Farmland Ownership and Tenure in Iowa 2007

IOWA STATE UNIVERSITY
University Extension

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Executive Summary

Farmland Ownership and Tenure in Iowa 2007 carries out the mandate of the Iowa Legislature. This study focuses on forms of ownership and tenancy of farmland in Iowa in 2007. The purpose of the study is to document the current situation with respect to Iowa farmland. In addition, this study compares and contrasts the current situation with that found in earlier studies.

There are three discernable trends in the Iowa farmland market. Perhaps the mega trend, or overriding one to which most of the other changes could be attributed, is the increasing age of the farmland owner. In 2007, more than half the farmland (55 percent) in Iowa was owned by people over the age of 65. People between 65 and 74 owned 27 percent of the farmland and people over 75 years of age owned 28 percent of Iowa's farmland. In 1982 these same age categories had a combined ownership of just 29 percent.

The 2007 survey is based on a sample of 40-acre tracts of farmland so direct comparison with historical studies based on farmland owners is not possible. However, two earlier studies in 1946 and 1978 showed the percent of farmland and the percent of owners were not too different. Therefore, at least some mention of the historical changes in age seems warranted. Based on the Census of Agriculture in the North Central Region, from 1890 to 1930 approximately one-third of the owners were over 65 years of age. In the 1935 and 1940 U.S. Census of Agriculture this increased to 40 percent due primarily to the ownership changes occurring because of the Great Depression and World War II. In 1945 the percentage dropped to the pre-depression levels of approximately one-third. There were some slight changes over time and by 1982, 29 percent of the land was owned by those over 65 years old. The increases reported here are unprecedented. From 2002 to 2007 the percent of land owned by those over 65 increased seven percentage points.

A second major trend observed is the increasing amount of land that is cash rented. Cash rented land is increasing relative to owner-operated land and it is especially increasing relative to crop share leased land. In 2007, there was more farmland in Iowa under a cash rental arrangement than there was owner-operated, 46 versus 40 percent, respectively. Land in the Conservation Reserve Program was not included in this calculation because it was not considered to be operated.

Farmland that was leased was equally divided between cash rent and crop share leases in 1982. By 2007, 77 percent of the leased farmland was under a cash arrangement.

A third major trend is the continuing shift of land ownership away from full-time residents of the state. In 2007, 79 percent of the land was owned by people who were full-time residents. In 1982, 94 percent of the land was owned by full-time residents. In 2007, 14 percent of the land was owned by people who were not legal residents of the state and seven percent was owned by part-time residents of Iowa.

The Iowa land market is very dynamic and fluid. In 2007, we saw a continued change in the ownership patterns with more land going into trusts. We also saw an increase in the size of landholdings, and the amount of land owned by those who do not farm or have never farmed.

Three-fourths of Iowa's farmland is held without debt. Willing the land to the family remains the most popular method of transferring the land, accounting for almost half, 43 percent, of the farmland. The next most popular method for transferring farmland is putting it into a trust. This method is the fastest growing way to transfer farmland and represented 18 percent of all farmland in 2007.

Being a good farmer and honesty are the two most important reasons why a landowner chooses a tenant. The majority of leases have been in place for more than 5 years, and approximately 40 percent of the crop share leases have been in place more than 20 years.

Farmland is owned for three primary reasons. Seventy-three percent of the land is owned for current income and long-term investment. Another 22 percent of the land is owned by those who identified family or sentimental reasons as their primary reason for owning it.

Land is valuable not just to the individual but to the state as well. At current average value our farmland is worth more than $123 billion. It is in our best interest to know who is farming it, how it is being farmed, and who owns it.

I. Introduction

Iowa land values have increased dramatically in the past few years. The average value of Iowa farmland has more than doubled since 2000.[1] The biofuels demand has led to an increase of 34 percent in farmland values over just the past two years.

The percent of farmland owned by people over the age of 75 has more than doubled over the past two decades. Today more than half the Iowa farmland is owned by someone 65 years old or older. Given normal life expectancy, this means we will see a substantial amount of Iowa farmland change ownership over the next several years.

What do the record land values and aging farmland owner portend for the future? Who owns Iowa farmland and how it will be farmed could change considerably over the next decade. The information presented in this report provides a snapshot of where we are today, where we have been, and where we might be headed with respect to farmland ownership.

Concern over farmland ownership and tenure can be traced back to the founding of our country. Throughout the 20th century there were several periods where farmland ownership and the impact of alternative forms of tenure were of considerable importance. During the Great Depression more than half of the farms in Iowa were tenant farms. In other words, the farmer owned no land at all. This situation has changed considerably. Today we have the majority of farmland farmed by people who own some of the land they farm but rent most of it. Approximately 30 percent of Iowa farmers are part owners and they farm more than 60 percent of Iowa's farmland. Only 12 percent of the farms are tenant farms.

Changes in technology have allowed one person to farm more land. Technology continues to change and increase the amount of land one person can farm. It also allows a person to remain active in farming to a later age.

The impact of technology, the impact of demand shifts for biofuels, the impact of the aging farmland owner, and a myriad of other factors all indicate there will be changes in Iowa farmland ownership. It is against this background of change that the survey reported here was conducted.

The 2007 Land Ownership Study carries on the tradition of surveys conducted in 1949, 1958, 1970, 1976, 1982, 1992, 1997, and 2002. The 1958 Iowa survey began analyzing regions within Iowa. These are regions identified in the 1950 U.S. Census of Agriculture. This same regional approach has been continued, allowing for the observation of regional developments. This series of studies concerning land ownership is unique to Iowa.

Each of the earlier surveys was conducted to accomplish several objectives. In addition to considering many of the objectives covered in earlier surveys, the 2007 study was carried out as a result of legislation passed by the Seventy-Third Iowa General Assembly. The Legislature passed Chapter 319, Section 71 of the Acts of the General Assembly in 1989, which was amended in 1992, Chapter 1080, Section 1 to read:

Iowa Code

> Iowa State University of Science and Technology shall conduct continuing agricultural research to provide information about environmental and social impacts of agricultural research on the small or family farm and information about population trends and impacts of the trends on Iowa agriculture, in addition to research that may include the categories specified in Section 266.39B, Subsection 2. The research shall include an agricultural land tenure study conducted every five years to determine the ownership of farmland, and to analyze ownership trends, using the categories of land ownership defined in Chapter 9H. The study shall be conducted on the basis of regions established by the university. A region shall be composed of not more than twenty-three contiguous counties.

• Dimensions of the Study: Ownership and Tenure

The 2007 study continued the analysis from the previous studies examining both land ownership and tenancy. Where appropriate, the results of the 1982, 1992, and 2002 studies are compared with the analysis presented here. The 1997 results may also be presented but, in the interest of simplicity in comparison, only data from 1982, 1992, and 2002 are presented in most tables.

The concept of "land tenure" refers to the manner in which or the period for which rights in land are held. Additionally, land tenure consists of the social relations and institutions governing access to and ownership of land. Tenure describes the rights the landowner maintains or the rights given to the tenant. With increased environmental protection emphasis, several modifications in tenure arrangements have developed including acquisition of easements by private and governmental organizations to obtain partial interests in land. Also, in recent decades professional farm managers have been entrusted with property management and some of the rights of the landowner by acting as the owner's agent. For all of these reasons, and because a substantial portion of farmland is leased, tenancy aspects of land ownership are analyzed in detail in Chapter V.

[1] Iowa Land Value Survey, 2007; ISU Extension Publication, FM 1825.

II. Survey Methods

• The 2007 Survey

The 2007 survey was conducted by telephone by the Iowa State University Center for Statistics and Methodology. Telephone interviews were conducted between November 2007 and January 2008. All questions were asked in reference to land owned on July 1, 2007. Survey questionnaires were completed by trained telephone interviewers who edited and checked the responses for consistency.

Table 2.1 compares the 1958, 1970, 1976, 1982, 1992, 1997, 2002, and 2007 Iowa farmland ownership surveys in terms of their survey method, number of landowners in the sample, number of usable responses, and percentage of usable responses.[2] The 1949 survey results were conducted for the entire Midwest; therefore, the 1949 study was not comparable to the surveys in Table 2.1 that were conducted for Iowa alone.

Table 2.1: Comparison of usable response rates obtained in land ownership surveys

Year	Method of survey	Landowners in sample (number)	Usable responses (number)	Usable responses (percent)
1958	Mail	11,022	2,576	23
1970	Mail	12,520	3,216	26
1976	Mail	4,392	1,503	34
1976	Phone	1,044	743	71
1982	Phone	1,065	992	93
1992	Phone	1,053	940	89
1997	Phone	861	656	76
2002	Phone	795	633	80
2007	Phone	794	577	70

[2] See the following for discussions of past year surveys:

M. Duffy, et al., *Farmland Ownership and Tenure in Iowa 1982 – 2002: A Twenty Year Perspective*, ISU Extension Publication PM 1983, July (2004).

T. Jackson, *Iowa Farm Ownership and Tenure*, ISU Dept. of Economics Thesis (1989).

B. D'Silva, *Factors Affecting Farmland Ownership in Iowa*, ISU Dept. of Economics Thesis (1978).

R. Strohbehn, *Ownership Structure of Iowa Farm Land*, ISU Thesis (1959).

• General Sample Selection

Parcels of land in each county were scientifically chosen on a random basis in 1988. All agricultural land owned in Iowa had the opportunity to be included in the general sample. The same parcels were used for the 1992, 1997, 2002, and 2007 surveys.

The sample unit or parcel was a quarter of a quarter section of land: a 40-acre tract. Persons owning land within this sample unit were then identified and became the potential respondents for the survey.

The state was divided into seven regions ranging in size from 7 to 23 counties. Within regions, the sample was allocated to counties in approximate proportion to their geographic areas (excluding non-farmland areas). The largest county, Kossuth, had 18 sample units whereas the 15 smallest counties had five samples each. The sample units were selected in two stages. The first stage assured a geographic dispersal of sample sections over the county in a systematic manner. The second stage selected a single 40-acre unit at random within each sample section within each county.

Legal descriptions of selected 40-acre parcels from this sampling procedure were sent to county auditors before each survey. The auditors provided information about the owners of land within the sample 40-acre units. The owners of record or their representatives as identified by the county auditors were then surveyed as respondents.

Some of the 40-acre parcels had more than one ownership unit. Each ownership unit was treated as a separate entity. For example, the 705 sample parcels had 940 separate ownership units. Of these 940, 794 were eligible for the survey.

Some of the ownership units had multiple owners. Where there was more than one owner for the ownership unit (other than husband and wife), one owner was randomly selected for inclusion in the demographic description portion of the survey to be used for weighted calculations. The sampling design for selecting a person among all the owners of the parcel was equal-probability sampling.

See Appendix A for a complete description of the sampling methodology used for the 2007 survey.

• Geographical Regions Used in 2007

Iowa was divided into seven geographical regions in the 1958 survey, using regions identified in the 1950 U.S. Census of Agriculture. The composition of these regions was continued in the 2007 survey. Figure 2.1 shows the regions that are used throughout the survey and are described as:

1. Northwest Region – 10 counties including Lyon, Sioux, O'Brien, Plymouth, Cherokee, Buena Vista, Woodbury, Ida, Sac, and Carroll.

2. Southwest Region – 11 counties including Monona, Crawford, Harrison, Shelby, Audubon, Pottawattamie, Cass, Mills, Montgomery, Fremont, and Page.

3. Northern Region – 7 counties including Osceola, Dickinson, Emmet, Kossuth, Clay, Palo Alto, and Hancock.

4. North Central Region – 13 counties including Pocahontas, Humboldt, Wright, Franklin, Calhoun, Webster, Hamilton, Hardin, Greene, Boone, Story, Dallas, and Polk.

5. Southern Region – 19 counties including Guthrie, Adair, Madison, Warren, Marion, Adams, Union, Clarke, Lucas, Monroe, Wapello, Jefferson, Taylor, Ringgold, Decatur, Wayne, Appanoose, Davis, and Van Buren.

6. Northeast Region – 16 counties including Winnebago, Worth, Mitchell, Howard, Winneshiek, Allamakee, Cerro Gordo, Floyd, Chickasaw, Fayette, Clayton, Butler, Bremer, Black Hawk, Buchanan, and Delaware.

7. Eastern Region – 23 counties including Grundy, Dubuque, Marshall, Tama, Benton, Linn, Jones, Jackson, Clinton, Cedar, Jasper, Poweshiek, Iowa, Johnson, Scott, Muscatine, Mahaska, Keokuk, Washington, Louisa, Henry, Des Moines, and Lee.

• Statistical Analysis

For this survey, land ownership was measured in acres that were held in only one ownership type. All of the acres identified by the respondent were added to the ownership type given and included acreage other than that owned in the 40-acre sample unit.

The types of ownership are sole owner, joint owners (husband and wife only), other co-ownership, partnership, life estate, unsettled estate, trust, corporation, limited liability company, and limited liability partnership. The amount of acres owned in a different ownership type or agricultural land leased from others was not considered in this study. For sole owner respondents, the study only considered the amount of acres owned solely by the

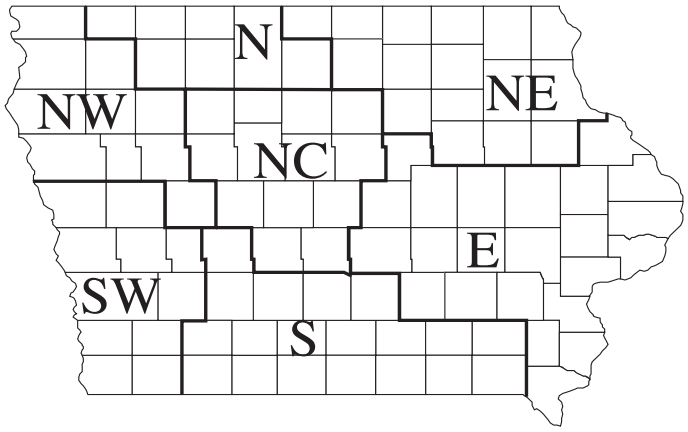

Figure 2.1: Iowa regions used in 1958, 1970, 1976, 1982, 1992, 1997, 2002, and 2007 survey

respondent. Respondents were reminded throughout the survey that the land being discussed was only that land owned in a particular ownership category. The term "farm" was replaced with "farmland owned in this type of ownership."

Congruent with this separation of farm and ownership type, the statistical method used was based on the percentage of farmland owned. This maintains continuity with the 1992 survey. Under this method, a clearer picture of farmland ownership is possible. Specific examples of percentage of farmland owned include the percentage of land owned by sole owners, the percentage of land under a cash rent lease arrangement, and the percentage of land enrolled in conservation and other government programs.

The 2007 study was conducted in a manner similar to the 1982, 1992, and 2002 studies. Telephone survey methods were used to contact the identified respondents. Many questions were worded and asked in exactly the same way as in the previous studies to maintain comparability and avoid undue bias.

In the analysis of the data, some respondents chose not to answer some questions or responded that they did not know the answer. Therefore, the responses, when estimated for the percentage of farmland owned, do not always total 100 percent. All analysis was completed using the percentage of farmland for statistical weighting.

Hypothesis testing is a statistical tool used to determine if change is significantly different from zero and at what levels. Changes from 1982, 1992, and 2002 to 2007 were tested at the 5 percent level for significance and are noted in the tables by an asterisk (*). A hypothesis test that is significant at the 5 percent level indicates fairly strong evidence that the true change is not zero, or states that an examiner of the test can be 95 percent confident the true change is other than zero.

III. Land Ownership

This study focuses on the characteristics of the landowner analyzed in relation to the land owned. Many past studies have focused on the percentage of landowners, but this study continues the 1992 Iowa farmland study's use of the percentage of farmland owned. This approach allows a clearer focus on the changes occurring in the ownership structure of the land.

Table 3.1 presents an overall summary of land ownership and use in Iowa. The percentage of land rented has not changed for the past few decades. The biggest change is in the amount of land that is cash rented. Land tenure will be discussed in a later chapter.

Table 3.1: Distribution of Iowa farmland by control, 2007

	Acres	Percent	Percent
Operator controlled	14,343,041		46
Operator acres	11,457,800	36	
Custom farmed	632,233	2	
CRP and government conservation	2,253,007	7	
Rented acres	17,157,451		54
Cash rent	13,155,079	42	
Crop share	3,774,171	12	
Other	70,148	<1	

The first data analyzed in this study reveal the ownership patterns from the 2007 Farmland Ownership Survey. The following areas of farmland ownership are considered:

- Ownership type
- Tenancy
- Method of financing, if relevant
- Method of acquiring the land
- Length of ownership
- Size of owned acreage

• Ownership Type

Land is held in many different ownership arrangements. This study presents the arrangements as revealed in the survey using 10 different ownership types. The categories are then combined or altered as needed to allow comparison with past studies. The ownership categories surveyed were:

1. Sole owner
2. Joint owners (husband and wife only)
3. Other co-ownership
4. Partnership
5. Life estate
6. Unsettled estates
7. Trust
8. Corporation
9. Limited liability company
10. Government owned

Joint tenancy of agricultural land in Iowa predominantly involves a husband and wife as joint tenants. Joint tenancy other than husband and wife is included in the "other co-ownership" category along with tenancy in common ownership, thereby maintaining continuity with past studies. Through the right of survivorship, ownership is passed to the surviving tenant at the death of the first to die.

Tenancy in common differs from joint tenancy in that the right of survivorship does not apply. Upon the death of a tenant in common, the rights of ownership pass to the deceased tenant's heirs or are distributed under the deceased's will instead of passing necessarily to surviving tenants in common.

Another type of co-ownership is ownership in partnership and is included in the partnership category. A general partnership is defined as an organization of two or more persons to carry on as co-owners of a business for profit. General partnerships involve unlimited liability of the individual partners for the liabilities of the partnership. A limited partnership provides limited liability to limited partners not participating in management and control. The final category, limited liability partnership, provides an exemption of liability from co-partners' acts. Because of the small numbers of the different types of partnerships these were all listed under the general title partnership.

Trusts are an instrument that can hold the ownership of the land during the life, or after the death, of the landowner. With the establishment of a trust, legal title to property is placed in the hands of a trustee with the property to be used for the benefit of specified beneficiaries.

Estates are, in many respects, similar to trusts. Unsettled estates identified in the survey also are included in the estate category.

This survey looked at corporations as a general group, although corporations are divided into various categories as defined in Chapter 9H of the Code of Iowa. The categories include family farm corporations, authorized farm corporations, nonprofit corporations, and other types of corporations.

Table 3.2 presents the survey results regarding division of Iowa farmland by ownership type. Table 3.2 compares the 1982, 1992, 2002, and 2007 survey results.

Based on the 2007 survey, it is estimated that 9 percent of Iowa farmland is owned by corporations. Compared with the earlier surveys, the amount of farmland of this type has remained relatively stable for the past 25 years.

Table 3.2: Percentage of farmland owned by land ownership type, 1982, 1992, 2002, 2007

	1982	1992	2002	2007
Sole owner	41%*	38%*	28%	29%
Joint tenancy	39%*	38%	37%	35%
Tenancy in common	7%	7%*	12%	10%
Partnership	0%*	2%	2%	3%
Estates	4%	3%	4%	3%
Trusts	1%*	5%*	8%	10%
Corporations	8%	8%	7%	9%
LLC	N/A	N/A	1%	1%
Government/ institution	N/A	N/A	1%	1%

* Indicates significant differences relative to the 2007 survey at the 5 percent level

Sole and joint owners continue to own the majority (64 percent) of the state's farmland. Sole owners own 29 percent and joint owners 35 percent of the farmland. These numbers are down from the 1992 survey, which reported 76 percent for the combined groups when 38 percent was owned by each of the ownership types. However, they are nearly identical to the 2002 findings.

The amount of land held by sole owners in 2007 is significantly lower than the amount found in either the 1982 or 1992 surveys. For joint tenants, the percentage of land is significantly lower than the amount found in the 1982 survey.

Tenants in common held 10 percent of the farmland in 2007. Estimates for the remaining farmland owned by the other categories are trusts (10 percent), estates (3 percent), partnerships of all types (3 percent) and LLCs (1 percent).

The decrease in the percent of land owned as tenants in common from 2002 to 2007 is somewhat surprising. As will be discussed later, a majority of the land will be passed to the family. In many cases there are multiple heirs and so it would be expected to see an increase in the tenant in common ownership. This possible relationship may be masked by the amount of land in trusts. Land held in trusts has shown a dramatic increase, going from just 1 percent of the land in 1982 to 10 percent in 2007. The use of trusts is significantly higher than in both the 1982 and 1992 surveys.

• Tenure

Tenure encompasses ownership and tenancy of farmland. Chapter V covers tenancy more thoroughly; therefore, only a general overview of owner-operator and leasing arrangements is offered in this chapter in relation to all Iowa farmland.

Table 3.1 shows that 46 percent of the land was controlled by the owner, whereas 54 percent of the land was leased. Table 3.3 presents a more detailed look at what has been occurring over time. This table excludes the government conservation acres and custom farmed acres. Government conservation was not as prevalent in 1982 and although the owner controls the land, Table 3.3 attempts to show who is operating the land.

The trend toward more cash rented land is readily apparent in Table 3.3. In 1982, cash rented land and land with a crop share lease each accounted for 21 percent of the land. By 2007, cash rent accounted for 46 percent of the land and crop share leased land was only 13 percent of the land. The amount of land that is owner-operated has been steadily declining since 1982 going from 55 percent to just 40 percent in 2007. For the first time in at least the last 25 years, the amount of land that is cash rented is greater than the amount of land that is owner operated.

Table 3.3: Distribution of Iowa farmland by tenure[a]

	1982	1992	2002	2007
Owner-operated	55%*	50%*	41%	40%
Cash rent lease	21%*	27%*	40%	46%
Crop share lease	21%*	22%*	18%*	13%
Other type of lease	1%	1%	1%	<1%

[a] Does not include CRP or custom acres.

* Indicates significant differences relative to the 2007 survey at the 5 percent level

Another variation in the form of tenure involves management of farmland by professional farm managers. Professional farm managers supervise the renting of the land to the tenant, acting as an agent for the owner. The landowner is typically removed from the decision-making process, with the manager overseeing the tenant directly. Table 3.4 shows that the percentage of land managed by farm managers across the state for all ownership types has remained fairly steady over time.

For corporation-owned land, farm manager use has more than doubled since 1982, going from 6 percent of the corporate owned farmland to 13 percent. It is interesting to note that although the percentage of land under a professional farm manager has remained relatively constant over time, the number of acres has actually increased.

Table 3.4: Percentage of farmland managed by a professional farm manager by ownership type

	1982	1992	2002	2007
All acres	2%	5%	4%	4%
Non-corporate	2%	4%	4%	3%
Corporate	6%	9%	14%	13%

• Methods of Financing Iowa Farmland

Interest rates for purchasing farmland were approximately 7.5 percent at the time of the 2007 study. There was considerable variation in interest rates depending on the financial position of the borrower. The country was in the midst of a considerable real estate downturn yet Iowa farmland values continued to rise. Farmland values have risen almost every year since the farm debt crisis of the mid-1980s. In this environment, the 2007 study analyzes the financial structure of land ownership.

Farmland was classified into three groups in terms of financing arrangements existing on the land:

1. Free of debt
2. Being purchased through a purchase contract or contract for deed
3. Being purchased with a loan secured by a mortgage on the land

The data for each of these groups involve only debt against the land.

Purchase contracts are agreements between the buyer and seller for the transfer of property. Most of these contracts are held between individuals.

The other option for farmland purchase is the traditional secured loan from a third-party lender or mortgagee. Under mortgages, the mortgagor holds the title. For purchase contracts, the purchaser may or may not hold the title. Table 3.5 shows the percentage of land owned in each of these groups.

Table 3.5: Finance method as a percent of farmland

	1982	1992	2002	2007
Free of debt	62%*	70%	74%	75%
Under contract	18%*	11%*	4%	4%
Mortgaged	20%	19%	22%	21%

* Indicates significant differences relative to the 2007 survey at the 5 percent level

The percentage of land without debt continued to increase in 2007. In 2007 three-fourths of the land was held without debt. This was significantly higher than in 1982 when the state was just entering the farm debt crisis.

Overall there was very little change in the financing of Iowa farmland comparing 2007 to 2002. There has been a noticeable change since 1982 when only 62 percent of the land was held without debt and 18 percent was under a contract. Contracting was a popular method of financing during the period of rapidly increasing land values in the 1970s. Whether or not there is a return to contracting for farm purchases during this period of rapidly increasing land values remains to be seen. But, evidence to date does not indicate there has been a return to this form of financing.

• Methods of Acquiring Iowa Farmland

Four different modes of acquisition were examined:

1. Land was purchased
2. Land was received as a gift from a person living at the time of the transfer
3. Land was inherited
4. Land was obtained in some other manner

Purchased land may involve a purchase contract, a note and mortgage, or land that is purchased for cash. Gifts assume a living donor at the time of the gift. Inherited land could have been acquired through a trust, will, or other instrument that passes legal title to the land at death. Other methods of acquisition involve purchase at less than fair market value or acquisition in a like-kind exchange.

Table 3.6 shows percentage estimates for these acquisition methods.[3] Twenty-six percent of the land was acquired without encumbrance by gift or inheritance, and 73 percent was acquired by purchase. Older farmers tend to have more purchased land and less inherited land relative to their younger counterparts.

Table 3.6: Percent of Iowa farmland based on the method of acquisition

	1997	2002	2007
Purchase	62%*	72%	73%
Gift	3%	3%	3%
Inherited	35%*	25%	23%
Other	0%	0%	<1%

* Indicates significant differences relative to the 2007 survey at the 5 percent level

Additional research examining the issue of how the land is acquired, when, and in what manner is being conducted. The insights gained from this research will help predict the possible future directions for the Iowa land market based on past actions.

[3] Question for Table 3.6 was not asked in the 1982 and 1992 surveys.

• Length of Ownership

Length of ownership is an important indicator of ownership turnover. The 2007 study documented the changes in land ownership. Table 3.7 shows the current pace of ownership turnover. Using July 1, 2007 as a cutoff date, an estimated 36 percent of the land has been acquired since 1992. From 1983 to 1992, 20 percent of Iowa farmland was acquired by the current owner. Notice that 11 percent of the land has been acquired during the past four years, whereas 26 percent was acquired before 1972.

Table 3.7: Percent of Iowa farmland based on the year of acquisition, 2007

1972 and earlier	26%
1973-1982	17%
1983-1992	20%
1993-2002	25%
2003-2007	11%

• Size of Owned Acreage

The acreage sizes shown here are only those owned under the one ownership type identified by each respondent at the beginning of the survey. The size of owned acreages varies widely in the study, but traditionally land was described and transferred in 40-acre tracts. Table 3.8 follows that pattern by dividing acreages in multiples of 40. Also, this allows comparison with earlier studies.

Notice in Table 3.8 that the smallest category, less than 80 acres, has dropped in every survey while the largest category, greater than 600 acres owned, has increased. The second and third acreage categories have shown a similar pattern of smaller acreage decreasing as a percent of total and larger acreages increasing, although there were several exceptions to this general observation. Table 3.8 shows the trend toward larger acreages.

Table 3.8: Percentage of Iowa farmland owned in various size of ownership unit

	1982	1992	2002	2007
80 and under	40%*	31%*	13%	11%
81-240	38%	44%*	36%	35%
241-600	17%*	19%*	35%	35%
>600	5%*	6%*	16%	19%

* Indicates significant differences relative to the 2007 survey at the 5 percent level

• Summary

Chapter III examined land ownership patterns and analyzed changes from 1982. The following conclusions may be drawn.

- Sole and joint owners continue to be the major landowners in Iowa with combined ownership of 64 percent of all farmland.
- The percent of farmland that is owner-operated and not in government conservation programs or custom farmed has decreased steadily, dropping from 55 percent in 1982 to 36 percent in 2007.
- The amount of land that is cash rented continues to increase. In 1982 the amount of land cash rented was 21 percent of Iowa's farmland and equal to the percent of the land that was crop share rented. By 2007, the amount of land cash rented had increased to 42 percent of all farmland while the amount that is crop shared has dropped to 12 percent.
- The amount of farmland held without debt continues to increase, reaching three-fourths of all the Iowa farmland in 2007. The amount of land under a purchase contract has dropped significantly since 1982, from 18 percent in 1982 to 4 percent in 2007. The amount of farmland with a mortgage has remained essentially unchanged over the past two decades.
- The amount of farmland acquired through purchase continues to increase. In 2007, almost three-fourths of the farmland, 73 percent, had been purchased. This is up from 62 percent in 1997.
- The distribution of land among the various sizes of ownership units remained relatively constant over the five years from 2002 to 2007. However, the distribution is considerably different than it was in 1982. At that time 40 percent of the land was held in tracts 80 acres or less, whereas in 2007 only 11 percent of the owned farmland was held by those owning less than 80 acres.

IV. Demographics

This chapter focuses on the characteristics of Iowa farmland owners and their demographics including age, residency, education, and occupation. The demographics of owners are expressed on the basis of the percentage of farmland owned. Demographics for the 1982, 1992, and 2002 studies are provided as a means of comparison with the 2007 study.

The demographics analyzed include:

- The age of the owner and age cross-tabulated with the size of landholdings and financing methods used to acquire land
- Residency and occupancy (whether the land is owned by residents of Iowa and if they live on the land they own)
- Highest education completed and education cross-tabulated with age
- Occupation
- Gender and marital status

• Age

The age of a landowner affects probabilities of land transfer in the future. Land ownership turnover is of interest to state and local leaders because it may reflect conditions in the agricultural economy and carries implications for agriculture's future in the state. Tenure of the land tends to change with the stage in the life cycle as measured in years. Transfer and tenure of land are both age-sensitive.

In 1982 approximately 11 percent of Iowa's farmland was owned by people 34 years old or younger. (Table 4.1) In 1992 the percentage of land owned by people in this category had dropped to just 7 percent. By 2007 only 2 percent of the farmland was owned by people in the younger-than-34-years-old category.

The percentage of land held by those in the mid-stage years, 35 to 64 years old, also dropped, although the magnitude of the drop depended upon the specific age category. The two youngest age categories in themid-stage dropped significantly from 1982 to 2007. The percentage of land held by those in the 55 to 64 age bracket was the same in 2007 as it was in 1982. Overall the percentage of land held by those in the mid-stage dropped from 59 percent in 1982, to 50 percent in 1992, and to 43 percent in 2007.

In 2007, more than half (55 percent) of the farmland in Iowa was owned by people over the age of 65. Owners over 75 years of age have increased their percent of acreage from 12 percent in 1982 to 28 percent in 2007. These results suggest a turnover in land ownership can be expected in the near future. For a more detailed discussion, see Chapter V concerning land tenancy patterns and age and Chapter VI for more detail on the anticipated transfer of farmland in Iowa cross-tabulated with age.

Table 4.1: Percentage of farmland by age and life cycle stage of owner, 1982, 1992, 2002, 2007

Ownership type	1982	1992	2002	2007
Early stage:				
< 25 years	1*	1*	0	<1
25-34 years	10*	6*	3	2
Mid-stage:				
35-44 years	14*	11*	10*	6
45-54 years	23*	18	16	15
55-64 years	22	21	23	22
Late stage:				
65-74 years	17*	23	24	27
> 74 years	12*	19*	24*	28

* Indicates significant differences relative to the 2007 survey at the 5 percent level

• Age Cross-Tabulated with Acreage Size

Table 4.2 presents the age and acreage size breakdown by year and age category. Each cell is the percent of land owned by the age cohort. The general trend is for the percent of land to decrease by survey period in the small acreage categories, regardless of age. The early stage was almost indistinguishable in terms of the percent of the land held in the various size categories.

Table 4.2: Percentage of farmland owned based on year, size of holding, and age

	<35			35-64			≥65		
	1992	2002	2007	1992	2002	2007	1992	2002	2007
0-99	2%	1%	1%	20%	7%	6%	15%	7%	7%
100-279	3%	0%	1%	20%	18%	16%	21%	18%	19%
280-519	1%	1%	1%	8%	12%	9%	5%	14%	17%
>519	0%	0%	0%	3%	12%	12%	1%	8%	12%

• Age Cross-Tabulated with Financing Method

As indicated in Chapter III, equity in land is an important factor in obtaining capital, enhancing financial stability, and facing market risks. Table 4.3 cross-tabulates age and financing method. The percentage of debt-free land increased substantially for those over 65 years old. But, the percentage for the mid-stage owners slightly decreased and the percentage of land held debt free by those in the early stages remained unchanged from 1992. The percentage of land held under mortgage increased for the late-stage landowners while it decreased for both the early- and mid-stage landowners. The percentage of land held under contract decreased for all age categories. In 2007, half of the land in Iowa was owned by people over age 65 and without debt.

Table 4.3: Percentage of farmland owned by year, financing method and age

	<35			35-64			≥65		
	1992	2002	2007	1992	2002	2007	1992	2002	2007
Debt free	1%	1%	1%	30%	29%	24%	39%	43%	50%
Contract	3%	0%	0%	8%	4%	3%	1%	0%	0%
Mortgage	3%	2%	1%	13%	16%	15%	3%	4%	6%

Considering the acreage and debt within each life stage we find that the early life stage has 59 percent under mortgage and 35 percent paid for. The mid-stage owners are almost exactly the reverse with 58 percent paid for and 35 percent under mortgage. The late stage owners have 89 percent of the land debt free.

• Residency of Iowa Farmland Owners

Ownership of Iowa land by non-residents has been a concern of the Iowa General Assembly. Table 4.4 shows the percentage of farmland owned based on the residence of the owner. In Table 4.4, those who reported only living in Iowa part-time are included with the non-residents.

Table 4.4: Percent of Iowa farmland owned by Iowa residents

	1982	1992	2002	2007
Full-time Iowa resident	94%*	91%*	81%	79%
Part-time or not an Iowa resident	6%*	9%*	19%	21%

* Indicates significant differences relative to the 2007 survey at the 5 percent level

In the 2007 study, one instance of non-U.S. citizen ownership was noted. The individual was a part of a multiple owner tenancy in common ownership. This correlates with the Iowa Department of Agriculture and Land Stewardship data, which shows only one-tenth of one percent of Iowa farmland is owned by non-citizens. Nationwide, non-resident aliens own one percent of all U.S. farmland.

The percentage of Iowa farmland owned by full-time residents of the state has changed, declining from 94 percent in 1982 to 79 percent in 2007. There has been a significant change since 1992. Fourteen percent of the land in Iowa is owned by those who are not residents of the state and seven percent is owned by part-time residents.

• Owner Occupancy of Farmland

Another important aspect of ownership as a corollary to residency is whether the owner lives on the land being surveyed (Table 4.5). Most landowners live on the land surveyed or other farmland they own under a different ownership structure. The percentage of landowners living on land surveyed or other farmland they own remained relatively constant from 2002 to 2007. But, there has been a seven percentage point drop in farmland owned by those who live on their own farmland since 1982. The 2007 study shows that 56 percent of owners live either on the surveyed farmland or other farmland they own. The other 44 percent of Iowa farmland is owned by those who do not live on farmland. The change in whether or not the owner lives on a farm is statistically significant since 1982.

Table 4.5: Percentage of Iowa farmland by owner occupancy

	1982	1992	2002	2007
Lives on surveyed land	57%*	48%	47%	46%
Lives on other farmland owned	6%*	6%*	8%	10%
Does not live on owned farmland	37%*	46%	45%	44%

* Indicates significant differences relative to the 2007 survey at the 5 percent level

Table 4.6 shows the distribution of Iowa farmland ownership by the size of the community in which the owner lives. Table 4.6 shows that 57 percent of the farmland is owned by people who report living on a farm. Table 4.5 shows that 55 percent of the land is owned by people who live on the surveyed farmland or other farmland they own. Approximately one percent of the land is owned by people who live on farmland they do not own. Six percent of the land is owned by people who report living in

a rural area but not on a farm. That means approximately two-thirds, 63 percent, of Iowa's farmland is owned by people who either live on a farm or in a rural area. Eleven percent of the farmland is owned by those who live in small towns and another 11 percent by those who live in mid-size communities. Nine percent of the land is held by owners who live in larger cities. The percentage distribution of farmland based on the owners' location has changed very little since 2002.

Table 4.6: Location of farmland by residence of owner

	2002	2007
On a farm	55%	57%
Rural area but not farm	5%	6%
Town < 2,500	13%	11%
Town 2,500-10,000	9%	11%
Town 10,000-50,000	6%	5%
City of > 50,000	9%	9%

Table 4.7 shows the percentage of farmland based on the education levels of the owners. Education has been gradually increasing among farmland owners. This is illustrated by an increase from 1982 to 2007 of the percent of farmland held by owners with post-high school education. In the 2007 study, 8 percent of the farmland was owned by people with a graduate degree. The percent of land whose owners had a bachelor's degree almost doubled, land owned by those with some college experience increased slightly and the percentage of farmland owned by high school graduates continued to decline. During the same period, the percent of land whose owners did not complete high school decreased significantly.

Table 4.7: Percentage of farmland owned based on the highest level of formal education completed

	1982	1992	2002	2007
< High school	17%*	16%*	7%	7%
High School	48%*	42%	42%	38%
Some post high school	18%*	24%	26%	27%
BS, BA, etc.	10%*	9%*	18%	19%
Graduate degree	7%	6%	7%	8%

* Indicates significant differences relative to the 2007 survey at the 5 percent level

Table 4.8 shows the changes over time in education and age. The percentage of farmland owned by those with less than a high school education and over the age of 65 remained constant over the past 5 years but has decreased over the past 15 years. The percentage of land owned by those with a high school degree remained essentially unchanged since 2002 but it has increased since 1982. On the other hand, the percentage of land held by that same cohort group but with a graduate degree has remained constant. In general, however, the percentage of farmland owned by those with higher education has been increasing. And, as shown in Table 4.8, there are definite differences in the direction of change in farmland ownership based on age and educational level.

Table 4.8: Percentage of farmland owned by educational level and life cycle stages

	<35			35-64			≥65		
	1992	2002	2007	1992	2002	2007	1992	2002	2007
< High school	0%	0%	0%	4%	1%	0%	12%	7%	7%
High School	3%	1%	0%	23%	18%	14%	16%	23%	24%
Some post high school	2%	1%	0%	13%	15%	13%	9%	10%	14%
BS, BA, etc.	2%	1%	1%	5%	11%	11%	3%	6%	8%
Graduate degree	0%	0%	0%	4%	5%	6%	2%	2%	3%

• Occupation

Survey respondents were asked their primary occupation throughout most of their adult lives. Table 4.9 shows the percent of farmland based on the occupation of the owner. Over the past 25 years the percentage of land owned by those who identified homemaker as their primary occupation has decreased significantly. The division of farmland held among the other occupations has remained relatively constant. There was 38 percent of the farmland owned by those who listed farming as their primary occupation. This was a slight decrease from 2002 but it is still three percentage points above what was found in 1982.

Table 4.9: Percentage of farmland owned based on the occupation of the owner

	1982	1992	2002	2007
Homemaker	31%*	34%*	21%	19%
Farmer	35%	30%*	39%	38%
Professional/ technical	12%	12%	14%	15%
Clerical	4%	4%	6%	6%
All other occupations	18%	21%	20%	21%

* Indicates significant differences relative to the 2007 survey at the 5 percent level

• Gender and Marital Status

The division of Iowa farmland by gender has remained relatively constant over the past few decades. In fact, the division found for 2007 is identical to the division found in 1982. Farmland owned by husband and wife is considered equally divided between them. Therefore, in a marital situation half the acres are owned by females and half by males. In Iowa today 53 percent of the farmland is owned by males.

Table 4.10: Distribution of Iowa farmland based on gender

	1982	1992	2002	2007
Male	53%	51%	53%	53%
Female	47%	49%	47%	47%

The distribution of Iowa farmland based on age, gender, and year is shown in Table 4.11. Not surprisingly the percentage of land owned in the early and mid-career age cohorts decreased for both males and females while the percentage of land owned by either gender increased for the oldest age group. Table 4.11 also shows the increased ownership by females at the older age levels. The percentage of farmland owned by females is higher for those over 65 in all three survey years. In 2007 females over the age of 65 owned over one-fourth of Iowa's farmland.

Table 4.11: Distribution of Iowa farmland based on year, gender, and age of owner

	<35			35-64			≥65		
	1992	2002	2007	1992	2002	2007	1992	2002	2007
Male	3%	3%	2%	29%	28%	25%	19%	23%	27%
Female	4%	1%	0%	22%	21%	18%	24%	25%	29%

The percentage of farmland owned by married persons decreased in 2007. At the same time the percentage of farmland owned by those who are widowed continued to increase. This is reflective of the increasing age of farmland owners. Table 4.12 shows the marital status of the owners. The percentage of farmland owned by those who are single or divorced has remained relatively constant over time.

Table 4.12: Distribution of farmland based on marital status of farmland owner

	1982	1992	2002	2007
Married	77%	75%	77%	74%
Widowed	14%	17%	15%	19%
Divorced	7%	3%	3%	5%
Single	2%	3%	4%	3%

There are some striking differences between characteristics of the male and female landowners. The female landowners are older on average. Sixty-one percent of the land owned by females is owned by those over 65 years of age. This compares to just 51 percent of the land owned by males. Perhaps as a corollary 61 percent of the land owned by females is owned by those who are married and 32 percent is owned by those who are widowed. For their male counterparts, 84 percent of the land is owned by those who are married and just 7 percent by those who are widowed.

A majority of the land owned by females, 68 percent, was purchased and 28 percent was inherited. For male-owned land, 79 percent was purchased and 18 percent was inherited.

There is considerably more land owned by females without debt, 81 percent, compared to male-owned land without debt at 69 percent.

As will be discussed in greater detail shortly, survey respondents were asked their primary reason for owning the land. Although the differences were not great between male and female owners, they were striking. There is 10 percent more of the male owned land owned primarily for a long-term investment, 31 percent versus 21 percent. But, five percent more of the female owned land is owned for family or sentimental reasons than male owned land, 25 percent versus 20 percent.

The gender comparison of the use of a professional farm manager is similar to the percent of land owned. Females own 47 percent of the land and have 41 percent of the acres under a professional farm manager.

Although males own 54 percent of all the land, females own 61 percent of the rented land. There is a similar division between cash and crop share rents regardless of gender. Males rent 80 percent of their rented acres using cash rent while females rent 77 percent of their leased acres using cash rent. There is almost no difference with respect to renting to a relative; males rent 37 percent of their acres to a relative while females rent 40 percent. Both genders are identical with respect to the percent of land in CRP or other government conservation programs.

• Farming Status

Respondents were asked directly if they farmed in 2007. The majority of Iowa's farmland was owned by people who did not farm. As shown in Table 4.13, 60 percent of the land is owned by those who did not farm in 2007. This was an increase over 2002.

Table 4.13: Distribution of Iowa farmland owned based on farming status of owner

	2002	2007
Full-time farmer	24%	21%
Part-time farmer	21%	19%
Does not farm	55%	60%

The respondents who said they did farm in 2007 were asked how many acres they farmed. Table 4.14 shows the distribution of the amount of farmland owned by those who said they farmed based on the total number of acres they reported farming. The highest percentage of owned farmland by active farmers is for those who reported farming part-time and farming a total of less than 400 acres. Table 4.14 also reveals that the amount of land owned by full-time farmers increases as the total amount of land farmed increases.

Table 4.14: Percent of farmland owned by those who farmed full- or part-time in 2007 based on total acres farmed

	Total acres farmed			
	<400	401 to 800	801 to 1200	>1200
Full-time	12%	13%	11%	17%
Part-time	27%	9%	6%	6%

• Summary

In general the amount of Iowa farmland owned by older landowners continues to increase. Changes in marital status, education level, occupation, and place of residence all reflect these changes.

Current demographics of Iowa farmland owners can be summarized by the following:

- The percent of land held by older people continues to increase. Individuals more than 75 years old owned 28 percent of Iowa farmland in 2007 compared with 24 percent in 2002 and just 12 percent in 1982. Individual owners over 65 years of age own more than half the farmland (55 percent) compared with 48 percent in 2002 and just 29 percent in 1982.

- The majority of farmland in Iowa is held free of debt (75 percent). The financing of Iowa farmland is essentially unchanged since 2002 but there is a marked difference with 1982 when just 62 percent of the farmland was held debt free. The percentage of farmland with a mortgage is essentially unchanged over that time period while the amount of land under a land contract has decreased substantially.

- Among respondents, 79 percent of Iowa farmland is owned by those who consider themselves full-time residents of Iowa and 60 percent of the farmland is owned by those who reported they did not farm in 2007.

- The distribution of land between male and female owners has remained essentially unchanged over the past 25 years. Males have a slightly higher percentage of farmland than females. However, females own more land among the older landowners.

- Married persons owned 74 percent of Iowa farmland in 2007. Widowed persons owned 19 percent of the farmland. The percentage of land owned by married people has been declining over time whereas the percentage of land owned by widowed persons has been increasing.

V. Farmland Leasing

The amount of farmland owned by those who are not farming continues to increase. As a result, the amount of leased farmland continues to increase. This chapter presents some general findings with respect to leased farmland. For a more complete discussion on the differences in leasing practices see Iowa State University Extension publication FM 1811, July, 2008. This study is available on the Agricultural Decision Maker Web site at: www.extension.iastate.edu/agdm. This Web site also contains the latest Iowa State University Extension rental information.

This chapter focuses on land that is not owner-operated. Three general lease categories are considered: 1) cash rent lease, 2) crop share lease, and 3) other rental arrangements. It is recognized that many leases represent modifications of the traditional cash rent or share rent, but respondents were asked to characterize the lease on the basis of its predominant characteristics. Land farmed by a custom operator was not considered to be leased. Also, the incidence of other types of leases was extremely small. These mainly consisted of labor sharing or other similar arrangements. Because they were such a small percentage and due to their individual characteristics they will not be discussed in this chapter other than in the overall summary in Table 5.1.

• Land Under Lease Agreements

A cash rental arrangement is one where the landlord receives a cash payment in exchange for the use of the land. These payments can be in any number of installments and may be flexible in total. All of this depends on the agreement between the tenant and landlord.

Crop share leases are the other major arrangement in the leasing of farmland. Under crop share leases, both owner and tenant share in the expense and/or income of the crop. Many different arrangements exist and are generally negotiated specifically between the two parties.

Table 5.1 shows the change in the distribution of leased farmland based on the type of lease used. The use of cash rents has increased substantially. In 2007 more than three-fourths (77 percent) of the leased farmland was under a cash rent arrangement. In 1982, there was an equal distribution of farmland under crop share lease and cash rent lease arrangements. Notice in Table 5.1 the use of some other type of leasing arrangement has been decreasing and, as noted, they will not be discussed further in this chapter. The other leases were equipment or labor sharing and mostly between family members.

Table 5.1: Percentage of leased Iowa farmland under different lease arrangements

	1982	1992	2002	2007
Cash rent	49%*	54%*	69%	77%
Crop share	49%*	44%*	30%*	22%
Other	2%*	2%*	1%	<1%

* Indicates significant differences relative to the 2007 survey at the 5 percent level

In addition to the obvious differences between the two types of leases there are other fundamental differences that are considered when selecting the type of lease to use. The crop share lease shares the risk between the landlord and tenant whereas a traditional cash rent lease will have the farmer bearing all the production and marketing risks. This risk sharing feature of the crop share arrangement makes it attractive to beginning farmers. Determining an equal distribution of the costs and/or revenues is an issue in a crop share lease. Trust is important in any leasing arrangement but it is especially critical in a crop share arrangement.

There are other differences between the two types of leasing arrangements. Which is a better arrangement depends on the individual circumstances. We have seen the switch toward cash rent as shown in Table 5.1 for a variety of reasons. The most important appears to be the relative ease of using the cash rent. As tenants have more landlords and vice versa it is simply easier to remember a dollar amount than some division, especially if it involves dividing the crop. With the increase in non-resident owners cash rent is more appealing because of the ease of having dollars rather than bushels for payment. There are other reasons for the shift but, as will be shown, the trend presented in Table 5.1 is likely to continue for the next few years.

• Ownership Type

Table 5.2 shows ownership type and their lease methods. Sole owners lease 33 percent of the Iowa farmland that is leased, based on the 2007 study. The next most common ownership type is joint tenancy, which accounts for 26 percent of the leased farmland. Land in trusts accounts for 15 percent of the leased farmland. There is not a great difference between the distribution of types of ownership for the two primary lease types. The biggest differences are found with the sole owners, joint tenants, and tenants in common, where the cash rent appears to be the preferred method of leasing.

Table 5.2: Distribution of leased farmland based on type of lease and type of ownership, 2007

	Cash rent	Crop share	All rented
Sole owner	33%	31%	33%
Joint tenancy	28%	21%	26%
Tenancy in common	8%	11%	9%
Partnership	1%	0%	1%
Life estate	4%	3%	4%
Unsettled estate	0%	2%	1%
Trust	15%	16%	15%
Corporation	8%	10%	8%
LLC	1%	3%	1%
LLP	1%	2%	1%
Limited partnership	0%	1%	1%

• Age

Landowners 65 years of age and older own 71 percent of all leased farmland. The mid-career landowners favor the cash rent arrangement whereas the older landowners rent more land under a crop share arrangement. These estimates are contained in Table 5.3.

Table 5.3: Percent of leased farmland by type of lease and age of owner, 2007

Age	Cash rent	Crop share	All rented acres
< 35	1%	4%	2%
35-64	28%	24%	27%
≥ 65	70%	72%	71%

• Gender

Gender is cross-tabulated with lease methods in Table 5.4. It is interesting to note that leased farmland is almost exactly opposite all farmland in terms of the division between males and females. Females own 54 percent of farmland leased whereas males own 46 percent of leased farmland. This result follows the pattern of a national study finding ownership of leased farmland to be higher for females. It is also interesting to note in Table 5.4 that females use the crop share arrangement more often whereas the leased farmland owned by males tends to use the cash rent method. There may be a number of reasons for this finding, including age of owners, primary lifetime occupation or martial status.

Recall from the discussion of gender differences in the Demographics chapter, females tend to rent a higher portion of the land they own, 61 percent versus just 47 percent for male owned land. The difference in type of lease for male versus female owned land is not significantly different. Males rent 80 percent of the land they own using a cash rent whereas females rent 77 percent of the land they own using a cash rent.

Table 5.4: Percent of leased farmland by gender and type of lease, 2007

	Cash rent	Crop share	All rented acres
Male	47%	42%	47%
Female	53%	58%	53%

• Regional Distribution of Leased Land

In order to get a better idea of how much land is leased in each region, regional estimates were generated. The estimated percent of land leased by region can be compared with the 54 percent shown in Table 3.1 for the entire state. Iowa's estimated percentages of leased land by region are as follows: northern region (77 percent), north central region (66 percent), southwest region (58 percent), northeastern region (52 percent), eastern region (51 percent), northwest region (51 percent), and the southern region (40 percent). (See Table 5.5).

The southern region has less of the rented land relative to its share of all farmland in Iowa. The northern region has more rented land relative to total farmland. The other regions are relatively close with respect to both leased and all farmland. Regional differences will be discussed in more detail in Chapter IX.

Table 5.5: Percent of farmland and leased farmland by region and leasing method, 2007

		Percent of all acres			
	Percent of region rented	Cash rent	Crop share leases	All rented acres	All Iowa farmland
NW	51%	11%	13%	11%	12%
SW	58%	13%	16%	13%	12%
N	77%	10%	11%	10%	7%
NC	66%	15%	22%	16%	14%
S	40%	11%	11%	12%	16%
NE	52%	16%	12%	15%	16%
E	51%	24%	16%	22%	23%

• Education

Iowa farmland owners with graduate degrees own 9 percent of leased farmland. And, so too, do those with less than a high school education. Estimates for the type of lease cross-tabulated with owner's education level are found in Table 5.6.

Table 5.6: Percentage of leased farmland based on educational level of owner and type of rent, 2007

	Cash rent	Crop share	All rented acres
< High school	9%	10%	9%
High school	38%	30%	37%
Some post high school	26%	20%	25%
College degree	18%	29%	20%
Graduate degree	9%	11%	9%

• Owner Residency of Leased Farmland

Table 5.7 shows that Iowa residents owned 80 percent of all leased farmland. Non-residents had a higher percentage of the crop share leased land relative to the amount of the cash rented land they owned. Percentage of leased farmland based on residency is very similar to the distribution found for all farmland shown in Table 4.4.

Table 5.7: Percent of leased Iowa farmland based on residency of the owner and type of lease, 2007

	Cash rent	Crop share	All rented acres
Resident	83%	69%	80%
Non-resident	17%	31%	20%

• Length of Tenant's Tenure

Another area of interest is the length of tenure of Iowa farmland tenants. Concern has been expressed that the length of tenure could have a deleterious effect on soil conservation and may affect the way the land is farmed. A person with a short tenure horizon is thought to be less likely to practice good conservation measures. Estimates for tenant tenure duration are contained in Table 5.8. Cash leased farmland has been in place fewer number of years than the crop share leased farmland. Leases on a third of the cash rented land have been in effect for five years or less, whereas more than a third (39 percent) of the crop share leases have been in effect for over 20 years. Regardless of the type of lease, the majority of leases have been in effect for over five years.

Table 5.8: Percent of leased Iowa farmland based on the length of tenancy and type of lease, 2007

	Cash rent	Crop share
1 year	6%	3%
2-5 years	27%	10%
6-10 years	24%	21%
11-20 years	28%	27%
>20 years	15%	39%

• Finance Method

Table 5.9 can be contrasted with Table 3.5, the percentage of Iowa farmland by finance method. Three-fourths of all farmland is debt free whereas 85 percent of leased land is debt free. Land under contract is 4 percent of all farmland, but only 1 percent of leased farmland. Twenty-one percent of farmland is mortgaged, but only 13 percent of leased farmland is mortgaged. Cash rented acres are divided very similar to all acres but the crop share leased acres tend to almost all be held without debt. These numbers suggest that unencumbered land is more likely to be leased.

Table 5.9: Percentage of leased Iowa farmland by financing method and type of lease, 2007

	Cash rent	Crop share	All rented acres
Paid for	83%	95%	85%
Contract	2%	0%	1%
Mortgage	15%	5%	13%

• Occupancy of Farmland

The majority of leased farmland (58 percent) is owned by people who do not live on farmland. This can be contrasted with all farmland (Table 4.5) where 44 percent of the land was owned by people who did not live on farmland. Table 5.10 also shows that more of the land under a crop share arrangement is owned by those who live on the selected farmland.

Table 5.10: Percent of leased farmland by location of owner's residence and type of lease, 2007

	Cash rent	Crop share	All rented
Live on farmland surveyed	32%	38%	34%
Live on other farmland owned	8%	8%	9%
Do not live on farmland	60%	54%	58%

• Principal Occupations of Leasing Landowners

Table 5.11 shows the distribution of leased farmland based on the primary occupation of the owners over their lifetime. Those who described their primary occupation as homemaker own 19 percent of all farmland and they own 24 percent of leased farmland. By contrast, farmers own 38 percent of all land and they own 30 percent of the leased land. The share of farmland and share of leased farmland are relatively similar for the other occupations. (See Table 4.9 for farmland ownership percentages based on primary occupation).

Table 5.11: Percentage of leased farmland by the primary occupation of the owner over their lifetime and type of lease, 2007

	Cash rent	Crop share	All rented
Farmer	30%	27%	30%
Homemaker	24%	25%	24%
Professional/technical	15%	18%	16%
Clerical	7%	10%	8%
Other	24%	21%	23%

• Important Factors in a Tenant

Respondents with leased farmland were asked "What are the most important factors you consider when choosing a tenant?" They were allowed to list up to three factors. Table 5.12 summarizes all the responses on a basis of the percentage of leased farmland acres. This was an open-ended question and so there were many variations on the same theme given. Table 5.12 presents the responses in logical categories. Being a good farmer, which included good stewardship, timeliness, keeping the weeds down, reputation, and so forth was the predominant reason regardless of the type of lease. Honesty and financial stability also were important considerations. It is interesting to note the relative importance of honesty for the crop share arrangements versus cash rent. The crop share requires more trust as is shown by the responses.

Table 5.12: Percentage of leased farmland based on the primary reason for choosing the tenant, 2007

	Cash rent	Crop share	All rented
Help beginning farmer	1%	2%	2%
Family connection	9%	14%	10%
Good farmer	42%	34%	38%
Honesty	18%	30%	20%
Financially stable	11%	3%	11%
Personal acquaintance	6%	8%	7%
Uses no-till and other conservation practices	7%	2%	6%
Easy to work with	3%	4%	4%
No answer	1%	4%	2%

• Summary

This chapter analyzed leased land, land that is not owner-operated, and the characteristics of the owners of leased land. A more complete summary of the lease characteristics can be found in Iowa State Extension publication FM 1811, July, 2008. This study is available on the Agricultural Decision Maker Web site: www.extension.iastate.edu/agdm.

The following are some of the highlights of leased land:

- Cash rental arrangements continue to be the predominant choice of landowners, totaling 77 percent of all leased land.
- Individual owners aged 65 years and older account for ownership of 71 percent of leased farmland.
- Females own 53 percent of leased farmland in Iowa. Individuals who described their primary occupation as homemakers own 24 percent of the leased land.
- Non-residents of Iowa own 20 percent of the leased farmland.
- Land free of debt is more likely to be leased than land being financed.

VI. Anticipated Transfer Methods of Farmland Ownership

Farmland owners were asked about anticipated future transfer of their farmland. These transfer plans may change in response to many different factors, both economic and noneconomic. Therefore the answers reflect situations existing at the time of the study.

The 1982, 1992, 2002, and 2007 studies all asked respondents about how they anticipated transferring farmland. The majority of respondents indicated they planned to use multiple disposal methods. The results were weighted to determine percentage of farmland using the various transfer methods.

Table 6.1 shows that willing the land to the family is still the most popular anticipated method for transferring farmland in Iowa. Although willing to the family increased as a percentage of the land from 2002, it is below the percentage recorded in 1982.

Putting land in a trust or gifting it to family members are two categories that have shown an increase over time, while selling the land to others has shown a decrease since 1982.

It is interesting to note in Table 6.1 that almost two thirds (63 percent) of the farmland is anticipated to be transferred within the family. There are many factors that influence the current owner's anticipated transfer methods. Changes in capital gains tax rates and other tax policies will all have an influence. It is evident from Table 6.1 that owners will respond to such changes.

Table 6.1: Anticipated transfer method by percentage of farmland

	1982	1992	2002	2007
Will to family	48%	49%	39%	43%
Will to others	<1%	1%	2%	1%
Give to family	5%	4%	12%	10%
Give to others	<1%	<1%	1%	1%
Sell to family	12%	7%	12%	10%
Sell to others	13%	10%	9%	8%
Put in trust	6%	14%	13%	18%
Other	16%	16%	12%	10%

Table 6.2 shows the impact of age of landowner on the anticipated transfer method. Not only does the anticipated transfer method change with circumstances it also will change as the landowner ages. With the exception of the very young landowners, the percentage of farmland anticipated to be willed to the family is relatively constant, between 40 and 50 percent of the land in each age cohort. At the opposite end of the spectrum, the very young owners anticipated selling the land outside the family at a much higher rate than the older owners. By age 75 only about 4 percent of the land is anticipated to be sold to others.

Caution should be used in interpreting Table 6.2. First of all changes in situation and outlook are much more likely to occur for younger landowners. It is also important to remember that the percentage of land owned by the younger cohorts is very small relative to the older landowners.

Table 6.2: Percentage of Iowa farmland based on anticipated transfer method and age of owner, 2007

	<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	>74
Will to family	12%	38%	42%	45%	41%	43%	47%
Will to others	0%	0%	1%	0%	1%	1%	2%
Give to family	12%	11%	15%	12%	12%	9%	7%
Give to others	12%	0%	1%	0%	0%	1%	1%
Sell to family	12%	10%	17%	12%	10%	9%	8%
Sell to others	42%	8%	4%	8%	11%	8%	4%
Put in trust	12%	13%	19%	18%	20%	19%	16%
Other	0%	20%	1%	4%	3%	10%	15%

One of the factors that could influence the anticipated method of transfer is the reason for owning the land. In 2007 the respondents were asked their primary reason for owning the land. Farmland may be owned for a variety of reasons but the respondents were asked to identify the primary reason.

Table 6.3 presents the percentage of farmland based on the primary reason for owning the land. Most of the land is owned primarily for current income. The second most frequently given reason was for long term investment. Almost a fourth (22 percent) of the farmland is owned for family or sentimental reasons. These three categories represent 95 percent of the farmland based on the primary reason for owning the land.

Table 6.3: Percent of farmland by primary reason for owning the land, 2007

Tax concerns	<1%
Current income	47%
Long term investment	26%
Family	22%
Home	3%
Recreation	1%
None given	1%

It is not possible to say precisely what impact the primary reason for owning the land would have on the anticipated transfer method. However, given that income and long-term investments represent a significant portion of the farmland it is more likely that the land will be held until death. If this is true the choice of transfer methods will be affected.

• Summary

This chapter discussed anticipated methods to transfer farmland and the primary reasons for owning the land. The trends are summarized as follows:

- The most frequently anticipated method of transfer is the willing of land to family members, representing 43 percent of the farmland. Over time this method has decreased somewhat in importance. Putting the land in a trust has increased significantly, going from 6 percent of the land in 1982 to 18 percent of the land in 2007. Giving land to the family also has increased over time, increasing from 5 percent to 10 percent from 1982 to 2007.

- The age of the farmland owner did not have significant impact on the anticipated transfer method with the exception of the youngest owners. They anticipated selling the land the most. This may be due to age or it may simply be a reflection that this age cohort represented a very small portion of the farmland owned.

- Income, long term investment, and family were the most frequently given reasons for owning land. Owning land for current income represented almost double either of the other two reasons.

VII. Conservation and Easement Programs

There are a variety of conservation programs available to Iowa farmland owners. In addition, easements, giving up part of the use rights to the land, may be granted. This chapter summarizes the use of these programs on Iowa farmland.

The Conservation Reserve Program (CRP) is the most extensively used conservation program. There are other government conservation programs but they are used considerably less than CRP.

The 2007 land ownership survey asked participants whether or not the land was in the CRP or one of the other government conservation programs that are available. As shown in Table 3.1, approximately 7 percent of all Iowa farmland was in some form of conservation program in 2007.

Table 7.1 compares the percentage of all farmland with the farmland in the CRP or other government conservation programs by ownership type in 2007. The biggest difference found between the conservation farmland and all farmland is the percent owned by joint tenants. Joint tenants own 35 percent of all farmland but they own 49 percent of the conservation acres. Land held in trusts or by corporations showed a lower percentage in government conservation programs relative to total farmland owned.

Table 7.1: Percentage of Iowa farmland and percentage in government conservation programs by ownership type, 2007

	All farmland	Farmland in government conservation programs
Sole owner	29%	26%
Joint tenancy	35%	49%
Tenancy in common	10%	8%
Partnership	1%	1%
Life estate	2%	3%
Unsettled estate	1%	0%
Trust	10%	4%
Corporation	9%	5%
LLC	1%	4%
LLP	1%	0%
Limited partnership	1%	0%

A comparison of participation in government conservation programs by age is given in Table 7.2.

Participation in government programs relative to the total farmland owned decreases with age. Farmers over the age of 75 own 28 percent of the land, yet it represents only 15 percent of the land in government conservation programs.

Table 7.2: Percentage of Iowa farmland and percentage of farmland in government conservation programs by age of owner, 2007

	All farmland	Farmland in government conservation programs
<25	<1%	<1%
25-34	2%	<1%
35-44	6%	8%
45-54	15%	19%
55-64	22%	31%
65-74	27%	25%
>74	28%	15%

Table 7.3 presents the participation in government conservation programs based on gender of the owner. There is almost no difference in the relative amount of farmland owned and the amount of farmland in conservation programs based on gender.

Table 7.3: Percentage of Iowa farmland and percentage of farmland in government conservation programs by gender, 2007

	All farmland	Farmland in government conservation programs
Male	53%	54%
Female	47%	46%

• Easements

People sometimes transfer certain rights associated with their land to others. In some cases this is actual use of the land while in others this is merely access to the land.

The 2007 survey asked landowners if they had transferred rights to their land. This was a yes/no type of question and did not ask the amount of land for which the easement was granted. Table 7.4 shows the amount of land owned by those who reported granting an easement and for some particular types of easements granted. Again, the percent of farmland listed is the percent of all farmland owned by those granting the easement, not the amount of easement themselves. Utility easements were the majority of easements granted.

Table 7.4: Percent of farmland owned by those who indicated transfer of some rights, 2007*

Any rights transferred	24%
Mineral	3%
Wind	1%
Utility	19%
Other right	3%

* These do not represent the amount of the easement. It is simply the amount of land owned by those who indicated they granted an easement.

• Other Conservation Programs

Some private groups offer easements on farmland for conservation purposes. These can be for wildlife habitat, farmland preservation, or other activities.

Table 7.5 shows the extent of use of non-governmental easements. Less than one percent of Iowa farmland was in these types of easements based on the 2007 survey.

Table 7.5: Percent of Iowa farmland in private conservation programs, 2007

Total land in private programs	0.30%

• Summary

- The government conservation programs remain popular among landowners. Just over 7 percent of all Iowa farmland is enrolled in a government conservation program.
- Private conservation programs were not widely used in Iowa.
- There were some differences in participation in government conservation programs based on farm business organization and age of farmland owners. Gender was not a factor in whether or not farmland was enrolled in the government programs.
- Utility easements are the most common easements granted in Iowa.

VIII. Miscellaneous Land Information

The 2007 survey asked landowners about their sources of information regarding land use options and programs available for their farmland. The landowners were allowed to enter multiple sources for this question. Many people listed more than one source. Over half listed at least three sources of information and one-fourth of the landowners said they used at least five different sources. Table 8.1 shows the percentage of farmland based on a particular source of information. No one single source appears to dominate. This may be due to the ability of the respondent to list multiple sources.

Table 8.1: Percentage of farmland based on usual source of information regarding land use options and programs available, 2007

SUMMARY FOR ALL RESPONSES	
Individuals	19%
USDA/FSA	17%
Newspapers/magazines	17%
Extension	12%
USDA/NRCS	11%
Radio or TV	10%
State agencies	6%
Internet/DTN	3%
Don't want/tenant does	3%
Local business	1%
Organizations	<1%
Conservation groups	<1%
None listed	<1%

The respondents also were asked their preferred source of information regarding land use options and programs available. In this case the respondents only gave a single answer.

Table 8.2 provides a summary of the percent of farmland based on the preferred source of information for land use options. It is interesting to note that through the mail is the most preferred way but the second way is face-to-face contact with people. It is also interesting to note that the Internet is low in terms of the percent of acres. This is probably due to the age of farmland owners, assuming the older owners are less likely to use the Internet. It also could be a reflection of the difficulty of obtaining high speed Internet in some rural areas.

Table 8.2: Percent of farmland based on the preferred way to receive information regarding land use options and programs available, 2007

Mail	37%
Face-to-face	28%
Newspapers/magazines	17%
Internet/DTN	6%
Radio	5%
Don't know	4%
No interest, leave it to others	2%
Telephone, one-to-one	1%
Government offices	1%

Iowa has set record land values for the past five years. In just the past two years, Iowa land values have increased almost one-third (34 percent). Landowners were asked if these changes in land values had affected their plans regarding their land.

Table 8.3 shows the percent of farmland based on the question; "Are you more likely…". This table shows that the majority of farmland (80 percent) is owned by those who do not feel the recent increases in value have affected their future plans for the land. Over twice as much land (14 versus 6 percent) is more likely to be held rather than sold due to the higher land values.

Table 8.3: Percent of Iowa farmland based on likely impact of recent land value increases, 2007

More likely to sell	6%
More likely to keep	14%
No affect	80%
Don't know	1%

A related question asked landowners if they were more likely to buy land due to the higher land prices. As shown in Table 8.4, the majority (54 percent) of land is owned by those who said that the increases have not changed their land purchasing plans. However, a considerable amount of land, 43 percent, is owned by those who said the recent increases have made it less likely they will buy land in the near future.

Table 8.4: Percent of Iowa farmland based on likelihood that the owner would buy more land in the near future, 2007

More likely to buy	2%
Less likely to buy	43%
No change in plans	54%
Don't know	1%

• Summary

Iowa landowners are about equally divided with respect to how they receive information regarding their land use options. However, they preferred receiving information through the mail, followed by face-to-face contact. It is interesting to note these sources seem opposite in terms of personal contact. It is also interesting to note that the Internet was not a preferred source of information. This will probably change over time but for now less than 10 percent of the acres are owned by those who favor this method.

Iowa land values have increased substantially over the past few years but these changes don't seem to have made a significant effect on plans for keeping or holding of the current land. But, 43 percent of the land is owned by those who say the increases have made it less likely they will buy land.

IX. Regional Analysis

This chapter presents the regional differences for land ownership and tenure in Iowa. The counties in each region are listed and shown in Figure 2.1 on page 6. These regions were chosen to allow comparisons with the earlier surveys.

The regions represent a low of 7 percent of all Iowa farmland for the northern region to a high of 23 percent for the eastern region.

Table 9.1 presents a summary of the rented land by region. A comparison with the state average also is shown. There were regional differences. Two of the regions had a considerably higher portion of the land rented. In N there was over three-fourths (77 percent) and in NC almost two-thirds (66 percent) of the land rented. The S region had the lowest percentage (39 percent) of the land rented.

Table 9.1: Percent of farmland rented by region, 2007

	NW	SW	N	NC	S	NE	E	STATE
Total acres	12%	12%	7%	14%	16%	16%	23%	100%
Owner controlled	49%	42%	23%	34%	61%	47%	49%	46%
Rented	51%	58%	77%	66%	39%	53%	51%	54%

A summary of land tenure by region is presented in Table 9.2. The findings in Table 9.2 reflect the differences noted in Table 9.1 with respect to percent of the land that is owner-operated. Note that less than a third of the land in the N and NC regions is owner-operated. Table 9.2 also reveals the significant move toward more cash rented land. The percentage of farmland that is cash rented exceeds the percent of land that is owner-operated in all of the regions except NW and S. The use of the crop share type of lease is less popular than cash leases in all regions. But, it is interesting to note that the percent of land under a crop share arrangement approaches the percent that is owner-operated in the N and NC regions.

The percentage of farmland in each region by ownership type is shown in Table 9.3. There are some regional differences observed. Farmland in the NE and E regions tends to be held more as joint tenancy whereas the use of trusts is higher in the NW, SW, and NC regions. The other ownership types are fairly consistent across regions and similar to the state average.

Table 9.2: Percent of farmland by tenure and region, 2007

	NW	SW	N	NC	S	NE	E	STATE
Owner operated	41%	34%	20%	26%	47%	36%	40%	37%
Cusom acres	5%	2%	0%	5%	1%	1%	1%	2%
Government conservation acres	3%	5%	3%	3%	12%	11%	8%	7%
Cash rent	39%	43%	58%	46%	30%	44%	43%	42%
Crop share	12%	15%	18%	20%	8%	9%	8%	12%
Other lease arrangement	0%	<1%	0%	0%	1%	0%	0%	<1%

Table 9.3: Percent of farmland by region and ownership type, 2007

	NW	SW	N	NC	S	NE	E	STATE
Sole owner	32%	32%	34%	29%	30%	25%	27%	29%
Joint tenancy	23%	24%	24%	24%	39%	45%	46%	35%
Tenancy in common	16%	10%	16%	10%	8%	9%	7%	10%
Partnership	3%	2%	5%	1%	3%	2%	3%	3%
Estates	2%	2%	4%	6%	2%	3%	3%	3%
Trusts	16%	18%	11%	17%	6%	6%	6%	10%
Corporations	9%	12%	7%	13%	12%	10%	8%	10%

Table 9.4 shows the percentage of farmland using the services of a professional farm manager. The N region shows that three-fourths of the corporate owned land is under a professional farm manager. While this is considerably higher than the other regions it should be pointed out that, as shown in Table 9.3, the N region had the lowest percentage of land in corporation ownership.

Table 9.4: Percent of farmland managed by a professional farm manager by region and type of ownership, 2007

	NW	SW	N	NC	S	NE	E	STATE
All	3%	6%	9%	9%	3%	2%	2%	4%
Non-corporate	2%	5%	4%	9%	2%	1%	2%	3%
Corporate	20%	14%	75%	10%	10%	11%	0%	13%

The amount of land owned without debt is relatively similar across all regions in Iowa. The lowest percentage of land owned without debt was in NW but even there, as shown in Table 9.5, more than 70 percent of the land was debt free.

Table 9.5: Percent of farmland by financing method and region, 2007

	NW	SW	N	NC	S	NE	E	STATE
No debt	71%	75%	80%	80%	73%	75%	75%	75%
Contract	5%	3%	2%	2%	4%	4%	5%	3%
Mortgage	25%	22%	18%	18%	25%	21%	21%	21%

As shown in Table 9.6 purchasing farmland was the predominant method for acquiring it. There were some differences in the percentage of land that was inherited, ranging from a low of 17 percent in NE to a high of 32 percent in NC.

Table 9.6: Percent of farmland by method of acquisition and region, 2007

	NW	SW	N	NC	S	NE	E	STATE
Purchase	70%	70%	68%	61%	79%	79%	76%	73%
Gift	1%	3%	1%	5%	5%	3%	3%	3%
Inherited	27%	27%	30%	32%	16%	17%	21%	23%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Don't know	2%	0%	0%	3%	0%	1%	0%	1%

The aging landowner is a phenomenon across the entire state. Table 9.7 shows that more than half the land is owned by people over 65 years old in all regions except NW and SW. In these two regions close to half, 46 percent, is owned by people over 65. The percentage of land owned by those over 75 ranged from a low of 20 percent in NW to a high of 41 percent in NC.

Table 9.7: Percent of farmland by age of owner and region, 2007

	NW	SW	N	NC	S	NE	E	STATE
<25	0%	0%	2%	1%	0%	0%	0%	<1%
25-34	7%	2%	2%	1%	1%	0%	1%	2%
35-44	7%	7%	5%	3%	6%	11%	3%	6%
45-54	19%	17%	6%	11%	12%	16%	16%	15%
55-64	21%	29%	16%	19%	26%	16%	24%	22%
65-74	26%	20%	30%	22%	29%	30%	29%	27%
≥ 75	20%	26%	39%	41%	25%	27%	27%	28%

Table 9.8 shows that the majority of farmland is owned by full-time residents of the state. However, there is still a considerable amount of land that is owned by those who either live in Iowa part-time or not at all. The SW and N regions have over one-fourth of the land in the region owned by people who do not live in the state full-time.

Table 9.8: Percent of farmland by residence of owner and region, 2007

	NW	SW	N	NC	S	NE	E	STATE
Full-time	74%	73%	73%	73%	82%	81%	84%	78%
Part-time or not a resident	23%	27%	27%	25%	18%	17%	16%	21%

The distribution of land ownership based on gender is relatively stable across the state. But, as shown in Table 9.9, there are some exceptions. In the NW only 38 percent of the land is owned by females while in the N, NC, and E more than half the land is owned by females.

Table 9.9: Percent of farmland base on gender of owner and region, 2007

	NW	SW	N	NC	S	NE	E	STATE
Male	58%	59%	47%	44%	56%	56%	49%	53%
Female	38%	41%	53%	54%	44%	44%	51%	47%
N/A	3%	0%	0%	1%	0%	0%	0%	1%

Table 9.10 shows results that mirror Table 9.1. The regions with the highest percentage of rented land were also the regions with the highest percentage of land owned by those who did not farm in 2007. Over 70 percent of the land in N and NC regions was owned by those who did not farm. The lowest percentage of land owned by non-farmers was in SW at 52 percent.

Table 9.10: Percent of farmland based on whether or not the owner farmed and by region, 2007

	NW	SW	N	NC	S	NE	E	STATE
Farmed full-time	29%	21%	12%	15%	20%	24%	19%	20%
Farmed part-time	12%	27%	16%	10%	25%	14%	24%	19%
Did not farm	56%	52%	72%	73%	55%	62%	57%	60%
N/A	3%	0%	0%	3%	0%	0%	0%	1%

Table 9.11 shows the percent of land based on the education level of the owner and the region. There are only slight differences among the regions with the exception of the S, NE, and E, where there is a tendency for a higher percent of the land owned by those with a high school degree and less by those with a college degree.

Table 9.11: Percent of farmland base on education level of owner and region, 2007

	NW	SW	N	NC	S	NE	E	STATE
< High school	7%	9%	9%	8%	5%	7%	8%	7%
High school	27%	33%	32%	27%	43%	45%	44%	37%
Some post high school	26%	24%	28%	22%	27%	28%	28%	26%
College degree	27%	23%	21%	28%	17%	11%	14%	19%
Graduate degree	9%	11%	7%	8%	9%	9%	5%	8%
N/A	5%	0%	3%	8%	0%	0%	1%	2%

Finally, Table 9.12 shows there is relatively little difference in the reason for owning farmland. In all of the regions current income is the primary reason for owning farmland. And, in all but one of the regions, owning land as a long-term investment is the second reason. In the NW more of the land is owned for sentimental reasons than as a long-term investment.

Table 9.12: Percent of farmland based on the primary reason for owning the land and region, 2007

	NW	SW	N	NC	S	NE	E	STATE
Tax consideration	0%	2%	0%	0%	1%	0%	0%	<1%
Current income	56%	45%	50%	46%	38%	45%	49%	47%
Long-term investment	17%	26%	32%	28%	29%	28%	24%	26%
Sentimental/ family	26%	22%	17%	20%	25%	23%	21%	22%
Home	0%	4%	0%	3%	6%	0%	4%	3%
Recreation	1%	0%	2%	1%	0%	0%	1%	1%
N/A	0%	2%	0%	1%	0%	3%	1%	1%

• Summary

Some regional differences with respect to land ownership do exist across Iowa. For the most part, however, the major trends identified in earlier chapters are maintained even at the regional level. It is important when reviewing the regional summaries to remember that the number of observations in each region is smaller and thus wider swings in results can be expected. The statistical sampling procedure allowed for these differences is explained in Appendix A. None-the-less it is still in the reader's best interest to remember there is a wider variation in the regional estimates as compared to the state estimates.

One of the major findings of this regional analysis is the differences in rented versus owner operated land. Most of the regions are around 50 percent, but, the N and NC exceed 65 percent of the land rented whereas the S region reported just 39 percent of the land rented. These results are slightly higher than were shown in the 2002 Census of Agriculture, but even that publication showed a wide variation in the percent of land rented among regions.

The predominance of cash rent was also shown in this analysis, but the patterns followed the same exceptions. Most of the regions were in the mid-40 percent range of land being cash rented. But, the N and NC were 60 and 50 percent, respectively. And, the S region reported only 34 percent of the land being cash rented.

The increasing age of landowners is readily apparent when looking across regions. The percent of land owned by those over 75 years old ranged from 20 percent in NW to 41 percent in NC.

The percent of farmland owned by those who do not live in Iowa is fairly well spread across Iowa. Between 17 and 27 percent of the farmland is owned by those who do not live in the state.

There are regional differences in Iowa. Some of this is due to the topography and land use while other differences can be due to culture. Regardless of the source of the differences, with few exceptions the degree of difference across regions in Iowa is not substantial.

X. Summary, Comparisons, and Recommendations

This study focused on Iowa land ownership and tenure in 2007. If possible, changes from results of earlier surveys were provided to give a historical perspective. The analysis included land owned by type of ownership, tenure of the land, demographics of landowners, farmland acquisition, and anticipated transfer methods. The study also examined use of conservation programs. This final chapter briefly summarizes the survey methods, reviews the major conclusions from the 2007 study, contains policy implications of the results, and recommends avenues for future studies.

• Summary of the Survey Methods

Selection of survey respondents concerning land ownership and tenure was made using a general sample selection of all Iowa farmland. This survey methodology means the data presented here are for farmland and not farmland owners per se. In most cases the percent of owners would match the percent of farmland, but it is important to keep the distinction in mind when reviewing the data.

The general sample selection used 705 scientifically selected, 40-acre tracts that were randomly chosen. Legal descriptions of the selected tracts were sent to county auditors who then provided information about the owners of the agricultural land in those tracts. For some of the 40-acre tracts there was more than one separate ownership unit. There were 794 different sample units. In some cases there were multiple owners within the same sample unit. After allowing for ineligible tracts, non-respondents, and other adjustments the work in this publication represents 557 completed, telephone interviews. This was a 70 percent response rate from eligible respondents.

• General Conclusions

Three major conclusions can be made regarding farmland ownership and tenure based on the 2007 study. Most of the changes were relatively small, involving only a one or two percent change from 2002. However, when viewed over the past 25 years, some of the changes were significant.

The first major conclusion from this study is that the increasing age structure of farmland owners shows no sign of abating and continues to move toward an older population of landholders. In 2007, more than half the farmland in Iowa was owned by people over the age of 65. More than one-fourth of the farmland (28 percent) was owned by people over the age of 75. There was a 4 percent increase in the amount of land held by those over 75 from 2002 to 2007. There has been a 16 percent increase in the amount of land held by people over 75 since 1982.

The amount of land held by younger landowners has shown the most significant drop. The percent of Iowa farmland owned by those under the age of 55 has dropped from almost half the land, 48 percent, to less than one-fourth of the land, 23 percent, from 1982 to 2007. Land owned by those under 35 has dropped from 11 percent in 1982 to less than 2 percent today.

The earlier surveys were of Iowa landowners, not land. Therefore, it is not possible for direct comparisons earlier than 1982. The percent of land owners over 65 remained relatively constant from 1890 to 1930 at approximately a third of the owners. There was an increase during the Depression and World War II to around 40 percent of the owners being over 65, but this dropped back to approximately 33 percent for the next several decades, followed by a gradual increase. The rapid increase in the percent of land owned by those over 65 is a phenomenon that we have not seen before. Again, the earlier studies were percent of owners but there was evidence in the earlier times that showed the percent of land and percent of owners were not too different. Therefore, examining long-term trends is not totally questionable. The fact remains that Iowa is seeing an increase in the amount of land owned by those over 65 years of age and there is an unprecedented rate of increase.

A second major conclusion is the increasing move toward cash rents. The amount of land that is rented has not changed substantially over the past few decades but the amount of land cash rented has increased substantially. In 1982, the leased land was equally divided between cash rent and crop share leases. By 2007, 77 percent of the leased land was leased using cash rent.

Today cash rented land is actually greater than the owned land operated by the owner, if you consider CRP land as not under the owners' control. It could be argued that the choice of placing land in the CRP or other conservation programs still represents operation but in essence putting land in the CRP is renting the land to the government.

The third major conclusion is that we are seeing a shift in ownership structure and residence of the owner. For example, the percent of Iowa farmland owned under a sole proprietor business arrangement decreased 12 percent from 1982 to 2007. In 1982, 41 percent of the land in Iowa was held as sole proprietor but in 2007 this had dropped to 29 percent. Farmland held in trust saw a two percent increase from 2002 and a nine percent increase from 1982.

We have seen a dramatic change in the percent of farmland owned by Iowa residents. In 1982, 94 percent of Iowa farmland was owned by those who lived full-time in Iowa. Today only 79 percent of the farmland is owned by year-around Iowa residents. Fourteen percent of Iowa farmland is owned by people who do not reside in Iowa.

Most of the changes that we have seen in land ownership and owner characteristics stem from these major forces in the land market. Some of the other changes are reflective of changing technology used in agricultural production and in the aging rural population in general.

Today in Iowa three-fourths of the land is held without debt. Although the financing situation with respect to farmland has not changed dramatically since 2002, there has been a substantial change since 1982. In 1982, 62 percent of the land was held debt free and 18 percent was under a contract for deed. By 2007 there had been a significant shift with 75 percent of the land held without debt and just 4 percent held under a contract for deed. The amount of land under a conventional mortgage has remained essentially constant over the same time period. During the period of rapid land value increases in the 1970s land contracts were a popular form of financing. The low use of land contracts today may indicate the change in circumstances since that time.

The amount of land owned by those with less than a high school degree and with a graduate degree was essentially the same in 2007. Over time, however, the percent of land owned by those with a high school degree or less has gone from 65 percent in 1982 to 45 percent in 2007. The amount owned by those with an advanced degree has remained relatively constant. The biggest increases are found among land owed by those with some post-high school education or a college degree. This change in education level reflects a change in the population and a change in the complexity of running a farm today.

The impact of changing technology also can be seen in the size of landholdings. The percent of land owned in less than 80 acre blocks has decreased from 40 percent of the land in 1982 to 11 percent of the land in 2007.

Sources of information used by the landowners also reflect their aging. The land was about equally divided among the various sources of information reported to be currently used. But, the preferred sources of information regarding land management options or programs were the more personal approaches of mail or face-to-face contact. The Internet was among the least preferred methods. This is most likely due to the age of landowners and possible problems in obtaining good, high speed Internet service in rural areas.

The majority of land, 60 percent, was owned by those who reported they did not farm in 2007. Almost a fourth of the land, 26 percent, was owned by those who said they have never farmed. This indicates two trends from the data. First, even after retirement farmers will tend to hold on to their land. Second, there has been an increase in the percentage of land being purchased by those who are classified as investors, and many of them have never farmed.

The conclusion that farmers retain ownership of their land is reinforced by the reported reasons for owning land. Almost all land is owned either for income, long term investment, or sentimental reasons. Even after they retire most farmers will look to their land as a source of income. Studies by the Iowa State University Beginning Farmer Center have shown that those farmers who intend to retire or semi-retire will rely on the current farm for more than a fourth of their retirement income.

Farmland ownership is a dynamic and fluid situation. Currently we are seeing a situation where the majority of the land is owned by an aging population. As they pass on it appears they will be transferring the land within the family using a variety of techniques. Given the aging populations the majority of the trends we see in place are likely to continue. Iowa can expect that more of its land will be owned by those who are not full-time residents, there will be significant changes in the ownership structure, and there will be a continued move toward cash rented land.

• Major Policy Implications

The changing structure of Iowa's farmland ownership can have significant ramifications for all Iowans. Iowa must account for the changes occurring to help ensure a prosperous future for the state.

The shifts toward more cash rented land and larger farms have ramifications for beginning farmers. On the one hand more rented land should allow more opportunities for the beginning farmers. However, the shift toward cash rent and away from crop share rents place the beginning farmer at a relative disadvantage. A crop share lease helps share the financial risks of farming and this is beneficial to beginning farmers who typically will have less risk bearing ability.

In 2006 the Iowa Legislature recognized these trends and passed a bill to provide tax credits for those who rent to beginning farmers. The credit was even differentiated based on the type of lease. These efforts should continue. In addition, new and creative ways to encourage beginning farmers through market development, directed purchases and so forth should be undertaken. If we continue to see fewer landowners, fewer farmers and larger farmers, we will continue to see the deterioration of the state's rural infrastructure.

The increasing land ownership by those who do not reside in Iowa or only reside in the state part-time means the return to the land is likely to leave the state. Land is the residual claimant to farm income. As incomes rise so will farm land values. But, as farmland values rise so will rents. If the landowners do not live in the state then this income will leave the state.

The trend toward outside ownership is not likely to abate. But, the state should consider programs to help encourage as much of the land income as possible to remain in Iowa. Programs such as job creation, increasing farming opportunities, and other ways to help our young people stay in the state will increase the likelihood they will remain here when they receive ownership of the land.

Iowa must always work to maintain its soil and environmental resources. There has been concern expressed that absentee owners and tenant farmers may not care for the land as much as an owner- operator. Concern also has been expressed that cash rental arrangements will not be as conducive to land conservation as crop share arrangements because the tenure is shorter.

This publication will not address the merits of such discussions; however, suffice it to say the relation to the land is different in a tenant situation. Tenants are less likely to make long term investments and regardless of the nature of the arrangement they are always in an unsecured position.

Policies need to be in place to ensure the quality of the resources regardless of who is farming the land. Most government conservation programs are land retirement programs. Programs maintaining production and recognizing the need for income are essential.

The mega trends, aging landowner population and changing technologies, will not change anytime soon. Policies need to be devised that will work within this reality rather than oppose it.

• Recommendations for Future Research

This study has shown that in 2007 the major trends underway in the Iowa land market are continuing and will likely continue for years to come. Recognizing this should guide the research being considered. One project that would be useful would be examining all the land a particular owner owns. Given the nature of the selection process for the 2007 study it was legitimate to only focus on the land owned in the same ownership manner. However, as this study shows, 10 percent of the farmland in Iowa is owned by people who have more than one ownership type for their land. What impact this would have on the results presented here is unknown.

A second major research area concerns the impact of rented land versus owner-operator land on conservation practices. Are the perceived differences valid and if so, what can be done to ameliorate the impact of the changes coming? This also applies to the change in rental arrangements from crop share leases to cash rent.

Alternative lease arrangements and conditions need to be further explored. What are the impacts on risk, what are the possible returns, what are alternative arrangements, and so forth, are all areas warranting further attention.

Another area of change worthy of increased study concerns transfer of farmland using trusts. Trust ownership questions need to be broadened to gain additional information as their use expands. The whole area of optimal or alternative methods for transferring land is one that needs careful examination.

When examining the alternative transfer methods, care should be given to evaluate ways to help beginning farmers. Currently helping beginning farmers is not an important consideration for most landowners. What can be done or should anything be done?

Finally, we need to have a clearer understanding of what the trends in place will mean. What are the implications? What are the possible scenarios under a situation where the majority of the land is cash rented, where the majority of land is owned by someone who doesn't live in the state, where the majority of the land is in a trust? These changes could have a significant impact and it behooves us to be ready for them.

The bioeconomy is fueling a major boom in land values. This has been termed a golden era for agriculture. Whether it is or isn't and how long it will last are not the questions considered here. Regardless of the answers we are witnessing some major, nearly unprecedented changes in land ownership in Iowa. The population of landowners continues to age, the amount of land that is cash rented continues to increase, and the amount of land that is owned by people who don't live in Iowa full-time continues to increase. Who will farm the land and how will it be farmed in the future are important questions. But, for us maybe the most important questions should be who will own the land and what are the implications?

Appendix A:

Methodology Report for Iowa Farmland Ownership Survey

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1. Introduction

The Iowa State University Center for Survey Statistics and Methodology conducted a statewide telephone survey of owners of farmland in Iowa under the sponsorship of the Department of Economics in 2007. This report describes the survey methods used to design the sample, collect data, and create summary tables for the study. Section 2 describes the sampling design methodology for the study and the data collection procedures, and Section 3 describes estimation procedures.

2. Sampling Design and Data Collection Procedures

The target population for this study is the Iowa land being used for agricultural purposes as of July 1, 2007. Since no complete list of owners of Iowa farmland is available, owners of land were sampled through a two-stage area sampling design.

The first part of sampling consisted of randomly selecting 705 40-acre plots in Iowa, where a plot is a quarter of a quarter section in the Public Land Survey System. This sample of plots had been selected and used for previous versions of the Iowa Land Ownership Survey, with the most recent survey conducted in 2002. The sampling design for plots of the survey was stratified simple random sampling without replacement, where the strata were counties.

The second step of sampling consisted of determining and contacting the owners of the selected parcels of land. Legal descriptions of the selected plots were forwarded to appropriate county auditors to identify owners by name, address, and type of ownership. There was one ownership arrangement for most 40-acre plots, but some had multiple ownership arrangements and all arrangements were included in the sample.

If the ownership arrangement was a husband and wife, demographic information was obtained about both people. In cases of multiple ownership other than husband and wife ownership, one owner was randomly selected for inclusion in the demographic description portion of the survey. Because of the selection of a sample owner from the set of owners, the sample is called a two-stage sample. The respondents were asked how many acres were owned in the particular ownership arrangement of the selected 40-acre plot, and subsequent questions were asked for all acres owned in that particular ownership arrangement. The acres in the ownership arrangement are called unit acres.

Prior to the data collection, research staff located telephone numbers for owners primarily through Internet resources. Anticipated ownership type and potential proxy respondents also were identified by research staff based on information provided by the auditors. The owner of record for each parcel was sent an advance letter describing the study prior to the initial phone contact. If no telephone number could be located for an owner, a pre-addressed, postage-paid postcard was enclosed to be returned to research staff with a current phone number.

Interviewers were trained in the principles and procedures of telephone interviewing. All interviews were conducted using Blaise computer-assisted telephone interviewing (CATI) software. A manual of interviewing procedures and question-by-question specifications was used for training and as a reference throughout the interviewing process. The data collection period was from November 2007 through January 2008.

The Center for Survey Statistics and Methodology staff observed the following protocols when contacting sample respondents. Telephone numbers were tried at various times (e.g., days and evenings, weekdays and weekends). Non-working and incorrect numbers were identified and placed in a tracking queue for additional attempts to locate the owners. Phone numbers with no personal contact were rotated through a minimum of 12 call attempts. Phone numbers with personal contact were attempted up to 20 times. Numbers were classified as Maximum Calls if no interview was obtained after these attempts. Land classified by the auditors as non-agricultural was recorded as Not Eligible and no attempts were made to contact those owners. During the interview screening process, it was learned that some additional parcels were not used for agricultural purposes in 2007, and these were also recorded as Not Eligible. Proxy interviews were conducted in 48 cases. Three completed cases involved land owned by institutions, and interviews were conducted with representatives of those institutions.

All interviews were conducted under the direct supervision of a telephone interviewing supervisor. CATI software was programmed to include edit checks to detect illegal values and logic errors as responses were entered into the computer during the interview. Interviewers were monitored at random intervals as a quality control measure and completed interviews were reviewed by a supervisor. Discrepancies, omissions, and unclear responses were clarified with the interviewer if possible. Data

retrieval callbacks were made to the respondent by the original interviewer or supervisor when required. Simple frequencies, cross-tabulations, and edit checks were conducted to catch coding and entry errors. Corrections in the data were made as inaccuracies were found.

Table 1 contains the outcomes for the telephone survey. Of the 940 land parcels with unique ownership that were identified in the sample, 116 were determined to be not eligible because their land was classified as non-agricultural and 29 were not eligible because their land was not being used for agricultural purposes in 2007, even though it was officially classified as agricultural land. One respondent owned two of the sampled 40-acre plots as a sole owner; he was interviewed and his data was recorded under one Case ID while his other Case ID was assigned a disposition of not eligible for recording purposes. Seventy-five respondents were contacted multiple times but no interview could be obtained, and 12 respondents were not interviewed because the land was government owned and an appropriate contact person could not be identified. Ninety-nine respondents refused to complete an interview. An additional 51 owners were not located (in most cases, addresses were available but no telephone number was located). The remaining 557 cases resulted in completed interviews, for an overall response rate of 70.2 percent.

Table A.1: Telephone Survey Outcomes

	# Cases	Percent
Total plots (40-acre) of Iowa farmland selected	705	
Total identified owners in sample	940	
Not eligible (land classified as non-agricultural)	116	
Not eligible (land classified as agricultural, but not used for agricultural purposes in 2007)	29	
Duplicate (one sole owner owns two of the 705 40-acre plots of land, but their data are included only once)	1	
Total eligible owner respondents	794	100.0
Interviews completed	557	70.2
Refused to participate	99	12.5
Government owned land, no respondent	12	1.5
Maximum call attempts, no interview	75	9.4
Owners not located	51	6.4

3. Estimation

If every ownership unit was composed of 40-acre components, the probability that a given ownership unit is selected is directly proportional to the size of the unit. In other words, a 120-acre unit of land is half as likely to be included in the sample as a 240-acre unit. Most 40 acre plots were associated with a single unit, but 171 of the 705 plots were associated with more than one unit. For simplicity, we treat units as if they had been obtained from separate plots, and assume the probability of selecting an ownership unit is proportional to the maximum of 40 acres and the size of the unit.

A set of weights and estimation variables was created that can be used for estimation with variables related to acres and with variables related to demographic characteristics of owners. The sampling weight for unit i is the inverse of the inclusion probability of the unit and a weight adjusted for nonresponses by region is:

$$w_{0ij} = (n_j a^*_{ij})^{-1} A_j,$$

where A_j is the total size (in acres) of farmland in region j,n_j is the number of sampling units with completed interviews in region j, $a^*_{ij} = max(a_{ij}, 40)$, and a_{ij} is the acres in the i^{th} ownership unit in the j^{th} region. The sampling weight is modified so that the weighted sum of unit acres for a region is equal to the total acres for that region. For unit i in region j, the estimation weight is

$$w_{1ij} = (n_j a^*_{ij})^{-1} A_j r_j,$$

where r_j is a ratio adjustment term for region j defined as

$$r_j = [\sum_i (n_j a^*_{ij})^{-1} a_{ij}]^{-1}.$$

The ratio adjustment terms ensure that for region j, the weighted sum of unit sizes equals the total size of farmland in the region, A_j.

An acre weight is convenient for some calculations. To create the acre weight, w_{1ij} is multiplied by the number of acres, a_{ij}, to get

$$w_{ij} = w_{1ij} a_{ij}.$$

The acre weights were rounded through a cumulate-and-round procedure to obtain integer weights. The sum of the acre weights within a region j is equal to the total size of farmland in the region, A_j. In cases where the ownership arrangement is husband and wife, half the acre weight is assigned to each person (i.e. for an acre weight of 200, the husband gets a weight of 100 and the wife gets a weight of 100). The data

set contains a row of data for the husband and a row for the wife and each row is given a weight equal to one half of the unit weight. These weights can be used to estimate acres for types of owners (i.e. Gender, Age, etc.), where estimates are calculated by summing the acre weights for the category (i.e. Male or Female for Gender). Variables measured in acres (i.e. How many of the acres are paid for (coded as PaidFor), How many acres are being bought under purchase contract (coded as Contract), etc.) were divided by the total number of acres to create new "ratio" variables (i.e. PaidForRatio, ContractRatio, etc.). An estimate for one of these "acre" variables is then calculated by summing the product of the acre weights and the "ratio" variables. This is equivalent to summing the products of unit weights (w_{ij}) and acres (a_{ij}).

SAS procedures such as PROC SURVEYMEANS and PROC SURVEYREG are suitable for performing the sample-weighted analyses of the dataset. To obtain suitable estimated variances for the estimates, regions can be specified as strata (with a STRATA statement) because even though counties were used as strata during sample selection, regions were used to adjust for nonresponse. Also, the original sampling units (before splitting some units for husband and wife) should be considered in variance estimation. This is done in SAS with a CLUSTER statement, specifying the variable "case id" as the cluster.

The sample is designed to estimate characteristics of acres such as "number of acres owned by females over 40 years of age." The sample is not designed to estimate characteristics of owners such as "the number of owners that are females over 40 years of age." Computation of statistically consistent estimates of characteristics of owners requires knowing the total acres owned by the responding individual. Only information on acres in the particular ownership unit is collected.

Appendix B:
LAND OWNERSHIP QUESTIONNAIRE
2007

SCREENER

1a. According to tax records, as of July 1, 2007, you had an ownership interest in land located in _____ County, _____ Township, Section ____, the _____quarter of the _____ quarter. Is that correct?

1 = Yes [GO TO Q2a.]
2 = No
3 = Respondent represents the owner (Proxy) [GO TO Q2a.]
4 = Institution owns land [GO TO Q2a.]

[IF DON'T KNOW, PROBE TO CLARIFY. IF NECESSARY, FIND OUT WHO CAN VERIFY OWNERSHIP and RECORD NAME and PHONE NUMBER FOR SUPERVISOR TO CALL. CLOSE.]

b. Did you have an ownership interest in this land before July 1, 2007?

1 = Yes
2 = No [PROBE TO DETERMINE ERROR AND DESCRIBE. IF NO OWNERSHIP, CLOSE.]

c. Who owned this land as of July 1, 2007?
[RECORD NAME, PHONE #, AND ADDRESS. THEN CLOSE.]

2a. Was this land used for agricultural purposes (crops, livestock, etc.) this year (in 2007)?

1 = Yes [GO TO Q3a.]
2 = No

b. Is this land a home site which is adjacent to property you own that is being used for agricultural purposes?

1 = Yes [GO TO Q3a.]
2 = No → c. What is this land used for?

OPEN-ENDED

[IF NO TO Q2a AND 2b, CLOSE: That's all the information we need for this study. Iowa State University thanks you for your time (today/this evening).]

3a. Our records show that as of July 1, 2007 you owned this parcel of land as a [TYPE OF OWNERSHIP] [with NAME(s)]. Is this correct?

1 = Yes
2 = No → b. In what manner did you own this land?

1 = Sole Owner
2 = Joint Tenancy (husband/wife)
3 = Tenancy in Common
4 = Partnership (Legal)
5 = Life Estate
6 = Unsettled Estate
7 = Trust
8 = Corporation
9 = LLC
10 = LLP
11 = Limited Partnership
12 = Other (Specify:_____)

[IF SOLE OWNER, GO TO Q7a. ALL OTHERS GO TO Q4.]

4. How many people, **including** you, have an ownership interest in this land?

_____ # owners

[IF 1 OWNER, GO TO Q7a]

[IF 2 OWNERS, GO TO Q5.]

[IF 3 OR MORE OWNERS, GO TO Q6a]

5. Is the other owner your (husband/wife)?

1 = Yes [GO TO Q7a.]

2 = No

6a. I may need to ask a few questions about one of the other owners later in the interview. In order to select which owner, I need to list their first names. What are the first names of the other owners?

[LIST RESPONDENT FIRST.]

1._____	6._____	11._____
2._____	7._____	12._____
3._____	8._____	13._____
4._____	9._____	14._____
5._____	10._____	15._____

b. According to our selection process . . .

[#1 SELECTED:] you are the only owner we will need to talk with.

[#2 OR GREATER SELECTED:] (**name**) is the other owner we will need to ask about.

7a. Next I have a few background questions. Are you a U.S. citizen?

1 = Yes

2 = No

b. Do you live in Iowa year-round, part of the year, or not at all?

1 = year-round in Iowa

2 = part of the year in Iowa

3 = not at all in Iowa

c. IF 7b = 1 or 2, ASK: Are you a legal resident of Iowa?

1 = Yes

2 = No

IF SOLE OWNER or Q5 = 1 (yes, spouse), GO TO QUESTIONNAIRE.

IF Q5 = 2 (no, not spouse) OR Q4 > 2 (3+ owners), ASK Q8a-f.

8a. Are all the other owners of this land U.S. citizens?

1 = Yes

2 = No

b. How many of the other owners live in Iowa year-round? _____

c. How many (of the other owners) live in Iowa part of the year? _____

d. How many (of the other owners) do not live in Iowa at all? _____

e. How many of the other owners are legal residents of Iowa? _____

f. How many of the other owners are members of your family? (are related to you by blood or marriage) Would you say . . .

1 = all of them

2 = some of them or

3 = none of them?

QUESTIONNAIRE

I. Land Ownership

1. Now I would like you to think of all the Iowa farmland you owned as a **[TYPE OF OWNERSHIP] [with name/s]** as of July 1, 2007. Do not include land owned in another manner. Please include land mortgaged, and land being purchased on contract, as well as any land owned free of debt. As of July 1, 2007, how many acres of Iowa farmland did you own as a **[TYPE OF OWNERSHIP] [with name/s]**?

   _____ acres

2. Of these acres….

   a. how many are fully paid for? _____

   b. how many are being bought under purchase contract or contract for deed? Do not include mortgaged land. _____

   c. how many are mortgaged? _____

   d. how many are owned under other financial arrangements? _____

   e. **ASK IF ACRES RECORDED IN 2d:**
   What is the other type of arrangement?

   [OPEN ENDED]

TOTAL NUMBER OF ACRES IN Q2a-d MUST EQUAL ACRES IN Q1.
IF DIFFERENT, PROBE TO RESOLVE.

3. How many acres of this land did you…

   a. purchase? _____

   b. receive as a gift from a person who was living at the time of the transfer? _____

   c. inherit? _____

   d. obtain in some other way? _____

   e. ASK IF ACRES RECORDED IN Q3d:
   How did you obtain these acres?

   [OPEN-ENDED]

TOTAL NUMBER OF ACRES IN Q3a-d MUST EQUAL ACRES IN Q1.
IF DIFFERENT, PROBE TO RESOLVE.

4. Next, we would like you to think about how long you have owned this land (that is, the land you own **[TYPE OF OWNERSHIP]**). Please try to recall when you acquired the (first/next) parcel of this land.

a. What year was that? _____

b. How many acres was that? _____

[REPEAT UNTIL ALL ACRES ARE ACCOUNTED FOR: What year did you get the next parcel of land (that you own as a [TYPE OF OWNERSHIP])?]

(a) Year	(b) # Acres
1st	
2nd	
3rd	
4th	
5th	

TOTAL NUMBER OF ACRES IN Q4 MUST EQUAL ACRES IN Q1.
IF DIFFERENT, PROBE TO RESOLVE.

II. Land Use and Characteristics

1a. On July 1, 2007, did you live on any Iowa farmland that you owned as a **[TYPE OF OWNERSHIP]**?
1 = Yes → **[GO TO Q2]**
2 = No

b. Did you live on any other farmland that you (or your spouse) own?
1 = Yes
2 = No

2. Thinking of the land you own as a **[TYPE OF OWNERSHIP]**, as of July 1, 2007, how many of these acres were being rented or leased for . . .

a. agricultural purposes, including farmsteads? _____ acres

b. industrial or commercial purposes? _____ acres

c. recreational purposes? _____ acres

d. some other purpose?

↓

e. What purpose was that?_____

3a. In 2007 were any of the acres that you own as a [**TYPE OF OWNERSHIP**] being handled by a professional farm manager?

1 = Yes → b. How many? (were handled by a professional farm manager) _____
2 = No [**GO TO Q4a**]

c. Is the professional farm manager paid a flat dollar fee, a percentage of the gross income, or in some other way?

1 = Flat dollar fee [**GO TO Q4a**]
2 = Percentage of gross income [**GO TO 3d**]
3 = Other [**GO TO 3e**]

d. IF 3c = 2, ASK: What percentage is paid to the farm manager?_____%

e. IF 3c = 3, ASK: How is the fee determined? [**OPEN-ENDED**]

4a. As of July 1, 2007, was any of the land that you owned as a [**TYPE OF OWNERSHIP**] in a government conservation program, like the CRP, WRP, or Equip?

1 = Yes → b. How many acres were in the CRP? _____
2 = No [**GO TO Q5a**]

c. How many acres were in other government conservation programs?

_____

5a. In 2007, was any of the land you own as a [**TYPE OF OWNERSHIP**] being farmed or operated by you (or your spouse or any of the other owners)?

(This would include any land in field crops, livestock, pasture, farmstead, grove, as well as any acres that are custom farmed. CRP acres are not included here.)

1 = Yes (with crops/livestock?
2 = Yes (**only** farmstead/grove)
3 = No

b. If 5a = Yes: How many acres do you operate in this way? _____

TOTAL NUMBER OF ACRES IN Q2a-d + 4b + 5b MUST EQUAL ACRES IN PART I Q1.
IF DIFFERENT, PROBE TO RESOLVE.

IF NO ACRES ARE RECORDED IN Q5b, GO TO Q8a.
IF ACRES ARE OPERATED BY THE RESPONDENT (RECORDED IN Q5b), ASK Q6 & 7:

6a. In 2007, were any of the acres that you own as a [**TYPE OF OWNERSHIP**] being custom farmed?

1 = Yes → b. How many? (were custom farmed) _____
2 = No [**GO TO Q7a**]

7a. In 2007, were any of these acres (that you own as a [**TYPE OF OWNERSHIP**]) being farmed under a production contract, such as a contract with a seed company or food processing business?

1 = Yes → b. How many? (were under a production contract) _____
2 = No [**GO TO Q8a**]

8a. Sometimes people have transferred certain rights associated with their land to others. These rights are for nonagricultural uses such as mineral rights, electrical power lines, or pipelines. Transfers like this may be in the form of a deed, lease, easement or option.

Have any of the rights on this farmland been transferred to others?

1=Yes
2=No **[GO TO Q.9]**

		Yes	**No**
b.	Have mineral easement rights been transferred?	1	2
c.	**Have wind generation easements or options been transferred?**	1	2
d.	**Have other utility easements or options been transferred?**	1	2
e.	Have any other rights been transferred?	1	2
f,	IF YES, DESCRIBE. (What other rights on this land have been transferred?) _____		

9a. Have any of the property rights on the land you own as a [TYPE OF OWNERSHIP] been placed in any conservation easement programs?
(such as the American Farmland Trust, the Conservation League, Ducks Unlimited, Pheasants Forever, or the Iowa Heritage Foundation)

1 = Yes
2 = No [IF NO, GO TO Q10]

9b. IF YES, ASK: How many acres does this involve? _____ acres

10. What is your primary reason for owning this farmland? Would you say it is . . .

1 = for your current income
2 = for a long-term investment
3 = for family or sentimental reasons
4 = or another reason? (DESCRIBE: What is your primary reason for owning this land? _____)

11. Where do you usually get information about land use options and programs available for farmland?
(such as government programs, conservation easement programs, or new options related to bio-fuels)

Do you get this information from . . .
[CHECK ALL THAT APPLY. PROBE FOR ANYTHING ELSE.]

1 = Radio or TV
2 = Newspapers or magazines
3 = from NRCS (USDA Natural Resource and Conservation Service)
4 = from Farm Service Agency (USDA)
5 = from state agencies (like the DNR or IDALS)
6 = from Iowa State University (Extension)
7 = from the Internet
8 = from individual people such as your tenant, farm manager, or other farmers
9 = or from someplace else? (DESCRIBE: Where else do you get information?_____)

12. How do you prefer to get this type of information?
(information about land use options and programs available for farmland)

Do you prefer to get it . . .
[PROBE FOR ONE BEST WAY.]

1 = in the mail
2 = on Radio or TV
3 = from newspapers or magazines
4 = from the Internet
5 = through face-to-face contact with people
6 = or in another way? (DESCRIBE: How do you prefer to get information?
_____)

[IF NO RENTED ACRES IN PART II Q2a, GO TO PART IV.]

III. Rental Arrangements

You indicated that [FILL # from II.2a] acres of your land that you own as a [TYPE OF OWNERSHIP] were being rented or leased for agricultural purposes this year. Next I have several questions relating to those acres and the rental agreements that you have.

1a. What are the most important factors you consider when choosing a tenant?
(to rent your farmland)

[OPEN ENDED]

1. How many of those acres were rented out for **cash rent** this year (in 2007)?

_____ acres

ACRES HERE MUST BE < OR = ACRES IN QII.2a.

[IF NONE FOR CASH RENT, GO TO Q10]

2a. How many different tenants are involved? _____

b. IF MORE THAN ONE: Think of the tenant who rents the greatest number of these acres from you (for cash rent). How many acres does that tenant rent from you? _____

3a. Are all of these acres located in **[FILL COUNTY]** County?
1 = Yes
2 = No → b. How many counties are they located in? _____

c. What counties are they? _____

4. How many rent payments do you receive per year (for the acres that are cash rented) from this tenant? _____
(ALLOW 1, 2 or 3)

5a. What month is the (first) payment due? _____

5b. **IF Q4 = 1, FILL 100 IN Q5b & SKIP TO Q7. IF Q4 = 2 OR 3, ASK:**

What percentage of the rent is due at that time? _____ %

6a. What month is the next payment due? _____

6b. What percentage of the rent is due at that time? _____ %

6c. What month is the next payment due? _____

6d. What percentage of the rent is due at that time? _____%

7a. How many years has this tenant been renting this land? _____ years

7b. Are you related to this tenant (either by blood or by marriage)?
1 = Yes
2 = No

7c. Is your rental agreement written or verbal?
1 = written
2 = verbal

8. Is the cash rent a fixed amount, or is it flexible, based on the yield or price?
1 = fixed amount
2 = flexible, based on the yield
3 = flexible, based on crop price
4 = flexible, based on both yield and price

9a. Is the rental agreement set for a fixed number of years?
1 = Yes, fixed number of years b. How many years is the lease for? _____ years
2 = No, indefinite, year-to-year, etc.

9c. How often do you (or the other owners) actually go to the site to check on this land during a typical farming season? Would you say, . . .
1 = never,
2 = once or twice,
3 = once a month,
4 = once a week, or
5 = daily?

10. How many acres were rented on a **crop-share** basis? _____ acres

[ACRES IN III.1 + III.10 MUST BE LESS THAN OR EQUAL TO ACRES IN II.2a.

IF NOT, ASK:
I'm sorry. I had recorded that you rented out [FILL # in II.2a] acres but I must have something wrong here. What is the rental situation with these acres?
[ADJUST AS NEEDED.]

[IF NONE ON CROP-SHARE, GO TO Q18a.]

11a. How many different tenants are involved? _____

b. IF MORE THAN ONE: Think of the tenant who rents the greatest number of these acres from you (on crop share). How many acres does that tenant rent from you? _____

12a. Are all of these acres located in **[FILL COUNTY]** County?

1 = Yes
2 = No → b. How many counties are they located in? _____
c. What counties are they? _____

13. We are interested in how you are involved in your crop-share arrangement. First of all, what percentage . . . IF RESP. DOES NOT USE OR DO THIS (e.g., do not custom combine, etc.), ENTER 1.

a. of the yield do you receive? _____ %
b. of the seed cost do you pay? _____ %
c. of fertilizer costs do you pay? _____ %
d. of any custom hired fertilizer application do you pay? _____ %
e. of herbicide costs do you pay? _____ %
f. of insecticide costs do you pay? _____ %
g. of any custom hired pesticide spraying do you pay? _____ %
h. of the liming cost do you pay? _____ %
i. of drying costs do you pay? _____ %
j. of any custom hired combining do you pay? _____ %

14. We are also interested in whether different farming decisions in your crop-share arrangement are made by you, by your tenant, or by the two of you together.

(First of all,) who decides what . . .	**Owner Only**	**Tenant Only**	**Together**	**Handle Separately**	**Don't Do (NA)**
a. crops to plant?	1	2	3	X	4
b. seed variety to use?	1	2	3	X	4
c. fertilizer type and rate to use?	1	2	3	X	4
d. pesticide type and rate to use?	1	2	3	X	4
e. crop insurance to buy?	1	2	3	4	5

15a. Who pays for hauling your share of the crop (or yield) – you or the tenant?
1 = Respondent (Owner)
2 = Tenant
3 = Shared cost, 50-50

IF 15a = 2 or 3, ASK:
15b. Does the tenant haul your share . . .
1 = from field to farm,
2 = or from field to elevator?

[INTERVIEWER: Make notes if another hauling arrangement is in place.]

16a. How many years has this tenant been renting this land? _____ years

16b. Are you related to this tenant (either by blood or by marriage)?
1 = Yes
2 = No

16c. Is your rental agreement written or verbal?
1 = written or
2 = verbal?

17a Is the rental agreement set for a fixed number of years?
1 = Yes, fixed number of years b. How many years is the lease for? _____ years
2 = No, indefinite, year-to-year, etc.

17c. How often do you (or the other owners) actually go to the site to check on this land during a typical farming season? Would you say, . . .
1 = never,
2 = once or twice,
3 = once a month,
4 = once a week, or
5 = daily?

18a How many acres were rented out under some **other type** of arrangement? _____

b. (What was the arrangement?) **[OPEN-ENDED]**

ALL 3 TYPES OF RENTED LAND MUST EQUAL THE ORIGINAL TOTAL OF RENTED ACRES IN PART II, Q2a.

IV. Future Plans

1a. Think about the land you own as a [TYPE OF OWNERSHIP] that is being used for agricultural purposes. Do you think any of this land will be used for something other than agriculture within the next five years?
1 = Yes
2 = No [GO TO Q2]

1b. About how many acres will be used for something else? _____ acres

1c. What will this land be used for? **[OPEN-ENDED]**

2. Next, we would like you to think about how you anticipate transferring the ownership of the land that you own as a [**TYPE OF OWNERSHIP**]. Even though we know that these plans may change in the future, we would like to know how you **currently** expect to transfer the land.

Do you expect to…		**YES/MAYBE**	**NO**
a.	will any of it to a family member?	1	2
b.	will any of it to others?	1	2
c.	give any of it to a family member?	1	2
d.	give any of it to others?	1	2
e.	sell any of it to a family member?	1	2
f.	sell any of it to others?	1	2
g.	put any of it in a trust? (including living or testamentary trusts)	1	2
h.	do anything else? (i. what else do you plan to do? _____)	1	2

3. How has the recent increase in land values affected your plans for the use of your farmland that you own as a [TYPE OF OWNERSHIP]? Are you more likely. . .
   1 = to sell some or all of your land in the near future
   2 = to maintain ownership of the land
   3 = or has the increase in land values not affected your future plans for this land

4. How has the recent increase in land values affected the likelihood that you might **buy** more land in the near future? Would you say that you are. . .
   1 = more likely to buy
   2 = less likely to buy
   3 = or is there no change

V. Respondent Characteristics

1. Now I have some background questions about you.
   CODE GENDER. ASK IF UNSURE: Are you male or female?
   1=Male
   2=Female

2a. This past year, in 2007, did you farm full-time, part-time, or not at all?
   1 = farmed full-time
   2 = farmed part-time
   3 = did not farm at all → **GO TO Q3a**

b. How many acres did you farm this year? _____ acres

c. Did you raise crops, livestock, or both?
   1 = crops only
   2 = livestock only
   3 = both crops and livestock

d. About how many years have you been farming? _____

e. Are you also currently employed off the farm?
1 = Yes
2 = No
AFTER 2e, SKIP Q3, FILL "1 = Employed" IN Q4, & GO TO Q5.

3a. **Q2a = 3, DID NOT FARM, ASK:**
Have you ever operated a farm?
1 = Yes
2 = No → **GO TO Q4**

b. How many years did you farm? _____

[IF Q2a = 1 OR 2 (Farmed FT or PT), FILL "1 = Employed" IN Q4 & GO TO Q5.]

4. Are you currently . . .
1 = employed,
2 = unemployed,
3 = retired,
4 = disabled, or
5 = caring for your home or family?

5. What has been your primary occupation most of your adult life?
1 = Farming
2 = Homemaker
3 = Other (specify:_____)

6. What is your current age? _____

7. Are you currently . . .
1 = married or living as married,
2 = separated,
3 = divorced,
4 = widowed, or
5 = single and never been married?

IF PART II Q1a or b = Yes, FILL 1 IN Q8 & SKIP TO Q9.

8. Do you currently live . . .
1 = on a farm,
2 = in a rural area but not on a farm,
3 = in a town of less than 2500,
4 = in a town from 2500 up to 10,000,
5 = in a town of 10,000 up to 50,000,
6 = or in a city of 50,000 or more?

9. What is the highest level of education you have completed? Please include any college, vocational, or technical training.
   1 = 11th grade or less
   2 = High school (includes GED)
   3 = Some post-high school but no 4-yr degree
   4 = B.S., B.A., etc.
   5 = Graduate degree completed (Masters, PhD, MD, etc.)

IF ADDITIONAL OWNER SELECTED FOR DEMOGRAPHICS, ASK Q10 - 18 PLUS Q37 BELOW.
IF NO ADDITIONAL OWNER SELECTED, GO TO Q37.

10. Now I have a few similar questions about **[NAME2]**.
    RECORD GENDER. ASK IF UNSURE: Is **[NAME2]** male or female?

    1=Male
    2=Female

11a. This past year, in 2007, did **[NAME2]** farm full-time, part-time, or not at all?
   1 = farmed full-time
   2 = farmed part-time
   3 = did not farm at all → **GO TO Q12a**

b. How many acres did (he/she) farm this year? _____ acres

c. Did (he/she) raise crops, livestock, or both?
   1 = crops only
   2 = livestock only
   3 = both crops and livestock

d. About how many years has **[NAME2]** been farming? _____

e. Is (he/she) also currently employed off the farm?
   1 = Yes
   2 = No
   AFTER 11e, SKIP Q12, FILL "1 = Employed" IN Q13, & GO TO Q14.

12a. Q11a = 3, DID NOT FARM, ASK:
   Has (he/she) ever operated a farm?
   1 = Yes
   2 = No → **GO TO Q13**

b. How many years did (he/she) farm? _____

[IF Q11a = 1 OR 2 (Farmed FT or PT), FILL "1 = Employed" IN Q13 & GO TO Q14.]

13. Is **[NAME2]** currently . . .
    1 = employed,
    2 = unemployed,
    3 = retired,
    4 = disabled, or
    5 = caring for home or family?

14. What has been **[NAME2]'s** primary occupation most of (his/her) adult life?
    1 = Farming
    2 = Homemaker
    3 = Other (specify:_____)

15. What is **[NAME2']s** current age? _____

16. Is **[NAME2]** currently . . .
    1 = married, living as married,
    2 = separated,
    3 = divorced,
    4 = widowed, or
    5 = single, never been married?

17. Does **[NAME2]** currently live . . .
    1 = on a farm,
    2 = in a rural area but not on a farm,
    3 = in a town of less than 2500,
    4 = in a town from 2500 up to 10,000,
    5 = in a town of 10,000 up to 50,000,
    6 = or in a city of 50,000 or more?

18. What is the highest level of education (he/she) has completed? Include any college, vocational, or technical training.
    1 = 11th grade or less
    2 = High school (includes GED)
    3 = Some post-high school but no 4-year degree
    4 = B.S., B.A., etc.
    5 = Graduate degree completed (Masters, PhD, MD, etc.)

    AFTER Q18, GO TO Q37 AND CLOSE.

DEMOGRAPHIC SECTION FOR JOINT TENANCY HUSBAND/WIFE OWNERS

19. Now I have some background questions about you and your (spouse/husband/wife).
    During the past year (in 2007), were either of you involved in farming?
    1 = Yes
    2 = No → RECORD GENDER, NEXT QUESTION THEN GO TO Q22a

20. RECORD GENDER. ASK IF UNSURE: Are you male or female?
    1 = Male
    2 = Female

21a. Would you say that you, yourself, farmed full-time, part-time, or not at all?

1 = Farmed full-time
2 = Farmed part-time
3 = Did not farm at all

b. How many acres did you (and your husband/wife) farm this year? _____ acres

c. Did you raise crops, livestock, or both?

1 = crops only
2 = livestock only
3 = both crops and livestock

d. About how many years have you (either or both of you) been farming? _____

IF 21a = 1 OR 2 (RESPONDENT FARMS), ASK:

e. Are you also currently employed off the farm?

1 = Yes
2 = No

22a. IF Q19 = 2 (Household did not farm), ASK:

Have you (and your husband/wife) ever operated a farm?

1 = Yes
2 = No → **GO TO Q23**

b. How many years did you farm? _____ **[THEN GO TO Q23]**

IF Q21a = 1 or 2 (Farms FT or PT), FILL "1 = Employed" IN Q23 AND GO TO Q24.
IF Q19 = 2 (No) OR Q21a = 3 (Did not farm at all), ASK:

23. Are you currently . . .

1 = employed,
2 = unemployed,
3 = retired,
4 = disabled, or
5 = caring for your home or family?

24. What has been your primary occupation most of your adult life?

1 = Farming
2 = Homemaker
3 = Other (specify:_____)

25. What is your current age? _____

26. FILL MARITAL STATUS 1 = Married

IF PART II Q1a or b = Yes, FILL 1 IN Q27 & SKIP TO Q28.

27. Do you currently live . . .
    1 = on a farm,
    2 = in a rural area but not on a farm,
    3 = in a town of less than 2500,
    4 = in a town from 2500 up to 10,000,
    5 = in a town of 10,000 up to 50,000,
    6 = or in a city of 50,000 or more?

28. What is the highest level of education you have completed? Please include any college, vocational, or technical training.
    1 = 11th grade or less
    2 = High School (includes GED)
    3 = Some post-high school but no 4-yr degree
    4 = B.S., B.A., etc.
    5 = Graduate degree completed (Masters, PhD, MD, etc.)

SPOUSE DEMOGRAPHICS

29. Now I have a few similar questions about **[SPOUSENAME]**.
    FILL GENDER WITH OPPOSITE OF Q20 & CONTINUE.
    1 = Male
    2 = Female

IF Q19 = 1 (INVOLVED IN FARMING), ASK:

30a. This past year, in 2007, did **[SPNAME]** farm full-time, part-time, or not at all?
    1 = Farmed full-time
    2 = Farmed part-time
    3 = Did not farm at all → **GO TO Q31**

IF Q30a = 1 OR 2 (FARMED FT OR PT), ASK:

b. Is **[SPNAME]** also currently employed off the farm?
    1 = Yes
    2 = No

IF Q30a = 1 or 2 (Farms FT or PT), FILL "1 = Employed" IN Q31 & GO TO Q32.
IF Q19 = 2 (No) OR Q30a = 3 (Did not farm at all), ASK:

31. Is [SPNAME] currently . . .
    1 = employed,
    2 = unemployed,
    3 = retired,
    4 = disabled, or
    5 = caring for home or family?

32. What has been **[SPNAME]'s** primary occupation most of (his/her) adult life?
    1 = Farming
    2 = Homemaker
    3 = Other (Specify:_____)

33. What is **[SPNAME]'s** current age? ____

34. FILL MARITAL STATUS 1 = Married

35. **FILL WHERE SPNAME LIVES (FARM, TOWN SIZE) THE SAME AS Q27.**

36. What is the highest level of education (he/she) has completed? Include any college, vocational, or technical training.
    1 = 11th grade or less
    2 = High school (includes GED)
    3 = Some post-high school but no 4-year degree
    4 = B.S., B.A., etc.
    5 = Graduate degree completed (Masters, PhD, MD, etc.)

ASK ALL:

37. This completes the interview. Is there anything you would like to tell us about the ownership of farmland that may be helpful to our project?

OPEN-ENDED

Thank you for your time today.
Iowa State University appreciates your interest and cooperation with our study.