

# STATE OF MONTANA

## DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

### Agreement To Sell Improvements

This Agreement is entered into on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the **STATE OF MONTANA, STATE BOARD OF LAND COMMISSIONERS** ("Land Board"), administered through the **Department of Natural Resources and Conservation** ("Department"), PO Box 201601, Helena, MT 59620-1601, (collectively "State") and \_\_\_\_\_ ("Applicant"), for the sale of a State of Montana cabin/home site, described as:

(Legal Description)	Sec.	Twp	Rge	County
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The purpose of this Agreement is to set forth the terms and conditions under which the cabin/home site, the real property owned by the State, together with any and all surface improvements (which would constitute improvements and fixtures if the land and improvements and fixtures were owned by the same party, hereinafter the "improvements") currently owned by Applicant, are to be sold at public auction.

- 1. LAND VALUE.** The underlying real property owned by the State shall be auctioned at public oral auction and sold for not less than the appraised value of the land, which shall be the minimum opening bid at the auction:

**Appraised Value of Land: \$** \_\_\_\_\_

Any amount bid in excess of the above appraised value of the land shall only be attributed to the Amount to be paid for the land.

- 2. IMPROVEMENTS VALUE.** If Applicant is not the successful bidder, the improvements owned by Applicant shall be purchased by the successful bidder for no more than the maximum amount as determined by the Land Board as follows:

**Maximum Amount to be Paid for Improvements: \$** \_\_\_\_\_

Applicant shall not receive more than the maximum amount to be paid for improvements upon the sale of the cabin/home site regardless of the final bid price at the auction.

- 3. LIENS AND MORTGAGES.** The improvements shall not be subject to any mortgage, deed of trust, or other lien or encumbrance affecting title to the improvements or which appears on title pursuant to a title commitment of the land that cannot be satisfied out of the appraised value of the improvements or that the Department otherwise determines to be unacceptable or render continuing to public auction impracticable. The improvements shall be conveyed by a Bill of Sale, free of all liens and encumbrances, at the time of closing. No additional encumbrances or other adverse title conditions will be placed against the title to the improvements subsequent to the date of this Agreement.

- 4. MARKETING AND PUBLIC VIEWING.** Applicant hereby acknowledges that the cabin/home site and the improvements will be actively marketed prior to the date of the auction and agrees to cooperate with Department staff to photograph/video the site and improvements and to schedule at least two open houses where members of the public will be invited to view the interior and exterior of all improvements that are located on the parcel without any interference or restrictions. The Department will have a representative on site for the open house but assumes no responsibility or liability for any damages that may occur during the open house. The Department shall advertise the dates for the open house. The dates for the open houses shall be no less than ten (10) days in advance of the Bid Deposit due date and must be between the hours of 10:00 a.m. and 6:00 p.m. and for a duration no shorter than 3 hours for each open house.

I propose that the open houses be held on \_\_\_\_\_.

5. **LEASE OBLIGATIONS, CANCELLATION AND WAIVER.** Applicant has caused to be executed, notarized, and delivered to the Department, a Lease Cancellation and Waiver in a form provided by the Department, in substantial form as Attachment A, signed by each lessee of the cabin/home site to be auctioned. The Lease Cancellation and Waiver shall not become effective or take effect until the close of escrow unless Applicant is the successful bidder and at least one other bidder entered a bid, and Applicant fails to execute the Buy-Sell Agreement or fails to close the sale, in which event, the lease shall be immediately cancelled and terminated in accordance with its terms. Applicant shall be required to remove all personal property from the cabin/home site upon termination. Thereafter Applicant will be precluded from bidding on any other cabin/home site property. The Department may execute a Buy-Sell Agreement with the next successive high bidder(s).
6. **BILL OF SALE.** Applicant has executed, notarized and delivered to the Department, a Bill of Sale for the improvements in a form provided by the Department. Applicant hereby warrants that Applicant is the sole owner of the improvements. Applicant further promises to pay any and all taxes and assessments relating to Applicant's improvements, prorated through the date of closing.
7. **REMOVAL OF PERSONAL PROPERTY AND VACATION OF LEASED PREMISES.** Applicant hereby agrees that in the event Applicant is not the successful bidder at auction, Applicant shall vacate the premises and remove all items of personal property within fifteen (15) days of the Land Board's final approval. Applicant shall peaceably yield possession of the improvements to the successful purchaser in the same condition, normal wear and tear excepted, as of the effective date of this agreement. Applicant will provide all keys and/or means to operate locks, mailboxes, security systems, alarms, garage door openers, etc., to the closing agent at the time of closing. Applicant agrees that they intentionally relinquish any claim of ownership in any items of personal property remaining on the cabin/home site after the closing date. Any remaining items of personal property shall be conclusively deemed to have been abandoned by Applicant.
8. **PEACEABLE ACCESS TO IMPROVEMENTS.** In the event Applicant is not the successful bidder at auction, Applicant agrees to allow peaceable access to the improvements to any agents designated by the successful bidder at auction necessary only to facilitate their purchase of the cabin/home site and improvements, i.e. an appraiser sent by a lender with whom the successful bidder is seeking purchase money financing.
9. **HOLD BACK OF FUNDS TO BE DISPERSED AT CLOSING.** A designated agent of the Department may inspect the cabin/home site and improvements prior to the closing date to determine whether any funds shall be withheld from Applicant at the closing in order to ensure compliance and payment for any damages to the improvements or to pay for the costs of removing remaining items of personal property. Applicant understands that there is no grace period for removing any items of personal property after the closing date. Applicant authorizes the Department to instruct the Closing Agent to hold back funds that would otherwise be available to Applicant upon closing, and to deliver the amount designated by the Department to whomever the Department designates, to pay for all costs the Department or purchaser will incur to dispose of abandoned personal property or to repair the improvements to the same condition they were in at the effective date of this agreement, including a reasonable cost for labor which shall be set at no less than \$35/hour.
10. **BUY-SELL AGREEMENT.** The successful bidder will be required to enter in a Buy-Sell Agreement upon the close of the auction. The failure by a successful bidder to enter into such agreement or the successful bidder's failure to pay the bid amount for the land, or the failure to close the Buy-Sell Agreement in accordance with its terms and conditions shall result in the forfeiture of all fees and costs, including the bid deposit, and the auction shall be considered unsuccessful. Applicant shall be entitled to the amount paid for the improvements only upon the successful closing of the Buy-Sell Agreement.

Execution of the Agreement does not guarantee that the cabin/home site will be sold. The Department or the Land Board may determine that a land sale would not be in the best interest of the trust beneficiary at any point prior to the close of escrow.

**This Agreement must be signed by all improvement owners. Please use additional blank pages if necessary to obtain all signatures. The Department cannot provide you with any legal advice. If you have**

**any questions regarding the legal effect of this form, you should engage the services of an attorney before signing this Agreement to Sell Improvements.**

By signing below, I hereby represent that all of the owners of the non-state owned improvements have read and signed this Agreement and agree to abide by all of its terms regarding the sale at public auction of the state owned parcel and the non-state owned improvements.

**APPLICANT:**

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

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

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

This instrument was acknowledged before me on \_\_\_\_\_ by \_\_\_\_\_.

(NOTARIAL SEAL)

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

This instrument was acknowledged before me on \_\_\_\_\_ by \_\_\_\_\_.

(NOTARIAL SEAL)



**DEPARTMENT OF NATURAL RESOURCES & CONSERVATION**

\_\_\_\_\_  
By: \_\_\_\_\_ date \_\_\_\_\_  
Title: \_\_\_\_\_