



Oregon

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State Land Board

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State Treasurer

M E M O R A N D U M

June 16, 2009

To: Governor Theodore R. Kulongoski
Secretary of State Kate Brown
State Treasurer Ben Westlund

From: Louise Solliday, Director

Subject: Status Report on Land Sales and Pending Exchanges

Northeast Land Sales

Five properties consisting of approximately 225 acres were sold at the land auction on March 26, 2009 for a total of \$145,851. All sales are now final.

The Land Board authorized the sale of the remaining eleven parcels through a direct sale, first-come, first-served process. Although some inquiries have been received, there have been no direct sale applications. This land sale is available through December 31, 2009.

Southwest Land Sales/Exchanges

A total of fifteen properties are being appraised in Coos, Curry, Douglas and Lane Counties. These properties are primarily commercial forestland parcels that are isolated. The Land Board authorized disposal of these lands by sale or exchange at its June 2008 meeting.

Two forestland owners, Menasha/Campbell Group and Giustina Resources have applied for a land exchange. Both applications are on hold pending completion of the appraisals on the DSL parcels.

Menasha/Campbell Group would exchange four parcels (913.19 acres) of its land surrounding the Elliott State Forest for 640 acres of Common School Fund (CSF) land in Curry County near Lobster Creek.



It is expected an exchange agreement with Giustina Resources will be presented at the October 2009 State Land Board meeting. Giustina Resources has offered to acquire development type land in the Salem area to exchange for CSF forestland parcels in eastern Lane County. This is a complex and innovative project aimed at meeting one of the Board's Asset Management goals of acquiring lands with higher return potential.

Tentatively, an auction has been scheduled for November 19, 2009, in Roseburg for the remaining forestland parcels.

Deschutes County Land Exchange

In December 2008, the Land Board approved this land exchange with Deschutes County. An exchange agreement was completed with the county on January 9, 2009. The aim of the exchange is to trade about 238 acres (the North Parcel) of the Board's South Redmond Tract for two parcels of county-owned land (120-acre Long Butte Parcel between Bend and Redmond; and the 159-acre Warrin Road parcel on Fryrear Road near Sisters). DSL is conducting an appraisal of its North Parcel and environmental review of the two county parcels. Of critical importance to DSL is securing additional access to the Long Butte parcel. Land use planning activities associated with bringing the entire South Redmond Tract into the Redmond UGB are likely to have a positive effect on the appraisal and may require the county to add land to the transaction in order to balance values.