00
107	280	LF	6-inch Sanitary Sewer Service pipe	\$25.00 =	\$7,000.00
108	2	EA	8-inch PVC Sanitary Sewer Cap	\$150.00 =	\$300.00
109	1	EA	Connect to 8-inch Water w/8" Tapping Tee & Valve	\$2,500.00 =	\$2,500.00
110	1352	LF	8-inch Water Main	\$40.00 =	\$54,080.00
111	12	EA	8-inch Gate Valve	\$1,500.00 =	\$18,000.00
112	1	EA	8-inch Cross	\$850.00 =	\$850.00
113	3	EA	8-inch Tee	\$750.00 =	\$2,250.00
114	5	EA	8X8X6-inch Tee	\$750.00 =	\$3,750.00
115	0	EA	8-inch Bend	\$550.00 =	\$0.00
116	5	EA	Fire Hydrant Assembly (inc. valve & piping)	\$4,500.00 =	\$22,500.00
117	2	EA	6-inch Water Service (inc. valve, piping & connection)	\$2,000.00 =	\$4,000.00
118	1	EA	4-inch Water Service (inc. valve, piping & connection)	\$1,800.00 =	\$1,800.00
119	6	EA	1-inch Water Service on 8-inch Main	\$1,100.00 =	\$6,600.00
120	4	EA	2-inch Temporary Blowoff	\$2,000.00 =	\$8,000.00
121	7	EA	8-inch Plug & Thrust	\$500.00 =	\$3,500.00
122	1	EA	Connect to Ex. Storm Drain Manhole	\$3,000.00 =	\$3,000.00
123	4	EA	Storm Drain Manhole	\$4,000.00 =	\$16,000.00
124	20	VF	Extra Depth Manhole	\$95.00 =	\$1,900.00
125	617	LF	24-inch Storm Drain Pipe	\$80.00 =	\$49,360.00
126	638	LF	21-inch Storm Drain Pipe	\$70.00 =	\$44,660.00
127	0	LF	15-inch Storm Drain Pipe	\$60.00 =	\$0.00
128	156	LF	12-inch Storm Drain Pipe	\$40.00 =	\$6,240.00
129	6	EA	Curb Inlet	\$1,750.00 =	\$10,500.00
130	2	EA	21-inch Storm Drain Ccap	\$500.00 =	\$1,000.00
131	4	EA	6-inch Storm Drain Service	\$600.00 =	\$2,400.00
132	112	LF	6-inch Storm Drain Pipe	\$25.00 =	\$2,800.00
133	1	LS	Traffic Control During Construction	\$10,000.00 =	\$10,000.00
Schedule I Subtotal =					\$384,307.13

Schedule II: Streets

Item No.	Quantity	Unit	Description	Unit Price	Subtotal	
201	1	LS	Mobilization and Insurance	\$14,180.55 =	\$14,180.55	
202	1	LS	Storm Water Management and Erosion Control	\$7,500.00 =	\$7,500.00	
203	1889	CY	Unclassified Excavation - Streets	\$8.00 =	\$15,112.00	
204	2133	CY	1-1/2-inch Base Gravel (12-inch thick)	\$24.00 =	\$51,192.00	
205	2240	LF	Curb and Gutter	\$14.00 =	\$31,360.00	
206	648	SF	Accessibility Ramp	\$7.00 =	\$4,536.00	
207	24	EA	Truncated Dome Panels	\$150.00 =	\$3,600.00	
208	3998	SY	Asphalt Surface Course (3-inch Section)	\$13.00 =	\$51,974.00	
209	1	EA	Monument and box	\$500.00 =	\$500.00	
210	1	EA	Street Name Sign with Post	\$400.00 =	\$400.00	
211	1	EA	Stop Sign with Post	\$400.00 =	\$400.00	
212	1	LS	Striping Turn Lane (Wicks Lane and Fantan)	\$3,500.00 =	\$3,500.00	
213	1	LS	Yellow Epoxy Curb Paint	\$3,000.00 =	\$3,000.00	
214	1	LS	School Crossing (inc. striping & crossing signs)	\$5,000.00 =	\$5,000.00	
215	8	EA	Nine Button Delineator	\$500.00 =	\$4,000.00	
216	4	EA	Road Closed Sign	\$500.00 =	\$2,000.00	
217	1	LS	Traffic control during construction	\$5,000.00 =	\$5,000.00	
Schedule II Subtotal					=	\$203,254.55

Wicks Lane Improvements

Item No.	Quantity	Unit	Description	Unit Price	Subtotal	
301	1	LS	Mobilization and Insurance	\$15,050.85 =	\$15,050.85	
302	1	LS	Storm Water Management and Erosion Control	\$4,000.00 =	\$4,000.00	
303	2100	CY	Unclassified Excavation - Streets	\$8.00 =	\$16,800.00	
304	1575	CY	1-1/2-inch Base Gravel (12-inch thick)	\$24.00 =	\$37,800.00	
305	1505	LF	Curb and Gutter	\$14.00 =	\$21,070.00	
306	324	SF	Accessibility Ramp	\$7.00 =	\$2,268.00	
307	12	EA	Truncated Dome Panels	\$150.00 =	\$1,800.00	
308	4220	SY	Asphalt Surface Course (4-inch Section)	\$17.00 =	\$71,740.00	
309	2	EA	Monument and box	\$500.00 =	\$1,000.00	
310	1	EA	Striping Turn Lane (Wicks Lane and Fantan)	\$20,000.00 =	\$20,000.00	
311	1	EA	Traffic control during construction	\$10,000.00 =	\$10,000.00	
312	2	LS	6-inch Sanitary Sewer Service	\$800.00 =	\$1,600.00	
313	120	LF	6-inch Sanitary Sewer Service Pipe	\$25.00 =	\$3,000.00	
314	3	LS	4-inch Water Service	\$1,800.00 =	\$5,400.00	
315	2	EA	6-inch Storm Drain Service	\$600.00 =	\$1,200.00	
316	120	EA	6-inch Storm Drain Pipe	\$25.00 =	\$3,000.00	
Wicks Lane					=	\$215,728.85
Construction Subtotal					=	\$803,290.53
Construction Subtotal Plus Contingency					=	\$923,784.10

<b>Administrative Fees</b>				
	Engineering Design	7.50%	=	\$69,283.81
	Construction Admin & Inspection	8.00%	=	\$73,902.73
	construction staking	2.00%	=	\$18,475.68
	Materials testing	2.00%	=	\$18,475.68
	City of Billings Private contract fee	3.50%	=	\$32,332.44
	Subtotal of Administrative Fees		=	\$212,470.34

<b>Construction Total and Administrative Fees</b>				<b>=</b>	<b>\$1,136,254.45</b>
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Total Net Lot Square Footage =	493,056	SF
Square Foot Cost (net lot area) =	\$2.30	

**Notes:**

quantity estimates based on Preliminary plat layout only - not on actual design

Mobilization and Insurance based on percentage of total schedule cost

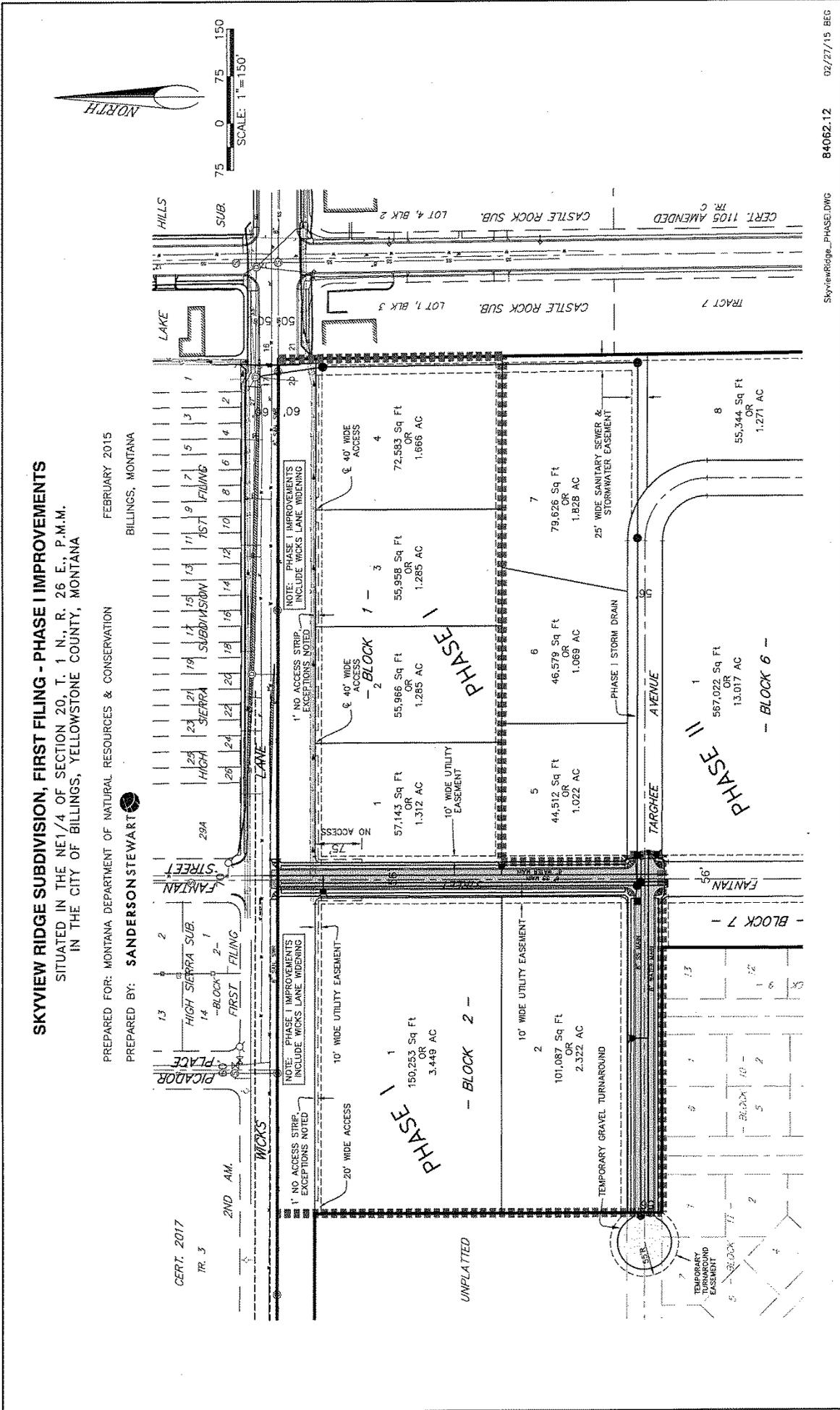
7.5 %

Construction contingency

15 %

All items are complete and in place.

Sanderson Stewart cannot warrant that any opinions of probable cost provided by Sanderson Stewart will not vary from actual costs incurred by the client. Sanderson Stewart has no control over the cost or availability of labor, equipment, materials, or over market conditions or the Contractor's method of pricing. Sanderson Stewart makes no warranty, express or implied, that the bids or the negotiated cost of the work will not vary from Sanderson Stewart's opinion of probable cost.



**Notice of Purchaser's Interest**

Notice is hereby given that the State of Montana, State Board of Land Commissioners, by and through the Montana Department of Natural Resources and Conservation, whose address is P.O. Box 201601, Helena, MT 59620-1601, as the Seller (hereinafter referred to as the "State"), and \_\_\_\_\_, whose address is \_\_\_\_\_ (hereinafter referred to as the "The Purchaser"), have entered into a Certificate of Purchase Agreement dated \_\_\_\_\_, pursuant to Section 77-2-327, MCA, by which the Purchaser has agreed to install and construct public subdivision improvements in order to acquire the following described real property:

Lots 5 through 9, inclusive, Block 1; Lot 1, Block 3; Lot 1, Block 4; Lot 1, Block 5; Lot 1, Block 6; Lot 1, Block 7 and Lot 1, Block 8, Skyview Ridge Subdivision, First Filing in the City of Billings, according to the official plat on file in the office of the Clerk and Recorder of Yellowstone County, Montana

A copy of this Certificate of Purchase Agreement may be obtained from the Montana Department of Natural Resources and Conservation at P.O. Box 201601, Helena, MT 59620-1601.

DATED this \_\_\_\_ Day of \_\_\_\_\_, 2016.

The Purchaser

By: \_\_\_\_\_

STATE OF MONTANA     )  
  : ss  
County of \_\_\_\_\_)

Signed and acknowledged before me on \_\_\_\_\_, 2016 by \_\_\_\_\_, on behalf of whom this instrument was executed.

\_\_\_\_\_  
Notary Public in and for the State of Montana

Printed name: \_\_\_\_\_

Residing at: \_\_\_\_\_

My commission expires: \_\_\_\_\_

**STATE:**

STATE OF MONTANA

DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

BY: \_\_\_\_\_ Date: \_\_\_\_\_, 2016  
John E. Tubbs  
Director, Department of Natural Resources and Conservation

**STATE ACKNOWLEDGMENT**

STATE OF MONTANA )

: ss

COUNTY OF LEWIS & CLARK )

On this \_\_\_\_ day of \_\_\_\_\_, 2016, personally appeared before me John E. Tubbs, to me known to be the Director and administrator of the Department of Natural Resources and Conservation of State of Montana, that he executed the within and foregoing instrument on behalf of the State of Montana, and acknowledged said instrument to be the free and voluntary act and deed of the State of Montana for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed is the official seal of the Department of Natural Resources and Conservation for the State of Montana.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

\_\_\_\_\_  
Notary Public in and for the State of Montana

Printed name: \_\_\_\_\_

Residing at: \_\_\_\_\_

My commission expires: \_\_\_\_\_