



TO: Patrick J. O'Donnell, Clerk of the Legislature  
FROM: Michael Walden-Newman, State Investment Officer  
DATE: August 11, 2022  
SUBJ: **NEB. REV. STATE. §72-240.26 REPORTING**

A handwritten signature in blue ink that reads "Michael" with a horizontal line underneath.

Neb. Rev. Stat. §72-240.26 requires the State Investment Officer to report annually with a cost-benefit analysis of proposed land sales by the Board of Education Lands and Funds considering "land being sold versus the anticipated investment potential of proceeds resulting from the sale."

Please see the attached.

**TO:** Cindy S.H. Kehling, Board of Educational Lands and Funds  
**FROM:** Michael Walden-Newman, State Investment Officer  
**DATE:** October 25, 2021



**SUBJ: FY 2021-22 2ND QTR: OCTOBER 2021 PROPOSED SALE ANALYSIS  
PER NEB. REV. STAT. §72-240.26**

Please find below our analysis for the proposed land sale listed below:

The Nebraska Investment Council projects a total return for the Permanent School Fund within the General Endowment portfolio of 4.7 percent annually over the next ten-year period and a projected annual yield of 2.3%.

"Total return" is comprised of interest, dividends and realized and unrealized capital gains and losses. "Yield" is the spendable investment income comprised of dividends and interest. Realized capital gains are reinvested in the Fund.

**A. Land Sale – For First Round Approval**

1. **BLAINE COUNTY** Lease #111019-21: All except those portions lying  
Plat #13 East of North Loup River 36-23-22W (322.95 acres)  
DISCRETIONARY PROPERTY
- Lessee of Record: Hellmann Quiet Creek Ranch LLC  
Requesting Sale: Nebraska Quiet Creek Ranch LLC  
Requested Acres: Approximately 9 acres South and West of US Hwy  
#91
- Rental on Acres Requested: \$239.40 grassland on 9 acres  
Offer on Requested Acres: \$2,000 per acre

The adjoining landowner is requesting the sale of approximately 9 acres in the Southwest corner, isolated from the remainder of this School Land Section due to US Hwy #91 bisecting the SW4, for \$2,000 per acre.

The projected total return on \$18,000 would be about \$846 per year.  
The projected yield would be about \$414 per year.

**TO:** Cindy S.H. Kehling, Board of Educational Lands and Funds  
**FROM:** Michael Walden-Newman, State Investment Officer  
**DATE:** November 29, 2021



**SUBJ: FY 2021-22 1ST QUARTER LAND TRADE OR SALE ANALYSIS  
PER NEB. REV. STAT. §72-240.26**

Please find below our analysis for the following:

The Nebraska Investment Council projects a total return for the Permanent School Fund within the General Endowment portfolio of 4.7 percent annually over the next ten-year period and a projected annual yield of 2.3%.

"Total return" is comprised of interest, dividends and realized and unrealized capital gains and losses. "Yield" is the spendable investment income comprised of dividends and interest. Realized capital gains are reinvested in the Fund.

### **Land Trade or Sale Parcels for 2<sup>nd</sup> Round Approval (August 13, 2021)**

- |                               |  |
|-------------------------------|--|
| 1. PERKINS COUNTY<br>Plat #32 | Lease #113680-28: All 36-10-39W<br>(640 acres) CORE Property |
| Lessee of Record:             | Hendricks Cattle Company, Inc.                               |
| Type of Ground:               | Grassland  |
| Annual Rent:                  | \$16,750.40  |
| Requesting Sale:              | J.C.'s Seven, LLC c/o Jarret Malmkar                         |

The owner of the W2NE4 and E2NW4 of Section 1-T09N-R39W, located South of the above-described School Trust Land, requested sale of approximately 6.66 acres along the South boundary of the land for \$20,000.00, later amended to \$40,000.

The projected total return on \$40,000 would be about \$1,880 per year.  
The projected yield would be about \$920 per year.