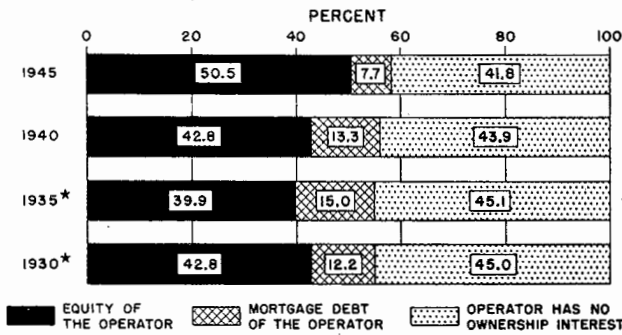


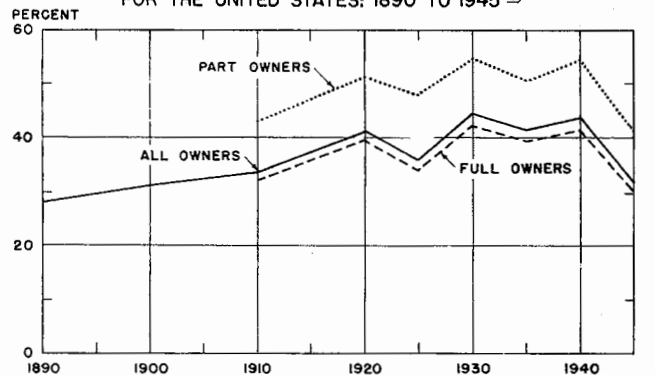
## EQUITY OF FARM OPERATORS IN THE FARM REAL ESTATE THEY OPERATE: SELECTED YEARS

EQUITY OF OPERATORS IN THE VALUE OF FARMS THEY OPERATED, FOR THE UNITED STATES: 1930 TO 1945



\* VALUE OF OWNED PORTION OF PART-OWNER FARMS ESTIMATED FOR 1930 AND 1935

PERCENT OF OWNER-OPERATED FARMS WHICH WERE MORTGAGED, FOR THE UNITED STATES: 1890 TO 1945 <sup>1/</sup>



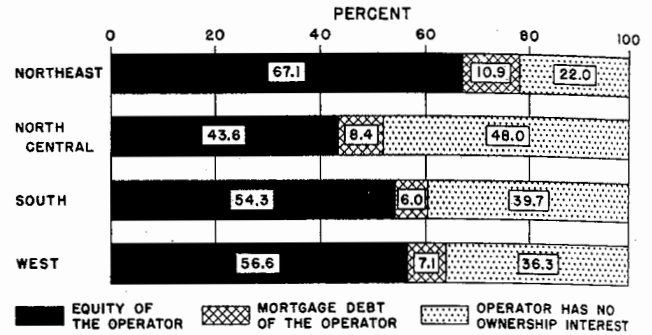
<sup>1/</sup> DATA FOR 1890 AND 1900 REPRESENT NUMBER OF OWNED FARM HOMES; DATA FOR 1910 AND 1925 ARE FOR OWNERS REPORTING AMOUNT OF DEBT ONLY.

Indebtedness secured by farm real estate in the United States in 1945 was at the lowest level reported since 1914. In 1945, the estimated total farm real-estate debt stood at \$4,932,942,000, which represented a reduction of 25.1 percent from the total for 1940 and a decline of 48.8 percent from the total for 1930. Farm-mortgage indebtedness reached its highest figure in 1923 when it amounted to \$10,785,621,000. The decrease in total indebtedness and an increase in the value of farms between 1940 and 1945 reflect increased equities of owners of farms as well as lower ratios of debt to value. For the country as a whole, the average equity per mortgaged farm increased from \$3,929 in 1940 to \$6,672 in 1945, although the average debt for the farms that remained under mortgage increased from \$2,786 to \$2,882.

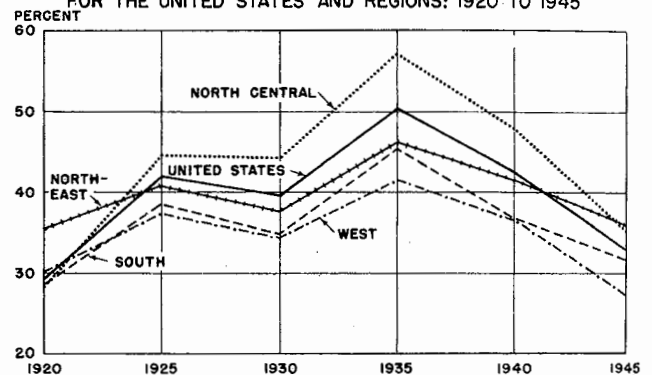
Of the \$46,388,925,560 representing the total value of farm real estate in 1945, \$27,005,381,330 represented the value of the portion owned by the operator, and the debt on the owned portion was estimated to be \$3,559,712,000. The \$23,445,669,330 equity of owner operators in the farms they operated, therefore, represented 50.5 percent of the total value of farm real estate. This percentage was higher in 1945 than in any of the three preceding censuses. The proportion of the total value of farm real estate that was rented has declined in each of the last three intervals between census years. This decline has been less marked than the decline in acres rented.

In 1945, the equity of owner operators in the owned portion of the farms they operated was 86.8 percent of the value of such lands. The percentages for the four regions were as follows: Northeast, 86.1; North Central, 83.9; South, 90.1; and West, 88.8. Because the proportion of owner-operated land varies considerably among regions, the equity of owner operators as a percentage of the total value of all land in farms showed a different pattern, being 67.1 in the Northeast, 43.6 in the North Central, 54.3 in the South, and 56.6 percent in the West. In the North-

EQUITY OF OPERATORS IN THE VALUE OF FARMS THEY OPERATED, BY REGIONS: 1945



RATIO OF DEBT TO VALUE FOR MORTGAGED FULL-OWNER FARMS, FOR THE UNITED STATES AND REGIONS: 1920 TO 1945



east, where a high proportion of the value was either held by the owner or covered by mortgage, only slightly more than one-fifth was represented by rented lands and buildings. This is in comparison with almost one-half in the North Central States and about two-fifths in the South and in the West.

Mortgaged owner-operated farms increased from 28.2 percent of the total reporting mortgage status in 1890 to 44.6 percent in 1930; in 1940 the percentage was 43.7 and in 1945 it was 32.0. The decline was rapid during World War II. The proportion of mortgaged full-owner farms followed rather closely the trend for all owners. The proportion of mortgaged part-owner farms increased from 43.0 percent in 1910 to 54.7 in 1940, but had declined to 41.3 in 1945.

In 1920, the amount of mortgage debt represented 29.1 percent of the value of the full-owner farms and increased to a peak of 50.2 percent in 1935. It had declined to 32.9 percent by 1945. Although the total mortgage debt on full-owner farms had begun to decline in the 1920's, farm values, during the depression years of the early 1930's, decreased to such an extent that the ratio of debt to value reached the highest level in 1935.

The ratio of mortgage debt to value of full-owner farms has fluctuated less in the Northeast than in any of the other regions. In 1920 and 1945, it was above the national average, while for the years 1925 through 1940 it was below. The ratio for the North Central Region has fluctuated most. It was lower than the ratio for any other region in 1920, then remained the highest until 1945 when it dropped to second place or slightly below the ratio for the Northeast. The ratio for the West fluctuated only slightly more than that for the Northeast and has remained below the ratio for all the other regions except in 1920. The ratio for the South also fluctuated considerably but remained just above that for the West, except in 1920.