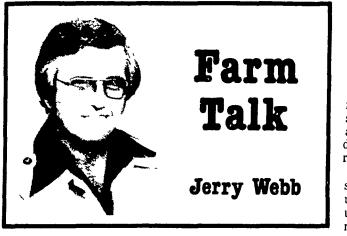
C20—Lancaster Farming, Saturday, July 12, 1980



Absentee landowners aren't all bad, particularly in today's farm economy

I could probably be shot for saying that in some places, and this may be one of those places, but the financiers of $\epsilon_{\rm griculture}$ – bankers, investors – nake a pretty persuasive case for the merits of absentee farmland ownership

When you're talking about absentee landowners, you include a wide range of folks Everything from the widowed farm wife who's gone to live with her sister in Tallahassee to the Philadelphia dentist looking for an inflation hedge, to the union pension fund manager who's trying to maximize worker benefits, and to the land speculator who is looking for a quick buck

To that list you can add a lot of other folks, up to and including some foreign investors who have faith in American farmland even though they don't have much faith in the American dollar, or anything else American

When you start drawing lines and deciding who should or should not own farmland, you enter into a dangerous arena If you're truly interested in protecting family farmers, then rules should say that no one can own farmland except family farmers And obviously, that won't work

What happens to the family farmer when he passes on and none of his heirs want to continue in that business? I suppose you could pass a law that says the land must be sold to another family farmer, but that would certainly limit the bidding and hurt the 'cirs who may have spent a lifetime developing that unit and who are entitled to its full value

What about the sons and daughters who inherit a farm but who are actively involved in other careers in other places and have no immediate plans to return to the home place? Should they be forced to sell to a local farmer just to preserve the tradition of family farming?

What's wrong with them continuing to own that land and renting it to a local family farmer who wants to expand?

Or for that matter, what's wrong with a farmer wanting to retire and sell out to whoever will pay him the most money? Maybe it's an investment company or maybe a land speculator Maybe the farmer next door All of them are potential buyers, so why not let the one with the strongest desire buy the property? One of the unique things about a farm is that when it changes ownership it usually remains in farming Sure there are pressures to take farmland out of production and use it for other things, but that pressure is pretty much confined to some fairly small areas of urban growth and to places where eminent domain takes priority regardless of who owns it Meanwhile, farms tha are

sold to off-farm investors usually remain as farming units to be rented to neighboring farmers who need the land for their own expansion plans

Really, those farmers benefit High land rents are seldom high enough to cover the true cost or ownership and self to the the rent are able to expand at

less than retail cost. Occasionally farmland is

bought up by large conglomerates who want to go into the farming business It happens often enough to keep the myth alive, but in practice it's a rare occurrence. Seldom does a large off-farm corporation buy up a bunch of land and set up a farming business.

If anything, the trend is in the other direction--of corporations selling off their farmland and getting out of farming

And who's buying those corporate farms? In many instances, it's the neighborhood farmers

Usually they're bidding against investors who are hoping to ride the land inflation phenomena into a tidy profit Meanwhile, the



5670 Size 7 Statle & ply rating Plus St 56 FET

57520 Size 11 Le15 & ply rating Plus 52 45 FET

GOOD/YEAR FENTER

ΠRE

neighboring faimers till the land

So unlike a rare painting that sound once in a lifetime for some phenomenal price and is then whisked off to a gallery in some faraway place, a farm is sold and stays a farm The operator may change and perhaps some of the kinds of farming that once occurred disappear But each spring the

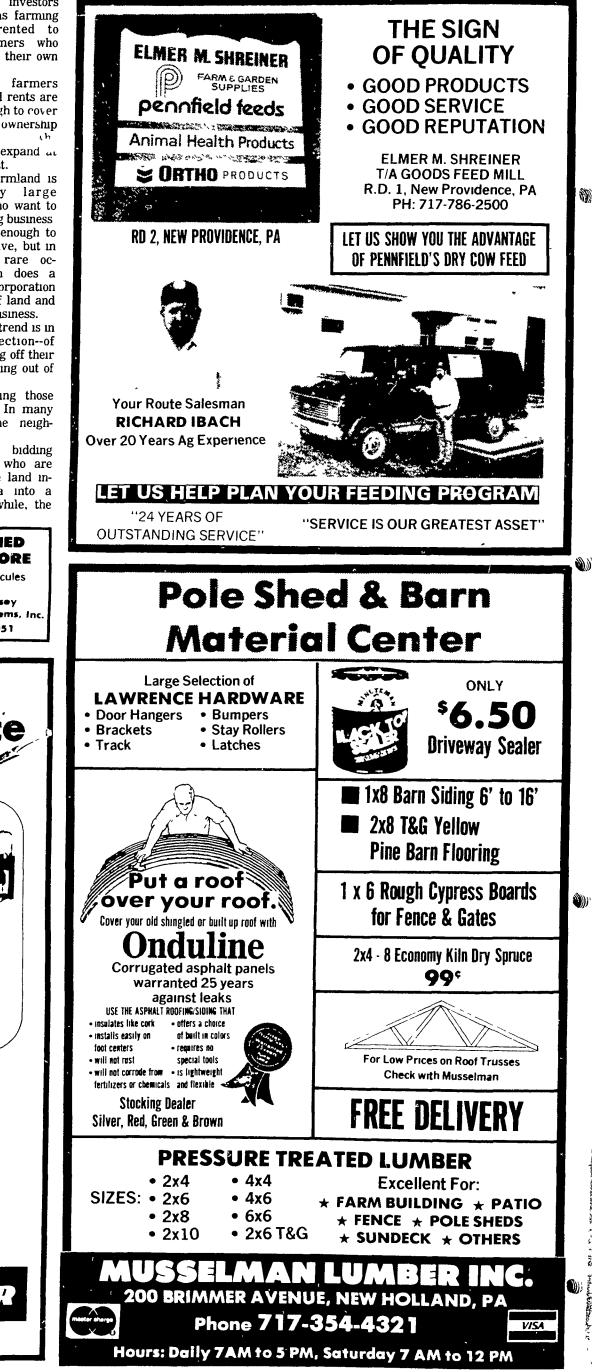
ground is plowed, the crops are planted and the productivity in that farming area continues

One real estate expert I read recently makes a strong case for the off-farm investor, saying that without him large farm corporations will appear, the family farm will disappear, and land values will fall.

e Bert Hanson, an Iowa

farm realtor, claims the investor is a steadying influence on farmland prices and is really no threat to the family farm. As evidence, he cites the fact that 90 percent of all farm purchases are made by farmers and that the investor never pays as much for land as the farmer, except in very unusual circumstances

(Turn to Page C21)





One call to this number brings him right to your farm And with him come the tools and the training to get the job done fast What s more the offers you the most complete line of Goodyear farm tires around plus a wide range of important services to keep you rolling

Whatever your particular tire needs may be you can rely on your. Pit Stop man to be at your service — whenever and wherever you need him.

JUST GIVE US OR YOUR LOCAL GOODYEAR DEALER A CALL!

Complete Headquarters For Farm Truck and Auto Tires



1062 MANHEIM PIKE, LANCASTER, PA