

Hill Country Land: Smaller Parcels, Higher Stakes?

Rural Texas sees evolving buyer demands reshape land market.

Swipe for insights →

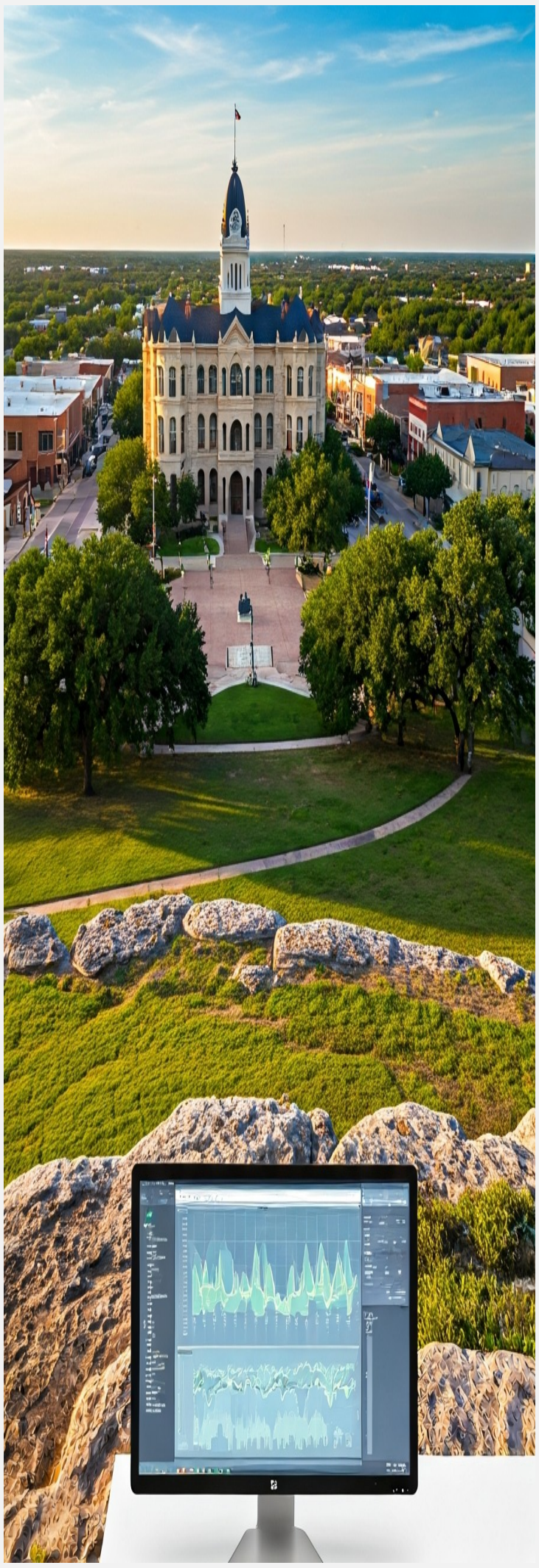
THE DATA

$3,200 per acre

Average Texas Farm Real Estate Value

This figure represents the average value of farm real estate (land and buildings combined) across the entire state of Texas.

While the statewide average shows steady appreciation, local market dynamics, particularly in sought-after regions like the Hill Country, reveal a more complex picture of land utilization and buyer preferences. This value reflects the overall health and continued demand for agricultural land assets.



Source: USDA National Agricultural Statistics Service · Published August 6, 2026

01

Shifting Buyer Demographics Drive Smaller Tract Sales

Analysis from the Texas A&M Texas Real Estate Research Center indicates a trend of decreasing typical tract sizes in rural land sales across Texas, including the Austin-Waco-Hill Country region. This suggests a growing demand for smaller land parcels, potentially from buyers seeking recreational properties or less extensive primary residences, rather than large-scale agricultural operations.



02

Price Resilience Amidst Changing Land Use Patterns

Despite the reduction in average parcel sizes, the Austin-Waco-Hill Country region experienced an 8.15 percent price increase year-over-year, reaching a new high of $7,911 per acre for rural land sales. This continued appreciation, even with smaller average transaction sizes, highlights the sustained desirability and amenity value of Hill Country land.

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



ALEX

ALEX Intelligence
deep intelligence

ALEX Real Estate
genius real estate

ALEX Advisory
uncontested strategy

ALEX Cares
purposeful philanthropy