Land Market Dynamics: What's Driving Value?

Unpacking economic factors and regional shifts in multi-state land real estate.

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THE DATA

$5,246

Avg. Price Per Acre (TX)

The average price per acre for rural land in Texas saw a notable increase in the first quarter of 2026.

Texas rural land reached an average of $5,246 per acre in Q1 2026, representing a 6.02 percent year-over-year increase. This figure reflects the interplay of various economic forces and localized demand factors shaping the state's diverse land markets.

Source: Texas Real Estate Research Center at Texas A&M University · Published July 2026

01

Economic Headwinds and Tailwinds

Interest rates, commodity prices, and population growth collectively influence land values. While some regions experience pressure from elevated interest rates, others benefit from strong agricultural demand or increasing development potential. Understanding these macro and microeconomic forces is key to anticipating market shifts.

02

Regional Nuances Shape Investment Strategy

Land markets are not monolithic; significant variations exist across regions. For example, the Austin–Waco–Hill Country region saw an 8.27 percent year-over-year price increase to $8,028 per acre, while West Texas experienced a 12.87 percent increase to $2,947 per acre. Tailoring investment strategies to these specific regional dynamics is essential for maximizing returns.

Real Estate Strategy & Intelligence Leader. Democratized Blue Ocean Strategist & Operator.

Diane Hart Alexander, MBA, MHA

Designated Broker, ALEX.RealEstate

Chair & CEO, ALEX

+1 713.591.9902 · diane@alex.realestate

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