



Oregon

Kate Brown, Governor

Oregon Department of Corrections

Administrative Services Division

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October 24, 2022



Mr. Martin Higgenbotham, President
Mr. Christopher Vaughan, Vice President
Higgenbotham Auctioneers International Ltd., Inc.
1629 Shepherd Road
Lakeland, FL 33811

Mr. Tim Stuart
President-
Stuart Realty Group, Inc.
358 NW 1st Avenue, Suite 7
Canby, OR 97013

RE: Mill Creek Correctional Facility
Sealed Bid Auction – August 2, 2022

Dear Marty, Chris and Tim:

On behalf of the State of Oregon Department of Corrections I want to thank you for the outstanding work you and your team did to sell the former Mill Creek Correctional Facility Site, a 390.5-acre working farm, for \$9,052,187.50, which is 27.5% higher than the first-round high bid. That in and of itself is truly remarkable thanks to Chris' expert negotiations with the high bidder for 4 days to consummate the transaction.

Your marketing plan, quite frankly, drew exactly the type of bidder we believed would buy the property – an experienced, well-seasoned residential and commercial builder/developer (who just happens to be local here in our Salem market). Your smart due diligence work prior to the auction in meeting with the City of Salem to ensure the City would be receptive to redevelop the property was a stroke of genius. While many other large publicly traded residential builder/developers were interested in the property, they all wanted to offload the risk of entitlements onto the State in waiting 2 years or more for entitlement approvals before they would close escrow. As it stands now, we have a very substantial amount of non-refundable earnest money in escrow and will close escrow by mid-December 2022.

As a result of your team's great work, we've awarded Higgenbotham Auctioneers a contract to auction a second farm-type property, a 319-acre working livestock ranch in Central Point, Oregon in the Medford metropolitan market and we look forward to that auction in March 2023.

Thanks again for the great work. I would be happy to be a reference for your firms' work on the State of Oregon's behalf. I can be best reached at (503) 877-8229 or tracy.l.wilder@doc.oregon.gov.

Sincerely,

Tracy L. Wilder

Real Property Manager, Administrative Services Division