AVAILABLE FOR RESIDENTIAL LEASE

Cabin with Frontage on Beaver Lake



The Montana Department of Natural Resources and Conservation is seeking lease bids for this site on state land. Residential leases are offered through competitive bidding. Additional information on leasing from the state, as well as information on other lots, may be found at www.dnrc.mt.gov/cabinsite.

PROJECTED LEASE FEES:

Year	2015	2016	2017	2018	2019	2020
Min	\$8,281.23	\$8,550.37	\$8,828.26	\$9,115.18	\$9,411.42	\$9,717.29
Max	\$8,281.23	\$8,819.51	\$9,392.78	\$10,003.31	\$10,653.52	\$11,346.00
Year	2021	2022	2023	2024	2025	
Min	\$10,033.10	\$10,359.18	\$10,695.85	\$11,043.47	\$11,402.38	
Max	\$12,083.49	\$12,868.92	\$13,705.40	\$14,596.25	\$15,545.01	

The formula for determining the projected lease fees shown here uses an annually-adjusting Lease Fee Indicator (LFI). The annual LFI will be limited to not less than 3.25% (the minimum, as shown) or more than 6.5% (the maximum). The actual lease payment in each year may equal the minimum or the maximum or fall between the two values.

TO BID: Contact the DNRC personnel listed above. DNRC will then set a Bid Closing Date. You and any other interested bidders will have until 5:00 p.m. on the Bid Closing Date to submit a bid.

This information is provided for general overview purposes only. Unless otherwise stated, all figures and depictions are approximate. Bidders should review the information relating to the property and seek technical or legal advice to assure understanding of all documents relevant to leasing the property. DNRC does not warrant the condition of any improvements owned by a third party nor guarantee the improvements information herein contained is accurate or up-to-date.



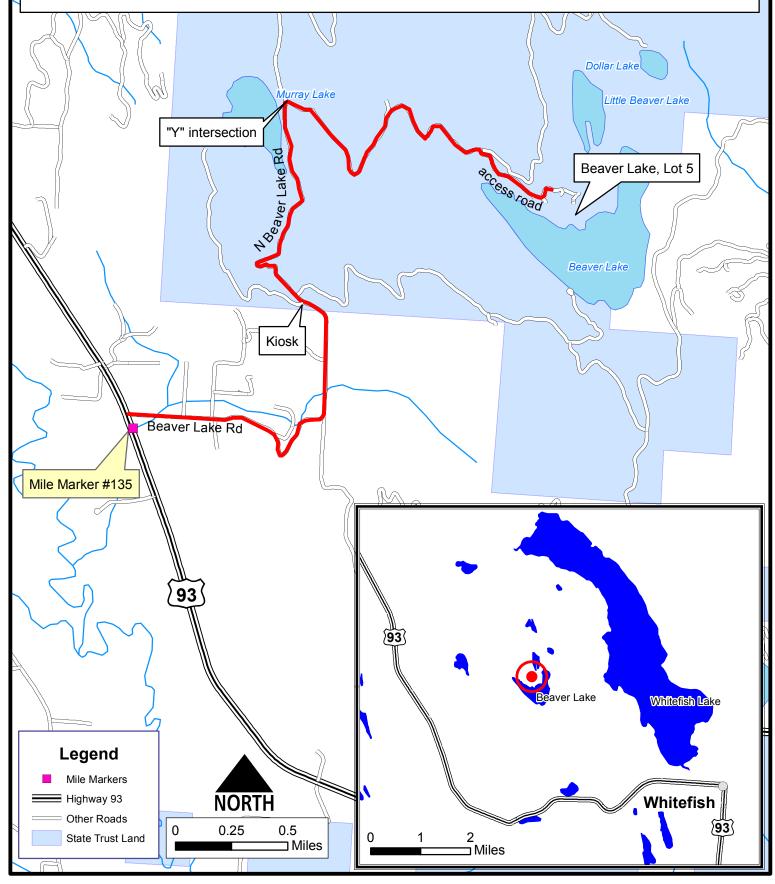


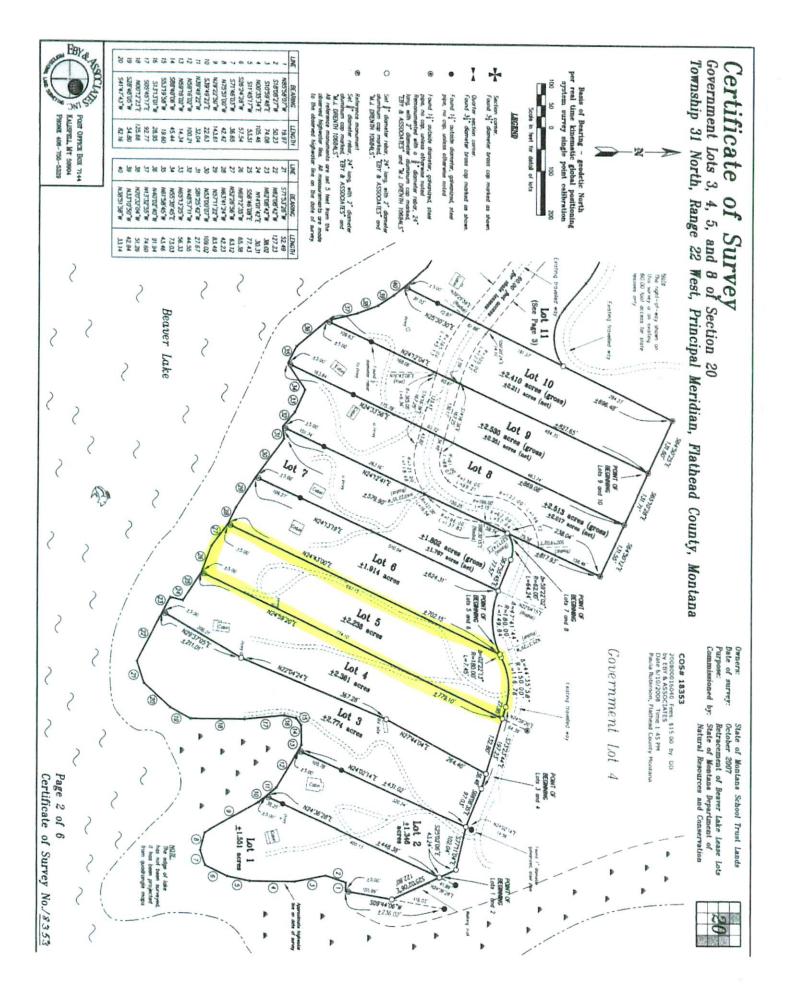


BEAVER LAKE, LOT 5

Driving Directions:

From Whitefish, drive west on US Highway 93 for 7.5 miles to Beaver Lake Rd. Turn right. Drive 1.7 miles and turn right at informational kiosk then take a quick left onto North Beaver Lake Rd. Stay right at the Y intersection (1.1 miles) and go another 1.5 miles to the lease access road on the right. Lot 5 is approximately 0.5 miles on the right.





BID FORM - CABINSITE LEASE LEASE # 3052598

INSTRUCTIONS- READ CAREFULLY! MAIL OR DELIVER TO: PROVIDE ALL REQUIRED INFORMATION (GRAY BOXES) – Incomplete or illegible forms will not be accepted. Dept of Natural Resources & Conservation □ Sign Bid Form and have it notarized at the bottom. 1625 Eleventh Ave □ Place Bid Form in a sealed envelope along with: PO Box 201601 □ A cashier's check, certified check or money order for the Bid Deposit equal to 10 percent of your bid amount. Helena, MT 59620-1601 No personal checks or cash. □ A separate check or money order for the \$25 application fee. A personal check is acceptable for the CHECKS PAYABLE TO: Application Fee. No cash. Dept of Natural Resources & Conservation □ On the envelope, write (include the lease number in the space): QUESTIONS? SEALED BID FOR LEASE # _3052598 406.444.2074 □ Your sealed bid must be received (at the address shown on the right) by 5:00pm on the Bid Closing Date. NAME OF BIDDER NAME OF BIDDER MAILING ADDRESS STATE/PROVINCE ZIP/POSTAL CODE CITY COUNTRY TELEPHONE MINIMUM BID FOR □ Yes Are you leasing this land for your own use? □ No \$ 8,281.23 THIS LEASE Are you planning to sub-lease this land? □ Yes □ No If so, to whom? MY BID Are you the head of the family? □ Yes □ No AMOUNT Have you attained the age of 18 years? □ Yes □ No

DEPARTMENT STATEMENT – The Department of Natural Resources and Conservation will evaluate all eligible bids and award the lease to the highest bidder whose bid is in the best interest of the applicable Trust Beneficiary. The *Bidding Method Disclosure Statement* is also incorporated by reference, a copy of which may be obtained at www.dnrc.mt.gov/cabinsite or by calling DNRC at 406-444-2074.

BIDDER(S) STATEMENT – I/We, the undersigned, hereby offer a bid for this cabin site, the lease number for which is noted above, under the provisions of Montana Code Annotated (MCA) and amendments thereto, and the rules and regulations adopted by the State Board of Land Commissioners. I/We understand that false statements may constitute reason for cancellation of the lease by the Board. The bid amount offered is what I/we have written above. I/We understand if there is a balance due for the prorated rent after the bid deposit is applied, the Department will send a bill for the remaining balance, non-payment of which will forfeit the entire bid deposit and cancel the lease.

By signing this form, I/we indicate that I/we have read and agree to the above statements and certify that all the information I/we have given is true and accurate to the best of my/our knowledge, information and belief.

BIDDER SIGNATURE			DATE	
BIDDER SIGNATURE			DATE	
Subscribed and affirmed before me this	day of	, 20	[NOTARY SEAL]	
Notary signature				
Notary printed name				
Notary Public for the State of				
Residing at				

My Commission Expires:

Cabin Site Leasing Disclosure Statement

AUTHORITY: New leases are offered consistent with Administrative Rules of Montana (ARM) 36.25.1000 through 36.25.1015.

LEASE TERM: The Department will offer the winning bidder a 15 year lease contract. The Department may provide a term greater than 15 years for loan security purposes only. The maximum term is 35 years.

LEASE START DATE: For vacant sites, the lease start date will be a date within four to six weeks after the bid closing date. The successful bidder shall sign and return the lease to the Department within 30 days of receipt of the lease. If the lease is not signed and returned to the Department within 30 days, the bidder shall forfeit the 10% bid deposit, and the Department may rebid the lease or award the lease to the next highest qualified bidder.

DNRC will bill the new Lessee for the first lease payment upon execution of the lease. The first lease payment will be a prorated amount of rent due for the first lease year (which ends February 28). The 10% bid deposit will be applied toward the first lease payment.

LEASE FEE: The lease payment for the first year of a lease will be the bid amount offered by the successful bidder. The lease payment for the second and subsequent years will be either the offered bid amount, or an amount as calculated by the lease formula established by the Department, whichever is greater for the given year. The formula for determining the calculated lease payment uses an annually-adjusting Lease Fee Indicator (LFI). The annual change in the lease payment will be limited to not less than 3.25% (the Minimum) or more than 6.5% (the Maximum). The projected lease fees provided on page one of the bid package are the minimum and maximum lease fees for the next 15 years. The actual lease payment in each year may equal the minimum or the maximum or fall within this range.

PAYMENT SCHEDULE: The annual payment is due and payable annually, or may be paid semi-annually in two half payments. The first year lease fee is due upon issuance of the lease. The annual lease fee for the second and subsequent years is due March 1; for semi-annual payments, the due dates are March 1 and September 1.

LEASE YEAR: The lease year runs from March 1 – February 28.

RENEWAL OF LEASE: A Lessee that has paid all rentals due to the State and complied with all terms of the terms of the lease may make application to renew, without competition, for another lease term of 15 years (or greater, for security interest purposes).

PERMITTED USE: A residential lease authorizes only uses of a residential, noncommercial nature by a Lessee, members of a Lessee's immediate family, and guests.

UNLAWFUL USE: If any part of the lands or premises under the lease are used or allowed or permitted to be used for any purpose contrary to the laws of the State of Montana or the United States, such unlawful use shall, in the discretion of the Department, constitute sufficient reason for the cancellation of the lease.

IMPROVEMENTS: All plans for development, layout, construction, reconstruction or alteration of improvements on the lot, as well as revisions of such plans, must be acceptable to the Department. Such plans must be approved by the Department before the commencement of any work.

IMPROVEMENTS OWNERSHIP: A Lessee shall own all improvements upon the lease premises. Ownership of the improvements by any person other than a Lessee shall be grounds for cancellation for cause.

The improvements on a vacant cabin site, if any, are owned by the former Lessee. The Department does not warrant the condition of any improvements owned by a third party. A bidder should contact the improvements owner before bidding. Though not necessary for bidding on a lease, Department recommends a bidder obtain a purchase agreement with the improvements owner prior to bidding. If the successful bidder has not yet signed a lease and does not wish to purchase the improvements, that bidder will be disqualified, shall forfeit his or her 10% bid deposit, and the Department will award the lease to the next highest qualified bidder or rebid the lease.

Once a lease has been signed by the successful bidder, the Department will notify the improvements owner that there is a new Lessee of the cabin site. The new Lessee and the improvements owner will have 120 days from the date Department sends notice to the improvements owner to provide to the Department the necessary documentation confirming that the new Lessee and the improvement owner have settled on the improvements. Documentation evidencing that the improvements have been

properly settled to the satisfaction of both parties may include a deed granting ownership to the new Lessee, an agreement stipulating both parties have reached a price and shall close the sale on a specified date, or notice that the improvements shall be removed from the site.

If the Department does not receive documentation within 120 days, the Department will conclude that the parties cannot agree upon a reasonable value and the Department may initiate an arbitration process as provided in 77-6-306, MCA to ascertain and fix the price for the improvements. The former Lessee or the new Lessee may initiate arbitration at any time after the lease with the new Lessee has been signed and executed by the Department. The value determined through arbitration shall be binding on both parties, subject to appeal as provided in 77-6-306, MCA. The new Lessee shall pay the former Lessee for the improvements per the terms of the arbitration settlement, or if not specified, within 30 days after the value has been fixed by arbitration.

IMPROVEMENTS MAINTENANCE: A Lessee is responsible for maintaining their improvements.

SUBLEASING: A Lessee may only rent or sublet the use of improvements covered under the lease with the expressed written permission of the Department.

TAXES: A Lessee shall pay all taxes, special assessments, levies, fees, and other governmental charges of every kind or nature that may be levied by any and all federal, state, county, municipality, and any other taxes or assessing authority upon the improvements and property owned by Lessee on or about the leased premises during the term of the lease.

SURVEY OF LEASE PREMISES: While a survey of this area may have been recently completed, for leasing purposes the dimensions of the lease premises, including acreage and waterfront (if any) should be regarded as approximate, as the existing lease contract(s) for contiguous lots may not reflect the surveyed dimensions.

LOCAL LAWS AND RULES: A Lessee will agree to comply with all applicable federal, state, county, and municipal laws, ordinances, and regulations. The successful bidder for a residential lease may be required to pay for the cost of any surveys, fulfillment of zoning and subdivision requirements, and other assessments, or costs related to compliance with any other local, state, and federal statutes and regulations.

UTILITY INSTALLATION: A Lessee, at its sole cost and expense, shall determine the availability of, and shall cause to be installed in, on, and about the leased premises, all facilities necessary to supply water, sewer, gas, electricity, telephone or other like services required by the Lessee. Lessee agrees to pay all connection assessments or charges levied by any public utility, agency or municipality with respect to their services.

A residential lease grants the Lessee the right of access and the right to place necessary utility facilities within the lease premises and across specified adjacent state trust lands from the main utility to the lease premises during the term of the lease, with the prior written approval of the Department. For any such rights outside of state trust land, the Lessee will be responsible for obtaining any necessary easements from the appropriate landowner(s).

NOXIOUS WEEDS AND PESTS: A Lessee will agree to keep the land free from noxious weeds at his/her own expense and cost.

ROAD MAINTENANCE: A Lessee is responsible for the maintenance commensurate with their lease of all state access roads to the leased premises.

LESSEE LIABILITY: A residential lease is made upon the express condition that a Lessee shall assume all liability for any injury, property damage or loss by any persons and for any injury, property damage or loss to any employee or property of Lessee, its agents or employees, or third persons, or to a Lessee, from any cause or causes whatsoever while in or upon the said premises or any parts thereof during the terms of the lease. A Lessee shall indemnify the state and save, protect, defend, and hold Department harmless from any and all liability, loss, damage, or expense.

REVOCATION FOR CAUSE: A residential lease may be revoked for cause by the Department upon breach of any of the terms and conditions of the lease or applicable law. Prior to such revocation for cause, a Lessee shall be given notice and provided a reasonable time within which to correct the breach.

REQUEST TO CANCEL LEASE: A Lessee may request the right to surrender and relinquish the lease, in whole or in part, by informing the Department in writing. A Lessee shall upon the termination of the lease peaceably yield up and surrender the possession of the land to the State or its agents or to subsequent Lessees and grantees.

RIGHTS AND RESERVATIONS: The State reserves all rights and interests to the land under the lease other than those specifically granted by the lease. These reservations include, but are not limited to, minerals, timber, and rights-of-way such as ditches, canals, tunnels, telephone and telegraph, and power lines now constructed or to be constructed by the State of Montana. The State also reserves to itself and its representatives and Lessees the right to enter upon the lands for the purpose of mining, drilling for, developing and removing such minerals and for the purpose of cutting and removing timber, wood and other forest products, and for removing gravel, sand, building stone, and other non-minerals. The State reserves the right to grant permits for advertising such as signs and billboards.

RIGHT TO ENTRY: Representatives of the State Historical Society of the State of Montana shall at all reasonable times, upon written notification to the Department prior to entry, have the right to enter into and upon the premises for the purpose of carrying out the duties assigned the Historical Society by the State Antiquities Act, 22-3-4, MCA.

PUBLIC USE: Residential lease areas are categorically closed to the public under Administrative Rule 36.25.150. For those leased properties that are contiguous, the public can only walk through the premises to access other state land. No camping, fishing, picnicking, etc. is allowed.

MISCELLANEOUS PROVISIONS:

1. The State of Montana reserves the right to enter upon the State property to inspect for compliance with the terms of the lease

2. The lease premises must be kept free of debris, garbage and any other unsightly objects. This includes lakeshores or streams when adjacent to the site. The Department may, at its discretion, require removal of junk vehicles, old building materials, improvements that are in disrepair, etc. Open pits, ditches, or other unsafe conditions must be eliminated from the site.

3. Falling of live or green trees is prohibited without permission from the Department.

4. No livestock will be kept on the area described in this lease.

5. A Lessee will manage the lease to prevent resource damage and will comply with all county, state, and federal laws that may apply to the lease property.

6. Incinerators, fireplaces, stoves or any other type of burner must be fireproofed by use of spark proof screens. All fires must be extinguished prior to leaving the area.

7. The use of firearms or fireworks is not permitted on the area.

8. No buildings except boat docks may be constructed within 100 feet of shoreline on river and lakes.

9. Only one dwelling will be allowed on each lot.

Cabin Site Improvements Details

Note: Information provided by improvements owner, not verified by DNR	Note:	Information	provided b	y improvements	owner, no	t verified by	/ DNRC.
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Description of Improv	vements		MLS Listing I D (if applicable)	
ot 5, Beaver Lake (Leas	se #3052598)			
This lot has a 304 sq ft newe	er RV deck, boat dock, outł	nouse, storage shed, b	prick patio with fire pit, picnic table, cook sto	ve and an older RV deck. No utilities on-site
Property Features: Resid	dence		Construction Typ	De
Bedrooms/ Baths		Square Feet	Year Bui	lt
Additional Rooms				
Finishes-Interior				
Onsite Utilities	None		Appliances	
Address	Beaver Lake, Lot 5		Nearest Town	Whitefish
Newer RV deck, bo	at dock, outhouse, sto	orage shed, brick	patio with fire pit, picnic table and c	ook stove, old RV deck
Property Features: Exte	rior I mprovements			
Assessed Value/ Apprais	ed value	Asking \$1,100.00		
Date information prov	vided	8/13/2014		
Owner Contact Information			DNRC Northwest Land office-Stillwate	r Unit
			Nicole Stickney	
			(406) 881-2666	