

For Immediate Release

Kingman, Arizona January 29, 2015

On January 29, 2015, the Arizona State Land Department auctioned a commercial ground lease for 47.32 acres of State Trust land in Lake Havasu City on Pittsburgh Point. The successful bidder was Sammy's Island LLC. The minimum bid was set at just under \$7.1 million and the winning bid for the 38 year lease was \$30.2 million.

"This is just one of several leases that we have been working on around Lake Havasu," said a spokesman for the Land Department, "these are exciting opportunities for the Trust because revenues from this type of activity go directly to the Trust beneficiaries, which in this case include K-12 Education, the Universities, and the School for the Deaf and Blind. Ground leases are paid as yearly rent, and the yearly rent for this property will start at \$1.2 million and will rise to about \$1.7 million over the term of the 38 year lease."

The Arizona State Land Department is tasked with the management of State Trust lands granted by the Federal Government to Arizona at the time of its establishment as a territory and upon statehood under the Enabling Act of 1910 for the benefit of certain public institutions. In 1915 Arizona created the Land Department and accepted the responsibility of State Trust land management. Today, the Department controls approximately 9.2 million acres which it manages to produce revenue for the 13 Trust beneficiaries-the largest of which is K-12 education.

Since 2013 the Land Department has generated over \$500,000,000 for Trust beneficiaries. The State Land Department continues to utilize over 10 million acres of combined surface and subsurface acres of Trust land to generate revenue for Trust beneficiaries through various economic activities.