**Forest Ownership**

Most of South Carolina’s forest land is currently owned by private individuals or families, making up about 59 percent of the total. The amount of forest land held by forest industry in South Carolina, and throughout the southern region, has declined substantially in recent years. In 2006, forest industry holdings comprised just 1.4 million acres, 11 percent of the total, in South Carolina. This area is down from the 2.6 million acres reported in 1986 when forest industry holdings were at their peak. Conversely, non-forest industry corporate ownership has increased and now comprises about 18 percent, more than 2.3 million acres, of the state’s total forest lands. The majority of corporate ownership is held by timber investment management organizations (TIMOs), real estate investment trusts (REITs), and limited liability corporations (LLCs). The remainder of South Carolina’s forest lands is divided among national forests (5%); state, county, and municipal government (4%); and other federal lands (3%) (Conner et al. 2009).

Figure xx: Ownership of Forestland in South Carolina

The majority of South Carolina’s forest land is managed by 262,000 private forest landowners. As shown in Table xx below, the size of these ownerships varies from 1-9 acres to greater than 10,000 acres.
The largest class of landowners (158,000 or 60 percent of all landowners) own tracts smaller than 10 acres. These landowners, however, account for only six percent of the forest lands in South Carolina. The vast majority of forested acres, 94 percent, are in landholdings greater than 10 acres in size. This is relevant because conventional wisdom indicates that it is not financially viable to manage for forest products on tracts less than 10 acres in size. Therefore, based on tract size alone, the majority (94 percent) of family forest lands currently have the potential to be managed for a variety of uses including the production of timber (Conner et al. 2009).

Forest management offers many landowners an economically viable means of keeping land in forest use. Many landowners enjoy multiple benefits from their property, such as recreational opportunities, wildlife viewing, scenic beauty, and personal satisfaction of conserving natural resources. Periodic income from timber provides an alternative to converting forest land to other uses. Property taxes are also lower for lands in bonafide agricultural and forest use.

Millions of acres of forest land in South Carolina have changed ownership in recent years. Much of this change in ownership can be attributed to the divestiture of timberlands by forest industry. While the tracts were owned and managed by forest industry there was some assurance that the lands would remain in forests and continue to provide multiple use benefits (Conner et al. 2009). However, with the transfer of these lands to non-forest industry corporations and private individuals, the future of these forest lands becomes less predictable and subject to more frequent ownership and management changes. One thing that is certain is the number of new forest landowners in South Carolina is growing.
It is unknown what changes in ownership mean for South Carolina’s forest lands, but major
concerns are fragmentation, parcelization, and the conversion of forests to non-forest uses. It is
important to distinguish between parcelization and fragmentation of the forest, as their causes
and effects can be different. Parcelization generally refers to division of ownerships that result
in smaller holdings. Parcelized ownerships generally fragment the forest landscape, constrain
management options, adversely influence forest health and wildlife habitats, and directly and
indirectly lead to forest loss. Fragmentation refers to isolation of forest tracts from one another.
It generally results from parcelization of ownership, but can also be caused by introducing
infrastructure (roads and power lines, for example) into the forest or even forest management
activities that have the same effect. The effects of fragmentation on habitat of certain wildlife
species have been well-documented, but effects on timber availability, water quality and forest
manageability, while believed to be negative, are less certain. The projected population
increase for South Carolina and the related urbanization will only exacerbate these issues.