

Using the Center’s Rural Land Market Data

The Texas Rural Land provides a wealth of information on Texas land markets, including tract sizes, prices, price trends, value ranges, and lease rates. Four sets of data are reported under “Select a Geography”:

- Selecting “Texas” under the “States” tab produces annual and quarterly statewide reports.
- Selecting a region under “Regions” produces annual and quarterly reports for that region.
- Selecting a land market area under Land Market Areas (LMA) produces an annual report for smaller land market areas.
- Clicking “Texas ASFMRA” accesses the regional analysis of markets at the Texas Chapter of the American Society of Farm Managers and Rural Appraisers website.

The state, region, and LMA reports provide summary statistics on nominal transaction prices (those recorded in the transactions) and real transaction prices (nominal prices adjusted for inflation to constant 1966 dollars).

Region reports present price analysis results adjusted to standardized distributions of acreages in seven regional markets. Reports of statewide land-price trends use a weighted average of the regional prices. The LMA version reports non-size-adjusted median prices for 33 much smaller localized land market areas. The region report provides a broad view of market trends while the more volatile LMA version has a narrower focus.

The reported sales from verified transactions reflect a mixture of land uses and conditions. The statistics in the reports reflect the overall price per acre regardless of land use. These reports focus on median prices as the most stable indicator of overall market conditions at any point.

Texas Rural Land Value Trends, prepared by appraiser-members of the ASFMRA, estimates value ranges for particular land categories and qualities for each listed year. In addition, it contains estimates of ranges of land rents for various land types.

Statistics in all reports indicate past general conditions in Texas land markets. The data do not represent prices or values of any particular farm or ranch. However, they do provide a general

guide to land market price levels and trends. *The statistics are not a substitute for an appraisal or market study of current local sales regarding the value of a specific farm or ranch.*

What statewide and regional tables report

Rural Land Prices for Texas (Region). These analyses contain annual and quarterly price and tract-size statistics from fourth quarter 1971 to date.

- **Year** is the calendar quarter and year for the statistics contained in the analysis beginning with Q4 1971. (Annual reports contain statistics for the fourth quarter of each year.)
- **Tract Size.** 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 reported in the transactions in dollars per acre.
 - **Price Per Acre** reports the average of the median prices per acre for markets segmented by size of property sold in each region. For the statewide table, the price represents a weighted average of those regional prices. The percentages of total Texas land found in each region serve as the weights. 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.
 - **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 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. The Implicit Price Deflator served as the basis for those adjustments. The amount in the real price column indicates how the current price

relates to the economic environment in 1966. The resulting real prices allow comparison of current prices with any other year in the series.

- **Price Per Acre** is the nominal price per acre adjusted to 1966 dollars.
- **Percentage Change (YoY)** compares the current real price to the price in the same quarter in the previous year.
- **Annual Compound Five-Year Growth Rate** is the yield for a five-year investment in land sold during the current year and quarter.
- **Volume of Sales** is the number of sales reported for the four quarters included in the price and size analysis.