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NEWS RELEASE

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State Endowment Cottage Site Lots Sold

(BOISE) – A voluntary auction for ownership of 21 Payette Lake cottage site lots took place on Saturday April 5, 2014, in Eagle, Idaho. All 21 sites sold for a total of \$6,067,615.

The beneficiaries of revenue from the sale of these State endowment trust lands are Normal Schools (Idaho State University, Department of Education and Lewis-Clark State College) and State Hospital South. Revenue for the Normal Schools endowment was \$4,524,015 and State Hospital South revenue was \$1,543,600.

Competitive bidding on three lots brought in \$33,200 above the appraised value of the land, while all other lots sold for the appraised value. Of the sites sold, six lots were lakefront and 15 were upland lots. Bidding was for the lots only.

Twenty of the current lessees who own the cabins and other improvements on the land purchased their leased sites.

One lot did not sell to the current leaseholder. The lot sold for \$42,000, or \$5,000 above the appraised value of the land. The purchaser of this lot also will pay for the value of the home and other improvements.

The auction was open to the public and more than 150 people attended.

The State endowment trust owned these lands and the individuals and families that leased the lands own the cabins and other improvements on the lands. The Land Board voted in 2010 to divest State ownership of most of the lots over time and reinvest in other assets that produce higher returns.

The split ownership scenario made it difficult for the Idaho Department of Lands (IDL) to manage and obtain market value through leasing. The divestiture of these State endowment trust-owned lands will enable IDL to generate greater revenues for trust beneficiaries by reinvesting the proceeds into a higher-yielding investment.

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