Rural Land Ownership and Use in Alabama

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DEFINITION AND EXPLANATION OF TERMS

Rural land. Rural land is defined as open country land. It does not include special use categories, such as rural highways, railroads, airports, rural parks, wildlife refuges, national defense areas, and flood control projects.

Rural landowner. A rural landowner is defined as a person, corporation, institution, or Indian tribe that held 3 or more acres of rural land by sole ownership, by life estate, or by purchase contract, or, who had a part interest in land with his "interest acres" amounting to 3 or more. Persons with less than 3 acres of rural land who lived on their land were eligible for enumeration. Husband and wife were regarded as one owner with ownership normally attributed to the husband.

Kind of land owned. Four classifications were included.

- (1) Farmland only: farmsteads, cropland, orchards, open pasture, and pastured woodland.
- (2) Commercial forest only: only land used for producing timber and timber products.
- (3) Other rural land only: unused farmland, rural land used for commercial purposes, cutover and abandoned timberland, and rural nonfarm residences.
- (4) Combination: farmland and forest, farmland and other, forest and other, and combinations of all three in a single tract.

Tenure groups. The land listed under the operator groups refers to farmland. The nonoperator groups refer to owners who do not operate any farmland.

- (1) Full-owner operators: persons who operate land they own; they do not rent land to or from others.
- (2) Part-owner operators: persons who operate land they own and rent land from others.
- (3) Full-owner, operator-landlords: persons who operate some of the land they own, but also rent out some land.
- (4) Part-owner, operator-landlords: persons operating part of their land, but also renting to and from others.
- (5) Nonoperator landlords: persons who operate none of their land and rent land to others.
- (6) Nonoperators: persons who neither operate their own land nor rent any of it to others.

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Rural Land Ownership and Use in Alabama*

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AND OWNERSHIP, with certain restrictions, includes the rights to use property to produce income, as a residence, or to hold as an investment for future gain or income. Concentration of ownership, absentee ownership, ways in which land is owned, real estate indebtedness, location, productivity, and other factors are major ones that influence land use. Changes in ownership and use have taken place in Alabama at a rapid pace during recent years. This study was conducted to provide current information on rural land ownership and use.

EXPERIMENTAL PROCEDURE

The sample design and procedure were planned by statisticians at the Research Triangle Institute, Durham, North Carolina, for the Economic Research Service, USDA. The Alabama sample was a part of a USDA sample of the Southeastern Region that included Alabama, Florida, Georgia, North Carolina, South Carolina, Tennessee, and Virginia.

In Alabama, 16 counties and 73 sample segments of these counties were selected. Sample segments contained a total of 473 eligible landowners from which 466 questionnaires were completed, Figure 1. Personal interviews with landowners were conducted in 1960 by personnel of Research Triangle Institute. In-

^{*} This study is based on data obtained from an overall land ownership survey in the Southeast carried out in 1960 by the Economic Research Service of the U.S. Department of Agriculture. The Alabama sample was adjusted to provide representative data for the State. This particular study was conducted in cooperation with the Economic Research Service, USDA, and the Southeast Land Tenure Research Committee.

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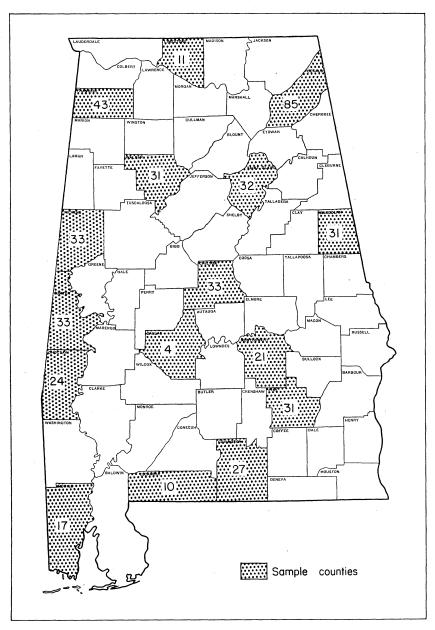


FIG. 1. Shaded counties in map are those included in the survey of land ownership and number of schedules obtained in each county, Alabama, 1960.

formation obtained from the sample of rural landowners was expanded by appropriate statistical techniques to obtain estimates for the State.

Except for information presented in the first part of this report on ownership of rural land by corporations and government units, all other statements and data pertain to individual owners.

OWNERS and LAND AREA

The land area of Alabama as reported in the 1959 Census of Agriculture was 32,678,400 acres. According to estimates based on the sample for this study, 30,497,400 acres or 93 per cent was rural land, Table 1. This included land in farms, commercial and noncommercial woodland, land owned by nonfarm rural residents, rural land owned by various governmental units and rural commercial land such as that used for nonfarm business and mining or industrial purposes.

Table 1. Estimated Number of Owners and Acres of RURAL LAND, ALABAMA, 1960

Owners			Rural land owned			
Owner group	Number	Per cent	Total acres	Per cent	Average number of acres	
Individual owners ¹	208,991 1,449 1,115 4	$98.8 \\ .7 \\ .5$	22,263,102 7,319,376 884,425 30,497	$73.0 \\ 24.0 \\ 3.0 \\ {}_{2}$	107 5,051 793 7,624	
Total	211,559	100.0	30,497,400	100.0	144	

¹ Includes partnerships and estates. ² Less than 0.5 per cent.

Individual owners, including partnerships and estates, accounted for 98.8 per cent of the owners and 73.0 per cent of rural land. Corporations, both forestry and others, were estimated to own 24 per cent of the rural land. Average acreage owned by corporations was much greater than the average for individual owners.

CHARACTERISTICS of OWNERS

The largest single group of landowners was the husband-wife category that included slightly more than three-fifths of all rural landowners, Figure 2. This group owned 52 per cent of Alabama's rural land. A high level of husband-wife ownership was associ-

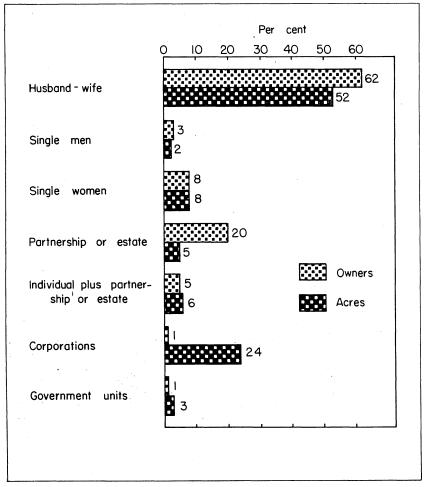


FIG. 2. The above chart shows the proportion of rural landowners and proportion of land owned by type of owner, Alabama, 1960.

ated with the large number of smaller family-type farms still in operation.

There were approximately three times as many single women landowners as there were single men. This resulted from land being left by inheritance to widows or other female family members.

Forestry corporations owned large tracts of land, mostly in timber. Also included in the corporate ownership category were railroads, mining concerns, and power companies. Federal, state, and municipal governments comprised the smallest number of owners. Most land owned by the various governmental bodies was in forests, parks, and military reservations. Some, however, was in building sites.

Only a small amount of rural land owned by corporations and governmental units was rented or leased to others. Forty-three per cent of the rural land owned by corporations other than by forestry corporations was rural land used primarily for industrial and mining purposes. More than half of the rural land owned by corporations other than forestry was farmland or forest owner-operated or managed land.

Age of Landowners

The age of individual rural landowners included in the study ranged from 14 to 96 with an average age of 55. However, the average age at which land was first acquired by landowners was reported as 33 years.

Landowners in business and professional occupations acquired land much earlier than did the average owner. Single women first acquired land at a younger age than other owner groups.

Percentage distribution of all rural landowners by age classes is given in the table. Almost a third of all owners were 65 years old or over.

Age in Years	Percentage of owners
Under 25	1
25-34	7
35-44	15
45-54	23
55-64	23
65-74	21
75 and over	10
Total	100

Occupation of Owners

Full-time farmers accounted for 25 per cent of all individual owners. They owned 32 per cent of the individually owned rural land, Figure 3. A smaller group reported they were part-time farmers or farmed in combination with another occupation. Part-time farmers accounted for 19 per cent of all individual owners and 15 per cent of the individually owned rural land. An additional 7 per cent of the rural landowners who were retired or dis-

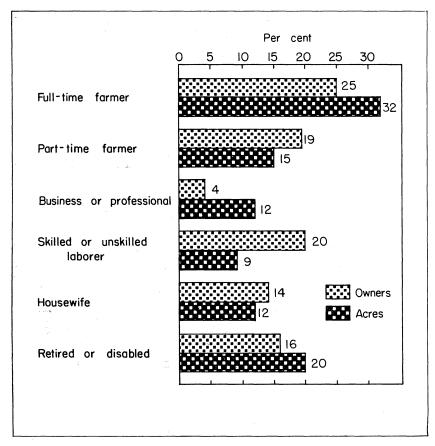


FIG. 3. Shown above are proportion of rural landowners and proportion of land owned by occupation of owner, Alabama, 1960.

abled considered themselves farmers. Therefore, 53 per cent of all individual owners might be classified as farmers. The retired or disabled occupational group, in addition to former farmers, included members of all occupations who were retired or no longer in the labor force. One out of every 5 acres of rural land was owned by retired or disabled persons.

Housewives were defined to include widows, single women, and married women holding title to land in their own name. They represented 14 per cent of the individual landowners, and owned 12 per cent of the individually owned rural land.

Although business and professional workers made up only 4 per cent of all owners, they owned 12 per cent of the land. The largest

average size holdings existed for this group. A large portion of business and professional workers owned forest land. Laborer and other groups that included skilled and unskilled workers, students, and others not in the labor force, accounted for 20 per cent of the owners and only 9 per cent of the rural land.

Residence of Owners

As an average, 6 per cent of the individual owners of rural land in Alabama lived outside the State and a large portion of these lived in states outside the Southeast.

A larger portion of farmers lived on their land than owners in other occupational groups. In contrast, owners of commercial forest land generally did not reside on their rural land. Seventy-four per cent of the owners of commercial forest land, of whom a large portion were in business or professional occupations, were absentee owners who lived in urban areas. An additional 11 per cent were absentee owners who lived in rural areas. Overall, 29 per cent of all individual rural landowners were absentee owners who lived in urban areas.

Only 14 per cent of all rural landowners reported they did not own their home. Laborers, housewives, and retired persons were prevalent among landowners who rented their place of residence. Thirty per cent of the landowners who were nonoperators, that is owners who did not operate the land themselves nor rent it to others, rented their residence. More than half of these owners were urban residents or absentee owners. Partnership or estate owners were highest in percentage of absentee owners as shown in the following table:

Type of owner	Percentage of owners that were absentee owners
Husband-wife	27
Single man	$\overline{34}$
Single woman	39
Partnership or estate	54
Individual plus partnership or estate	8
Average	33

Tenure

Fifty-one per cent of the owners of all rural land were non-operators and owned 47 per cent of the individually owned rural

land, Figure 4. As for owners of farmland, 63 per cent were in the operator classes, Appendix Table 1. Full-owner operators owned nearly half of all individually owned farmland in Alabama. Full-owner, operator-landlords owned 18 per cent more giving 67 per cent owned for the two groups. Part-owner, operator-landlords owned twice as much farmland as part-owner operators.

On the basis of operation as compared to ownership, 57 per cent of the farmland was owner-operated and 34 per cent rented out, Appendix Table 2. Only 4 per cent of the farmland in Ala-

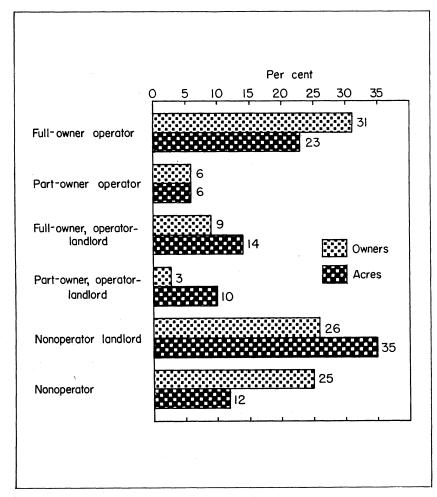


FIG. 4. This chart shows proportion of rural landowners and proportion of land owned by tenure classification of owner, Alabama, 1960.

bama was under hired managers, compared with 10 per cent of the commercial forest land. Nine per cent of all owners hired managers.

Eighty-three per cent of the land rented out to 72 per cent of the farmer-renters was owned by nonoperator landlords, Appendix Table 3. Full-owner, operator-landlords rented 14 per cent of the land to 20 per cent of the tenants. The remainder was handled by part-owner, operator-landlords.

Part-owner operators and part-owner, operator-landlords were about equal in the percentage of rented in land. However, the former group included 63 per cent of all operators renting in land.

Ninety-two per cent of the rural land rented in was by full-time farmers while 6 per cent was rented by part-time farmers. The largest proportion of land rented out was owned by retired or disabled persons. However, 16 per cent of the farmers who rented land rented from full-time farmers.

Only 5 per cent of the owners of rural land in Alabama had rental income equal to one-half or more of their total income. Of the three tenure groups that received such income, nonoperator landlords accounted for the majority (76 per cent) of all such owners.

Ownership by Whites and Nonwhites

Eight per cent of all rural landowners in Alabama were nonwhite. They owned 4 per cent of the rural land owned by individuals.

Ownership of land by nonwhites was, to a large extent, confined to the category "other rural land." Forty-five per cent of the owners of other rural land were nonwhite, as compared with 90 per cent or more of the owners of all other types of land being white.

Very few nonwhite owners were in the husband-wife, single men, or single women categories. Ownership by nonwhites was more frequently associated with partnership or estate ownership.

Occupational groups of landowners according to race were similar except for part-time farmers. Relatively few nonwhite owners combined farming with other occupations.

A larger percentage of white owners of rural land were fullowner operators than nonwhite owners. However, nonoperator owners of rural land were most prevalent among nonwhites.

KIND and AMOUNT of LAND OWNED

Rural Land

Individual landowners in Alabama owned an average of about 100 acres of rural land in 1960. Many owners owned more than one type of land. Sixty-four per cent of the individual owners of rural land reported land in the combination-type category, Appendix Table 4. The average amount of this land owned per owner was 111 acres. More than three-fourths of the rural land was included in the combination-type group. Twenty-three per cent of the individual owners owned farmland only and the average amount of farmland owned was 76 acres.

Husband-wife owners, who were the most numerous, owned approximately 100 acres of land per owner, Appendix Table 5. Single men also owned approximately 100 acres each, but they held considerably more land as commercial forest than did other types of owners. Single women owned the largest average size units of farmland and ranked second to individuals joined with partnerships or estates in total rural land owned.

By type of owner, partnership or estate owners had the smallest average acreage, whereas individuals who owned land in addition to that held in partnerships or estates owned the largest average acreage per owner.

Part owners of rural land, in general, owned more acres per owner than did full owners. Part-owner, operator-landlords owned the largest average acreage of any tenure group.

Business and professional landowners ranked far above other occupational groups in average amount of land. They owned more farmland, commercial forest land, but less rural land in other categories than any other occupational group. Full-time farmers and retired landowners ranked next to business and professional persons in amount of land owned. Skilled and unskilled laborers owned the smallest amount of land per owner.

Based on farmland owned, husband-wife owners were most prominent in numbers and proportion of land owned. By occupational groups, full-time farmers owned 63 per cent of the owner-operated farmland although they comprised only 34 per cent of the owners of farmland. Part-time farmers and retired or disabled persons owned almost all of the remaining owner-operated farmland.

Urban Real Estate

Ten per cent of Alabama's rural landowners reported owning some urban real estate. The average size holding reported was slightly less than one acre and average value of land and buildings was \$9,354 per owner.

One-fourth of the single man owners of rural land also owned urban property, Appendix Table 6. Approximately a third as many husband-wife owners reported urban real estate owned as did single men. Business and professional persons along with laborers were also high in percentage owning urban real estate. Business and professional persons, however, owned the greatest amount of urban real estate whereas laborers owned the least amount.

Only a small proportion of full-owner operators reported owning any urban real estate. About 14 per cent of all part-owners and non-operators owned urban property in addition to rural property.

MARKET VALUE and INDEBTEDNESS on LAND OWNED

Market Value of Rural Land Owned

Market value of rural land in Alabama per acre in 1960 as reported was highest for farmland only. The combination type of land that included farmland, forest, or other rural land was valued about \$50 per acre below farmland only, but was valued slightly more than other types of land:

Type of land Farmland only	Average market value
Farmland only	per acre \$127
Commercial forest only	φ127 59
Other rural land only	61
Combination	76
All types	\$ 83

Husband-wife owners generally owned land valued relatively higher than that owned by other types of owners, Appendix Table 5. Farmland values per acre were highest in the mountain area of Alabama. Farmland in the Tennessee Valley was valued second highest.

Commercial forest land was valued highest per acre in the Tennessee Valley Area while the lowest average value per acre was

found in the Coastal Plain Area. However, the Coastal Plain Area reported the highest average market value for other rural land.

When associated with occupational groups some large differences existed in the per acre market value of land owned. Part-time farmers had the most valuable farmland, while retired or disabled persons owned the least valuable. However, retired or disabled persons owned the most valuable commercial forest land. Other most valuable rural land was owned by business and professional persons.

Full-owners owned the highest value farmland, second highest value commercial forest land, and third highest value other rural land. For all farmland, commercial forest, and other rural land, average market values per acre were \$104, \$49, and \$88 respectively.

Indebtedness

Sixty-two per cent of Alabama's rural landowners reported acquisition of land by purchase. Most buyers of land did not pay cash; therefore, some form of credit or financing arrangement had to be used. Most real estate credit financing in Alabama has been through use of a real estate mortgage.

Unlike a mortgage, the land purchase contract¹ permits a buyer to acquire land with a relatively small down payment. Less than 1 per cent of all land owned was acquired through a purchase contract, whereas, 15 per cent was under a mortgage as of January 1, 1961, Appendix Table 7. Of the remaining individually owned rural land, 80 per cent was unencumbered. Financial arrangement for purchase of 5 per cent of the land was not reported.

Lower value per acre for land under purchase contracts suggests that this method of transfer and financing may have been used only on lower priced land as compared with mortgaged land or on relatively large tracts in which the price per acre was relatively low.

A higher percentage of other rural land only was mortgaged than farmland only, commercial forest only, or the combination type of land. Mortgage debt as a proportion of value was highest for the combination type of land and lowest for commercial forest land only.

¹A land purchase contract or land contract is also referred to by other names such as "contract for deed," "installment land contract," or "lease-sale contract."

By type of owner, partnership or estate owners were highest in proportion having land under mortgage as of January 1, 1961. Single men and single women owners were lowest in percentage of owners with mortgaged land as shown in table.

Type of owner	Percentage of owners with land mortgaged
Husband-wife	22
Single man	5
Single woman	6
Partnership or estate	35
Individual plus partnership or estate	25
Average	23

METHODS of OWNING RURAL LAND

Four methods of owning land considered in the study were sole ownership, life estate, partnership or mutual ownership agreement, and other joint ownership arrangements such as an unsettled estate.

The sole owner method of land ownership included the largest group of owners. In total, 88 per cent of all individually owned rural land in Alabama was owned by 81 per cent of the owners as sole owners. Less than 1 per cent of the owners and acres was found under life estates, while 4 per cent of the land and 6 per cent of the owners were in the classification of partnerships. Other joint ownership plans accounted for 7 per cent of Alabama's individually owned rural land and 19 per cent of the owners.

Husband-wife owners, single men, and single women owned 93 per cent of the rural land that was owned by individuals under sole ownership. Accounted for in these three groups were 92 per cent of the sole owners.

By Occupational Groups

Business and professional persons as owners were involved as partnership owners more than other groups. For all sole owners, retired or disabled persons accounted for 21 per cent of the individually owned land. Farmers, both full and part time, accounted for 48 per cent of the rural land under sole ownership. Housewives and business and professional persons held 80 per cent of all land under life estate arrangements. Farmers and business or professional persons owned 85 per cent of the rural land owned by partnerships.

By Tenure Groups

Over a third of the individually owned land held under sole ownership was owned by nonoperator landlords. This group also owned 80 per cent of the land held in life estates, 11 per cent in partnerships, and nearly 50 per cent of the land in undivided or unsettled estates.

Full-owner operators of rural land held a high percentage of their land as sole owners; however, 10 per cent had partnership agreements and owned 32 per cent of the land under such agreements.

Part-owner, operator-landlords, and nonoperators each held 19 per cent of the land in unsettled estates. Together with nonoperator landlords, they owned 87 per cent of the land under some joint ownership arrangement such as unsettled or undivided estates.

Relationship of Partnership Members

The relationship of members of partnerships to one another indicated a high proportion of in-family arrangements. Eighty-five per cent of all landowners reporting partnership agreements had either parent-child, brother, or brother-in-law arrangements. Parent-child relationships were most generally involved in partnerships; they accounted for 57 per cent of all partnerships reported. Those reporting no kinship among partners accounted for 15 per cent of the partnerships.

LAND ACQUISITION

Sixty-two per cent of all owner acquisitions of rural land were by purchase and 38 per cent were by gift or inheritance, Figure 5. However, 75 per cent of all rural land owned by individuals was acquired by purchase. Twenty-one per cent of the land was purchased from relatives.

Acquisition of full interest by gift or inheritance included 18 per cent of the owners who owned 16 per cent of the land. An additional 20 per cent of the owner acquisitions by gift or inheritance of part interest accounted for only 9 per cent of the land. This is an indication that relatively small tracts of land predominated in undivided or unsettled estates.

Owners of farmland only acquired 73 per cent of their land by purchase. More than half of the farmland acquired by purchase was bought from nonrelatives.

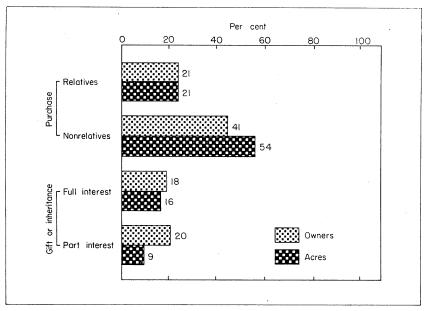


FIG. 5. Shown here is the proportion of owners and acres of rural land acquired by purchase and gift or inheritance.

Owners of commercial forest land acquired 67 per cent of their land by purchase. However, purchases of commercial forest land accounted for only 43 per cent of the owner acquisitions. Fifty-seven per cent of all owner acquisitions of commercial forest land were by gift or inheritance.

Type of Owner

Husband-wife owners were represented in 63 per cent of all owner acquisitions and they acquired 67 per cent of all land. An average of 86 acres was acquired per acquisition by husbands and wives.

Slightly over three-fourths of the husband-wife acquisitions of rural land were by purchase and 23 per cent were by gift or inheritance, Appendix Table 8. Acquisition of rural land by gift or inheritance was of major importance to single women as well as partnerships or estate owners and individuals plus partnerships or estates.

Occupation of Owner

Full-time and part-time farmers acquired a larger percentage of their land by purchase than did other occupational groups.

Housewives acquired the largest part of their land by gift or inheritance. Business and professional workers as well as laborers also reported a relatively high percentage of their acquisitions by gratuitous means.

Tenure of Owner

Nonoperator landlords and nonoperators acquired more than a third of their land by gift or inheritance. This proportion was two to three times the percentage of land acquired by gift or inheritance for other tenure groups. Many nonoperators had urban residences and nonfarm occupations. Land owned by these two tenure groups possibly was held as a result of family ties or to gain advantages of appreciation in value or potential use.

Operators acquired 82 per cent or more of their land by purchase. Purchases from non-relatives predominated in all operator groups.

Date of Acquisition

Rural landowners reported that 70 per cent of their acquisitions were made since 1940. The largest proportion occurred in the decade 1951-60:

Year	$Percentage\ acquisitions$
Before 1920	8
1921-30	8
1931-40	14
1941-50	34
1951-60	36

Since 1950, 94 per cent of all rural landowner acquisitions were by purchases and 6 per cent by gift or inheritance, Figure 6.

Consolidation of land holdings has occurred since 1950. On an "acres per owner" basis, acquisitions by purchase averaged more than two times as large as sales; and acquisitions by gratuity were nearly twice the size of transfers by the same method. The average amount of land purchased per owner since 1950 was 94 acres. The average amount of land acquired gratuitously was 64 acres. As an average, 45 acres per owner were sold at full market value and 35 acres were transferred by gift or sold at less than market value.

Consolidation of holdings for the combination type of land was more frequent than for other land types. Purchases of the com-

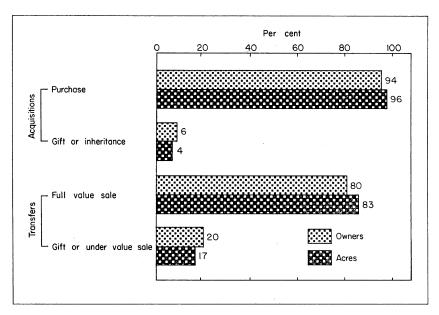


FIG. 6. Shown above are methods of acquisition and transfer of rural land for individual owners who acquired and transferred land since 1950, Alabama, 1960.

bination type of land per owner amounted to 104 acres while transfers at full market value were only 38 acres per owner, Appendix Table 9.

Owners of commercial forest land reported the most acres per owner transferred by gift or sale at less than market value. Distribution of acquisitions and transfers by type of owner also gave indications that consolidation of holdings was prevalent.

By occupational groups, the largest acquisitions per owner since 1950 were by business and professional persons. Laborers reported the least average amount of land acquired by gratuity and housewives reported the least amount of land purchased per owner.

LAND TRANSFERS

Twenty-four per cent of all individual rural landowners in Alabama reported transfers between 1950 and 1960 by sale, gift, or trust. Landowners reported sizable proportions of land given away or sold at less than market value since 1950. As an average,

17 per cent was transferred by gift or sold at less than market

value while 83 per cent was sold for full market value.

As for type of land, 45 per cent of the commercial forest land transferred since 1950 was disposed of by gift or sold at less than market value. About half of the land transferred by business and professional workers since 1950 was given away or sold at less than market value.

Plans for Transfer of Rural Land

Landowners were questioned about any plans they might have had for transferring land they owned to someone else within 3 years after the survey. Approximately 96 per cent of all individual rural landowners indicated they had no immediate plans for disposing of their land by sale, trust, or gift. Less than 1 per cent of the owners planned to transfer land by gift or trust, and the remainder planned to sell their land on the open market.

Transfer by Will

After death of a landowner, land is distributed either according to a will or under the State laws of descent and distribution. In Alabama, only 11 per cent of all individual rural landowners reported having a will designating distribution of the land among heirs compared with 13 per cent for the Southeast.² As expected, age of owner was a major factor correlated with proportion of owners having a will. Only in the age groups above 65 did more than 10 per cent of the landowners have a will as shown in the following:

Age (years)	Percentage of landowners who had a will
Under 25	. 0
25-34	_ 2
35-44	_ 9
45-54	_ 9
55-64	_ 8
65-75	. 15
Over 75	_ 16
Average, all ages	11

There were differences among occupational groups in the preparation of wills. Only one per cent of the skilled or unskilled laborers reported having a will compared with 24 per cent of the

 $^{^2\,\}rm Roger$ W. Strohbehn, Ownership of Rural Land in the Southeast, Agricultural Economic Report No. 46, Economic Research Service, USDA, p. 29.

retired or disabled landowners and 21 per cent of the business and professional workers. Part-time farmers ranked relatively high whereas full-time farmers were relatively low in proportion who had a will.

INTEREST and RIGHTS in RURAL LAND Hunting and Fishing Policies of Owners

In 1960, 63 per cent of the owners reported they allowed hunting rights to the general public, and only 1 per cent of the owners who allowed hunting on their land made any charge for the right.

Owners who extended fishing rights to others apparently were more restrictive in extending these rights. Only 7 per cent reported their water areas open to the public for fishing.

A low proportion of landowners reported they obtained professional advice concerning wildlife and hunting practices on their land. County extension agents were listed most often as professional advisors, but their services were utilized by only 2 per cent of the owners.

Mineral Rights

Nearly two-thirds of all Alabama landowners reported owning all the mineral rights in their land, Appendix Table 10. An additional 6 per cent owned only part of those rights. Landowners who did not own any of the mineral rights in their land accounted for 12 per cent of all owners, and 18 per cent reported they did not know if they owned the mineral rights.

A larger proportion of owners in the business and professional occupation group reported owning all mineral rights than did other occupational groups. They also reported the smallest proportion of owners (1 per cent) who did not know the ownership status of mineral rights in their land. Housewives and laborers more than other occupational groups did not know whether they owned mineral rights.

LAND USE CHANGES, 1955 to 1960

Use of rural land has undergone dramatic changes during recent years. Technological advances have affected land uses. Urban areas have expanded to include land that was once rural. Government programs, in a number of cases, have encouraged land use changes.

From 1955 to 1960, the major use of approximately 6 per cent of the individually owned rural land in Alabama was changed. Overall percentage changes of rural land from 1955 to 1960 by uses are shown in the table.

Land use	Percentage change
Cultivated or open pasture	-6
Woodland	1
Urbanized land	150
Unused or other land	31

Although the largest percentage change was in urbanized land, this use change involved fewer acres of rural land than did changes for other uses.

The analysis of land use changes was carried out with the sample data so that the acreage in each major use in 1960 could be accounted for according to its use in 1955. For land acquired since 1955, the base use was as of the date acquired. Table 2 gives the acreage and proportion of rural land by major uses in 1955. The 1955 use accounts for the land in each major use in 1960. For example of 8,859,000 acres of cultivated and open pasture land in the State in 1960, 8,710,000 acres were in this use in 1955; 101,000 acres were in woodland and 48,000 acres were in unused or other land.

Almost 700,000 acres were converted from cultivated or open pasture use from 1955 to 1960. Some cultivated or open pasture land in 1955 was used for woodland, urban uses, and idle or other uses in 1960. On the other hand, 2 per cent of the land in cultivation or open pasture in 1960 was in woodland, idle, or other uses in 1955. According to respondents, all land shifted to urban use from 1955 to 1960 was taken from cultivated or open pasture land. This land represented 60 per cent of that used for urbanized purposes in 1960.

Acreage of woodland owned by individuals increased slightly from 1955 to 1960. Ninety-six per cent of the woodland in 1960 was in woods in 1955. Three-fourths of the remaining woodland in 1960 was cultivated in 1955.

Other rural land and idle land increased 31 per cent from 1955 to 1960. Government policies and programs were a factor in the increase in land in this category. Landowners in Alabama reported about 1 per cent of the land they owned as idle, excluding land in the Conservation Reserve.

					, Acreages,					
Invol	VED FOR	INDIV	IDUAL	RURAL	LANDOWNERS	, AL	ABAMA,	1955	-196	30

Uses	Cultivated or open pasture	Woodland	Urbanized land	Unused or other	Total
1960					
Land area:					
1,000 acres	8,859	9,076	67	1,700	19,702
Per cent	45	46	1	9	100
1955					
Cultivated or	4				
open pasture:	1	•			
1,000 acres	8,710	261	40	402	9,413
Per cent	98	3	60	24	48
Woodland:					
1,000 acres	101	8,685		175	8,961
Per cent	. 1	96		10	45
Urbanized:					
1,000 acres			27		27
Per cent			40		1
Unused or other:					
1,000 acres	48	130		1,123	1,301
Per cent	. 1	1		66	7

¹ Less than 0.5 per cent.

The Conservation Reserve (Soil Bank) acreage accounted for an additional 2 per cent of all rural land in 1960. A higher percentage of owners classified in business or professional occupations had land in the Soil Bank. Combined with other rural land, a total of 9 per cent of all rural land was accounted for in the unused or other land category.

Appendix Table 11 indicates the changes in land use of corporate and government owned land. The most significant change from 1955 to 1960 was in urbanized land. Land used for urbanized purposes in 1960 was 7 per cent of the total corporation and government owned rural land. In 1955, it was less than 1 per cent. Land in woods and cultivated or open pasture land decreased from 1955 to 1960 and other rural land uses increased.

Farmland Use

Individual landowners were asked how their farmland was used and the acreage in each use. Cropland and temporary pasture accounted for 50 per cent of all farmland, Appendix Table 12. Permanent pasture usage, excluding woodland pastured, accounted for 23 per cent; pastured woodland 21 per cent; fruit or nut groves and orchards 1 per cent; and other farmland 5 per cent of farmland. Other farmland included farmsteads, lanes, roads, ditches, and wasteland.

Owners in the Tennessee Valley and mountain areas reported the largest proportion of land used as cropland and temporary pasture, and the smallest proportion of land in permanent pasture, and pastured woodland. Land used for permanent pasture, cropland or temporary pasture, and woodland pastured was about the same proportion of the total in the Piedmont and Coastal Plain Areas.

Tabulations for use of farmland by type of owner indicated that large differences in use did not exist among owners. Partnership or estate owners used the smallest percentage of farmland as cropland or temporary pasture and the highest percentage as permanent pasture.

SUMMARY and CONCLUSIONS

Individual owners were most prevalent in number of rural landowners. Corporations and governmental units accounted for less than 2 per cent of all rural landowners, yet it was estimated that they owned 27 per cent of all rural land. The average acreage owned by corporations was about fifty times the average acreage owned by individuals.

Rural landowners are not always farmers as many people think, although full and part-time farmers owned the largest proportion of rural land. Farmers owned 47 per cent of all rural land under individual ownership and represented 44 per cent of all individual owners.

Thirty-one per cent of all individual rural landowners were over 64 years of age. The average age was 55 years.

Nearly a third of all rural landowners in Alabama were absentee owners, most of whom owned land in partnerships or estates. Three-fourths of the individual owners of commercial forest land were absentee owners.

Nonoperator tenure groups represented 51 per cent of all individual owners and owned 47 per cent of all individually owned rural land. Nonoperator landlords also rented more land to more people than did other tenure groups.

Together, farmers and nonoperator landowners owned 85 per cent of Alabama's rural land. By controlling a large portion of

Alabama's rural land, farmers and nonoperators play an important role in shaping the economic and social structure of Alabama.

The average market value of farmland was \$127 per acre compared with \$59 per acre for commercial forest land. Eighty per cent of the individually owned land was reported as unencumbered or without a debt against it.

Seventy-five per cent of the individually owned rural land was acquired by purchase and 25 per cent by gift or inheritance. About a fifth of the land purchased was from relatives. Consolidation of land holdings has been prevalent in recent years based on the average acreages reported sold and purchased per owner since 1950.

Acquisition of rural land has become an acute problem for present and potential landowners. Available land in many cases is priced above the capitalized value of land when such land is used for agricultural production purposes. Numerous nonfarm uses such as highways, parks, businesses, industries, and water and recreational area developments have added to the problem of acquisition by boosting land prices to even higher levels.

Almost all individual owners of rural land had no plans for transfer of the land owned by sale, trust, or gift. Only 11 per cent of the owners had a will.

It is evident from the study that land used patterns in Alabama have changed. The major use of approximately 6 per cent of the individually owned land changed between 1955 and 1960. A decrease occurred in cultivated or open pasture land. Idle or other land increased 31 per cent. Government programs apparently were a direct influence in the agricultural acreage reduction.

Urbanized rural land uses, although they involved less than 1 per cent of all rural land in 1955 and 1960, increased 150 per cent over the 5-year period. Three-fifths of the urbanized land in 1960 was cultivated or open pasture land in 1955.

APPENDIX

Appendix Table 1. Proportion of Owners and Acres of Farmland Owned by Tenure Groups, Alabama, 1960

Tenure group	Owners of farmland	Acres of owner- operated farmland
	Per cent	Per cent
Full-owner operator Part-owner operator Full-owner, operator-landlord Part-owner, operator-landlord Nonoperator landlord Nonoperator	$\begin{array}{c} 40 \\ 8 \\ 11 \\ 4 \\ 35 \\ 2 \end{array}$	49 11 18 22
All groups	100	100

Appendix Table 2. Percentage Distribution of Individually Owned Rural Land by Operation Status, Alabama, 1960

Operation status	Farmland	Commercial forest	Other rural land
	Per cent	Per cent	Per cent
Owner-operator	57 34 4	89 1 10	
IdleUrbanized	2		97
Unclassified	3		1
All groups	100	100	100

APPENDIX TABLE 3. PROPORTION OF FARMERS AND LANDOWNERS RENTING AND PROPORTION OF LAND RENTED BY TENURE GROUPS, ALABAMA, 1960

	Renting	out land	Renting in land		
Tenure group	Proportion of farmers land is rented to	Proportion of land rented to farmers	Proportion of owners land is rented from	Proportion of land rented from owners	
	Per cent	Per cent	Per cent	Per cent	
Part-owner operator—————Full-owner, operator-landlord——	20	$\overline{14}$	63	51	
Part-owner, operator-landlord	8	3	37	49	
Nonoperator landlord	72	83			
All tenure groups	100	100	100	100	

APPENDIX TABLE 4. DISTRIBUTION OF INDIVIDUAL OWNERS AND ACRES OF RURAL LAND OWNED BY TYPE OF LAND, ALABAMA, 1960

Proportion	Land			
of owners	Proportion	Average amount		
Per cent	Per cent	Acres		
23 8 5	18 4 2	76 54 27		
	Per cent	Of owners Proportion Per cent Per cent 23 18 8 4 5 2		

Appendix Table 5. Average Acreage and Market Value Per Acre of Rural Land Owned by Individual Owners, by Area, Type of Owner, Occupation, and Tenure Status of Owner, Alabama, 1960

	Acres per owner		nland		Commercial forest		Other rural land	
Item	owned in State	Acres per owner	Value per acre	Acres per owner	Value per acre	Acres per owner	Value per acre	
×	Acres	Acres	Dollars	Acres	Dollars	Acres	Dollars	
Area								
Tennessee Valley		64	153	17	113	1	1	
Mountain	51	31	207	33	68	18	93	
Piedmont		70	69	59	53	51	58	
Coastal Plain	133	108	73	82	42	14	101	
Type of Owner								
Husband-wife	99	71	113	63	52	17	105	
Single man		$7\overline{2}$	102	172	45	56	43	
Single woman		121	93	62	58	31	63	
Partnership or estate		26	98	26	36	7	65	
Individual plus								
partnership or estate	168	110	64	97	44	35	113	
Occupation								
Full-time farmer	117	85	113	77	42	17	97	
Part-time farmer		43	137	53	$5\overline{1}$	$\tilde{28}$	75	
Business or professional		168	126	263	$4\overline{7}$	-ŏ	376	
Skilled or unskilled		100	1=0	_00		v	3.0	
laborer	44	28	128	29	55	11	133	
Housewife		$\overline{73}$	88	$\frac{1}{37}$	39	22	49	
Retired or disabled		121	57	62	64	25	74	
Tenure								
Full-owner operator	72	51	140	41	55	23	88	
Part-owner operator		$5\overline{7}$	96	$6\overline{4}$	31	23	47	
Full-owner.	. 00	01	00	01	O.	40	-11	
operator-landlord	147	95	108	119	47	19	84	
Part-owner,		00	200				0.1	
operator-landlord	349	262	51	119	24	10	157	
Nonoperator landlord		69	81	80	$\overline{47}$	18	62	
Nonoperator		56	. 1	39	60	$\overline{17}$	116	

¹ Too few reporting for data to be reliable.

Appendix Table 6. Proportion of Rural Landowners Who Owned Urban Real Estate, Average Value, and Amount Owned According To Type of Owner Occupation, and Tenure Status of Owner, Alabama, 1960

Item	Proportion of owners	Average value per owner	Quantity of urban land owned
	Per cent	Dollars	Acres
Type of owner			
Husband-wife	9	10,820	0.9
Single man	25	4,678	1
Single woman	12	7,370	1.4
Partnership or estate	8	9,838	1.4
Individual plus partnership or estate	12	3,720	1.4
Occupation			
Full-time farmer	6	4,644	1.2
Part-time farmer	7	17,304	1.3
Business or professional	18	10,956	4.1
Skilled or unskilled laborer	22	8,286	0.3
Housewife	4	5,663	1.2
Retired or disabled	10	10,155	0.6
Tenure			
Full-owner operator	4	15,326	.8
Part-owner operator	15	7,882	1.4
Full-owner, operator landlord	5	7,078	1.8
Part-owner, operator landlord	12	9,753	1.9
Nonoperator landlord	13	7,194	1.4
Nonoperator	15	10,143	0.4

¹ Too few reporting for data to be reliable.

Appendix Table 7. Financial Status and Related Factors for Rural Land by Type of Land, Alabama, January 1, 1961

Financial status and related factors for land	Unit	Farm- land only	Commer- cial forestr only	Other ural land only	Combi- nation	All types
Mortgaged						
Proportion of landValue per acreDebt as a proportion	Pct. Dol.	26 189	22 61	33 84	$\begin{array}{c} 12 \\ 102 \end{array}$	$\begin{array}{c} 15 \\ 127 \end{array}$
of value Average debt per	Pct.	37	22	23	49	42
owner	Dol.	3,260	1,396	342	4,036	3,179
Under Land Purchase Contract						
Proportion of land	Pct.	1	2		1	1
Value per acre	Dol.	85	75		16	33
Unencumbered						
Proportion of land	Pct.	69	74	67	82	80
Not Reported Proportion of land	Pct.	5	2		6	5

¹ Less than 0.5 per cent.

Appendix Table 8. Proportion of Individual Owner Acquisitions and Rural Land Acquired According to Method of Acquisition, by Type of Owner, Occupation of Owner, and Tenure, Alabama, 1960

Thomas	Purcha	se	Gift of inheritance		
Item	Acquisitions	Acres	Acquisitions	Acres	
	Pct.	Pct.	Pct.	Pct.	
Type of owner					
Husband-wife	77	86	23	14	
Single man	76	79	24	21	
Single woman	40	48	60	52	
Partnership or estate	21	33	79	67	
Individual plus partnership					
or estate	46	69	54	31	
Occupation					
Full-time farmer	76	85	24	15	
Part-time farmer	83	86	17	14	
Business or professional	51	74	49	26	
Skilled or unskilled laborer	54	67	46	33	
Housewife	20	35	80	65	
Retired or disabled	64	82	36	18	
Tenure					
Full-owner operator	84	88	16	12	
Part-owner operator	62	82	38	18	
Full-owner, operator landlord	75	85	25	15	
Part-owner, operator landlord	$7\overline{1}$	88	39	12	
Nonoperator, landlord	46	62	54	38	
Nonoperator	45	$\overline{64}$	55	36	

Appendix Table 9. Average Acres of Rural Land Acquired and Transferred Per Individual Owner Since 1950, Alabama, 1960

	Acqu	isitions	Transfers		
Item	Land pur- chased	Land acquired by gratuity	By sale at full market value	By gift or sale at less than market value	
	Acres	Acres	Acres	Acres	
Type of land Farmland only Commercial forest only Other rural land only Combination	47	80 1 64	64 41 15 38	50 92 1	
Type of owner Husband-wife	$\begin{array}{c} 112 \\ 36 \\ 11 \end{array}$	47 1 1 93	58 62 21 11 83	35 2 3 92 134	
Occupation Full-time farmer. Part-time farmer. Business or professional Skilled or unskilled laborer. Housewife Retired or disabled	96 59 578 37 10	22 71 246 13 26 80	75 41 18 9 17 44	46 101 39 2 4 29	
Tenure Full-owner operator Part-owner operator Full-owner, operator-landlord Part-owner, operator-landlord Nonoperator landlord Nonoperator	35 95 127 152	69 14 20 105	52 18 108 52 49 16	53 110 29 6 50	

¹ None or not reported.

Appendix Table 10. Status of Mineral Rights Ownership by Individual Rural Landowners, Alabama, 1960

	Propor							
Item	All	Part	None	Don't know				
	Pct.	Pct.	Pct.	Pct.				
Type of land Farmland only Commercial forest only Other rural land only Combination	60 63	6 2 	7 10 9 15	11 28 28 18				
Type of owner Husband-wife Single man Single woman Partnership or estate Individual plus partnership or estate	66 54 82	9 4 1 7	16 32 6 5	17 2 36 18 18				
Occupation Full-time farmer. Part-time farmer. Business or professional. Skilled or unskilled laborer. Housewife. Retired or disabled.	65 87 57 56	9 7 5 5 2 8	15 10 7 13 9 13	11 18 1 25 33 8				
Tenure Full-owner operator Part-owner operator Full-owner, operator-landlord Part-owner, operator-landlord Nonoperator landlord Nonoperator	58 71 56 61	8 12 5 32 3 4	14 11 15 12 10 12	15 19 9 26 18				
Average	64	6	12	18				

¹ Less than 0.5 per cent.

Appendix Table 11. Changes in Use of Rural Land Owned by Corporate and Government Owners, 1955-1960, Alabama¹

						1955	Use			
1960 Use	Land area Part		Part Cultivated open pastu		Woodland		Urbanized		Unused or other	
	Acres	Pct.	Acres	Pct.	Acres	Pct.	Acres	Pct.	Acres	Pct.
Forestry Corporations Cultivated or open pasture Woodland Urbanized	2,110	99 2 2	5,456 2,150 1,706	100 2 81	1,152,106	99	404	19	474	2
Unused or other Total	6,644 1,168,940	100	2,559 11,871	39	1,152,106	99	404	2	4,085 4,559	61 2
Other Private Corporations Cultivated or open pasture Woodland Urbanized	7,573 190,693 159,694	2 53 45	7,573 8,484 7,878	100 4 5	182,209 140,592	96 88	11,224	7		
Total	357,960	100	23,935	7	322,801	90	11,224	3		
Federal, State, or Municipal C Woodland	810,375 12	100			810,375	100	12 12	2		
Total	810,387	100			810,375	100	12	-		
All Corporations and Governm Cultivated or open pasture Woodland Urbanized Unused or other	13,029	92 7 2	13,029 10,634 9,584 2,559	1 6 39	2,144,690 140,592	99 87	11,640	7	474 4,085	² 61
Total	2,337,287	100	35,806	2	2,285,282	98	11,640	. 2	4,559	2

 $^{^{1}}$ Closed segment corporations or those that reported on land owned only in the sample segments were not included. 2 Less than 0.5 per cent.

Appendix Table 12. Proportion of Individually Owned Farmland in Various Uses by Area and Type of Owner, Alabama, 1960

	Use							
Item	Cropland or Permane temporary pasture		Pastured woodland	Fruit or nut groves and orchards	Other land			
	Pct.	Pct.	Pct.	Pct.	Pct.			
Area								
Tennessee Valley	72	15	10		3			
Mountain		19	18	1	6			
Piedmont		24	23		5			
Coastal Plain	43	26	24	2	5			
Type of Owner								
Husband-wife	49	22	22	4	5			
Single man	5 3	31	10	4	2			
Single woman	59	14	23	2	2 2 3			
Partnership or estate	32	40	25		3			
Individual plus partner-								
ship or estate	48	25	16	2	10			
Average	50	23	21	1	5			

¹ Less than 0.5 per cent.

