

# The Ins & Outs of Finding Land

## Buying Rural Land In Alabama Series

People tell us that shopping for investment and recreation land in Alabama is frustrating and time consuming.

As a result many people give up, settle for less than their dream property, or pay too much.

The reason for this difficulty is there aren't a lot of large properties available, and their availability is scattered among hundreds of small "stores". The typical land buyer shops at the easy-to-find "stores" and consequently, sees only a small part of what is available for purchase.

The land market is not a big market. Consider the following <sup>1</sup>:

There aren't many landowners with large properties. Of all southern landowners, only 14% own 100 acres or more.

These owners don't sell very often <sup>2</sup>. Of all southern landowners, only 6% plan to sell in the next 5 years. The fact is 47% have owned their property for 25 or more years (78% for 10 years or more).

And, when they do sell, it's often to a family member. Of all southern landowners, 50% inherited or bought their land from a family member. These properties never saw the open market.

If a land owner decides to sell outside the family, it's hard to find out about it. The reason is many landowners handle their own land sale. In fact, the "for-sale-by-owner" (FSBO) market is huge. Our experience is that 40% to 50% of all land owners will sell their land without using an agent <sup>3</sup>. Landowners who sell once in a lifetime frequently don't have the tools or know-how to get the word out. So, the news often gets no further than the local coffee shop. On top of this, quite a few landowners who intend to sell have yet to tell anyone because of uncertainty about price or how to go about selling. In addition, most land owners work closely with local foresters, surveyors, appraisers, attorneys & loggers. Reaching these close associates is often the key to a successful conversation with a landowner. Importantly, while many FSBO properties are overpriced, some are underpriced. Anyone serious about buying rural land must find a way to reach a large number of private landowners.

Even when an owner decides to use an agent, it remains hard to find out about it. The last time we looked (2008) there were 21,355 real estate agents in Alabama, and nearly all were residential or commercial agents. Fact is, when a rural landowner decides to use an agent, they often end up with the local "residential" agent down the street. Typically these properties are poorly promoted too. Many only have a few pictures on the local Multiple Listing Service (MLS). But, many small towns don't even have an MLS, and if they do, they only cover a county or two and are accessible only to members of the local real estate board. These agents will also put some pictures on the company web site (which is not search-engine optimized), and possibly run an ad in the local newspaper (which only local people read). You'll be lucky if they have topo maps, aerial photos or timber data. As a result, a lot of good property is "under the radar" for most land buyers. Anyone serious about buying rural land must find a way to reach a large number of local real estate agents.

The result of these issues for many people is frustration and an enormous investment of time to sort it out. The typical rural land shopper only sees only a small part of what is really available. Most of what they see are properties listed by a few professional, land-focused companies (perhaps a couple dozen). They

seldom see properties promoted by thousands of local “residential” agents or landowners (by far the largest part of the market).

There are four to six land-only commercial web sites that do a good job promoting rural land in Alabama. These are used by a few real estate companies, but the majority of Alabama real estate agents and landowners don’t use them. Plus, web site rules tend to be lax so the data is often flawed, incomplete, or outdated. Fact is there is no single site with a complete collection of what’s available in the state.

Our experience is the key to finding your dream property is to look at ALL of the properties available in a given area (including those for sale by owner, and those for sale by small-town agents). Few shoppers (or agents for that matter) have the know-how and tools to comprehensively and quickly cover these bases.

The shopper who finds a way to do it will greatly increase their chances of buying a dream property at a dream price.

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### Sources:

1. [Family Forest Owners](#) - South Central Region, % of people owning 10 or more acres. GfK Roper Public Affairs; May, 2006; conducted for The Sustaining Family Forest Initiative and the Yale School of Forestry & Environmental Studies. See pages 46, 49, 50 & 58.
2. A study conducted by Cyprus Partners of every “arms-length” sale 120 acres or larger in two central Alabama counties, for the period 2003 through 2007 shows an average of 16 sales per county per year, from a pool of 475 landowners per county (owning 120 acres or more). This roughly implies a turn-over rate of 30 years.
3. Based on data collected by Cyprus Partners from 10 years of semi-annual direct mail surveys to 18,000 Alabama landowners.

### Learn More:

4. [The Private Forest-Land Owners Of The United States](#), USDA Forest Service Bulletin WO-1, 1982.
5. [National Woodland Owner Survey](#), USDA Forest Service, 2005.
6. [The Sustaining Family Forest Initiative](#).

### About the Author:

Tom Brickman helps people buy, sell and care for rural land through the companies of Land Smart Resources <sup>sm</sup>. Located in Birmingham, Alabama, Tom has 35 years experience in the land investment & management businesses. He is a Registered Forester, Certified General Appraiser and Real Estate Broker in the state of Alabama. Contact Tom at [tbrick@LandSmartResources.com](mailto:tbrick@LandSmartResources.com). This paper is just one in the “Buying Rural Land In Alabama Series”. Others are available at [www.CyprusPartners.com](http://www.CyprusPartners.com).



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