



NEWS RELEASE

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Idaho auctions 30 Payette Lake lots for \$12.6 million

(BOISE) – The Idaho Department of Lands (IDL) auctioned 30 Payette Lake lots for deeded ownership at a public auction in Boise today.

The land sales generated \$12,605,500 for the endowment funds that support Idaho’s public school system and State Hospital South.

The Idaho Constitution requires a public auction for the disposal of state endowment trust lands, and IDL can accept no less than the appraised value of the properties.

A list of the auctioned lots and winning bids is attached.

Leased lots

Twenty-five leased lots sold, and they have cabins on them. The land is owned by the State of Idaho and the cabins and other improvements on the land are owned by the leaseholders as personal property. The current leaseholders applied to participate in the auction.

Two leased lots had competitive bidding and the winning bidders were not the current lessees. Those lots sold for a combined \$41,500 over appraised value, or \$27,500 and \$14,000 respectively. The winning bidders separately must pay the lessees for the appraised value of their cabins and other improvements.

Un-leased lots

Five lots sold were not under lease. There was competitive bidding on three un-leased lots. Those lots sold for a combined \$920,000 over appraised value, or \$500,000, \$383,000, and \$37,000 respectively.

Background

Under the direction of the State Board of Land Commissioners (Land Board), IDL manages more than 2.4 million acres of state endowment trust land under a constitutional mandate to maximize long term financial returns to public schools and a number of other State of Idaho institutions.

The Land Board is comprised of Idaho’s governor, secretary of state, attorney general, state controller, and superintendent of public instruction.

In 2010, the Land Board approved a plan to divest the state’s ownership of most cottage sites at both lakes over time in order to reinvest the proceeds into assets that generate higher returns than the rent from the lots. In February 2016, the [Land Board approved a plan](#) that enables remaining lessees of residential cottage sites at Priest Lake and Payette Lake to

participate in auctions of the lots they lease before the end of 2019. Additionally, IDL will be auctioning un-leased lots at both lakes over the next few years.

Including today's auction, 258 cottage site lots have sold - 141 lots at Priest Lake (133 leased and 8 un-leased) and 117 lots at Payette Lake (101 leased and 16 un-leased) - for a total of approximately \$110 million for the endowments.

The funds from the land sales will be deposited in the "Land Bank" and used to purchase other lands in Idaho or they may go into a Permanent Fund, in order to continue earning returns for the endowment beneficiaries. In May 2016, the Land Board approved the [Strategic Reinvestment Plan](#) and will consider strategic acquisitions of timberland and, on a more limited basis, farmland with the proceeds from the sale of cottage sites and commercial properties.

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