

Land Market Activity in North Dakota

Fourth Quarter 1944¹

By

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A continued rise in prices and a decrease in volume of sales from the peak of 1943, characterize the land market in North Dakota this quarter. High farm income and the gradual reduction of the supply of public and corporate lands for sale are the major factors causing price rises. A large part of the land held by public and corporate owners four years ago is now in the hands of farmers, many of whom lost land during the thirties. Sales by the Federal Land Bank, the Bank of North Dakota, the State School Land Department and the counties decreased about 70 percent from a year ago.

Trend in Land Prices

The index of land prices, for other than county tax-deed sales, in the four counties in North Dakota shows a 58 percent increase from 1941 to 1944. The index (1941=100) was 121 in 1942, 139 in 1943, and 158 in 1944. Although the average rate of increase for the four counties was fairly constant, there was considerable variation between counties. From 1941 to 1944, prices in Traill County increased 26 percent, in Ward County 43 percent, in Stutsman County 69 percent, and in Morton County 107 percent. The largest increases the past year were in Morton and Ward Counties (table 1).

The prices of county tax-deed sales, grouped according to the proportion of cropland in each tract, in most cases have decreased (table 2). This is due largely to a decrease in the quality of land sold. The best tracts were purchased first and the less desirable tracts are now left at lower prices. Considering quality, the market is up rather than down. Most coun-

ties have made little change in their listing prices of county tax-deed land, and it wasn't until the better tracts were sold and the general price of land was higher that some of these tracts were considered by purchasers. The prices of land, other than county tax-deed sales, similarly grouped, have increased considerably (table 3). A wide range in price is obvious between sales of tracts with various proportions of cropland.

Finance of Land Sales

The proportion of cash sales continued to increase, the proportion of contracts for deed continued to decrease, and the proportion of mortgage sales remained practically unchanged. Approximately 62 percent of the sales this quarter were for cash, 25 percent were contracts for deed, and 13 percent had mortgages. A year ago, cash sales made up 46 percent of the sales, contracts for deed 44 percent, and sales with mortgages 10 percent. The average of the buyers' equity in mortgaged sales this quarter, ranged from 38 percent in Ward County to 49 per-

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²Based on voluntary transfers in Morton, Stutsman, Traill and Ward Counties, including county, state and public credit agency contracts for deed.

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cent in Morton County. The average of the buyers' equity in contract for deed sales in all counties ranged from 15 to 26 percent.

There were 110 sales with mortgages this quarter. Of these, 99 had sceller mortgages, two had assumed mortgages, and 9 had new mortgages. Five of the new mortgages were to individuals, one was to an insurance company, one was to a bank, and two were to a college in the State. Apparently, little new out-of-state money is being loaned on North Dakota farm land.

Volume of Sales

Voluntary sales in the four counties this quarter totaled 332. This is slightly less than in the fourth quarter of 1941 or 1942, and is only 57 percent of the sales in the fourth quarter of 1943. Sales this quarter in Morton County were 30 percent of the number a year ago, in Stutsman County 42 percent, and in Ward County 77 percent. There was an increase of 26 percent in the number of sales in Traill County.

The volume of sales from 1941 to 1944 fluctuated widely and has shown little direct relationship to price changes. The counties and some corporations established a policy of liquidating their holdings and land was priced to sell, hence a large volume resulted. It appears now, however, that the bulk of these holdings has been sold.

During the last four years, 32.8 percent of the land in farms in Ward County has been sold, compared with 29.2 percent in Stutsman County, 20.7 percent in Morton County and 13.0 percent in Traill County (table 4). Activity was high in Ward County all four years, in Stutsman County the last three years and in Morton in 1943.

Sellers

Individuals, including sales by estates, made up about three-fifths of the total sales this quarter, corporations about one-fifth and the state and counties combined about one-fifth. Owner-operators sold 10 percent of the tracts, non-operators

43 percent, estates 7 percent, insurance companies 7 percent, commercial banks 1 percent, Federal Land Bank 6 percent, Bank of North Dakota 2 percent, other corporations 5 percent, State School Land Department 2 percent and the counties 17 percent. In the four counties, individuals sold 93 percent and estates 60 percent as many tracts as they did a year ago. The Federal Land Bank, Bank of North Dakota, State School Land Department and the counties each sold approximately 30 percent of the number of tracts they sold a year earlier. Other corporations, including the insurance companies and commercial banks, sold about 90 percent as many tracts. Of the 56 county tax-deed sales this quarter, 54 were in Ward County, and 2 were in Stutsman County, with no tax-deed sales in Morton County. This difference between counties in tax-deed sales probably is due to the counties' sales policies rather than to the supply and demand for this type of land. Four percent of the owner-operators selling this quarter were going into other civilian work and 11 percent were retiring. The remaining 85 percent of the owner-operators who sold land are still farming, but it is not known how much their operations will be affected, as it was not determined how much of the land they sold had been a part of their operating unit.

Buyers

Farmers purchased 86 percent of the tracts sold this quarter. Seventy-one percent of these farmer buyers were owner-operators or part-owners, 27 percent were tenants and 2 percent were farm boys or farm hands. These proportions are quite similar to those of a year ago. The percentage of tenant purchasers was highest in Traill County where 43 percent of the tracts were purchased by this group. Non-farmers purchased 26 percent of the tracts in Stutsman County compared with about 9 percent in the other counties.

Resales

Out of the 332 sales this quarter, 17 were resales of property purchased since October 1, 1942. This amounts to about 5 percent of total sales of the quarter, which is con-

siderably below the general average for the United States. Six of the resales were made in less than six months after purchase, 10 in less than a year and 15 in less than 18 months.

Table 1.—INDEX OF FARM REAL ESTATE PRICES OF ALL SALES, EXCEPT COUNTY TAX-DEED TRACTS, FOUR SELECTED COUNTIES IN NORTH DAKOTA.

(1941=100)

Year and Quarter	Morton County	Stutsman County	Traill County	Ward County	Average 4 Counties ¹
1941 1st	81	89	102	89	90
2d	87	82	109	105	95
3d	96	105	110	96	101
4th	111	103	88	106	102
Annual	100	100	100	100	100
1942 1st	150	119	103	91	115
2d	142	123	102	99	115
3d	132	136	94	113	118
4th	160	143	110	105	127
Annual	152	133	105	101	121
1943 1st	161	154	121	100	132
2d	156	133	96	108	121
3d	192	150	123	120	143
4th	178	174	132	115	147
Annual	172	158	123	112	139
1944 1st	208	164	126	147	159
2d	204	133	130	136	148
3d	175	153	115	142	145
4th ²	224	205	130	140	170
Annual ²	207	169	126	143	158

¹Geometric mean in which each county has equal weight.

²Preliminary.

Table 2.—AVERAGE PRICE PER ACRE OF COUNTY TAX-DEED SALES BY PROPORTION OF CROPLAND IN THREE SELECTED COUNTIES, NORTH DAKOTA 1941-1944.

Counties	Proportion of Cropland		1941	1942	1943	1944 ¹
	Percent	Dollars				
Ward	70-100	5.89	5.93	5.84	4.82	
	40-69	4.10	4.02	4.01	4.04	
	10-39	3.29	3.24	2.85	2.89	
	0-9	2.57	2.57	2.40	2.50	
Morton	60-100	7.81	3.95	5.61	6.23	
	40-59	4.11	3.22	6.14	5.38	
	20-39	3.45	3.23	3.28	2.73	
	0-19	1.01	1.68	2.73	2.63	
Stutsman	75-100	3.00	3.52	3.41	4.00	
	50-74	2.85	3.22	3.08	2.73	
	25-49	2.55	2.90	2.44	2.13	
	0-24	2.73	1.96	1.78	1.78	

¹Preliminary.

Table 3.—AVERAGE PRICE PER ACRE OF NON-COUNTY SALES BY PROPORTION OF CROPLAND IN FOUR SELECTED COUNTIES, NORTH DAKOTA, 1941-1944.

Counties	Proportion of	1941	1942	1943	1944 ¹
	Cropland				
Ward	Percent	Dollars	Dollars	Dollars	Dollars
	80-100	12.91	12.71	16.17	18.00
	60-79	11.58	12.41	11.93	16.61
	40-59	8.39	8.92	8.50	12.24
	0-39	5.49	5.15	6.28	8.38
Morton	60-100	6.70	10.73	11.83	15.64
	40-69	6.66	9.71	11.79	14.77
	20-29	5.48	8.79	8.74	11.18
	0-19	3.10	4.30	6.26	4.95
Stutsman	80-100	8.83	11.91	13.68	14.68
	60-79	8.45	9.36	12.14	12.86
	40-59	4.92	9.10	10.33	9.65
	0-39	4.11	6.21	6.46	7.53
Traill	0-100	26.43	29.32	30.39	33.59

¹Preliminary.**Table 4.—PERCENT OF LAND IN FARMS SOLD IN FOUR SELECTED COUNTIES NORTH DAKOTA 1941-1944**

Counties	1941	1942	1943	1944	Total
	Percent	Percent	Percent	Percent	Percent
Morton	4.1	4.4	7.6	4.6	20.7
Stutsman	3.7	6.0	12.9	6.6	29.2
Traill	2.2	4.0	2.2	4.6	13.0
Ward	6.6	7.4	10.5	8.3	32.8

Effect of DDT on Cattle Lice

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IN preliminary tests conducted by the North Dakota Agricultural Experiment Station, Fargo, the application of a dusting mixture composed of 10 percent DDT with pyrophyllite gave fairly satisfactory control of the short-nosed cattle louse, *Haematopinus eurysternus* and the cattle chewing louse, *Bovicola bovis*.

They are the predominating species of cattle lice in North Dakota. In these tests, three yearling steers heavily infested with the chewing lice and three two-year old heifers moderately infested with the short-nosed cattle lice were used. Examination made 24 hours after the application of the dusting mixture showed all of the chewing lice and upwards of 90 percent of the short-nosed lice destroyed. Three weeks

following the application, light infestations of recently hatched lice of both species were observed on the treated animals. However, subsequent weekly examinations of the cattle revealed no lice remaining. There was objection to this dusting mixture because of the adhesiveness of the particles which clogged the opening of the shaker-top container used to apply the dust.

DDT material supplied for testing by Merck & Co. Inc., Rahway, N. J.

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