

Using the Center's Rural Land Market Data

The rural land analyses page provides a wealth of information on land market developments in Texas, Alabama, Louisiana, and Mississippi. Users can access analyses of prices and acreages in regional markets plus statewide analyses of land market trends. (Louisiana reports include only one region for the entire state.) In addition to those reports, Texas also includes an annual analysis for 33 smaller Land Market Areas (LMAs).

Four distinct sets of information are reported on the website under *Select a Geography*:

- The *States* dropdown menu provides access to statewide reports for the selected state.
- The dropdown menu for *Regions* produces localized regional reports (both annual and quarterly).
- *Land Market Areas* produces an annual report for a more localized, smaller land market area (Texas only).
- The *Texas Rural Land Value Trends* option accesses the website of the Texas Chapter of the American Society of Farm Managers and Rural Appraisers, which reports regional analyses of markets.

Users should regard the statistics in all reports as indicators of past general conditions in these markets. The reported data do not represent prices or values of any particular farm or ranch.

However, the statistics do provide a general guide to land market price levels and size trends.

Users should not regard the reported statistics as a substitute for an appraisal or market study of current local sales regarding the value of any particular farm or ranch.

What statewide and regional tables contain

The *States*, *Regions*, and *Land Market Area* reports provide summary statistics on prices recorded in transactions across the state. The reports all contain both *Nominal* and *Real* prices. The *Nominal* price section focuses on the prices recorded in the transactions while the *Real* prices section reports nominal prices adjusted for inflation to constant 1966 dollars for Texas and constant 2000 dollars for Alabama, Louisiana, and Mississippi. *Regions* reports present the results of an analysis of prices adjusted to a standardized distribution of acreages in regional markets used to develop the analysis of statewide land trends in the *States* report. For Texas only, an *LMA* version reports non-size-adjusted median prices for 33 much smaller localized land market areas. The *Regions* version provides an indication of market trends on a broad base while the *LMA* version is more volatile and has a more limited geographic focus.

The reported sales consist of verified transactions reflecting a mixture of land uses and conditions. The statistics in the reports reflect the overall price per acre without regard to land use. These reports focus on median prices as the most stable indicator of overall market conditions at any point.

Rural Land Market Reports. These analyses contain annual and quarterly price and tract size statistics from fourth quarter 1971 to date. Each table contains the following columns:

- **Year** is the calendar quarter and year for the statistics contained in the analysis beginning with 4Q 1971. (Annual reports contain the statistics for the fourth quarter of each year.)
- **Tract Size** is the calculated typical acreage of properties sold during four consecutive quarters ending at the date shown under “**Year**.” The reported amount is a four-quarter, weighted moving average of the sizes of reported transactions.
- **Nominal.** These statistics reflect the actual prices recorded in the reported transactions in dollars per acre.
 - **Price Per Acre**
 - **Texas:** This column reports the average of the median prices per acre for markets segmented by size of property sold in each Region. The reported price includes sales for the current quarter plus the three preceding quarters. Statewide prices are a weighted average of those regional prices. Weights are the percentage of Texas land found in each region. Thus, the statewide weighted average price represents a composite of a “typical”

acre of Texas rural land, containing a little Lower Rio Grande Valley land, a little Amarillo area land, and a little of all the land in between.

- **Eastern States:** This column reports the weighted average of the four-quarter mean of regional median prices. Weights are the percentage of statewide acreage in each region.
 - **Percentage Change (YoY)** compares the current price to the price in the same quarter of the previous year.
 - **Annual Compound Five-Year Growth Rate** is the yield achieved for a five-year investment in land sold during the current year and quarter.
- **Real.** These statistics reflect the nominal prices after adjusting them for changes in purchasing power resulting from inflation. We used the Implicit Price Deflator to make those adjustments. The amount in the real price column indicates how the current price relates to the economic environment in 1966 for Texas and 2000 for Alabama, Louisiana, and Mississippi. The resulting real prices compare current price levels with prices in prior years.
 - **Price Per Acre** is the nominal price per acre adjusted to 1966 (Texas) or 2000 (Alabama, Louisiana, and Mississippi) dollars.
 - **Percentage Change (YoY)** is the percentage change comparing the current real price to the price in the same quarter in the previous year.

Volume of Sales is the number of sales used for the price and size analysis.

- **Current Quarter** shows the number of sales for the current quarter. This column does not appear in the Annual Data report.
- **Total Last Four Quarters** has the number of sales for the current quarter plus the previous three quarters. This total also appears in the Annual Data report.